



Newaygo County Transit Study

Newaygo County, Michigan 2026





Prepared for Newaygo County



Prepared by Transpo Group

April 2026

1. EXECUTIVE SUMMARY	2
2. INTRODUCTION AND BACKGROUND	2
3. COMMUNITY AND MARKET ANALYSIS.....	14
4. RECOMMENDED SERVICE AND PROGRAM CHANGES	37
5. RECOMMENDED STRUCTURE AND GOVERNANCE CHANGES.....	45
6. NEXT STEPS.....	64
APPENDICES	65

1. Executive Summary

1.1 Purpose of Feasibility Study

The objectives of the project are to advise Newaygo County if it is practical to establish a Federal Transportation Agency (FTA) Section 5311 Rural Area Operating Program within Newaygo County or establish a Section 5311 Rural Area Operating Program that serves both Newaygo and Oceana Counties and to explore the potential to enhance the mobility of Newaygo and Oceana County residents by establishing regional connections.

1.2 Key Findings and Recommendations

Both Newaygo and Oceana counties have, in the past, explored the potential to enhance transit services and have either not moved forward with recommendations or have voted against raising revenue for transit services. It has been over 15 years since Oceana County has been asked to raise revenue for transit, and recent developments in Newaygo County indicate that there is latent unmet demand for transit services for populations beyond the senior population that the Commission on Aging (NCCOA) primarily serves.

Through initial existing conditions analysis and stakeholder interviews, we have determined that there are no compelling reasons to develop a two-county transit system at this time. Both counties have significant cross-border travel patterns, but most of these trips are shared with other neighboring counties, not between Newaygo and Oceana counties.

The demand for transit services in Newaygo has been demonstrated by NCCOA's extension of services to people with disabilities, and to a lesser extent, the general public. NCCOA's enhanced services are meeting a significant transportation need in the community, but with funding primarily coming from the county's senior millage and reserve funds, these enhanced services are not financially sustainable without a new funding source.

Given the success of NCCOA's pilot transit services, this study recommends the creation of a transit authority to diversify the sources of funding for transit in Newaygo County and eliminate the need to cut service back to pre-2023 levels.

2. Introduction and Background

This section outlines previous public transit studies performed in both Newaygo and Oceana Counties, overview of existing transit services available in the region, and types of relevant funding available for public transit.

2.1 Previous Studies

2.1.1 Newaygo County

Newaygo County Transportation Needs Study (2011)

This study recommends that the Newaygo County Commission on Aging (NCCOA) open their services to the public, with a pilot project of one year to demonstrate viability. The study recommends focusing on the county's four incorporated cities (Newaygo, Fremont, White Cloud, and Grant) located in the south-central area of the county. The eventual goal describes a conversion to a full public transit system overseen by the county and funded by the Federal Transportation Agency (FTA) and the Michigan Department of Transportation (MDOT).

Michigan Planning Region 14 Final Coordinated Public Transit – Human Services Transportation Plan (2024)

This plan includes Newaygo, Oceana and adjacent Lake, Mason, and Muskegon counties. Key themes include a lack of transportation options in rural areas, usage stress on services for seniors and people with disabilities (including unfilled needs due to heavy utilization of these services), and limited public transit access to employment. The plan includes a “Transit Propensity Index”¹ and, given Newaygo County's large geographic spread, only highlights a single area as scoring above “very low” for transit propensity: the City of Fremont. High priorities identified in the plan include sustaining existing services through operations and funding, driver retention and recruitment, and expanding microtransit options.

2.1.2 Oceana County

Senior Resources Gap Analysis (2014)

Senior Resources, along with the Oceana County Council on Aging (OCCOA), serves seniors in Oceana County. This analysis looks at service deficiencies in the county, with the top gap identified as Transportation.

Oceana County Master Plan Update (2024)

The plan's outreach section has the public identifying “transit and mobility” and “no taxi or public transit” as weaknesses in Oceana County, and an aspiration for quality-of-life improvements involving transit. Further, the plan notes the challenge an aging population will place on current resources available in the county.

¹ The Transit Propensity Index is based on work done by the Center for Urban Transportation Research at the University of South Florida. Calculation factors include population, total employment, service industry employment, geographic area, and zero-car households. The TPI is just one way of understanding potential transit demand.

Michigan Planning Region 14 Final Coordinated Public Transit – Human Services Transportation Plan (2024)

This plan includes Oceana, Newaygo and the adjacent Lake, Mason, and Muskegon counties. Key themes include a lack of transportation options in rural areas, stress on services for seniors and people with disabilities (including unfilled needs due to heavy utilization of these services), and limited public transit access to employment. The plan includes a Transit Propensity Index and, given Ocean County’s wide geographic spread, only highlights a single area as scoring above “very low” for transit dependence: the city of Hart. High priorities identified in the plan include sustaining existing services through operations and funding, driver retention and recruitment, and expanding microtransit options.

2.2 Overview of Transportation Providers in Newaygo and Oceana Counties

2.2.1 Newaygo County Commission on Aging

NCCOA is the only organization that provides public transit rides in Newaygo County. A department of Newaygo County, the NCCOA reports to the County Administrator and is supported by a 7-person Advisory Council that meets every other month. Transportation services are overseen by the NCCOA Director and staffed by a transportation coordinator, two transportation dispatchers, and paid and volunteer drivers.

Background and Pilot Program

NCCOA’s transportation program started in 1999 and now serves as a crucial public service for residents throughout Newaygo County. Initially, NCCOA’s transportation program primarily provided trips through subscription services, bringing people to the COA’s White Cloud facility each day for lunch and activities. While the number of rides provided was significant, high late-cancelation and no-show rates among this small number of riders reduced NCCOA’s ability to meet other transit demands in the county. Riders are now required to make a reservation for these trips (in lieu of a subscription).

Prior to 2023, NCCOA contracted with nursing homes to provide transportation for their residents. These trips made demands on the NCCOA system that were beyond the training and capabilities of the NCCOA employees and prevented NCCOA from using county resources for serving people who were living at home. As such, NCCOA canceled these contracts in 2023. For the same reason, NCCOA does not offer Medicaid-paid non-emergency transportation services (NEMT), as the level of demand for these services is too high for NCCOA to manage.

As of fiscal year (FY) 2021, NCCOA’s transportation program was providing over 15,000 rides annually. In FY 2022 and 2023, NCCOA unexpectedly received approximately \$380,000 from MDOT and the FTA which, when coupled with a significant reserve balance, led the NCCOA to ask the Newaygo County Board of Commissioners to allow for these funds to be used to expand the transportation program. The Board of Commissioners affirmed the request and allowed the NCCOA to pilot a program to make



use of underutilized vehicles by expanding the system and the number people served. This pilot has included:

- Changing 3 bus driver positions from part-time to full-time.
- Adding 2 part-time dispatchers. Prior to this, NCCOA had no dispatchers.
- Adding 2 part-time van drivers.
- Implementing computer aided dispatch and scheduling software.
- Implementing various policies and procedures.

The pilot program is now in its fourth year of expanded operations, as of 2026.

Current Transportation Services

NCCOA provides door-to-door demand-response services to people aged 60 and older and individuals with disabilities in Newaygo County. NCCOA also provides rides to outside of Newaygo County for medical appointments and critical social services.

In-county trips are available Monday-Friday, 7am-4:45pm. Riders can book trips up to seven days in advance and as late as 2pm the day before; trips for medical appointments (excluding physical therapy) can be booked up to 30 days in advance. For in-county trips, NCCOA provides trips for seniors and individuals with disabilities, but the general public can also book rides if there is available space. Fares are free for seniors, individuals with disabilities, and personal care attendants. Fares for the general public range from \$1.00-\$2.00.

Out-of-county trips are available for seniors and individuals with disabilities, not the general public. Riders may book trips to locations up to 90 miles from their home, including Traverse City, Muskegon, Big Rapids, and Grand Rapids. Out-of-county trips are typically provided by volunteer drivers (NCCOA currently has five active volunteer drivers as of 2026). NCCOA also reserves two vehicles each day for out-of-county trips that require a wheelchair accessible vehicle. Out-of-county trips have a suggested donation of \$20 per round trip.

Operations

NCCOA's passenger fleet includes six lift-equipped buses and nine lift-equipped vans. These vehicles are driven by NCCOA staff, with volunteer drivers providing out-of-county trips for ambulatory riders using their own private vehicles. Volunteer drivers are reimbursed for their mileage, and these trips are booked and planned outside of NCCOA's scheduling and dispatch software (and are not tracked in rider metrics described later). In 2024, NCCOA procured TripMaster for scheduling and dispatch of NCCOA vehicles and drivers. NCCOA does not have in-house maintenance staff; vehicles are serviced by a local mechanic.

Finances

Figure 1 shows NCCOA's transportation program operating costs and transit-specific revenues starting in 2019 and estimated through 2025, excluding expenses and revenue



related to capital investments or to training supported by the Rural Transit Assistance Program.

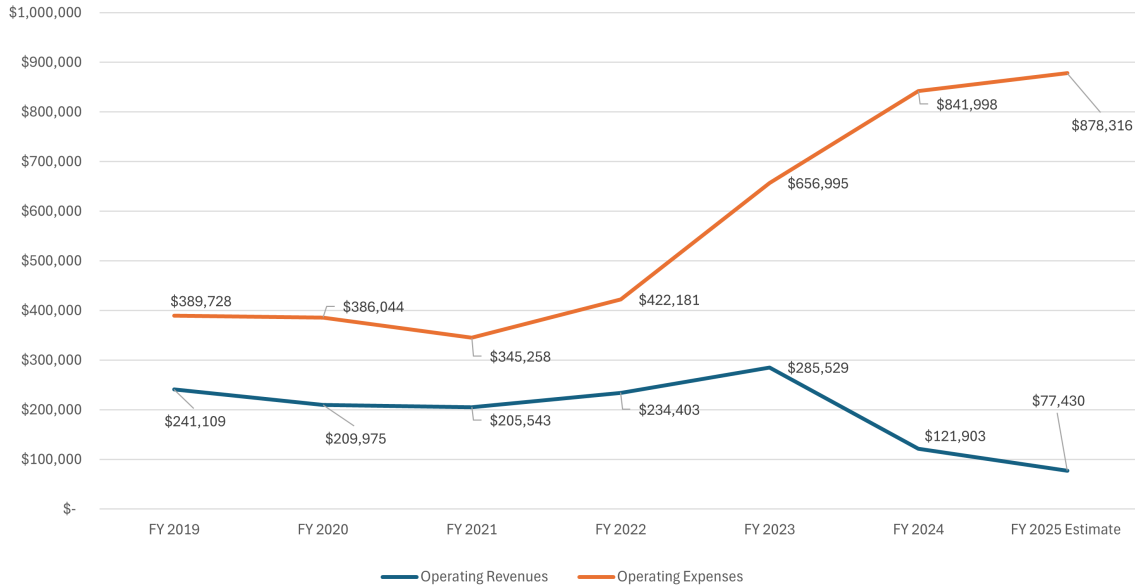


Figure 1. NCCOA transit program operating expenses and revenues, 2019-2025

Figure 1 shows the cost of operating NCCOA’s transit program has more than doubled since 2019. These increases are primarily due to two factors:

- ❑ Addition of administration costs. Prior to 2023, administrative costs were not included in total transit expenses (instead being counted as part of the larger NCCOA’s overhead). By including these expenses in the transportation budget, NCCOA now understands more accurately the costs to operate and run the transportation program.
- ❑ Increased labor costs. As seen across industries, and especially in transportation, operator costs have increased substantially. Hiring and retaining drivers since the height of the COVID-19 pandemic has been particularly challenging, and wages have risen in response. Further, new NCCOA drivers and staff have been hired to support the expanded services, leveraging the unused capacity of existing vehicles.

Revenue has also changed significantly since 2019, owing to three major factors:

- ❑ Elimination of contract services. Prior to 2023, NCCOA accepted funds from nursing homes and local medical service providers (like hospitals) to provide contracted transportation services. These services proved to be challenging to provide and hindered the NCCOA in its larger mission of serving all seniors in the county; contracts were not renewed.
- ❑ Loss of community foundation funding. Also, prior to 2023, the NCCOA was receiving funds from a local community foundation. These funds were resolicited in 2025 for use in 2026.



- Loss of pandemic-era funding. In 2020 and 2021, both state and federal funders provided financial support as part of COVID-19 relief packages. These sources continued to wind down through 2024.

As the gap between expenses and revenue widened after FY 2022, funds from the NCCOA reserve were increasingly used to close the gap. Financial support from FTA Section 5310 and the Newaygo County senior millage have been consistent through this period.

Performance

Expanded services have allowed the NCCOA to provide significantly more trips since 2021 (Table 1).

	2021	2022	2023	2024	2025
Miles Traveled	214,986	250,924	308,497	386,035	451,283
Older adults trips	10,836	13,770	17,874	21,966	20,517
Persons with disability trips	619	594	1,382	3,429	5,095
Unduplicated riders	No Data	398	561	672	693

Table 1. NCCOA transit program ridership, excluding out-of-county trips provided by volunteers, 2021-2024

These expanded services have allowed many more people to get where they need to go without the use of a private car, in a safe, convenient way. In FY 2024, NCCOA provided about 25,400 trips at a cost of about \$33/trip, a cost that is comparable with peer agencies in the region.

NCCOA has seen positive changes in many transit operational metrics between 2022 and 2024, including:

- 169% increase in riders served (from 398 to 672).
- 154% increase in miles traveled (from 251,000 to 386,000).
- 5-fold increase in trips made by persons with a disability.

These outcomes demonstrate the value to the community of having transportation available beyond just the more limited services that NCCOA previously provided.

2.2.2 Other Newaygo County Transportation Providers

Disability Network West Michigan

Disability Network West Michigan operates the New Freedom Transportation Voucher Program, a mileage reimbursement program that pays \$0.50 mile driven, and is available for persons with disabilities seeking employment, attending employment training,

transitioning from school to work, traveling to medical and rehabilitation appointments, and other covered travel categories.

Michigan Department of Health and Human Services

Michigan Department of Health and Human Services (MDHHS) provides transportation via volunteer drivers in personal vehicles to clients in Newaygo County. The program also provides rides to medical appointments outside of the county.

Newaygo County Mental Health

Newaygo County Mental Health (CMH) provides transportation via volunteer drivers in personal vehicles to their clients in Newaygo County. The program also uses agency vehicles and employees to transport clients and regularly refers clients to NCCOA for transportation.

Newaygo County Veterans Services

Newaygo County Veterans Services provides transportation via volunteer drivers in personal vehicles to veterans, mostly to out-of-county VA appointments.

Other Providers

Several private, commercial providers are available to provide NEMT or general transportation in Newaygo County.

2.2.3 Oceana County Council on Aging

The OCCOA is the only organization that provides public transit rides in Oceana County, though these rides are limited to the space available after rides for seniors and individuals with disabilities have been booked. OCCOA is a standalone non-profit organization that reports to a 10-person Board of Directors and is also supported by a 7-person Advisory Council that meets monthly. Transportation is one of several programs that OCCOA runs, and transportation services are overseen by the OCCOA Transportation Director and staffed by a transportation dispatcher and paid and volunteer drivers.

Current Transportation services

OCCOA provides door-to-door demand-response services in Oceana County. OCCOA also provides rides to medical appointments outside of Oceana.

In-county trips are available Monday-Friday, 8:00am-5:00pm. Riders are asked to book trips two days in advance. OCCOA primarily provides trips to seniors and individuals with disabilities, but the general public can book rides if there is available space. OCCOA suggests donation for the zone-based fares (see Figure 2) and the fares differ by passenger type.

- \$2.00/one-way trip seniors within a zone
- \$2.50/one-way trip seniors between zones
- \$4.00/one-way trip non-seniors within a zone
- \$5.00/one-way trip non-seniors between zones

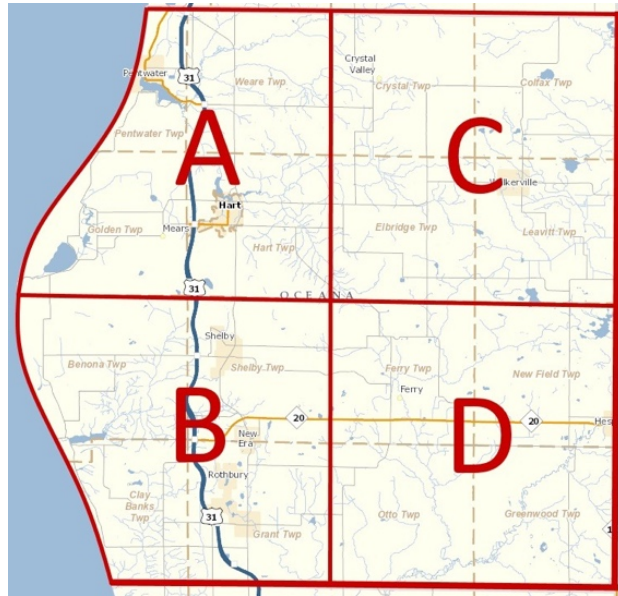


Figure 2. OCCOA Zones

Out-of-county trips are restricted to seniors, typically for medical appointments.

Out-of-county trips are typically provided by volunteer drivers, and riders pay \$0.25/mile. For out-of-county riders requiring the use of a wheelchair-accessible vehicle, OCCOA provides the service at a cost to the rider of \$12.00/hour.

Operations

OCCOA's passenger fleet includes eight lift-equipped buses and one lift-equipped van. These vehicles are driven by OCCOA staff, with volunteer drivers providing out-of-county trips for ambulatory riders using their own private vehicles. Volunteer drivers are reimbursed for their mileage.

In addition to the demand-response trips described in the services section, OCCOA provides some trips under contract:

- For West Michigan Community Health at \$55.00/rider each way, with a \$25.00 fee for late cancelations and no-shows.
- For Senior Resources of West Michigan.

OCCOA does not have in-house maintenance staff; vehicles are serviced by a local mechanic.

Funding

OCCOA is funded through a countywide senior millage, MDOT funds, funds from Senior Resources, and passenger donations. The millage funds cover over 70% of the operating

costs of providing these services. OCCOA also receives funding from the United Way of Lakeshore.

Performance

In FY 2023, OCCOA provided about 62,000 trips at a cost of \$47/trip, a cost that is slightly higher than peer agencies in the region.

2.2.4 Other Oceana County Transportation Providers

Disability Network West Michigan

Disability Network West Michigan operates the New Freedom Transportation Voucher Program, a mileage reimbursement program that pays \$0.50 mile driven, and is available for persons with disabilities seeking employment, attending employment training, transitioning from school to work, traveling to medical and rehabilitation appointments, and other covered travel categories.

Michigan Department of Health and Human Services

MDHHS provides transportation via volunteer drivers in personal vehicles to clients in Oceana County. The program also provides rides to medical appointments outside of the county.

Oceana County Veterans Services

Oceana County Veterans Services provides transportation via volunteer drivers in personal vehicles to veterans, mostly to out-of-county VA appointments.

Other Providers

Several private, commercial providers are available to provide NEMT or general transportation in Oceana County.

2.2.4 Neighboring Area Transportation Providers

AgeWell Services Senior Transportation

AgeWell Services Senior Transportation provides door-to-door non-emergency, no cost transportation for low-income Muskegon County seniors age 60 and up through volunteer drivers. The agency currently receives FYA Section 5310 and MDOT Specialized Services Program funding.

Area Agency on Aging of Western Michigan

Area Agency on Aging of Western Michigan is a regional planning, advocacy and administrative agency that plans and provides needed services to seniors.



Lake Michigan Car Ferry

Lake Michigan Car Ferry provides passenger and car ferry services between Ludington, Michigan and Manitowoc, Wisconsin.

Ludington Mass Transportation Authority

Ludington Mass Transportation Authority (LMTA) provides demand-response service to the City of Ludington, the City of Scottville, Pere Marquette Charter Township, and the US-10 corridor for commercial properties. The Ludington and Pere Marquette Charter Township Service operates Monday through Friday 6:00am to 7:00pm, Saturday 8:00am to 4:00pm, and Sunday 8:00am to 2:00pm. The Scottville Service operates Monday through Friday 7:30am to 4:30pm and Saturday 8:00am to 3:00pm. LMTA also operates Rides to Wellness, a pilot program that provides NEMT for residents of Mason County age 60 years and older and individuals with disabilities. Rides to Wellness is available Monday through Friday, 8:00am to 5:00pm.

Muskegon Area Transit System

Muskegon Area Transit System (MATS) operates seven fixed-route services in the Muskegon metro area and ADA complementary paratransit services with pre-scheduled curb-to-curb demand response services. MATS operates Monday through Friday, 7:00am to 5:50pm.

Pioneer Resources

Pioneer Resources receives MDOT New Freedom Program and Specialized Services Program funding that is used to provide supportive transportation for individuals with disabilities in Muskegon and northern Ottawa counties.

Yates Township Transportation System

Yates Township Transportation System (Yates Dial-a-Ride) operates demand-response transportation in fourteen townships in Lake County. Yates Dial-A-Ride also provides transportation to the area human service agencies, senior centers, and essential transportation for its residents with disabilities. Yates Dial-A-Ride operates Monday through Friday 6:30am to 6:00pm and Saturday 9:00am to 4:00pm. On the first Tuesday of each month, passengers can be picked up in Lake County at 10:00am and transported to the Walmart in Big Rapids; the return trip from Walmart leaves at 1:00pm. Once a week on Thursday, passengers can be picked up in Lake County starting at 10:00am and transported to the Walmart in Ludington, with the return ride leaving Walmart at 1:00 pm.

2.3 Funding Program Overviews

Funding available to public transit providers include federal, state, and local resources. For the following sections, the focus is on how these funds are available for Newaygo County but may also be considered applicable in Oceana County.



2.3.1 FTA Programs

FTA funding programs provide federal funding to states for capital, planning, and operating assistance to support public transportation. These funds are redistributed by states to public transit agencies; agencies do not receive these funds directly from the federal government. For Newaygo County, these funds are distributed as reimbursements by MDOT.

Section 5310 Enhanced Mobility for Elderly Individuals and Individuals with Disabilities Program

5310 provides formula funding to states and designated recipients to meet the transportation needs of older adults and people with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs. The program aims to improve mobility for older adults and people with disabilities by removing barriers to transportation service and expanding transportation mobility options. Funds are apportioned based on each state's share of the population for these two groups. Formula funds are apportioned to direct recipients and for rural and small urban areas in Michigan, MDOT is the recipient.

Newaygo County currently receives approximately \$122,000 in funding annually under this program for the NCCOA transportation program.

Section 5311 Rural Area Operating Program

Rural transit funding from 5311 is the most common form of federal funding for public transit services in non-urbanized areas with a population of less than 50,000, which includes Newaygo County. The program also provides funding for state and national training and technical assistance through the Rural Transportation Assistance Program.

Public transit agencies in Michigan are eligible for a reimbursement of up to 18% of their operating costs. Under this metric, approximately \$152,000 in additional operating funds could be made available annually to fund current service levels in Newaygo County were a public transit operator established in the county.

Section 5339 Grants for Buses and Bus Facilities Formula Program

Section 5339 funds capital projects to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

2.3.2 MDOT Programs

In addition to federal funds redistributed by MDOT, the State of Michigan has several funds available for public transit agencies.

Local Bus Operating

Local Bus Operating (LBO) funds are part of the state's motor fuel tax and vehicle registration revenue, as well as a portion of the auto-related sales tax. These revenues are distributed to public transit agencies by MDOT's Office of Passenger Transportation. LBO funds are available for reimbursement of existing public transit operations and may not be used for an expansion of service. To receive these funds, public transit agencies must commit to a match of local funds, such as a through a millage.

Public transit agencies in Michigan are eligible for a reimbursement of up to 28% of their operating costs. Under this metric, approximately \$236,000 could be made available annually to fund current service levels in Newaygo County were a public transit operator established in the county.

Specialized Services Program

The MDOT Specialized Services Program provides funding to 5310 agencies to offset a portion of operating cost. According to MDOT, "the service to be provided is based on an annual application approved by the Michigan Department of Transportation (MDOT) Office of Passenger Transportation (OPT). Specialized Services recipients and subrecipients are reimbursed per mile or per one-way unlinked passenger trip up to the contract maximum. Specialized Services funding provided by OPT must not exceed 50 percent of eligible expenses of the transportation program."

2.3.3 Local Funding Sources

Countywide senior millage

Local services in Michigan, including transportation, can be funded through millages on property values.

In Newaygo County, a countywide millage for senior services to fund the work of the NCCOA ("senior millage"). This millage annually funds approximately \$335,000 of the NCCOA's transportation program. For purposes of accessing both 5311 and LBO funds, this funding would need to be committed as the local match.

Fremont Area Community Foundation

The Fremont Area Community Foundation (FACF) has been an active supporter of the transportation program for the NCCOA for many years, providing financial support that allowed the NCCOA to build up a reserve fund that would go on to fund the pilot projects described in Background and Pilot Program.

The NCCOA has solicited and won funding for FY 2026 from the Foundation.

3. Community and Market Analysis

Newago and Oceana counties are located adjacent to one another in western Michigan, north of the urban centers of Grand Rapids and Muskegon, respectively. The two counties are among the few in Michigan that have no public transit agencies.

Both counties have significant proportions of groups that often have limited transportation options by virtue of income or ability, and these populations are projected to grow. Laying the foundation now for meeting their current unmet and likely future travel needs will require more resources than either COA has now or is projected to have in the future.

3.1 Socio-economic and Demographic Conditions

3.1.1 Newago County

Newago County is home to nearly 50,000 people according to the 2020 US Census, most of whom reside in the south-central part of the county, particularly in the four cities of Newago, Fremont, White Cloud, and Grant. Jobs are primarily concentrated in the cities of Newago and Fremont, as are many social and civic services. For rural areas of the county, there are few options except private car to get around.

Demographics

Newago County, along with nearby rural counties, has a large proportion of residents who have one or more qualifying 'transit dependence' factors, such as age, disability, and poverty.

- 34% of the population² are disabled and 22% are in poverty.
- 25% of the population³ have access to a single car, or no car at all.
- 19% increase in population⁴ aged 60 and older expected by 2050.

Additionally, the median household income in Newago is \$61,931, 90% of the median income of households in Michigan (\$69,183).⁵ As the population of Newago County ages, and with many other residents having a disability, living in poverty, or lacking access to a vehicle, ensuring that basic transportation options are available will allow county residents to continue to access key destinations and participate in their community.

² Includes Mason, Lake and Oceana counties

³ Includes Oceana County

⁴ Newago County alone

⁵ 2023 American Community Survey 5-year estimates

Employment

The top three industries according to the 2020 US Census North American Industry Classification System (NAICS) for Newaygo County are:

- Retail Trade 19%
- Manufacturing 18%
- Government 17%

Top employers in the county include:

- Magna Mirrors (Newaygo)
- Corewell Health Gerber Memorial (Fremont)
- Gerber Products and Nestle Nutrition (Fremont)
- Gerber Life (Fremont)
- G-M Wood Products (Newaygo)

According to the 2020 US Census Longitudinal Employer-Household Dynamics (LEHD) survey, there is a significant amount of travel out-of-county for work to nearby Muskegon and Grand Rapids. Further, as described in 3.2 Travel Patterns, there is some amount of travel made from nearby Oceana and Muskegon counties to work at Magna and G-M Woods (see Figure 11).

Projections

Newaygo County is projected to see modest population growth (5%) through about 2040, at which point it may see very slight population decline through 2050.⁶ The proportion of the population age 60 and older is expected to increase, with the percentage of population 60 and older increasing from 31% in 2025 to 35% by 2050 (just under 16,000 seniors in 2025 and just under 19,000 seniors in 2050). As shown in Figure 3, the share of the senior population made up by people age 75 and older is expected to increase. The impact these factors will have on community services, including transit, may be significant.

⁶ Michigan Department of Technology, Management, and Budget Population Projections, 2025

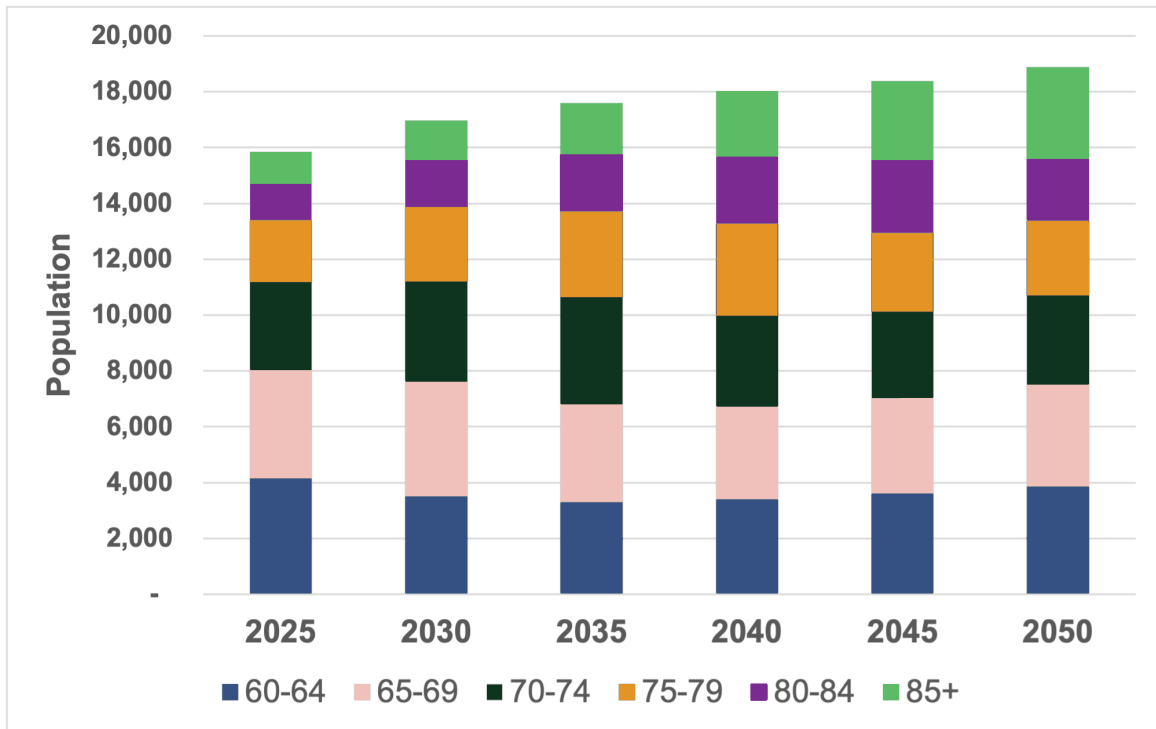


Figure 3. Projected age brackets of seniors (age 60 and older) in Newaygo County, 2025-2050

3.1.2 Oceana County

Oceana County is home to over 26,000 people according to the 2020 US Census, most of whom live near US-31 in the western portion of the county, especially in the communities of Hart and Shelby.

Demographics

Oceana County, along with nearby rural counties, has a large proportion of residents who have one or more qualifying 'transit dependence' factors, such as age, disability, and poverty.

- 34% of the population⁷ are disabled and 22% are in poverty.
- 25% of the population⁸ have access to a single car, or no car at all.
- 14% increase in population⁹ aged 60 and older expected by 2050.

⁷ Includes Newaygo, Lake and Mason counties

⁸ Includes Newaygo County

⁹ Oceana County alone

Additionally, the median household income in Oceana is \$63,624, 92% of the median income of households in Michigan (\$69,183).¹⁰

Employment

The top three industries in Oceana County according to the 2020 US Census NAICS are:

- Manufacturing 24%
- Retail trade 13%
- Accommodation and food services 12%

Top employers in the county include:

- Peterson Farms (Shelby)
- Seneca Farms (Hart)
- GHSP (Hart)
- Hometown Pharmacy (Hart, Shelby)
- Great Lakes Packing (Hart)

Projections

Oceana County is projected to see its population stay stable through about 2040 before seeing a moderate decline of about 2% by 2050.¹¹ More significantly, the proportion of the population aged 60 and older in Oceana is expected to increase, with the percentage of population aged 60 and older increasing from 33% in 2025 to 38% in 2050 (just under 9,000 seniors in 2025 and just over 10,000 in 2050). As shown in Figure 4, the share of the senior population made up by people age 75 and older is expected to increase.

¹⁰ 2023 American Community Survey 5-year estimates

¹¹ Michigan Department of Technology, Management, and Budget Population Projections, 2025

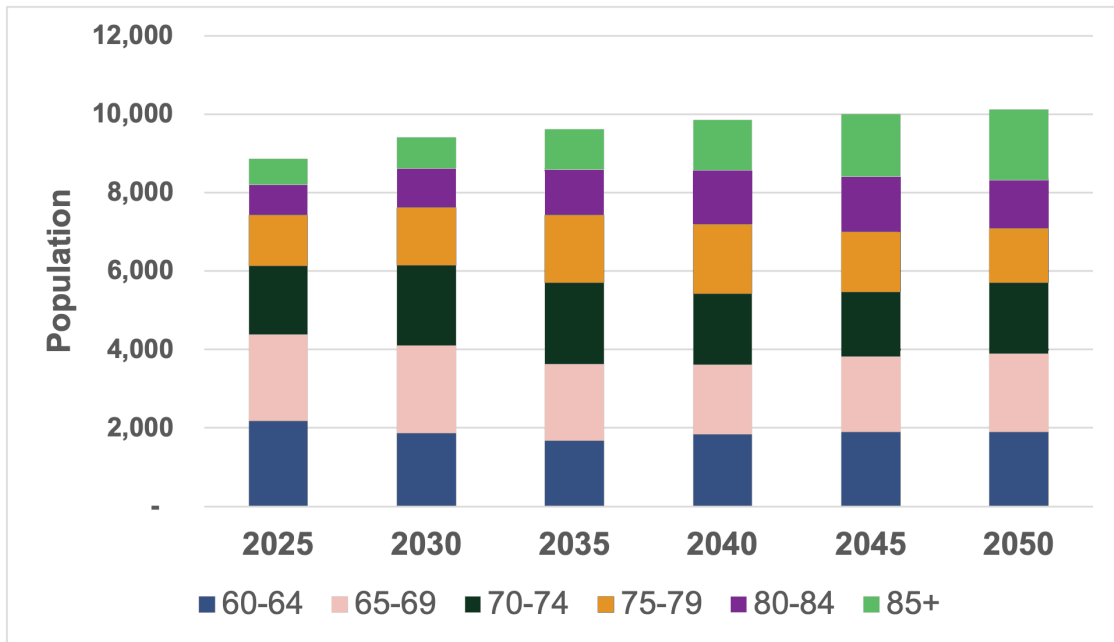


Figure 4. Projected age brackets of seniors (age 60 and older) in Oceana County, 2025-2050

3.1.3 Four County Region: Newaygo, Oceana, Mason and Lake Counties

The four-county area for Newaygo, Oceana, Mason and Lake County is home to approximately 118,000 people, of which nearly half are age 60 and over (46%). Further, over 8 in 10 residents have at least one of four factors identified in the 2024 Michigan Planning Region 14 Coordinated Public Transit – Human Services Transportation Plan Plan’s Transit Dependence Index. The following data come from the 2023 Public Use Microdata Sample (PUMS), a subset of data from the American Community Survey (ACS).

- 22% live in poverty.
- 34% live with at least one disability.
- 45% are over age 60.
- 3% are limited-English proficient (LEP).

This only tells part of the story, though, since many individuals have more than one of these factors. In fact, nearly one in five residents has two or more factors, which greatly increases the likelihood they will require some kind of transit services at some point. For seniors, this is especially pronounced, with 12% of all residents age 60 and up having some form of disability and 5% of residents age 60 and up also having a household income below the federal poverty line.

3.2 Travel Patterns

In this section, we examine travel demand in Newaygo and Oceana counties, as well as travel demand between the two counties and with neighboring counties outside the study area. The data is modeled using Replica, a commercial data product, functions as a *synthetic* travel-survey database with advanced relational characteristics. For more details about how Replica works, see Appendix 2 Overview of Replica.

For the analysis in this memo, Replica data¹² were filtered to isolate the travel patterns of specific groups most likely to use human services transportation and to isolate travel patterns to two major employers in Newaygo County. Disability is not a demographic factor available in Replica, so the analysis included zero-vehicle households, people age 65 and older, and households with low and limited annual incomes (less than \$25,000¹³). In addition to these filtered trips, all trips are also shown for comparison.

Note on how to interpret the travel demand maps: Each line is between two imaginary boxes overlaid on the map and do not represent true origins or destinations (for privacy purposes and to help see patterns more clearly). Lines on each map are also uniquely scaled and are not consistent between maps.

3.2.1 Newaygo County Travel Patterns

To understand the travel patterns within Newaygo County, and trips that connect Newaygo County residents to neighboring areas, we conducted two separate analyses, trips made by all residents in the county, and trips made by specific segments of the population.

All Intra-county Trips

According to the Replica data, most trips taking place entirely in Newaygo County are made by individuals driving their own car (68%), with most households (75%) having access to two or more cars (see Figure 5).

¹² The Replica data used for this analysis comes from the North Atlantic Fall 2024 dataset and represents travel activity on a typical single representative weekday during the fall of 2024.

¹³ Based on ALICE (Asset Limited, Income Constrained, Employed) data, a household of one with an income below ~\$26,000 has trouble affording basic needs <https://www.unitedforalice.org/michigan>

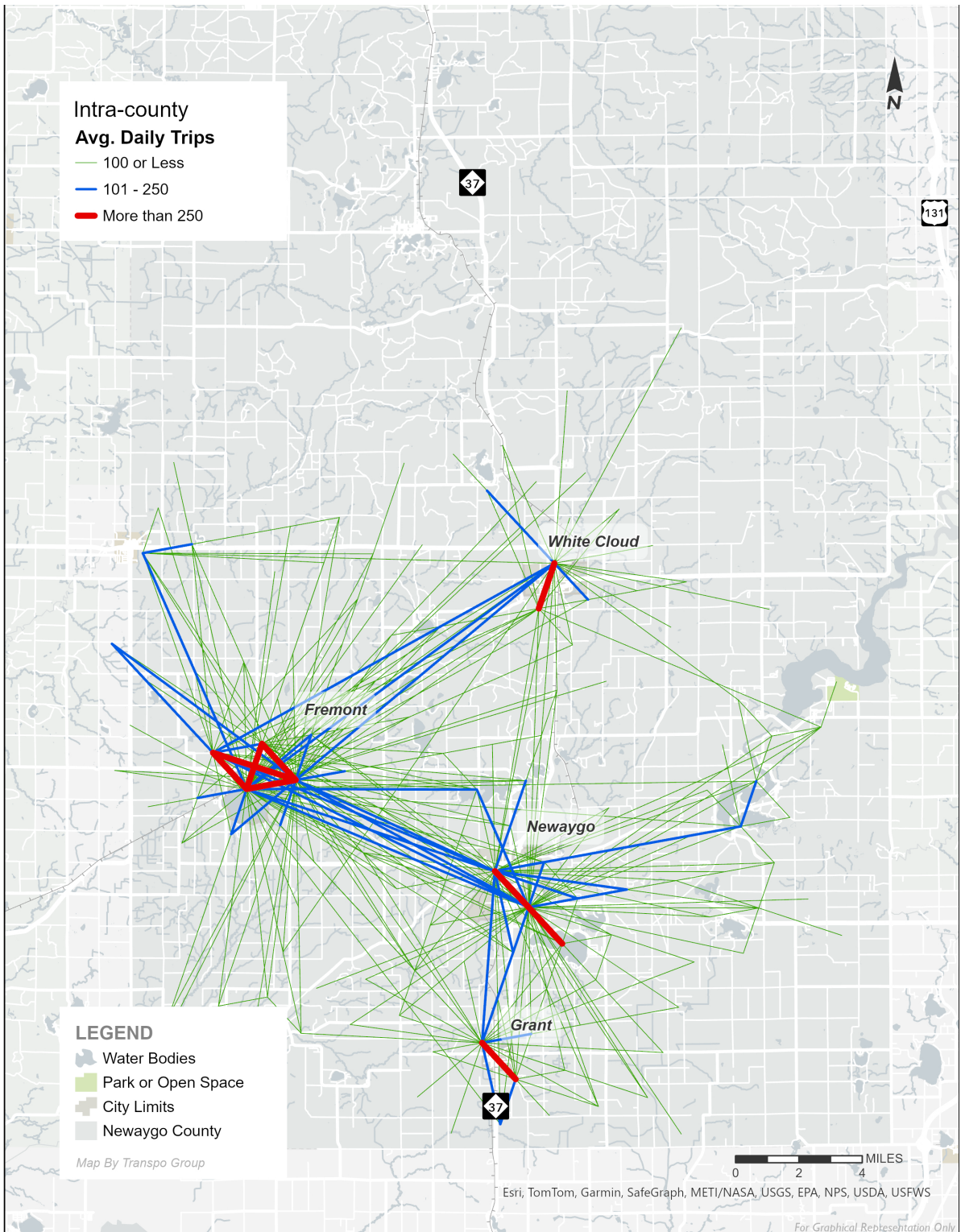


Figure 5. Intra-county travel demand for all trips in Newaygo County (Replica)

Over 17% of the trips are by individuals traveling as auto passengers. This may reflect individuals sharing rides to the same location or may reflect individuals being driven to their location by someone else due to the number of household vehicles being fewer than the number of workers, for example. The median household income for travelers is \$73,500, over \$10,000 higher than the median household income for Newaygo County residents as a whole, suggesting that lower-income individuals are taking fewer trips than higher income individuals.

Trips within the county average 6.4 miles and 14.8 minutes. Given the highly rural nature of the county, the average trip time is almost 25 minutes, with more than three-quarters of all trips exceeding 10 minutes in length. Nearly one-third of all trips are more than 8 miles.

Segmented Intra-county Trips

Among these intra-county trips, we further examined trips made by travelers:

- From households with no vehicles;
- Travelers age 65 and older, and;
- Travelers with household incomes of less than \$25,000.

The trip patterns of these groups are significantly different from one another and from the patterns seen across all trips in Figure 5.

Zero-car Household Trips

Among travelers from households with no vehicles, most trips are made by walking (38%) or as an auto passenger (34%), with a further 20% of trips made by bicycling. These patterns also reflect the shorter trip distances seen in Figure 6. The median household income of these travelers is \$31,400, about half of the median household income in the county as a whole. Over 30% of these travelers are aged 65 or older. Nearly 60% are working age (18-64).

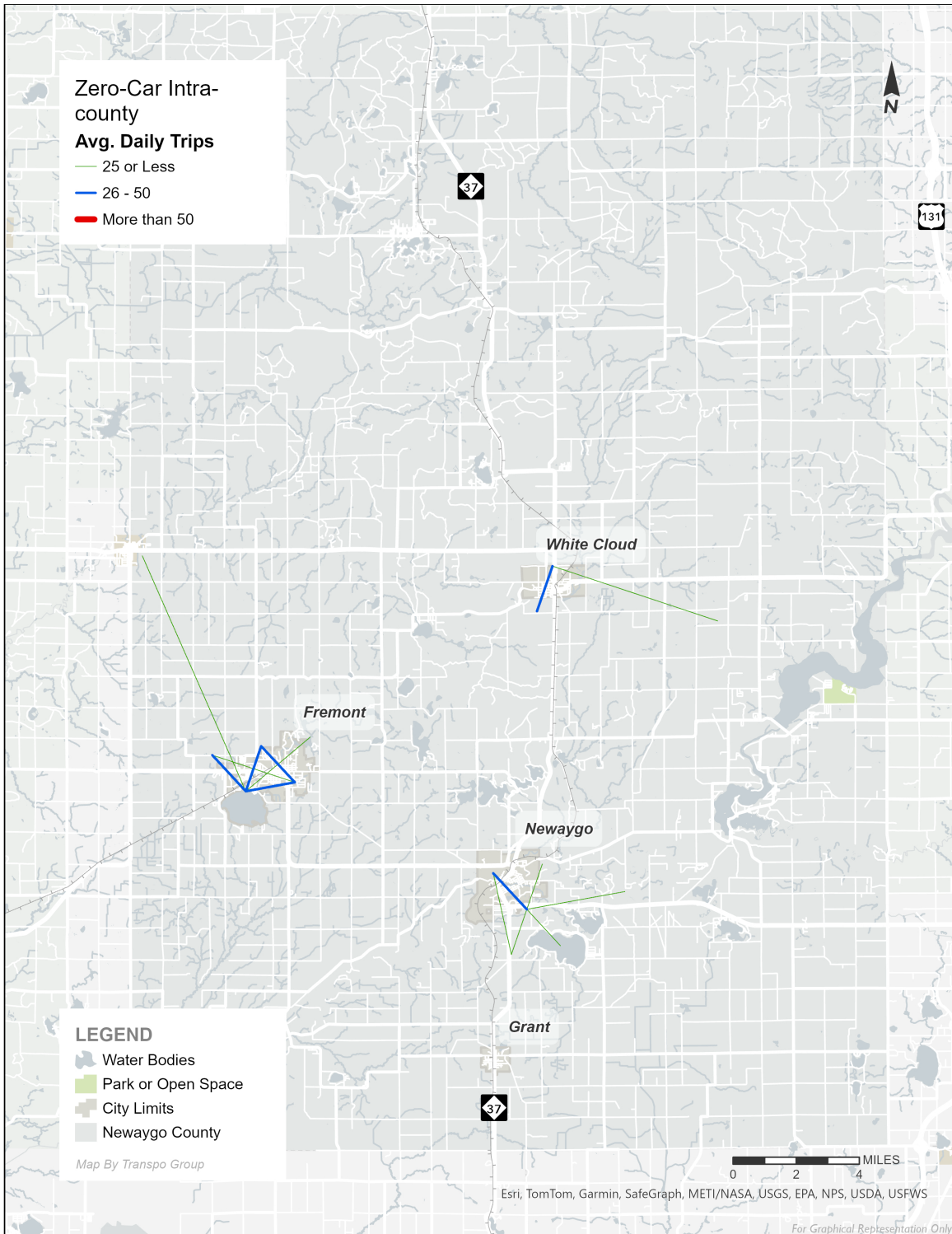


Figure 6. Intra-county travel demand for travelers from zero-car households in Newaygo County (Replica)

Older Adult Trips

Among travelers age 65 and older, most trips are made by individuals driving their own car (76%), with 12% walking and 10% traveling as an auto passenger (34%). Over 60% of these travelers live in households with access to two or more vehicles, and the median household income is \$55,800. As shown in Figure 7, trips are longer and more distributed than trip patterns for zero-vehicle households, but not as distributed as trips taken across all travelers.

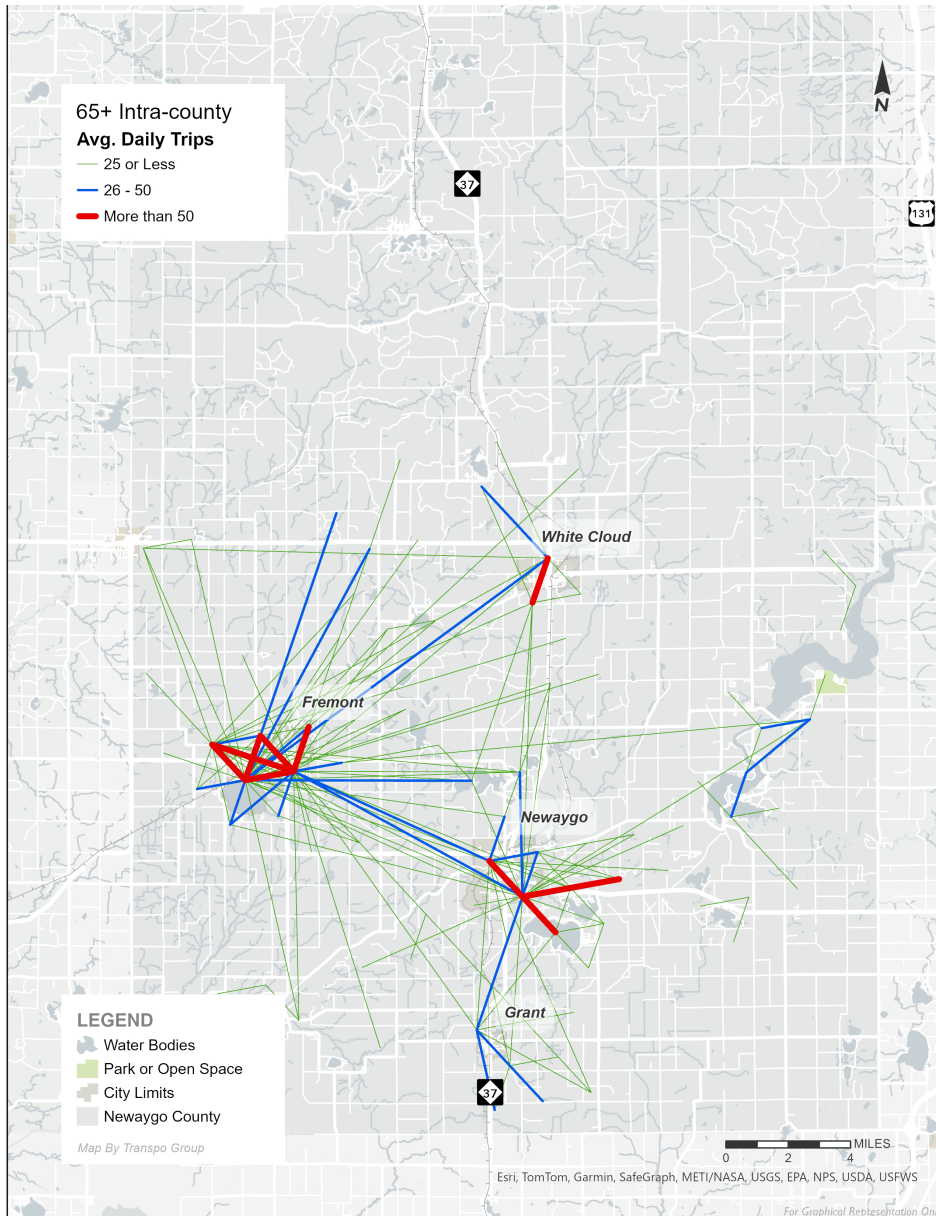


Figure 7. Intra-county travel demand for travelers age 65 and older in Newaygo County (Replica)

Low-income Household Trips

Among travelers with household incomes under \$25,000, most trips are made by individuals driving their own car (62%), with 20% traveling as an auto passenger and 15% walking. Over 30% of these travelers live in households with access to two or more vehicles. The median age of these travelers is 51, with just under 30% of these travelers being aged 65 or older. As shown in Figure 8, these travelers are making fewer intercity trips than travelers age 65 or older or all travelers as a whole.

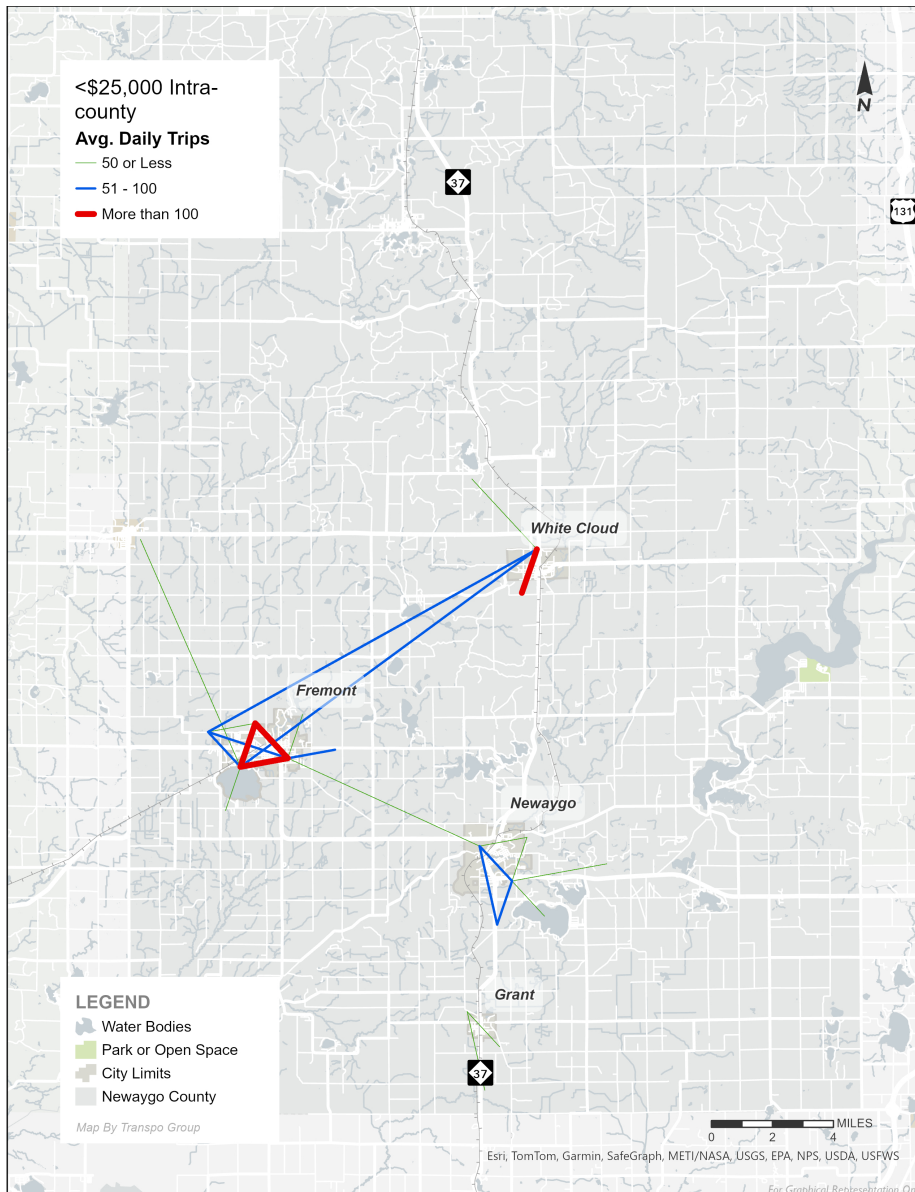


Figure 8. Intra-county travel demand for travelers with household incomes under \$25,000 in Newaygo County (Replica)

Newwaygo Intercounty Trips

Trips that originate in Newwaygo County but have destinations outside of Newwaygo County largely have similar patterns to those that stay within the county. While many travelers may take trips outside of county boundaries, the common origin-destination pairs that are traveled 25 or more times a day are still almost entirely within the county, as seen in Figure 9. The travel patterns for travelers in households with no vehicle access, travelers age 65 and older, and travelers from households with incomes less than \$25,000 are very similar to those for the intra-county trips.

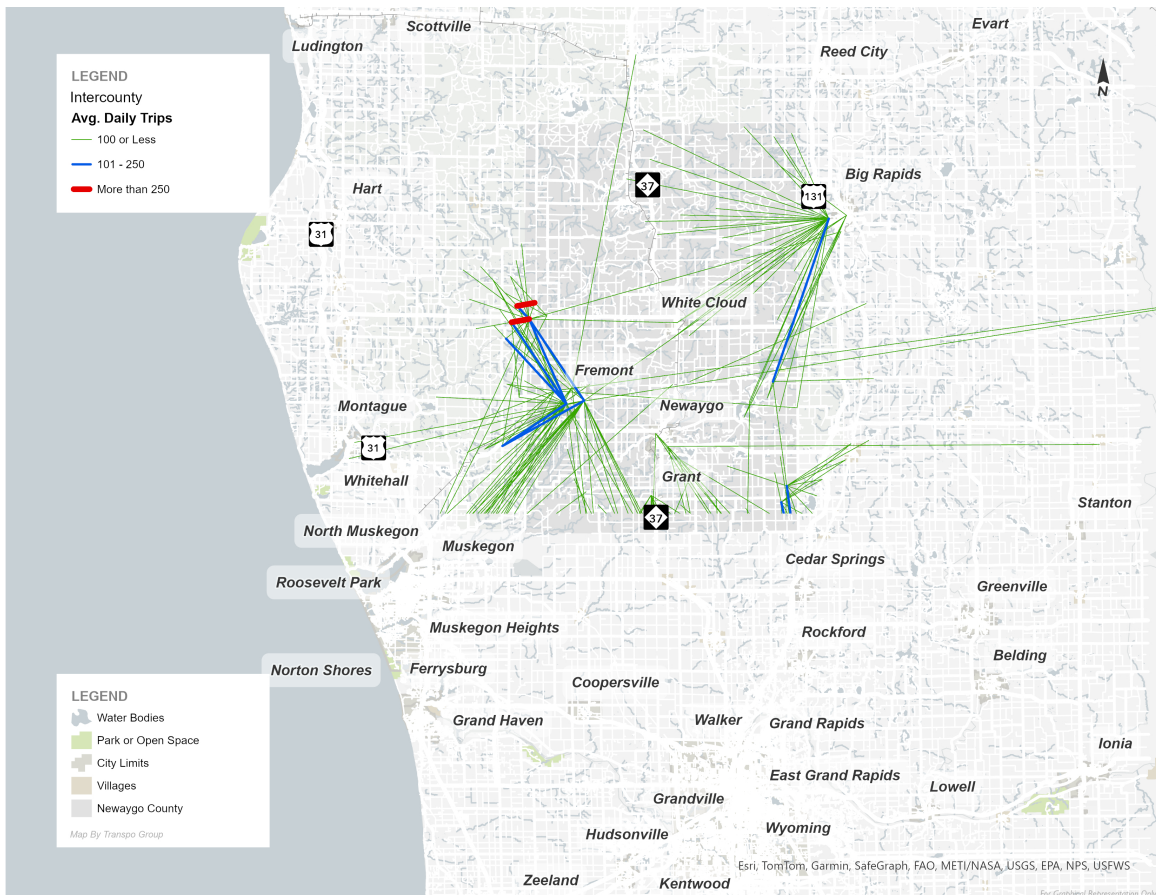


Figure 9. Intercounty travel demand for all trips in Newwaygo County (Replica)

Newwaygo County Major Employer Trips

Key employment destinations in Newwaygo County include two adjacent major employers in Fremont, Corewell Health and the Gerber factory, and two adjacent major employers in the city of Newwaygo, Magna Mirrors and G-M Woods. These sites attract workers from across the region, including Oceana County.

As shown in Figure 10, many of the trips for employment to the area around Corewell Health and the Gerber factory originate in and around Fremont.

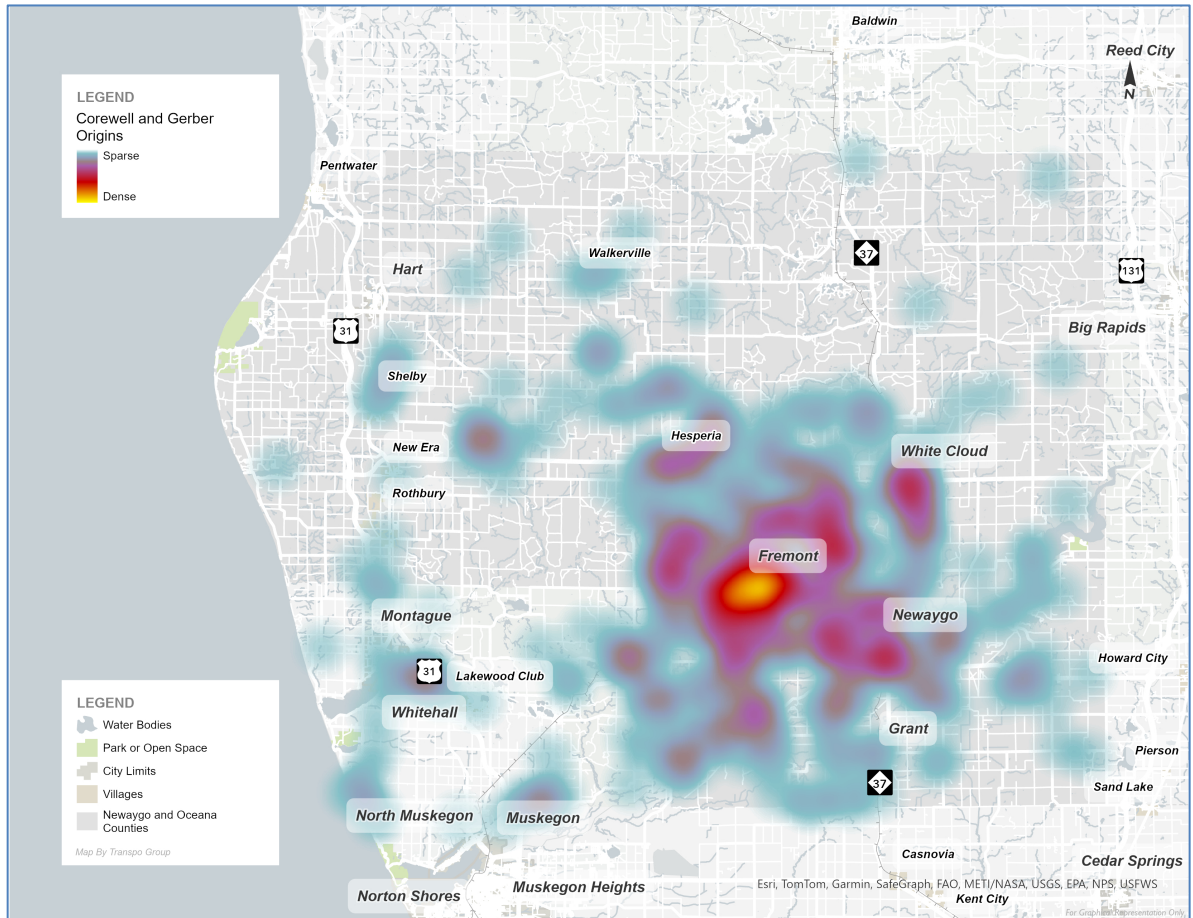


Figure 10. Daily work trip origins to area around Corewell Health and Gerber in Fremont (Replica)

About 6% of these trips are made by people in households with no vehicles. The average household income of people taking these trips is about \$106,000, with a median household income of about \$87,800. Only about 9% of these trips are made by people in households with a household income of \$25,000 or less.

As shown in Figure 11, many trips for employment to the area around Magna Mirrors and G-M Wood originate in and around the city of Newaygo, with small clusters around Fremont.

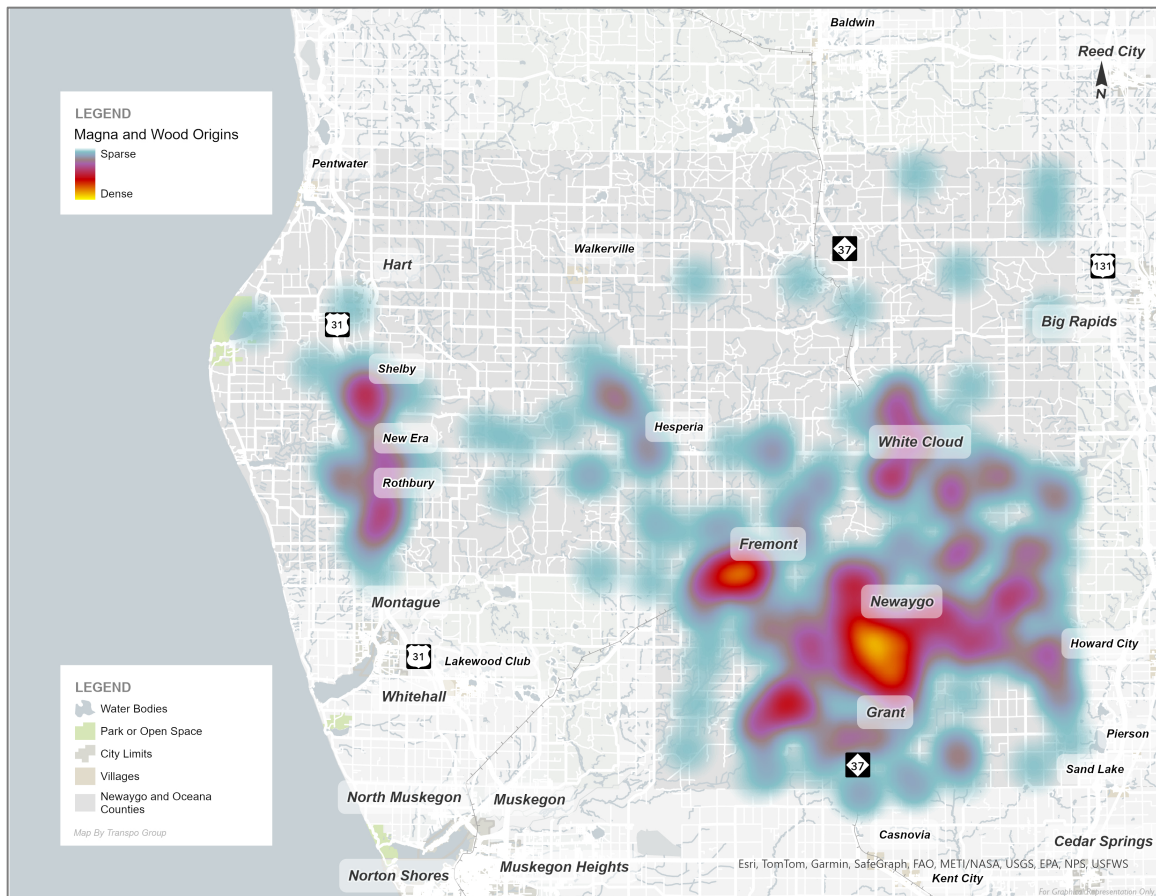


Figure 11. Daily work trip origins to area around Magna Mirrors and G-M Wood (Replica)

Under 4.0% of these trips are made by people in households with no vehicles. The average household income of these travelers is about \$104,000, with a median household income of about \$89,300. About 4% of these trips are made by people in households with a household income of \$25,000 or less.

Because the project team wanted to better understand the travel patterns within and to the commercial corridor in Fremont where Corewell and Gerber are located, we completed further analysis of the area ½ mile on either side of Main St from ½ mile west of S Green Avenue to Crosswell Avenue (see Figure 12).

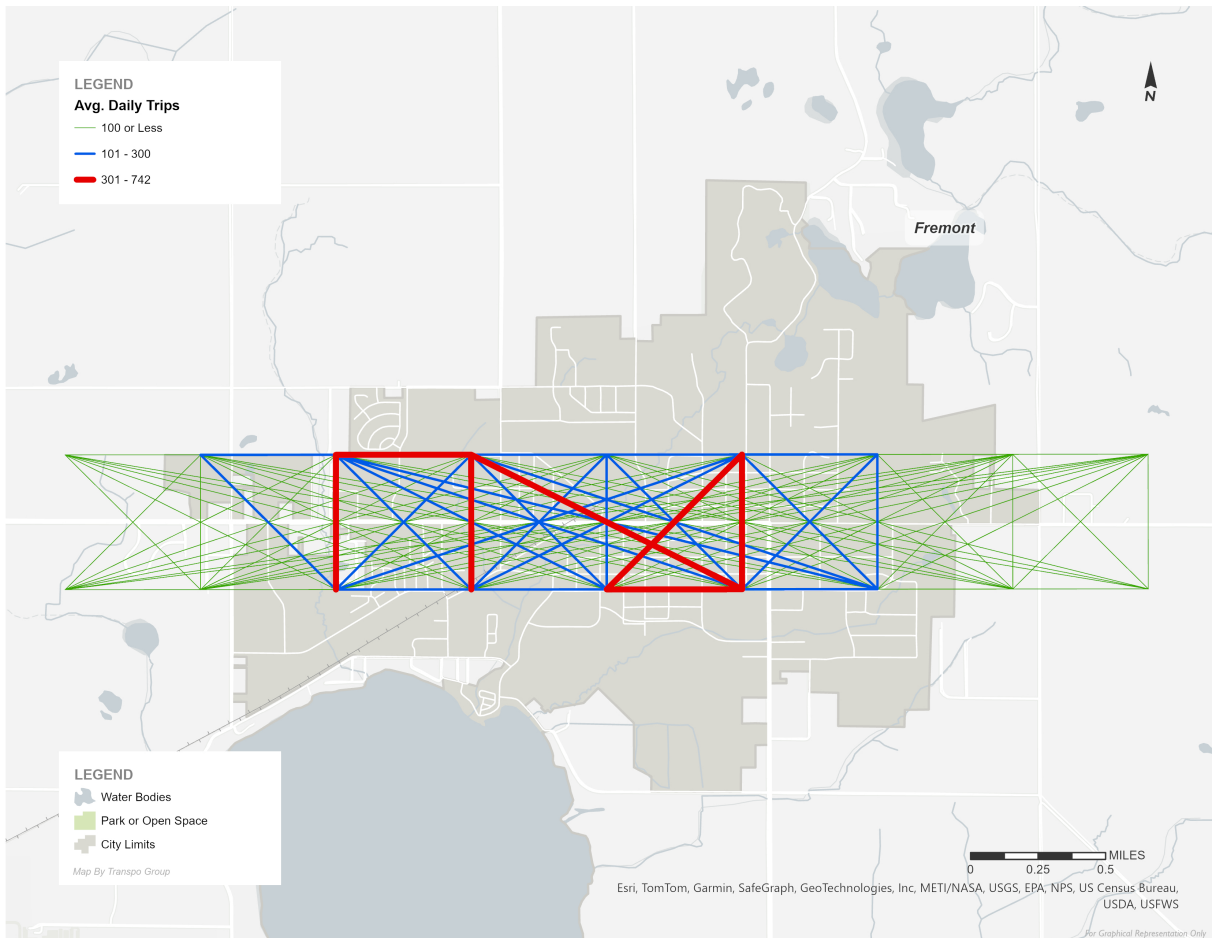


Figure 12. Trip origins to destinations within the Fremont Main St corridor (Replica)

The Replica analysis for the Main St corridor was conducted by dividing the area up into ½ mile square sections. For analysis, trips that took place just within any individual ½ mile section were removed. With those trips removed, there were over 11,000 daily trips that took place within the corridor. Among those, about 4,500 (or 40%) were by people with household incomes under \$25,000, and just over another 3,000 were by people with household incomes between \$25,000 and \$50,000. Across all travelers and travelers with low incomes, time-of-day patterns were similar, with over 40% of trips taking place between 9am-3pm, just under 25% of trips taking place between 3-6pm, about 15% of trips taking place between 6-9am, and the remaining trips (under 20%) taking place between 9pm-6am.

There were over 19,000 daily trips to the corridor from outside of the corridor boundaries. Among these, about 8,900 (or 46%) were by people with household incomes under \$25,000, and just under 5,000 were by people with household incomes between \$25,000 and \$50,000. Time-of-day patterns are similar to those of the intra-corridor trips, with a slightly lower percentage of trips taking place 3-6pm and a slightly higher percentage of trips taking place 6-9am.

NCCOA Trips

The Newaygo County Commission on Aging provided trip data from their scheduling and dispatching system for trips performed October 2024-April 2025, represented in Figure 13.

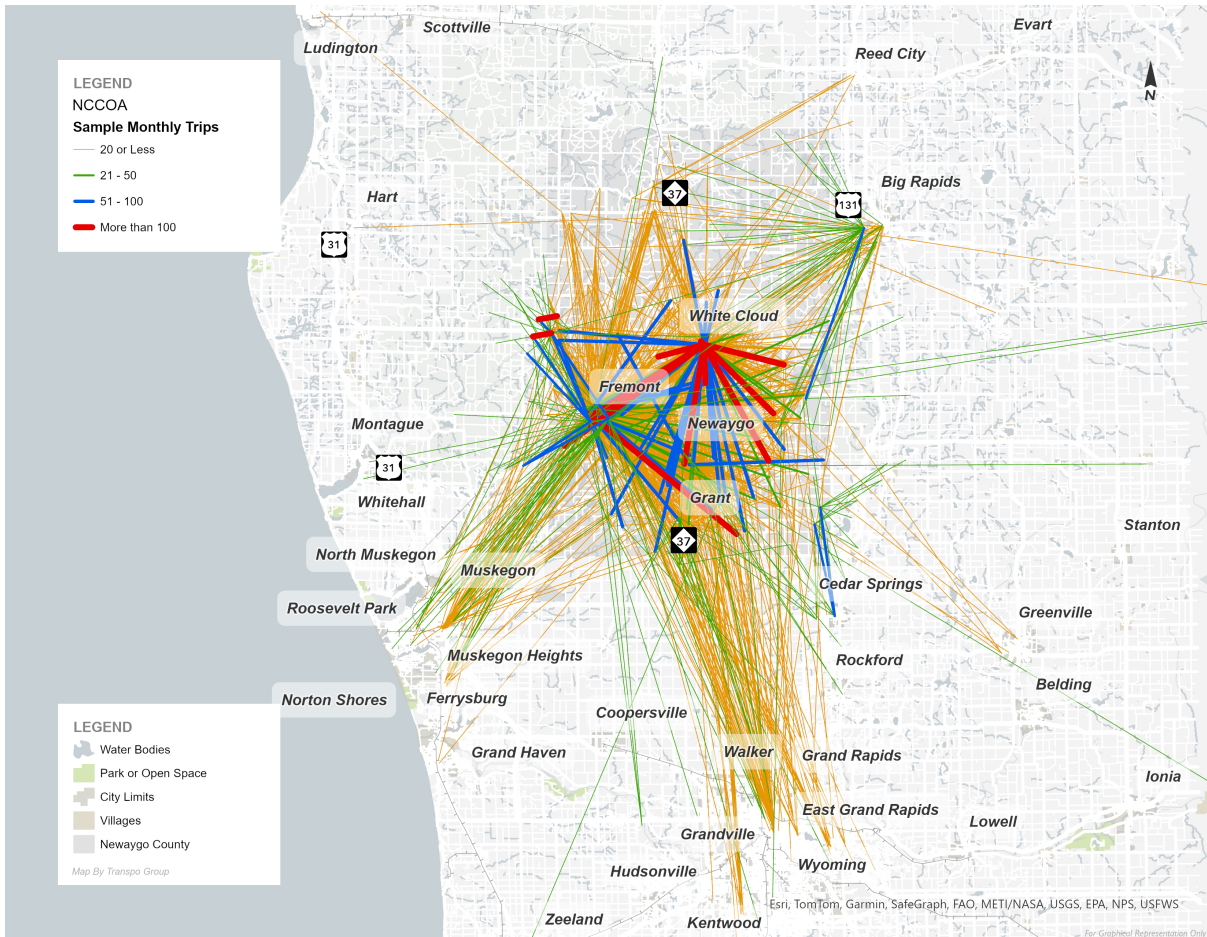


Figure 13. Trips provided by NCCOA October 2024-April 2025, excluding out-of-county trips made by volunteer drivers

The pattern of these trips is notably different than the pattern seen in Replica, likely due to a combination of factors:

1. The number of trips overall is smaller, allowing for origin-destination pairs with fewer trips to be seen.
2. NCCOA may be serving more travelers who do not use location-based services on a phone or other mobile device (like GPS).
3. Replica data is meant to reflect trips that took place but does not represent travel desire. So, for individuals who may want to make a trip but cannot, that trip would not be represented in the Replica data but could be made possible by NCCOA.
4. NCCOA prioritizes trips based on purpose, with medical appointment being a high priority and therefore a much higher percentage of trips than the average traveler would make.

It is clear that NCCOA is providing connections across and outside of Newaygo County for travel demand that may not otherwise be understood through big data sources. Still, even with the wider trip distribution, NCCOA trip patterns show a strong demand for travel between the quad cities in Newaygo County as well.

3.2.2 Oceana County Travel Patterns

Because early analysis and stakeholder engagement (see 3.3 Stakeholder Input) suggested that travel between Oceana and Newaygo Counties is not significant to warrant a two-county system, analysis of Oceana County travel patterns was limited to the analysis conducted of the two counties together.

All Intra-county Trips

As noted in the description of Newaygo County intra-county trips, travel between Oceana County and Newaygo County is limited and primarily occurring right along the border of the counties. Intra-county trips for Oceana County to counties other than Newaygo was not considered.

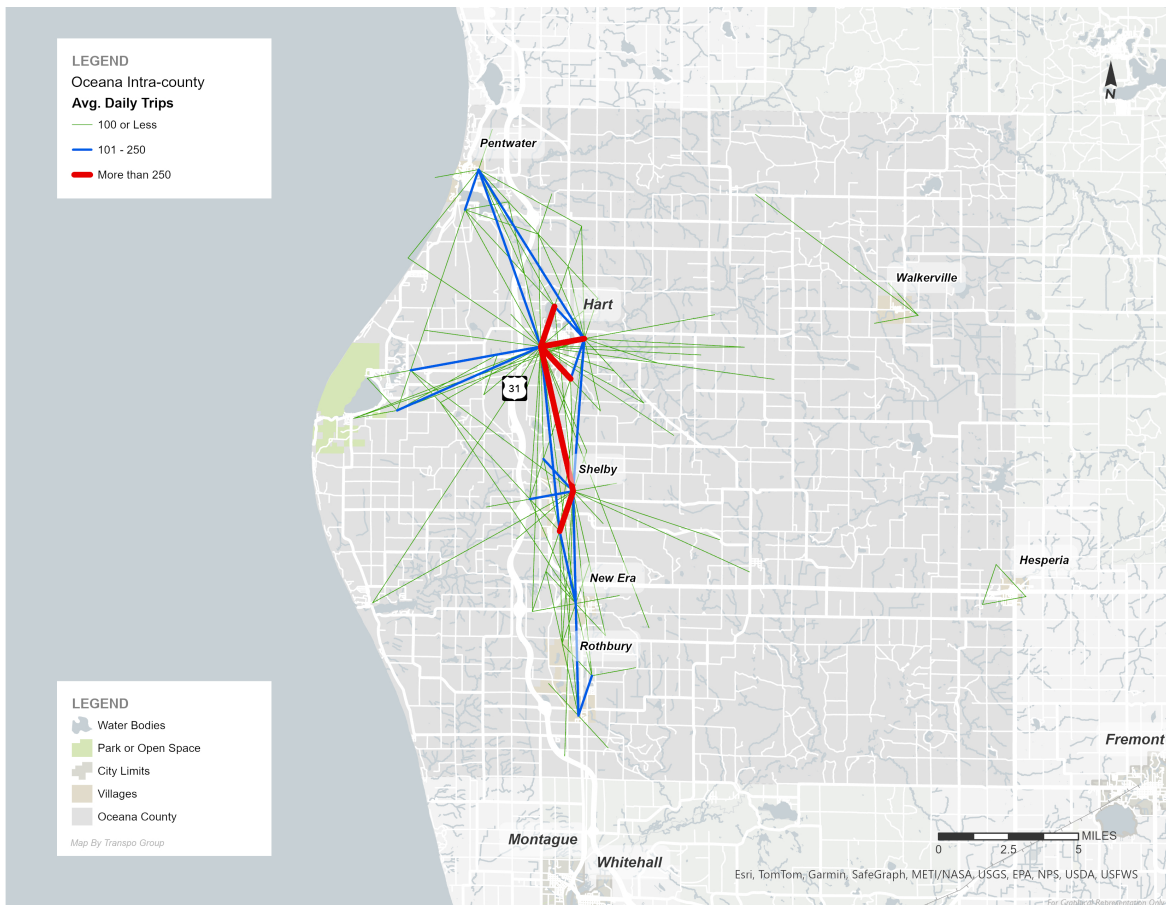


Figure 14. Intra-county travel demand for all trips in Oceana County (Replica)

3.2.3 Newaygo and Oceana Counties Combined Travel Patterns

Travel Within and Between Newaygo and Oceana Counties

Newaygo and Oceana County have minimal intercounty trips, with the sole exception of the border town of Hesperia, with clear trip patterns connecting to Fremont (see Figure 15).

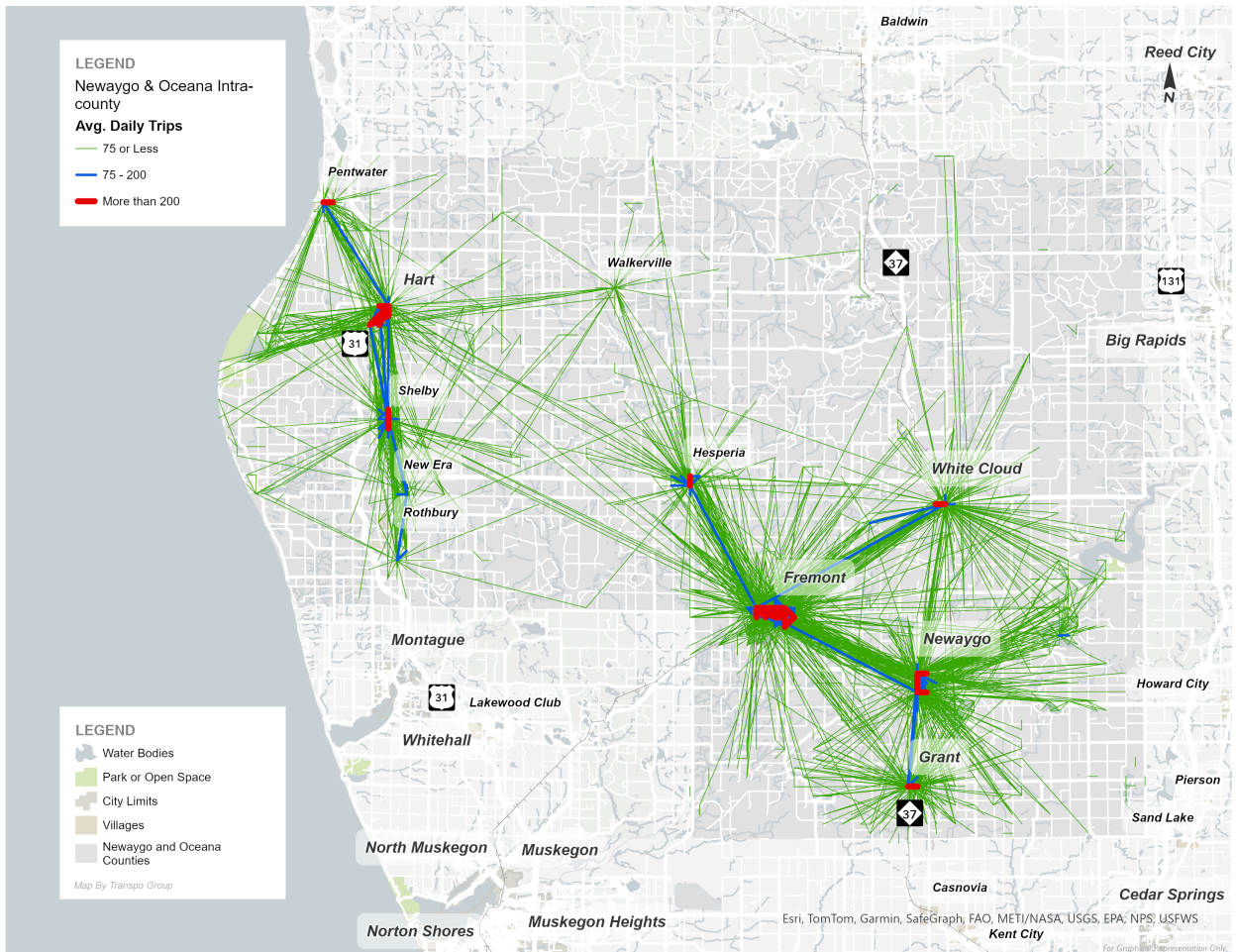


Figure 15. Travel demand for all trips in both Newaygo and Oceana counties (Replica)

Oceana County's out-of-county trips follow a north-south axis along US-31, particularly south to Muskegon. Newaygo has a similar North-South affinity, with out-of-county trips to both Grand Rapids to the southeast and Big Rapids to the northeast being common.

Intercounty commuter trips between Newaygo and Oceana counties account for just 6% of all daily trips in the two counties in fall of 2024. Most trips are by adults age 18-64 (75%), and nearly all are by private car (94%). Intercounty trips are taken by travelers with a lower average income (four-fifths earn \$50,000 or less) compared to the county averages, and are most likely to be taken for work, shopping, or socializing.

Across both Newaygo and Oceana counties, private cars dominate travel mode for all trips, with 84% of all trips made as either a driver or passenger. Walking represents 8% of all trips though, which does indicate a fair amount of local travel for residents in urbanized areas. Walking represents a significant travel mode for low income and zero car households as well. Other travel modes include commercial vehicle trips (5%), biking (2%), and all others, including public transit (1%).

The predominance of car trips can be partly explained by the availability of private automobiles, with over 75% of residents having access to two or more vehicles, and only 3% of residents having access to no vehicles at all (zero car households).

Segmented Trips Within and Between Newaygo and Oceana Counties

Replica data can be disaggregated to show trips by specific population groups. In this section, travel patterns for groups more likely to need or use transit are presented.

Zero Car Household Travel Patterns

Zero car households take far fewer trips than other groups, and very few trips are made between urban areas (see Figure 16).

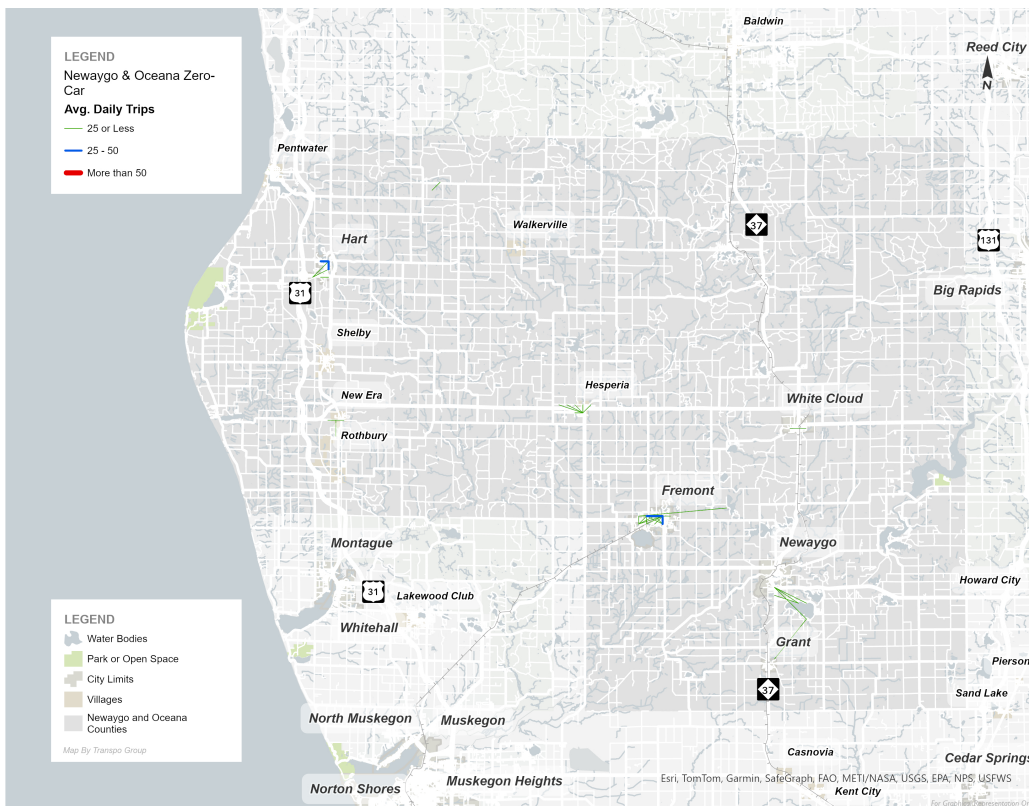


Figure 16. Travel demand for individuals from households with zero vehicles (Replica)

Zero car households have the lowest median annual incomes, at just \$29,000 (compared to \$70,000 for all households). This also aligns with the high rate of low-income seniors, as one in three zero car households is headed by a senior.

Older Adult Travel Patterns

Older adults tend to take fewer trips than the working-age population, but the trips they tend to take are more likely to be intercity, with destinations like Fremont and Hart attracting residents from other towns due to the availability of municipal and healthcare services (see Figure 17).

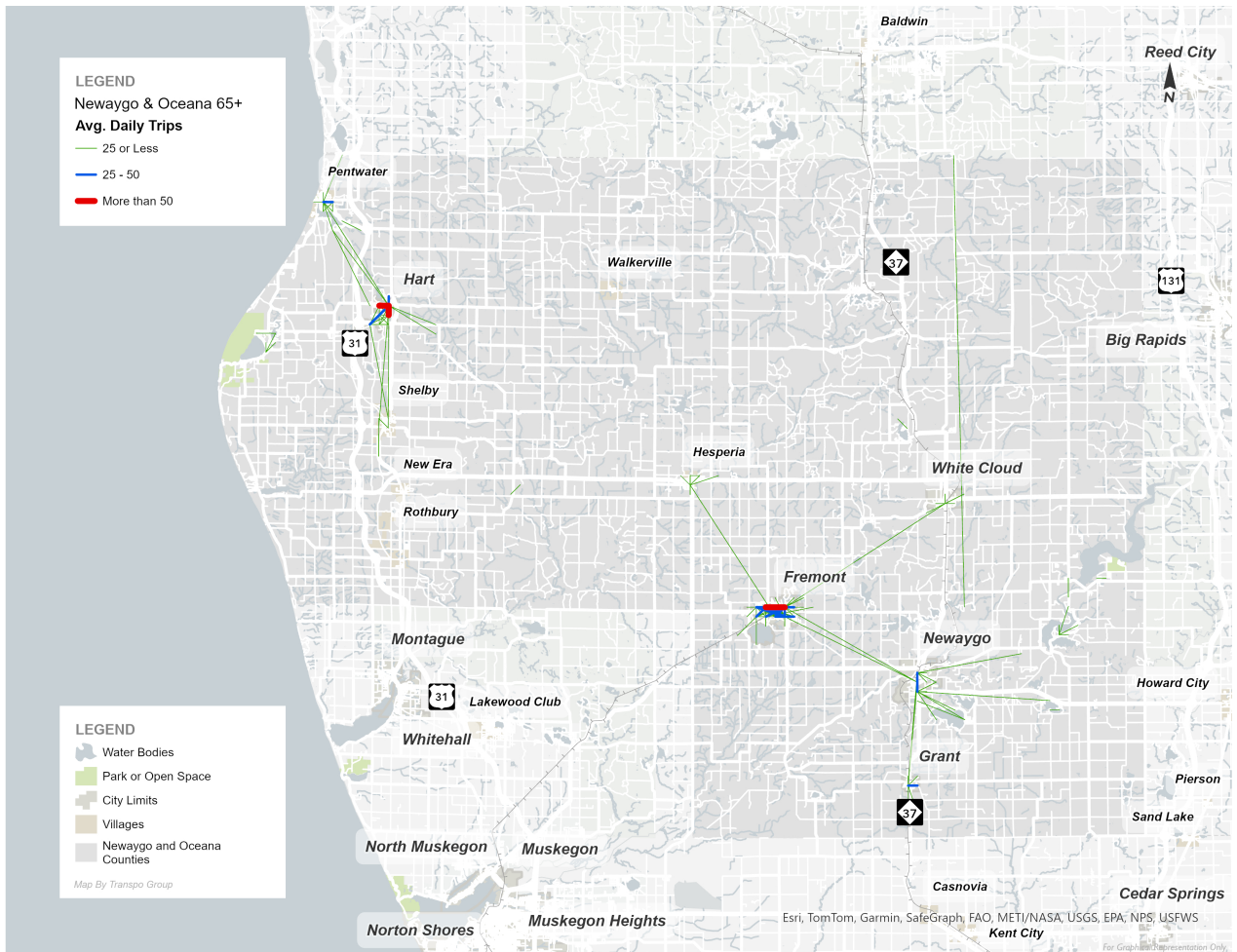


Figure 17. Travel demand for individuals age 65 and older (Replica)

A key difference for seniors represented in the Replica data (which captures trips taken, not necessarily trips desired) is in median income, with household income for seniors a full \$20,000 less than the area-wide median. Additionally, they are less likely to own more than two vehicles, though zero car households still only make up 6% of this population.

Low Income Households Travel Patterns

Like seniors, low-income households are less likely to make trips than other households, so trip patterns overall represent fewer numbers than for the population generally. Trip patterns show that trip demand for low-income households is more varied than for other groups (see Figure 18).

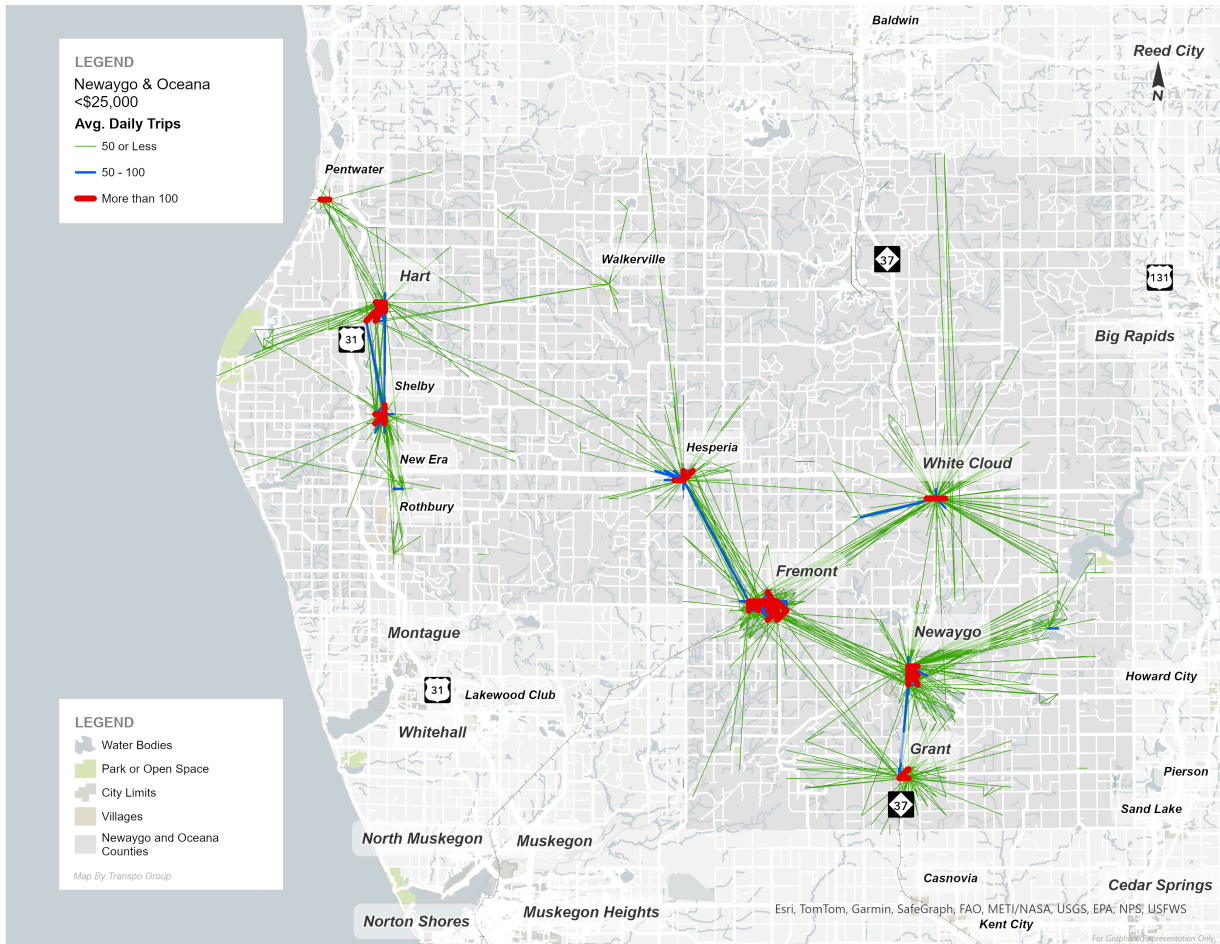


Figure 18. Travel demand for households with incomes less than \$25,000 (Replica)

Low-income households are significantly more likely to have no vehicle (10%, compared to 3% of all households). Seniors make up the largest share of low income households, at 28%.

3.3 Stakeholder Input

As part of the study, several options for public engagement were considered for both Newaygo and Oceana counties. In recognition of the limited scope available, stakeholder advisory committees for both counties were considered the most effective approach.

3.3.1 Stakeholder Advisory Committees

A stakeholder advisory committee (SAC) is a group of community members, government officials, representatives from nonprofit and social services organizations, and other parties who work with older adults, individuals with disabilities, and low-income households. The project initially convened two stakeholder groups - one in each county - but moved forward with just the Newaygo County SAC after the two-county system was deemed infeasible.

Oceana County SAC

The Oceana County SAC meeting once on June 10, 2025. The group was presented with the project purpose and initial analysis, and members shared their thoughts about intercounty and intra-county transportation needs and potential outreach channels. Represented organizations included:

- MDOT
- Senior Resources West Michigan
- Hart City Council
- United Way of the Lakeshore
- Oceana County VA
- Shelby Bank
- Oceana County Planning Commission
- West Shore Community College
- Oceana County VA
- OCCOA
- West Michigan Shoreline Regional Development Commission
- DHHS
- Oceana County Council on Aging
- OCCOA
- Village of Shelby
- Oceana County Council on Aging
- West Shore Community College

The Oceana County-specific existing conditions report was shared with OCCOA, and the project team offered to schedule a final meeting with the SAC to review the report and the decision to not move forward with the two-county system. The OCCOA did not choose to move forward with the final meeting.

Newaygo County SAC

The Newaygo County SAC met three times over the course of the study to review the findings of the project team and advise on what directions to take next. The committee included representation from:

- MDOT
- TrueNorth Community Services
- Newaygo County RESA
- Newaygo County Commission on Aging
- Newaygo County Mental Health
- Newaygo County Administration
- Michigan Department of Health and Human Services
- Empowerment Network
- Corewell Health
- The Right Place
- Family Health Care
- River County Chamber of Commerce
- West Michigan Shoreline Regional Development Commission
- Newaygo County Board of Commissioners
- City of Fremont
- Love INC
- Disability Network of West Michigan
- Fremont Area Community Foundation

The first meeting was convened on June 11, 2025, and covered the scope of the study, findings from the existing conditions, and opportunities for Newaygo and Oceana counties to establish an ‘open-door transit system.’ Stakeholders indicated a need for the continued provision of more expansive transit services and a commitment to continuing to work together to help identify needs and potential solutions.

The second meeting on September 11, 2025, focused on options for Newaygo County (alone) to establish a public transit authority. The SAC was presented the financial outlook for NCCOA should it continue the service levels established during the pilot project, including the critical need to close the funding gap. Options presented to the SAC included a do-nothing approach, creation of a county-level department for transit, and a stand-alone transit authority. The SAC preferred the stand-alone transit authority and asked the project team to draft up the process by which such an authority could be established in Newaygo County. For a full detail of these options, see 5.1 Governance Options Overview.

The third and final meeting, on December 2, 2025, introduced the SAC to the process in the State of Michigan of establishing a Public Act (PA) 196 transit authority. Key to the process is the creation of a ‘working group’ that would perform the necessary duties of drafting articles of incorporation and set the definitions of the authority’s board. During this meeting, a lack of commitment to lead or participate in this key element by members of the SAC other than representatives of Newaygo County resulted in the project sponsor re-evaluating whether a PA 196 was the best course of action. At the request of the

NCCOA and Newaygo County, the project team elected to re-evaluate the county department option for a transit authority, established under PA 94 instead of PA 196. This served as the final stakeholder engagement opportunity for the study, with the final delivery of a PA 94 option slated for presentation to the Newaygo County Board of Commissioners on February 11, 2026 (see 5.4 Establishing a PA 94 County Transit Department).

4. Recommended Service and Program Changes

4.1 Overview

The service plan options are designed in two phases: a short-term plan (1-2 years) and a medium-term plan (3-5 years). The first phase is focused on reorganizing the system and structure of NCCOA's transportation program to be responsive to its community and funding partners. Following this first phase, the focus shifts to adapting the program for sustainability into the future, including by any transit authority or transit department that may be established in the coming years (see 5 Recommended Structure and Governance Changes).

Four key elements are critical to the service plan and can also support NCCOA transitioning their transportation program into a standalone transit authority: technology, business rules and evaluation metrics, fare policy, and opportunities for coordination.

4.1.1 Technology

The transit technology industry has evolved significantly in recent years with the development of a range of tools to help public transportation operators effectively meet riders' changing mobility needs. Among these tools are advanced scheduling and dispatch software, which allow easy and more direct communication with riders and can help improve service operations. NCCOA's current contract with TripMaster was structured as a three-year project to allow NCCOA to review and assess the software's effectiveness. The current contract continues through July 2027.

4.1.2 Business Rules and Evaluation Metrics

As NCCOA continues to expand its rider base, it is important to establish a set of rules and metrics for both internal system management and planning. Business rules should be based on program objectives and can include any number of operational processes that allow the operator to effectively and efficiently provide service to their community. Metrics are the evaluation tools used to determine the effectiveness of service provision, including the business rules that govern them. It is important that riders understand the business rules and program staff understand the metrics so both can participate fully in making the service work well together.

4.1.3 Fare Policy

While NCCOA has been operating with a “suggested donation” policy for its traditional senior riders, the agency is considering transition to a required fare to help manage trip demand and generate more revenue for the program.

4.1.4 Opportunities for Coordination

Travel demand analysis and stakeholder discussions indicate that Newaygo County residents are traveling out of county and potentially connecting to neighboring transit services. Further, NCCOA’s pilot service expansion has directly benefitted clients of local health care and disability-related organizations, providing them with a new transportation resource. Developing effective partnerships will be important for sustaining the current program and will enable a framework for future service development and connections.

4.2 Technology

Over the past three years, Newago has invested in a computer-aided scheduling and dispatch system (TripMaster) to more efficiently route its demand-response services and transport more riders. The system was implemented to improve dispatching and scheduling as NCCOA transitioned from primarily serving subscription-model trips to demand-response trips. These efforts to optimize service have resulted in more riders using the services and more trips being provided. As the system gains efficiency, advanced scheduling and dispatch technology will continue to be important as riders’ needs evolve and new riders have access to the system.

MDOT has been actively engaged in technology review and development and has begun promoting technical assistance and support for transit agencies in the state. MDOT has developed programs and tools for use by rural transit agency programs and services to better access technologies such as:

- ❑ Real-time dispatching,
- ❑ General transit feed specification (GTFS, the data standard that allows transit services to be visible to the public through online maps and mobile applications),
- ❑ Automatic vehicle location (AVL),
- ❑ Customer-facing trip discovery, booking, and payment apps for easier customer access and communication,
- ❑ Advanced reporting and analytics, and
- ❑ Marketing and education for community members.

MDOT has supported additional investment in technology for its rural transit members by developing pilot and grant opportunities for funding. These additional competitive and formula grant programs are available to Newaygo County if they establish a transit authority or transit department and receive Section 5311 funds.

MDOT has successfully worked with many rural transit programs across the state to implement new technologies, including:



- □ Roscommon County Transportation Authority (RCTA) and Western-Washtenaw Area Value Express (WAVE) enhanced their TripMaster software with additional technology to allow for enhanced dispatching, fleet management, real-time tracking, and safety improvement for riders.
- □ Benzie, WexExpress, Charlevoix, and RCTA have implemented GTFS and GTFS-Flex (for demand-response) to enable real-time trip planning and service visibility.

4.2.1 Technology Short-Term

In support of more riders from the general public, the following technology (and recommended data and analytics) recommendations will be critical for responding to community and funding partner opportunities:

TripMaster

The RFP for TripMaster identified a series of features for future consideration including development of a mobile app, a web-based reservation portal and a fare collection system. As the system is more than halfway through its current contract cycle, a review should be completed of its effectiveness in meeting system implementation goals and needs.

Analytics

NCCOA should prepare data on ridership by town, days and hours of active service, and riders from community partners. Data that is not currently being collected, or is incomplete, should be identified and collection means established.

Reporting Requirements

New funding sources identified in 2.3 Funding Program Overviews

may require more robust data collection, especially for reporting to the FTA's National Transit Database (NTD).¹⁴ NCCOA should review data outputs to ensure compliance with requirements for reporting purposes to both state and federal funding partners.

Communication Tools

To make full use of available resources from MDOT, NCCOA should evaluate what tools, if any, are appropriate for communicating about their services to both riders and agency partners.

¹⁴ <https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-07/2024%20NTD%20Full%20Reporting%20Policy%20Manual.pdf>

Mobility Management Data

NCCOA needs to develop and implement a plan to collect the mobility management-related data required as part of the acceptance of the MDOT Mobility Management funding. The Mobility Management Quarterly Report requires NCCOA to record mobility management outreach events, and further metrics include coordination with partners, clients referred to partners, client mobility training details, and completed client trip plans.

Fares Data

NCCOA should consider what data will be needed to design and evaluate any new fare policy (see 4.4 Fares).

4.2.2 Technology Medium-Term

To support sustainable transportation services in Newaygo County, the following additional strategies for adopting technology should be considered by either the NCCOA or any established transit authority or transit department.

Hardware and Software Evaluation

Hardware and software tools should be evaluated on an annual basis for effectiveness in meeting program objectives. An annual “technology health check” with MDOT staff may prove beneficial in ensuring new or emergent technologies are brought to the attention of administrators, particularly those that may be more cost or time effective.

Funding Opportunities

Funding for new equipment, including technology, is available through the Section 5339 program, though funds are generally limited to non-vehicle replacement. Over the past five years, the FTA has enabled additional investments in technology through the deployment of competitive grant programs, which, in the last four years, have allocated over \$14 million annually to projects around the country. There is likely only one more year left of the Accelerating Innovative Mobility grant program, in 2026. It is anticipated that the new surface transportation bill currently in development will include similar efforts, thus, it will be important to monitor competitive grant opportunities at the federal level.

4.3 Business Rules and Evaluation Metrics

NCCOA operates Monday through Friday, with service available from 7:00 AM through 4:45 PM. Riders can call to schedule medical trips up to 30 days in advance; other trips can be scheduled up to 7 days in advance but no later than 2:00 PM the prior business day. Riders are notified the evening before their trip of their pick-up time and vehicle. The NCCOA website lists a limited set of rules for customers to observe in scheduling trips.

A review of daily performance data indicates that the late cancelation rate for rides is over 26%, which impacts the efficiency of daily operations. A cancelation is considered ‘late’ if



it occurs after a confirmed trip's routing is set and it is too late to change by dispatch and/or the driver. There is also a small percentage of no-shows which occur when the driver attempts to pick up the rider but there is no resulting ride. Both have a significant impact on the performance of the system by reducing the availability of slots to other riders, as well as incurring unproductive miles and time to a driver's trip. As ridership continues to increase, it will become increasingly important to establish and track service performance data and establish business rules to reduce these inefficiencies.

4.3.1 Business Rules and Evaluation Metrics Short-Term

The following business rules and evaluation metrics are recommended to improve the efficiency and effectiveness of NCCOA's provision of transportation services in the near future.

Cancelation Rules

NCCOA should establish a rule on cancelations, such as a 2-hour minimum prior to confirmed pick-up time. Further, a late cancelation/no-show policy for riders should be established and enforced. Typical policies are set over a specific time period, such as a 30-day window, in which no more than 3 late cancelations/no-shows are allowed without a service suspension.

Shorten Scheduling Allowance

NCCOA should reduce the scheduling window to 14 days, from 30 days, for medical appointments. Cancelations are higher for reservations made far in advance and can be reduced by ensuring riders are scheduling closer to the expected appointment time.

Rider Guidelines

NCCOA should develop a set of rider guidelines establishing expected courtesies and protocols for riders to use in partnership with NCCOA. These should be clearly communicated to riders, in particular long-term riders who may have established patterns, and be easy to understand and applied. These rider guidelines can form the foundation for the community education and outreach efforts undertaken by NCCOA's new Mobility Manager.

Define Metrics

NCCOA should establish metrics for each business rule to measure its effectiveness in achieving its program objective. For example, the 2-hour minimum on cancelation business rule can be evaluated on the following:

1. Percent riders adhering to the 2-hour minimum,
2. Percent trips successfully re-routed due to early cancelation,
3. Number of rider complaints lodged due to new policy.

4.3.2 Business Rules and Evaluation Metrics Medium-Term

To support sustainable transportation services in Newaygo County, the following strategies for evaluating, changing and adopting business rules and metrics should be considered by either the NCCOA or any established transit authority or transit department.

Review Rider Guides

Rider guidelines and policies should be reviewed and with community partners to identify areas for improvement and any barriers to use by their constituents. The Local Advisory Committee may be a good venue for this review and may provide insight otherwise not available to operators and administrators.

Annual Report

An annual report should be drafted that details the results of evaluation, including year-over-year trends. Many business rules may take significant time to take effect or see a return on investment. An annual report will also be valuable for informing governing bodies of the state of transit in Newaygo County.

4.4 Fares

NCCOA currently has a complicated set of “suggested donation” fares, depending on type of rider and type of service provided. Persons age 60 or older and persons with a disability are declared “fare free” on the website. These riders can additionally take up to one personal care attendant (PCA) for free, while people 60 and older may additionally take any number of children age 11 and under for free. Children aged 11 or younger and *not* riding with a person 60 and older are \$1.00, while anyone age 12 to 59 not traveling as a PCA is \$2.00. Further, rides out of county (e.g., to Big Rapids in nearby Mecosta County) have a recommended donation of \$20.00 for the round trip.

NCCOA has begun discussions on adopting a *required* fare which could generate additional revenue for the system and serve as an operating management tool. Many of the rural programs in Michigan have implemented fares for service which contribute to their operating bottom line.

Fares can be effective tools for generating revenue and managing service demand, and simple fares can be easier to manage for both riders and operators than complex fares. A review of nearby agencies and operators in Mason County, Oceana County, Mecosta and Osceola Counties, and others indicate a preference for no more than four categories of riders (see Table 2).

Table 2. Neighboring transit agencies fare categories and price ranges

	Low	High	Median
Youth and Adults (12 to 59)	\$1.00	\$5.00	\$3.00
Older Adults (60 and above)	\$0.75	\$2.50	\$1.50
Disabled Youth and Adults (12 to 59)	\$0.75	\$5.00	\$1.50
Children (11 and below)	Free	\$5.00	\$1.00

A simplified fare structure, or one based on type of service provided, may be a beneficial tool in both the short- and medium-term for NCCOA. A \$1.00/rider fare would generate approximately \$27,000/year, based on 2024 ridership numbers.

4.4.1 Fares Short-Term

The following fare adjustments are recommended as initial steps for collection of fares.

Simplify and Define

Fares should be simplified and clearly described in the rider guidelines. Fares should be set at or near \$1.00, the current recommended donation, which is near the low mark for regional peer operators and below the median for all but children among peers.

Considerations

Business rules on fare collection should be set and be sensitive to the following considerations:

1. Internal management of fares, including allowable payment types (such as on-board cash, or through pre-paid tickets/punch cards) and best practices/requirements for handling money per the Newaygo County Treasurer,
2. Operator and staff safety, including protocol for riders unable or unwilling to pay, and
3. Customer communication, including in languages other than English.

Fare Evaluation

Partner organizations and agencies should be invited to participate in opportunities for evaluating fare policy, exemptions, and bulk pricing (such as reduced fares for bulk tickets/punch cards to participating partners).

4.4.2 Fares Medium-Term

Implementation of fares can be challenging, both from a political feasibility standpoint and an operational/logistical standpoint. Monitoring and evaluation, as well as providing ample opportunity for community and partner feedback on fares, will be critical to any fare collection program. To support sustainable transportation services in Newaygo County,

the following strategies for evaluating, changing and adopting fares should be considered by either the NCCOA or any established transit authority or transit department.

Monitoring Impacts

Fares may reduce ridership, particularly for select service types or specific demographics of riders. Ridership figures and rider profiles should be monitored to identify if any particular service or community is declining to use transportation services in the months and years following institution of fares.

Impacts to Title VI

Newaygo County currently maintains a Title VI plan that can be used for evaluating how any fare policies or rules impact protected classes. In the event Newaygo County decides to establish a standalone transit agency (see 5.3 Establishing a PA 196 Standalone Authority), the new authority will require additional support for rules and policies regarding fares, including Title VI analysis.

Evaluation Plan

Having a clear set of guidelines on when fares should be evaluated for adjustment (such as annually) and how (such as reviewing regional socio-economic conditions or cost of living increases) will safeguard against the fare becoming obsolete or being negatively impacted by inflation. Tying fares to program goals can be a good way to measure their effectiveness.

4.5 Opportunities for Coordination

Coordination will be key to the development of a sustainable public transportation program in Newaygo County. Building on the success of NCCOA's pilot programs and the SAC, further opportunities for collaboration between the NCCOA, any newly established transit authority or transit department, community partners, and peer transportation operators in the region will be critical from the start.

While this study has found little-to-no cross-county travel demand between Newaygo and Oceana counties, it has identified a not-insignificant amount of travel demand beyond Newaygo County to both Big Rapids (in Mecosta County) and Grand Rapids (in Kent County). Facilitating coordination with transportation providers in these counties may yield opportunities for better connecting riders in Newaygo County with these larger metropolitan areas.

4.5.1 Opportunities for Coordination Short-Term

Building a strong relationship with neighboring operators can support collaboration on difficult or costly services to provide (such as non-emergency medical transport to Grand Rapids), which will be increasingly important for general public demand-response services. To continue to build on the coordination efforts of the SAC, NCCOA should pursue the following recommendations.



Neighboring Transit Providers

The NCCOA should establish ties with Mecosta-Osceola Transit Authority (MOTA), Kent County Community Action, Kent County RideLink, and The Rapid in Grand Rapids. These ties can look like sharing up-to-date information on service provision and identifying opportunities to connect riders in Newaygo County more effectively to networks in these neighboring areas.

Oceana County

The NCCOA should continue to share resources and coordinate with Oceana County Council on Aging, particularly regarding service in and around Hesperia.

4.5.2 Opportunities for Coordination Medium-Term

To support sustainable transportation services in Newaygo County, the following additional coordination activities are recommended for either the NCCOA or any established transit authority or transit department.

Service Contracts

Depending on the level of rider demand for general public demand-response, developing service contracts with local partners including Newaygo County Mental Health, Corewell Health, TrueNorth of West Michigan, and the Disability Network of West Michigan may increase ridership and expand the possible reach of transit services in Newaygo County. During project stakeholder meetings, partners expressed interest in contracting for transportation for their clients.

Future Advisory Committee

The SAC has proven invaluable to the work of this study. Establishing a similar type of body where issues and opportunities can be identified and discussed will be important to continue to bridge coordination gaps.

5. Recommended Structure and Governance Changes

There are several structure and governance options available for public transit providers in Michigan. This section provides a brief overview of these options along with a more detailed description of the options considered and recommended for Newaygo County.

5.1 Governance Options Overview

5.1.1 Options for Michigan Transit Operators

The State of Michigan affords multiple options for establishing a public transit operator:

- PA 7: Two or more bodies forming a transit authority



- PA 55: City forming a transit authority
- PA 94: County forming an authority through the Revenue Bond Act
- PA 196: Any combination of bodies forming a transit authority through the Public Transportation Authority Act
- PA 204: Metropolitan area forming a transit authority
- PA 279: Municipality forming an authority through the Home Rule Act
- PA 359: Township forming an authority through the Charter Township Act
- PA 387: Regional area forming a transit authority through the Regional Transportation Authority Act

Of these eight options, all but PA 359 are employed in the state, with over a third of transit agencies established under PA 196 and just under a quarter of transit agencies established under PA 94. After reviewing peers and suitability, the project team evaluated both PA 196 and PA 94.

5.1.2 Public Act 196

PA 196 is the most common form of public transit authority in the state, due in no small part because of its flexibility in how it is allowed to operate and generate revenue. For a more detailed list of activities for Newaygo County to follow in establishing a PA 196 transit authority, see 5.3 Establishing a PA 196 Standalone Authority.

Overview

PA 196 allows any number of political subdivisions (counties, cities, towns, villages, etc.) to collectively form a transit authority with its own board of directors separate from any of its participating members. Typically, the board is composed of representatives from participating governments, such as city councilors or county commissioners. While a county can decide to form a PA 196 in order that its board be separate from the county's board of commissioners, it is more common for multiple political subdivisions (including two or more counties, as is the case with Mecosta and Osceola counties) to pursue PA 196 establishment.

Establishment

The authority is formed through a multi-step process to draft and adopt articles of incorporation. First, a working group is defined, typically composed of the participating political subdivisions, though other organizations, including nonprofits and social service organizations, may also participate. Second, the working group outlines the governance of the authority, including its participating political subdivisions, board makeup, and how future political subdivisions may elect to join the authority. Third, the articles of incorporation must be sponsored by an existing political subdivision, such as a county or city. Sponsorship is largely perfunctory, with the sponsor acting as the guarantor of the legitimacy of the authority's right for incorporation before the Great Seal.

Once the articles of incorporation have been approved by an attorney and agreed upon by the participating political subdivisions (including the sponsor), they may be submitted to the Great Seal for approval.



Funding

PA 196 agencies have multiple ways of raising revenue, including the authority to request a millage in participating political subdivisions for the operation of the transit authority. The authority is also eligible for funding from MDOT and the FTA, including Section 5311, Section 5310, and LBO funds. In the case of securing funding from MDOT, the authority must commit a portion of local funds in the form of a line item in county general funds, a county millage, or a PA 196 millage.

Peer Examples

Many neighboring counties have PA 196 transit authorities, including authorities founded in neighboring Mason, Lake, Mecosta, and Osceola Counties.

Ludington Mass Transit Authority, Mason County:

LMTA dates back to 1975, with provision of dial-a-ride services paid for by a millage in the City of Ludington. Efforts to expand the services have met several roadblocks along the way.

- In 1975, under Public Act 55, the City of Ludington established an independent transit authority and passed a transit millage to fund services. The 1975 establishment and funding of the transit authority followed after Ludington piloted transit services for one year.
- In 1983, MDOT supported a pilot project with Ludington, the city of Scottville, and Mason County. Through the pilot project, MDOT provided additional fleet vehicles and funding to expand service within Ludington and to provide new service in Scottville and Mason County, with the stipulation that the jurisdictions would put a transit millage on the ballot to fund services after the pilot. Prior the vote on the millages, the county withdrew, and Ludington and Scottville residents voted to sustain services within their own boundaries with respective millages.
- In 2003, LMTA was established as a Public Act 196 standalone authority under the supervision of a five-person board set by the Mayor of Ludington. The transit authority was re-established under Public Act 196 “in order to allow other governmental entities to join the authority.”¹⁵ Scottville joined the LMTA.
- In 2004, Mason and Oceana residents were asked to vote on a millage to fund a two-county system, with Oceana voting against and Mason voting for. Because the two counties had not formed a two-county transit system prior to the millage vote, the proposal failed, and neither county could legally enact countywide millages.
- In 2006, Mason County established a new authority, the County Transit Authority, in an effort to expand LMTA’s services countywide. Though the authority was created, the millage placed on the ballot to fund the authority’s services failed. The Mason County Transit Authority does not provide services and is defunct.

¹⁵ LMTA formation document, provided by LMTA

- In 2009, Pere Marquette began contracting with LMTA to provide service; contract fees are paid using a local Pere Marquette millage.

Mecosta Osceola Transit Authority:

Mecosta Osceola Transit Authority (MOTA) is a two-county standalone authority that is governed by a board composed of representatives from each county government, the cities of Big Rapids and Reed City, and at-large members of the public from each county.

In 1976, the “County Express” began (possibly as an MDOT pilot) with Mecosta, Osceola, Lake, and Newaygo counties participating. The program closed after one year.¹⁶

- In 1978, Mecosta Rural Transit (later Mecosta County Area Transit) began operations, serving senior citizens and disabled residents in Mecosta County under the authority of the county as a county department authority funded by a countywide millage.
- In 1983, operations expanded to include Osceola County, becoming Mecosta-Osceola County Area Transit, overseen by both counties, still as a county department authority, funded by millages in both counties.
- In 2005, a new standalone authority was established, Mecosta Osceola Transit Authority.
- In 2019, the most recent millage passed in both counties to support MOTA.

Yates Township Transportation Authority, Lake County:

Originally a general public dial-a-ride service available to just Yates Township, Lake County has supported provision of its services to townships countywide under the supervision of a county department authority. The service is overseen by the Lake County Board of Commissioners. The pre-existing countywide senior millage has been used as the matching funds for state and federal grants.

County Transit Authority (defunct), Mason County:

In 2006, Mason County’s Board of Commissioners, with the cooperation of the cities of Ludington and Scottville, established a Public Act 196 authority at the county level, which would see LMTA’s services transferred to a county department, pending a successful bid for funding from Mason County residents. Unlike in 1983, when the county withdrew prior to the funding vote, the county stood firm but found itself at odds with its townships. Every township except Ludington and Scottville voted against funding the new authority. As a result, the authority remains defunct, with LMTA remaining the sole service provider in Mason County.

¹⁶ <https://www.theheraldreview.com/local-news/article/Getting-from-here-to-there-14348439.php>

5.1.3 Public Act 94

PA 94 is the second most common form of transit authority in the state, with a relatively simple establishment process that leverages existing powers vested in counties by the State of Michigan. For a more detailed list of activities for Newaygo County to follow in establishing a PA 94 transit department, see 5.4 Establishing a PA 94 County Transit Department.

Overview

PA 94 allows a county to use its existing powers to establish a department in the service of public works, including provision of transportation. PA 94 has minimal guidelines for transit agencies as its primary purpose is to allow county governments to improve their communities through the provision of public utilities like water, sewer and electricity. Transportation is also among the allowable improvements, and MDOT considers the provision of public transportation under PA 94 to qualify the service for funding.

Establishment

Unlike with PA 196, there is no separate process involving articles of incorporation or the Great Seal. The county, through its existing powers to establish departments for public improvements, simply passes a resolution creating the department, its funding line items in the county budget, and necessary details regarding its operation. In the event that another county department, like the COA, is already providing transportation services, the county can elect to transfer or share the provision of transit services between the newly established department and any other departments currently providing transit.

Funding

Funding for PA 94 agencies is generated by the county, such as through the general fund or countywide millage. The authority is also eligible for funding from MDOT and the FTA, including Section 5311, Section 5310, and LBO funds, though MDOT generally requires that a single entity be the recipient of all transit funds delegated to the county. This means that if both the COA and new transit authority provide services simultaneously and both are entitled to funds, a single recipient fund must be identified by the county and it becomes the county's responsibility to apportion the funding to other departments entitled to those funds.

Peer Examples

Van Buren County Public Transit ("Star")

Van Buren County has a PA 94 transit agency overseen by the sitting county board of commissioners and a local advisory council. The advisory council includes representation from regional planning, family advocacy, low-income residents, the local office on aging, riders, and education. The transit agency offers a mix of general public demand response and 'flex' services that travel in a dedicated area with defined stops but deviations in between.



Antrim County Transportation

Like many of Michigan's public transit agencies, Antrim County Transportation was founded in the late 1970s and provides demand-response services throughout the county. All riders pay a fare, but there is a discount offered for students, older adults, and individuals with disabilities. Additionally, Antrim County Transportation offers package delivery services.

5.2 Initial Options Considered

Beginning at the second SAC meeting on September 11, 2025, the project team presented three options for how to address the funding gap created by the expanded services offered by the NCCOA.

5.2.1 Do Nothing: Service Cuts

This option assumes that any services established since 2023 will need to be cut in order to return the NCCOA's expenses to something closer to those seen prior to the use of the fund balance. Potential cuts available to NCCOA include:

- Cuts to services for the disabled. Currently, anyone in the county can use NCCOA services, including people of any age who have a disability (not just seniors). This group saw a 554% increase in usage of NCCOA services from 2022, the largest increase of any demographic.
- Cuts to services for workers. With the number of households with limited vehicle access, high gas prices, and the cost of living rising across Michigan, workers have fewer options for how to get to work in places like Newaygo and Fremont. If someone's car breaks down, or a family member needs to use a household's only car, workers' job security may be one the line.

"Do Nothing" would still see revenue from the senior millage, FTA Section 5310 program funds, and would still include efforts to receive funding from local community foundations.

5.2.2 Establish an Authority: Sustain Services

These two options provide a path forward for sustaining, and potentially growing in the future, services for Newaygo County. In either scenario, the services currently offered by the NCCOA would be the foundation for a new authority under PA 196. Further, both would see new funding from MDOT and the FTA in the form of Section 5311 and LBO funds. These funds typically cover 40-50% of an operating budget, enough to bridge the gap for the current service levels provided by the NCCOA. Before the formation of an authority, the appropriate model for best sustaining the current service levels will need to be decided.

PA 196 Standalone Authority

A standalone transit authority would see NCCOA services under the guidance and administration of an independent authority with its own board composed of participating



governmental entities, such as cities, townships or the county. Potential benefits of this model include:

- More flexibility in service provision. As an independent authority, the transit provider can focus services on improving ridership, or geographic reach, or both.
- Can still contract with NCCOA. The services provided by NCCOA prior to 2023, focused on rides for the county's seniors, can be contracted to the new authority and allow the NCCOA to focus on its other programs.
- The authority is established by members who want to participate. Only cities, townships or areas of the county that wish to support current service levels need to participate in the creation of the new authority, allowing those who have most benefitted from the work of NCCOA to be at the table at this time.

A potential challenge is that a standalone authority needs a local champion to see it through: A new authority will benefit from a local champion who will help lead the creation and early days of operations and ensure the independent authority is well-coordinated with other decision-making bodies.

Among peers, the formation of LMTA in Mason County is a good example for Newaygo County to take into consideration. LMTA is currently governed by its original local board (with members appointed by the Mayor of Ludington). This reflects the growth over time from small service areas to larger service areas, but without the opportunity to formalize the authority as built on representation from served areas. In LMTA's case, this is likely due to the multiple failed efforts to establish a county level authority. With the creation of a new transportation authority in Newaygo, there is an opportunity to build a coalition of cities, townships, and the county to comprise the board, much closer to what is achieved by MOTA (with representatives from different constituencies, both public and government).

PA 94 County Department Authority

A transit authority that operates as a department of the county would see NCCOA services under the guidance and administration of Newaygo County. The creation of the department would be performed under the administration of the County Commissioners. Potential benefits of this model include:

- Sharing of administrative resources. As a county department, transit services could benefit from the county's current administrative functions, such as HR, IT, and accounting. This would save the transit department from needing to staff or contract out these positions itself but would also require supporting county staff to build new skills related to the new funding sources.
- Easier coordination with NCCOA. Since both the transit department and NCCOA would be county departments, internal collaboration may be easier than if the transit department were a completely separate entity.

Potential challenges include:

- The authority's budget would be tied to other county priorities. As a county department, the budget for transit would be part of the larger budgeting process that happens for all county services, potentially risking its security if other departments or needs take priority.
- The authority requires the County Commissioners alone to establish it. In order to be created, the authority would need to be established by the Newaygo County Commissioners, including those representing areas that currently have low ridership or do not use NCCOA services as fully as others.

Among peers, the ups and downs of Mason County's efforts to establish a county department authority reflect the challenges of balancing all the constituencies of a county, especially one as large and diverse as Newaygo County. By placing the responsibility for creation of the new authority on the county commissioners, there is the possibility that it will not have sufficient support to drive it through to creation, a process that takes time, energy, and patience. As seen with Yates Township, a smaller authority can sometimes succeed in launching countywide at a later time and allows the authority to demonstrate its value through service provision first.

5.2.3 SAC Recommendation

At the September 11, 2025, SAC meeting, members evaluated the options to sustain current transit service levels in Newaygo County. Of the three options listed above, the SAC recommended formation of a PA 196 transit authority, with Newaygo County acting as the sponsor. Next steps under this recommendation are described in 5.3 Establishing a PA 196 Standalone Authority

5.3 Establishing a PA 196 Standalone Authority

A standalone transit authority under PA 196 comes with many benefits, including access to new funding streams from both MDOT (in the form of LBO funds) and FTA (in the form of Section 5311 funds). These would supplement existing FTA Section 5310 funds, a portion of the Newaygo County senior millage, and other sources, such as funding from the Fremont Community Area Foundation. Further, this transit authority model affords multiple stakeholders, including political subdivisions such as cities and townships, as well as non-governmental partners like social service organizations, to work together to provide transportation options to the people of Newaygo County.

A PA 196 transit authority requires one or more political subdivisions to act as the 'sponsor' before the State of Michigan. The sponsor is responsible for the establishment of the transit authority and acts as the legal taxing authority in the event of a request for funding from residents. For Newaygo County, the sponsor at this time is the County. An important note is that unlike transit authorities formed as a PA 94 county department, the standalone transit authority would not be under the administration of the county itself (like the COA); instead, it will be administered by the transit authority's board of directors as established in its articles of incorporation.

Initialization may begin at any time, and it is recommended to take place as soon as feasible to ensure transit services in Newaygo County do not face a 'fiscal cliff' as

described in 5.2.1 Do Nothing: Service Cuts. The two key elements of transit authority initialization include the establishment of the Working Group and the retention of legal services.

5.3.1 Establish the Working Group (2026)

The working group will be the primary body tasked with defining the dimensions of the new transit authority, including the design of its Board and drafting of its Articles of Incorporation. The working group should be composed of members with both a stake in the successful establishment of the new transit authority, as well as a commitment to the work necessary to see it through.

Membership Recruitment

There is no definition for who must be involved in the working group, nor its size. It is recommended that the group be diverse enough to ensure a representative sample of Newaygo County's transit beneficiaries and stakeholders are included, but also that the group be small enough to be effective. Key places to consider recruitment include the existing SAC, administrators from benefiting political subdivisions (such as the cities of Newaygo and Fremont), and potentially peers with experience in the establishment and/or operations of a standalone transit authority (such as MDOT or neighboring communities like Ludington). An important note to keep in mind is that the working group is not the same as the new transit authority's board of directors. While there may be members of the working group who can fulfill future board duties, inclusion/participation in the working group does not guarantee or require participation in the activities of the new transit authority.

Define Roles and Responsibilities

The working group should establish a set of roles and responsibilities, as well as goals and norms, to guide its work. This will ensure that everyone has the same expectations and understands the role the working group plays in the establishment of the new transit authority. Options include a working group charter, shared vision, member contract, or some combination thereof. Key to the roles and responsibilities will be agreement on things such as a commitment of time and effort, including establishing key dates for meetings or actions, as well as how decisions will be made (such as use of Robert's Rules of Order or whether majority-rules on disagreements).

5.3.2 Retain Legal Services (2026)

Simultaneous to the establishment of the working group is the retention of legal services to act as a resource for the legal aspects of the action plan. MDOT has provided the name and contact for a lawyer with experience in establishing PA 196 transit authorities. This person or persons should be used to vet documents such as the articles of incorporation, as well as guide the working group in understanding any legal ramifications or requirements for its work. As much as possible, the working group should rely on peers, including peers' articles of incorporation and bylaws to guide the drafting of

documents, with legal services being available to answer questions and ensure all required elements are being met.

5.3.3 Complete Working Group Activities (2027)

Once roles and responsibilities are defined and norms established, the working has several required, and several recommended, actions to stand up the new transit authority. The two required elements are the definition of the new transit authority's board of directors and the drafting of the new transit authority's articles of incorporation. Recommended activities include drafting bylaws and beginning the process of budgeting and relationship building to set the new transit authority up for success during its initial years of operation.

Define Transit Authority Board

A key component of the articles of incorporation will be the definition of the new transit authority's board of directors. The board can take many forms, and it will be imperative the working group considers the pros and cons of different sizes and compositions to effectively administer the new transit authority.

When allocating seats, there are no definitions in PA 196 about the size or composition of the board, allowing local needs to determine its structure. It is not the role of the working group to identify specific individuals to sit on the board at this time; the role is to define how many seats and who is to represent them. For example, in nearby Mecosta and Osceola counties, the board of their MOTA has six members:

- County Commissioner (Mecosta County)
- County Commissioner (Osceola County)
- City Representative (Reed City)
- City Representative (Big Rapids)
- At-Large Member (Mecosta County)
- At-Large Member (Osceola County)

The board seats do not have to be assigned to sitting elected officials, and it may be helpful to allow for some flexibility in assignment (such as allowing any sitting commissioner to participate, rather than defining a specific seat on the commission to fulfill the assignment).

One key consideration for the size of the board is that, under PA 196, votes by the Board are considered adopted by a two-thirds majority. MDOT recommends a Board size between 3 and 10 seats. MDOT further recommends: "[...] The Authority board might (should) include representatives from the county, larger cities, villages and/or townships within the county."

Draft Articles of Incorporation

The articles of incorporation are the legal foundation for the new transit authority and provide the necessary structure for it to function as a legal entity. It is not a detailed guidebook for how the transit authority will operate or where it will provide service; instead, it is primarily concerned with who the sponsor is, how the board seats are allocated and members selected, how more political subdivisions may elect to join the transit authority (such as individual cities), and how to amend the articles of incorporation. For example, LMTA's articles of incorporation are only four pages long (see Appendix 5 Sample Articles of Incorporation).

To effectively use the working group's limited time and resources, it is advisable that they model the articles of incorporation on pre-existing documents, amending as needed for the local context. This will also reduce the reliance on legal services and reduce the risk of oversight during the establishment of the authority. A review of peer PA 196 transit authorities could include, in addition to LMTA, MOTA, Benzie Transportation Authority (recently established PA 196 transit authority), and/or Yates Township.

Per MDOT: "What is included in the Articles of Incorporation? The name of the authority, name of the political subdivision [Newaygo County] and its officers, composition and method of selecting the board, person responsible for publishing and printing the articles of incorporation, method of amending the articles of incorporation, and anything else the incorporators consider advisable."

5.3.4 Establish the Authority (2028)

Once the working group has completed the essential actions of defining the board and drafting the articles of incorporation, both Newaygo County and the State of Michigan have procedural responsibilities to establish the transit authority. Additionally, it is advisable that prior to the dissolution of the working group, it provides the new transit authority with some key resources to ensure once it is legally recognized, it can begin its operations without a significant administrative to-do list.

Newaygo County Board of Commissioners Resolution

The first procedural action required to establish the transit authority is for the sponsoring body to approve the articles of incorporation. Since Newaygo County is the sponsor, the Newaygo County Board of Commissioners will be responsible for passing a resolution that approves the Articles of Incorporation and then files them with the State of Michigan.

Pass the Resolution

The resolution must adhere to the rules governing actions by the Newaygo County Board of Commissioners, but key to its passage will be agreement between the working group and the County that they are committed to the passage of the articles of incorporation as written. Should the County Commissioners find issue with the draft as written, it may delay the establishment of the new transit authority. It will be important for all

commissioners to understand the articles of incorporation and their role as a sponsor in the newly formed transit authority.

File Articles of Incorporation

Once passed by the Newaygo County Board of Commissioners, the articles of incorporation are to be filed with the State of Michigan. MDOT has provided a checklist (see Appendix 3 Agency Checklist for Standing Up Authority) to aid both the working group and the County in this procedure. Per PA 196 Paragraph 124.455 §2, the following are required after adoption by the county:

1. Published at least once in a newspaper defined in the articles of incorporation.
2. One printed copy sent to the Secretary of State.
3. One printed copy sent to the Newaygo County Clerk.
4. One printed copy sent to MDOT.

State of Michigan Actions

The articles, once filed with the State of Michigan, are subject to approval by the Great Seal of Michigan.

Waiting Period

The effective date for the establishment of the transit authority is defined in the articles of incorporation, and there is a 60-day period from publication of the resolution during which time the validity of the transit authority can be questioned in a court of “competent jurisdiction.” After that 60-day period, the transit authority is conclusively presumed effective.

Great Seal

Provided the articles of incorporation have been approved by legal services and passed according to the rules governing the Newaygo County Board of Commissioners, there is no reason to believe the Great Seal will not approve the establishment of the transit authority.

5.3.5 New Transit Authority Actions (2028)

Once established and effective, the new transit authority has a series of key actions it must take before beginning operations. The following section is not exhaustive, and legally it is not required to be completed until after the establishment of the new transit authority. However, it is advisable that the working group, before its dissolution, aid the success of the new transit authority by beginning this work.

Meet with MDOT

Once MDOT receives the articles of incorporation they will set up a meeting with the working group (or, if already established, the new board of directors) to discuss further requirements and provide guidance on next steps.

Draft Bylaws

Bylaws, compared to the articles of incorporation, provide more detail and direction about the mandates of the new transit authority. While still not going into such detail as to describe specific services or geographies, they should provide a framework for how the new transit authority will function, including how the board will administer the transit authority.

As with the articles of incorporation, the working group should review peer transit authorities' bylaws to understand what is common and best practice for this document. PA 196 does not provide direction on what must be included in bylaws, but it will be helpful to have at least an outline prepared by the working for when the new transit authority board of directors is convened.

Bylaws should build upon the articles of incorporation and further define the how the transit authority will provide service to the people of Newaygo County. They should avoid being overly specific (e.g., defining a service level) but should provide directions on the general operations of the transit authority, including its relationship to the existing NCCOA's transportation program.

While the new transit authority will likely operate in a very similar fashion to the COA's transportation program, there may be a need to establish a set of values or goals around the authority's service, such as whether the purpose is to provide as much geographic coverage as possible, or to provide mobility to those with the highest need.

The current COA transportation program leans more on the social services side of transit provision than towards a higher recover of costs. While the bylaws will not explicitly outline service thresholds (e.g., days of the week, hours of the day), it can outline general programmatic features, such as a continuation of services to out-of-county destinations, and whether priority is given for certain populations or trip purposes when scheduling service.

Draft Budget

An initial budget for the operation of the new transit authority is necessary for the commitment of funding by MDOT. While the NCCOA transportation budget is a good starting place, there are several key differences between this budget and the budget of the new transit authority.

For example, resources were being provided by the County that will now need to be provisioned by the new transit authority, such as human resources, IT, and accounting,



Additionally, new funding streams, including LBO and Section 5311 funds, affect revenue projections, and new funding streams, including Section 5339 funds and renewed Fremont Area Community Foundation funds, can be used for capital projections.

For more detailed information about changes in revenue and expenses associated with the establishment of the new transit department, see 5.5 Expected Financial Impact.

Establish Relationship with NCCOA

The new transit authority will be the recipient of all state and federal funding, including Sections 5310, 5311, and 5339 funds. This means that management of funds and administration of transportation services will be the responsibility of the new transit authority, though assurances from MDOT indicate the transition from NCCOA's administration to the new transit authority's administration will be minimally disruptive to employees and riders alike.

Per MDOT, vehicles currently used by the NCCOA can be transferred to the new transit authority. There are often legal requirements for transferring capital expenses, and there may be provisions in the original funds used to acquire the vehicles that may hinder (or aid) their transfer or use by the new transit authority, and these should be reviewed by retained legal services.

Per MDOT, staff currently employed by the NCCOA can be retained by the new transit authority in a minimally disruptive fashion. Key to this transition will be clear buy-in from all parties, including the administrations for both NCCOA and the new transit authority, as well as drivers and dispatchers. Employment agreements and benefits currently held by current employees should be reviewed by retained legal services to identify any potential issues with staff retention by the new transit authority.

PA 196 transit authorities are allowed to solicit contracts for service, and the NCCOA is able to be contracted for services (as was done prior to 2022 for certain healthcare facilities in the area). The nature of the contract should be evaluated against both the budget and the bylaws to ensure that current service levels can be sustained.

Drug and Alcohol Testing

Currently, the COA complies with drug and alcohol rules as required by Motor Carrier Safety Act as a recipient of Section 5310 funds. With the addition of Section 5311 funds, the new transit department will be additionally governed by the FTA's drug and alcohol policy. The County will need to establish a new testing policy to align with the FTA's.

5.3.6 Begin Operations (2029)

Provided the working group fulfills its duties to draft the articles of incorporation, and the new transit authority has set its board of directors, budget, and relationship with the NCCOA, the new transit authority may begin providing transit to the people of Newaygo County. The "hand-off" of service provision from NCCOA to the new transit authority may



take time, but with the right framework in place from dedicated members of the public, government, and invested organizations, it can be done.

5.4 Establishing a PA 94 County Transit Department

Following the lack of commitment from political subdivisions other than Newaygo County at the December 2, 2025 SAC meeting, NCCOA and County staff requested that the option of a PA 94 county department be included in the presentation to the Newaygo Board of Commissioners. Unlike the PA 196 establishment process, no working group is necessary.

Figure 19 represents the high-level tasks needed to stand up the new transit department and prepare to deliver service.

5.4.1 Retain Legal Services (2026)

While it is within the county’s vested authority to establish a PA 94 without outside legal counsel, it is recommended that Newaygo County retain legal services to understand any implications establishing a PA 94 may have for the County. MDOT has references of legal services with experience in the establishment of public transit authorities and departments in the state that Newaygo County can avail itself of.

5.4.2 Board Resolution and Establish the Transit Department (2026)

Establishing the transit department will be an entirely internal Newaygo County process, with County staff preparing for and ultimately standing up the department after approval from the Board.

Draft Board Resolution

Newaygo County will draft the resolution, with support from the NCCOA Director. The resolution will be pre-approved by the



Figure 19. Timeline & steps for creating Newaygo County Transit Department



County's legal services before being brought to the Board for adoption.

Establish the Transit Department

The proposed Newaygo County transit department would be established by reassigning resources from the COA to the transit department. The new transit department would be established with the intent of maintaining a service level that is similar in size and operations to the COA's current transportation program. In the near-term (2027-2028), the new transit department should work closely with the COA, with minimal disruption to riders. The most significant change for riders would be the implementation of an "open door" service, providing trips to all residents regardless of age or disability status.

5.4.3 New Transit Department Actions (2027)

Once established and effective, the new department has a series of key actions it must take before beginning operations.

Meet with MDOT

Upon establishment, key members of the Newaygo County Commission, along with the Director of the COA, should meet with MDOT to discuss next steps, particularly for funding. Additionally, MDOT can provide resources such as budgeting materials, information on organizational structure and staffing options, and other helpful tools to aid the stand up of the new department.

Define Organizational Structure and Staffing

With the establishment of the new transit department, transportation administration and operation will be internally moved from the COA's transportation program to the new transit department. The structure of the new transit department will initially mirror that of the existing transportation program of the COA.

There are currently 6 full-time and 16 part-time non-admin paid personnel who should be transferred to the employment of the new transit department. This includes:

- 1 Full-time manager
- 1 Full-time dispatcher
- 1 Full-time dispatcher/mobility manager
- 3 Full-time bus drivers (with commercial driver's licenses (CDL))
- 5 Part-time bus drivers (with CDL)
- 11 Part-time van drivers (with chauffer's license)

The COA will retain its administrative staff, with the new transit department in need of additional administrative support from the County, including HR, IT and Finance.

Currently, the COA's transportation services are overseen by the COA Director. The proposed organizational structure would see a gradual transition of leadership from the Director of the COA to a new Director of the Transit Department.



The volunteer driver program, which currently only serves older adults with medical and social service trips out-of-county, should remain with the COA. This will allow the COA to better serve specific clients and make management of Older American Act funding easier, as it would remain in one department.

Reassign COA Assets

The COA currently has a fleet of 16 transit vehicles, an admin van, and a plow truck. The new transit department should receive these vehicles for its use, and the COA would retain 9 leased vehicles used for its food service program.

For facilities, the COA has a bus barn that would also transfer for use by the new transit department. In the near-term, designated spaces within the COA offices would continue to serve as administrative and operational spaces for use by the transit department until such a time as separation of these spaces is beneficial for reinforcing departmental cohesion and separation of responsibilities.

For equipment, the COA has radios, tablets, dispatch and scheduling software, tools, and miscellaneous supplies that would be reallocated for use by the new transit department.

The COA is highly dependent upon a single vendor for vehicle maintenance. Reliance on this single vendor carries the risk of transit service reliability being dependent on a small business with limited staff. A plan to establish a new transit department should include a mid-range plan for sustainable maintenance service.

Create Separate Transit Department Resources

Currently, transportation resources, such as the website, printed materials, and contact information are comingled with those of the COA. With the support of the County IT Department, the new transit department will need a new website, phone numbers, and email contacts. Additionally, a separate brand and set of collateral materials (printed schedules, rider guides, etc.) will need to be prepared. The COA is currently set to receive four new vehicles in FY 2026 and 2027. Deciding on branding for the new transit department may be appropriate to prevent application and removal of decals.

Define Policies and Procedures

While the new transit department will likely operate in a very similar fashion to the COA's transportation program, there may be a need to establish a set of values or goals around the authority's service, such as whether the purpose is to provide as much geographic coverage as possible, or to provide mobility to those with the highest need.

The current COA transportation program leans more on the social services side of transit provision than towards a higher recover of costs. While the bylaws will not explicitly outline service thresholds (e.g., days of the week, hours of the day), it can outline general programmatic features, such as a continuation of services to out-of-county destinations, and whether priority is given for certain populations or trip purposes when scheduling service.



Establish Transit Department Finances

The new transit department will be the recipient of all state and federal funding, including Sections 5310 and 5311, and LBO funds. A new county-level fund must be established, along with necessary revenue and expense line items. Since Section 5311 and LBO are based on formulas established by MDOT for eligible expenses, it is recommended that the Newaygo County finance department implement MDOT's Local Public Transit Revenue and Expense Manual¹⁷ as much as feasible during FY 2027 to make the transition easier in FY 2028. This would include utilizing MDOT account codes to enable the County to submit an accurate funding application.

For more detailed information about changes in revenue and expenses associated with the establishment of the new transit department, see 5.5 Expected Financial Impact.

Drug and Alcohol Testing

Currently, the COA complies with drug and alcohol rules as required by the Federal Motor Carrier Safety Administration as a recipient of Section 5310 funds. With the addition of Section 5311 funds, the new transit department will be additionally governed by the FTA's drug and alcohol policy. The County will need to establish a new testing policy to align with the FTA's.

5.5.4 Begin Operations (2028)

Provided the Newaygo County Board of Commissioners has fulfilled its duties to establish the new transit department and coordinate full handoff of service provision from the COA, the new department may begin providing transit to the people of Newaygo County. The hand-off of service provision from NCCOA to the new transit authority may take time, but with the right framework in place from dedicated members of the public, government, and invested organizations, it can be done.

5.5 Expected Financial Impact

In establishing a new transit authority or department, new funding becomes available alongside the potential for new expenses.

5.5.1 Revenue Estimates

As part of the initial assessment of governance options, the study evaluated whether the addition of Section 5311 and LBO funds would be sufficient to sustain services in

¹⁷ <https://www.michigan.gov/mdot/-/media/Project/Websites/MDOT/Travel/Mobility/Public-Transportation/Audit-and-Accounting-Information/Revenue-Manuals/FY-2026-Local-Public-Transit-Revenue-Expense-Manual-archived.pdf>

Newaygo County with a sustained level of contribution from the senior millage. That analysis used the FY 2024 budget for the NCCOA’s transportation program and applied the expected reimbursement amounts described by MDOT for a public transit agency in Michigan. The analysis determined that these funds, along with a cushion of renewed funding from the Fremont Area Community Foundation (FACF) and rider fares would be sufficient (see Table 4).

Table 3. Estimated revenue amounts based on FY 2024 figures

Funding Source	Estimated Amount	Description
Senior Millage	\$335,000	Approximately 16% of the annual yield.
FTA Section 5310	\$122,000	Based on actual reimbursement for FY 2024
FTA Section 5311	\$152,000	Estimate based on 18% operating expenses in FY 2024
MDOT LBO	\$236,000	Estimate based on 28% operating expenses in FY 2024
Other Funds	\$80,000	Estimate based on previous grant amounts from FACF and fare receipts.
Total	\$925,000	

MDOT has sample budgeting resources and an offer to provide budgeting assistance to the new transit authority or department. MDOT can provide additional insight into the expected revenue amounts for both Section 5311 and LBO funds beyond the estimates provided in Table 3.

5.5.2 Expense Estimates

While the expenses for the operation of the COA transportation program are comingled with other programs of the COA, the COA Director has provided an estimate of expenses associated with the program (see Table 5).

Table 4. Estimated expense amounts based on FY 2024 figures

Expense Category	Estimated Amount	Description
Personnel	\$674,929	6 Full time, 16 part time staff, including benefits
Vehicle fuel and maintenance	\$136,001	For 18 vehicles
Vehicle insurance	\$15,720	
Technology	\$5,524	For scheduling and dispatch software
Background checks	\$4,795	Includes employee physicals
Other	\$5,029	Includes postage, professional development, service fees, subscriptions/dues, and advertising, and other supplies
Total	\$841,998	

It may be worthwhile identifying peers with similar levels of service and geography to understand estimated costs associated with running a standalone transit authority or a transit department. In particular, this would be an opportunity to identify good resources for managing administration (human resources, IT, etc.) when staff are shared across different county departments or outsourced to private firms.

6. Next steps

The Newaygo County Board of Commissioners will make a decision about the future of NCCOA and/or publicly available transit services in late spring/early summer of 2026. Specific next steps will depend on the direction they choose, as outlined earlier in this report.

Appendices

Appendix 1. List of Abbreviations

Abbreviation	Definition
5310	Federal Transportation Agency Section 5310 funding for public transit services targeting seniors and individuals with disabilities
5311	Federal Transportation Agency Section 5311 funding for public transit services in rural communities (less than 50,000 residents)
ACS	American Community Survey
COA	When referring to Newaygo County: Commission on Aging When referring to Oceana County: Council on Aging
FACF	Fremont Area Community Foundation
FTA	Federal Transportation Administration
FY	Fiscal Year
LBO	Local Bus Operating funds
LEHD	Longitudinal Employer-Household Dynamics
LEP	Limited English Proficiency
MDHHS	Michigan Department of Health and Human Services
MOTA	Mecosta Osceola Transit Authority
NAICS	North American Industry Classification System
NCCOA	Newaygo County Commission on Aging
NTD	National Transit Database
NEMT	Non-emergency Medical Transportation
OCCOA	Oceana County Council on Aging
OPT	Office of Public Transit (MDOT)
PA 94	Public Act 94
PA 196	Public Act 196
PCA	Personal Care Attendant
SAC	Stakeholder Advisory Committee

Appendix 2. Overview of Replica

Rather than relying on traditional surveys or direct observation alone, Replica creates a simulated population by integrating real-world datasets, including U.S. Census demographics, land use, employment data, transit schedules, traffic volumes, and location-based service data (like that found in GPS). The term *synthetic* refers to this modeled approach, where individuals are statistically generated and assigned realistic demographic attributes and travel behaviors, based on the real-world data inputs. This simulated modeled activity closely reflects actual travel patterns, enabling detailed, privacy-protected analysis across regions and population groups.

Replica data are fused from a variety of sources, such as the decennial US Census and American Community Survey (ACS) datasets, Census Transportation Planning Package data, LEHD, in-vehicle GPS traces validated against Federal Highway Administration records, and published count data such as average annual daily traffic. Replica data can

be generated as a representative day (separately for a weekday or Saturday) within an established season.

Replica synthesizes the type of data that would come out of a custom regional travel survey, which does not exist in many parts of the country. In addition to providing quasi-travel-survey data where none exists, a strength of Replica data is that, in principle, it represents all travel: private vehicle, transit, bicycle, and pedestrian trips. This helps overcome the challenge of having good data on all modes of travel when using traditional regional household travel surveys. The trips in the Replica dataset are unchained, meaning each trip is a discrete, individual trip from Point A to Point B, rather than a chain of trips with multiple destinations. This means a trip to the store from home is described as two trips: one trip to the store, and one trip home.

Appendix 3. Agency Checklist for Standing Up Authority

This checklist can be used by agency and OPT after agency has filed as an Act 196 Authority (this is not an exhaustive checklist and required items can vary depending on different agency factors)

Updated: June 8, 2022

- Agency submit official letter to MDOT (including name change, date authority effective, date the agency wants payments to begin going to authority)
- Agency confirm with MDOT-OPT new legal name
- Agency register in SIGMA VSS, set up direct deposit
 - o <https://sigma.michigan.gov/PRDVSS1X1/Advantage4><https://sigma.michigan.gov/PRDVSS1X1/Advantage4>
- Confirm new CV number assigned
- Agency confirm with MDOT-OPT profile data in PTMS for agency is correct for new authority: mailing address, physical address, phone number and fax number
- New Fed ID #
- New UEI #
- Copy of Articles of Incorporation received by MDOT-OPT; confirm with agency that they have submitted with the Great Seal and they have received approval.
- MDOT-OPT update CTRAK (legal name, contact person, address, phone, federal ID#)
- Agency submit Signature Resolution for Authority to MDOT-OPT
- MDOT-OPT determine if new agency profile is required in PTMS or simply a name change
- MDOT-OPT change legal name in JobNet
- MDOT-OPT confirm with agency any email updates
- MDOT-OPT Novation of Master Agreement and determine if any current authorizations need to be novated as well (check with Program Manager if any grant amendments will be necessary to add agency name)
- MDOT-OPT work with agency to determine status of open contracts; If there is a current LBO payment being made to county, agency also needs to submit letter of

request to change payment to be made to new authority. Note: change cannot take place until after authority is set up in SIGMA. This process may take time to change internally.

- Vehicles - Agency transfer titles from County to Authority, new titles need to name SOM/MDOT as First Secured Party
- Does agency have any Inter-local agreements to update?
- Title VI Plan - Agency update Title VI plan with new name including any other revisions needed regarding change from County to Authority
- Drug and Alcohol Policy - Agency create new DandA Policy for Authority
- Other forms to review/update/create new:
 - American Disability Act (ADA) Complaint Policy
 - Vehicle Maintenance Plan
 - Vehicle Accessibility Plan
 - Lease Agreement
 - Cost Allocation Plans

Appendix 4. Sample Transit Authority Budget

Revenue	Amount	Description
Farebox	\$33,000	\$1/\$2/\$5
Local Match	\$282,078	0.35 mil
State Operating	\$224,181	0.35
Federal Operating	\$64,304	0.109
Total Operating	\$603,563	
Expense		
Director	\$40,000	Director Salary
Admin	\$28,000	Admin
Operators	\$208,000	2x 7 hour shifts x 8 drivers @ \$14.23
Dispatchers	\$52,000	2x 7 hour shifts x 2 dispatchers @ \$14.23
Fringe @ 30	\$98,400	
Total Headcount	\$426,400	
Contracted Svcs	\$67,000	BATA, Manistee
Advertising Fees	\$4,100	
Audit	\$4,000	
Other Costs	\$12,000	Snowplowing, towing, tech support
Fuel	\$15,000	
Tires	\$1,700	
Other Materials	\$10,000	
Rent/Utilities	\$16,000	
Liability Insurance	\$18,000	
Other Insurance	\$11,000	
Travel Mtg/Training	\$2,000	
Dues, Subscriptions	\$750	
Other Misc.	\$2,000	
Total Expenses	\$589,950	

Appendix 5. Sample Articles of Incorporation

ARTICLES OF INCORPORATION

UNDER ACT 196 OF THE PUBLIC ACTS OF 1986 OF THE LUDINGTON MASS TRANSPORTATION AUTHORITY

ARTICLE I.

NAME. The name of the corporation is the Ludington Mass Transportation Authority, referred to as the "Authority".

ARTICLE II.

INCORPORATING AUTHORITY. The incorporating authority is the Ludington Mass Transportation Authority, which was previously organized under Act 55 of the Public Acts of 1963, as amended.

ARTICLE III.

MEMBERS. The City of Ludington and the City of Scottville shall be the members of the Authority.

ARTICLE IV.

PURPOSES. The purposes for which the Authority is created are:

1. To, pursuant to 1986 Public Act 196, as amended (Act 196), plan, promote purchase, acquire, establish, own, lease, operate, or cause to be operated, maintained, improved, enlarged, or modernized, public transportation facilities and systems, within and outside the limits of the Members.
2. To do all things reasonably necessary, proper, or convenient for the accomplishments of any of the above purposes.

ARTICLE V.

POWERS. The Authority is hereby empowered to do anything authorized or permitted by Act 196, expressly or by implication, and to do any other lawful act reasonably necessary, proper, suitable, or convenient for the achievement of furtherance of the purposes above-stated.

ARTICLE VI.

COMPOSITION OF BOARD. The Authority shall be directed and governed by a six (6) person Board of Directors, herein referred to as the Board. The City of Ludington shall appoint five (5) members to the Board and the City of Scottville shall appoint one (1)



member to the Board. The Mayors of the City of Ludington and the City of Scottville shall be ex-officio members, but shall not be counted for purposes of determining a quorum and shall not be entitled to vote on any issues.

Current members of the Ludington Mass Transportation Board of Directors shall continue to serve as members of the Board of Directors for the remainder of the terms for which they were appointed. The term of office of a Board member shall be for three (3) calendar years with members appointed on a rotational basis. All Directors shall serve until a successor has been named. If a Director is unable to complete his or her term of office, the successor shall be appointed in the same manner as the original appointment to complete the term. The Mayor of the City of Ludington, with the confirmation of the Ludington City Council, shall make the appointment of the Board members representing the City of Ludington. The Mayor of the City of Scottville, with the confirmation of the Scottville City Council, shall make the appointment of the Board member representing the City of Scottville. The respective Mayor, with the approval of the respective City Council, may remove an appointed member. In the conduct of the business of the Board, a simple majority of the Board members sewing shall constitute a quorum. On all voting issues before the Board, except amendments to the Articles of Incorporation, a simple majority of the Board Members present shall constitute a legal majority.

ARTICLE VII.

ANNUAL MEETING APPOINTMENT OF OFFICERS. The Board shall hold an annual meeting on the last Tuesday in October of each year, which is the first month of the operating fiscal year, unless deemed otherwise at such place, date and hour as shall be fixed by the Board. The Board shall, at its annual meeting, elect a chairperson, a vice-chairperson, secretary, and secretary pro tern, who shall be members of the Board. Said officers shall serve at the pleasure of the Board and shall have all the powers assigned to them by the Board. The Board shall transact such other business as may be necessary which shall be open to the public. All members of the Board shall serve without compensation from the Authority but shall be entitled to reimbursement by the Authority of actual expenses incurred in the discharge of their duties.

ARTICLE VIII.

EXECUTIVE DIRECTOR. The Board shall employ an Executive Director with such duties and authority as shall be determined by the Board. The Executive Director shall adopt rules, regulations, and/or policies governing the employees, property, and facilities under the Authority's jurisdiction.

The Executive Director of the Authority shall be charged with the responsibility of causing these Articles of Incorporation to be published in the Ludington Daily News and the printed copies of the Articles of Incorporation to be filed with the Secretary of State, the Clerk of Mason County, and the Director of the State Transportation Department, as provided in Act 196.

ARTICLE IX.



ARTICLE AMENDMENTS. The Articles of Incorporation may be amended only by a majority vote of the Board members then sewing subject to veto by the governing body of any political subdivisions that is a member of the Authority as further set forth herein. After approval of the proposed amendments to the Articles, the Authority shall mail the proposed amendments to the clerk for each participating member of the Authority. The governing bodies of each participating member shall have (30) days after the date of mailing by which to disapprove the proposed amendments and transmit a resolution of disapproval to the Board. Upon transmittal of such resolution, the proposed amendments shall not become effective unless the Board, by two-thirds vote of the members then serving, approves the proposed amendments within thirty (30) days after the receipt of the resolution of disapproval from a governing body of the political subdivisions comprising the Authority. Failure to respond to the proposed amendments within the thirty (30) day period shall be tantamount to an approval of the proposed amendments.

ARTICLE X.

FINANCING. The Authority is to be financed through grants of money or property from federal or state governments, other revenues from federal or state governments, fees from riders, fees from contract users, financial contributions from federal, state, and local governments, taxes authorized by the voters or by members, and any other sources authorized by Act 196 or by other federal or state laws or regulations.

ARTICLE XI.

ASSUMPTION AND TRANSFER. All tax revenues or real or personal property, or property rights, money, authorizations to levy a tax, or all other rights, duties and obligations of the Ludington Mass Transportation Authority under Act 55 of the Public Acts of 1963 shall be assumed by and transferred to the Ludington Mass Transportation Authority created under this Act, without execution or delivery of any document or instrument transferring or assigning them.

ARTICLE XII. MISCELLANEOUS.

1. A political subdivision or a portion of a City, Village or Township may become a member of the Authority in accordance with Act 196.
2. A member may be released from the Authority only in accordance with Act 196.
3. The Chairperson or executive director may call a special meeting of the Board at any time. The Board shall keep a written or printed record of every meeting, which record shall be public.
4. The Board shall provide a system of accounts to conform to any uniform system required by law and shall provide for the auditing of said accounts
5. Once a year by a competent certified public accountant. The Board shall appoint an executive director and shall adopt rules, regulations, and policies governing the employees, patrons, and facilities under its jurisdiction.
6. A Board member or any person holding appointment by the Board shall not have any interest either directly or indirectly in any contract entered into by the Authority, unless all material facts as to his or her relationship or interest as to the

- contract are disclosed or known to the Board, and the Board authorizes, approves or ratifies the contract without counting the vote of the interested Commissioner.
7. The Board shall furnish an annual report to the legislative body of all participating members with respect to the operation, maintenance and financial condition of the Authority.
 8. The Board may adopt bylaws, policies, and procedures it deems reasonably necessary or proper for the conduct of the business of the Board and for accomplishing the purposes for which the Authority is created. Approval of bylaws or amendments to bylaws shall be subject to the same procedure for approval of amendments to the Articles of Incorporation in Article IX.
 9. The Board shall employ an Executive Director with such duties and authority as shall be determined by the Board. The Executive Directors shall adopt rules, regulations, and or policies governing the employees, property, and facilities under the Authority's jurisdiction.
 10. The registered office shall be 5545 Carr Street, Ludington, Michigan 49431.
 11. The resident agent of the Authority shall be the Executive Director, presently Richard Collins.
 12. Failure to attend four or more consecutively scheduled meetings, without contacting the Board Chairman or Executive Director, will be considered as resignation from the Board. The Board Chairman may then request that the respective Mayor remove the absent member from the Board and provide a replacement as indicated in Article VI.

ARTICLES XIII.

EFFECTIVE DATE. These Articles of Incorporation shall be elective on January 1, 2008.

Appendix 6. Sample Bylaws

YATES TOWNSHIP TRANSPORTATION AUTHORITY BYLAWS

ARTICLE I BOARD OF DIRECTORS

Section 1. Establishment of Board of Directors. The business and property of the Yates Township Transportation Authority (the "Authority") shall be managed and directed by the board of directors (the "Board").

Section 2. Fiscal Year. Officers. The fiscal year of the Authority shall begin on October 1 of each year and end on the next succeeding September 30. The Board annually at its first meeting shall designate one of its members each as Chairperson, Treasurer and Secretary. The officers so elected shall serve a term of one (1) year or any part thereof as may be determined, and until a successor is designated.

Section 3. Powers. The Board may exercise all powers provided by Act 196, Public Acts of Michigan, 1986, as amended, or otherwise by law including those bestowed by the resolution establishing the Authority.



Section 4. Engagement of Professionals. The Board shall engage and employ such manual, clerical, technical, financial, legal and professionals as in its judgment may be necessary and is incidental to carry out the purposes of the Authority.

Section 5. Seal. The Board May adopt an official seal.

Section 6. Audit. The Board shall cause an annual audit of its business to be made and the result thereof shall be submitted to Yates Township.

Section 7. Committees. The Board may establish advisory committees for the purpose of assisting the Board in the discharge of its duties. The resolution establishing an advisory committee shall state the names of the committee members, their terms of office and the committee's function.

ARTICLE II MEETINGS

Section 1. Meeting Requirements. Meetings of the Board shall be held in accordance with the provisions of the Michigan Open Meetings Act, being Act 267 of the Public Acts of Michigan, 1976, as amended (the Open Meetings Act"), and shall be held within the area of jurisdiction of the Authority.

Section 2. Schedule. Any schedule of regular meetings of the Board, shall be set by the Board at its annual meeting (described in Section 3 of this Article II), or at such time as may otherwise be determined by the Board. Within ten (10) days following the annual meeting a notice shall be posted in a public place setting forth the dates, times, and places of any regular meetings scheduled for the ensuing year. Any changes to this schedule shall be posted as required by the Open Meetings Act.

Section 3. Annual Meeting. The annual meeting of the Board shall be the first regular meeting of the fiscal year. and shall be for the purpose of the election of officers and consideration of such other organizational matters as may be required

Section 4. Special Meetings. Special meetings shall be held whenever called by direction of the Chairperson of the Authority, or any two (2) members of the Board provided eighteen (18) hours of notice is given of the time and purpose for which such meeting is called. The announcement of a special meeting at any meeting at which a quorum is present shall be sufficient notice of such meeting. Board members not present at the time of announcement of such special meeting shall be notified by the Secretary.

Section 5. Quorum and Voting. A majority of (and no less than three (3)) members then serving on the Board shall constitute a quorum. A majority vote of members then serving on the Board (regardless of the number of members present) shall be necessary for the transaction of any and all business or the passage of any resolution.

Section 6. Order of Business. At meetings of the Board, business shall be transacted in such order as from time to time the Board may determine.

Section 7. Journal. The Board shall act by resolution or motion and shall keep a journal of its proceedings, which shall be signed by the Secretary. Said journal shall show how each member voted and each member shall vote upon all motions and resolutions unless he/she is disqualified from voting thereon by reason of any direct or indirect personal interest as defined by the State of Michigan conflict of interest laws.

ARTICLE III OFFICERS AND STAFF

Section 1. Chairperson. The Chairperson shall preside at meetings of the Board and shall do and perform such other duties as may be from time to time assigned by the Board.

Section 2. Secretary. The Secretary shall maintain custody of the official seal and of records, books, documents, or other papers of the Authority not required to be maintained by the Treasurer. The Secretary shall attend meetings of the Board and keep a record of its proceedings, and shall perform such other duties delegated by the Board.

Section 3. Treasurer. The Treasurer shall keep the financial records of the Authority and, together with the Executive Director (as defined herein), if any, shall approve all vouchers

for the expenditure of funds of the Authority. The Treasurer shall perform such other duties as may be delegated by the Board and shall furnish bond in an amount as prescribed by the Board.

Section 4. Absence or Disability of Officers. In case of the temporary absence or disability of any officer, the Board may appoint some other member of the Board to act temporarily in his or her stead, except that in the case of the temporary absence or disability of the Chairperson, the Secretary of the Board shall act as Chairperson

Section 5. Checks. All checks shall be signed by the Treasurer and countersigned by either Chairperson, the Secretary, the Executive Director, or any official designated by the Board.

Section 6. Bonds. Bonds of the Authority and interest coupons attached thereto, if any, shall be executed with the manual or facsimile signature of the Chairperson and Secretary.

Section 7. Executive Director. The Board may appoint an executive director (the "Executive Director"), who may be employed by the Authority on terms to be determined by the Board. The Executive Director shall be the chief administrative officer of the Authority and shall have the general power to manage the day-to-day operations of the Authority, including but not limited to responsibility for hiring and managing all other personnel of the Authority.

Section 8. Electronic Signatures. Except as otherwise provided by the Board, any signature authority granted to any officer or staff member of the Authority shall be deemed to include authority to execute documents by electronic signature.

ARTICLE IV BYLAWS



Section 1. Amendments. The Board shall have power to make, alter or amend the bylaws in whole or in part. Written copies of the proposed amendments shall be delivered to the Board prior to submission for approval at the next proceeding regular or special meeting of the Board.

Section 2. Effectiveness. These bylaws shall become effective upon approval of the Board.

Section 3. Construction and Application. These bylaws shall be liberally constructed and applied in a manner which, in the judgment of the Board, best enables the Board to carry out its duties.