Pinal County Transit Governance Study

DRAFT

Final Report

January 2021

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Chapter 1: Introduction

Pinal County and the Central Arizona Governments (CAG) commissioned a Transit Governance Study as part of efforts to implement the Pinal County Regional Transportation Plan. This study was designed to evaluate transit governance models and recommend a framework to guide future governance, management, and implementation of public transportation services in Pinal County. The analysis was structured to include recommendations on how existing and future public transportation services could coordinate and collaborate on service delivery as well as how the region should manage, structure, and oversee public transportation service development.

Recommendations were developed with leadership provided by the Pinal Regional Transportation Authority (PRTA), CAG, and Pinal County in collaboration with a Technical Working Group (TWG) as well as a larger group of stakeholders that included elected officials. Technical work was conducted by a project team comprised of consultants led by Nelson\Nygaard Consulting Associates and supported by Wilson & Company and the Gordley Group.

Background

The Pinal County Board of Supervisors formed the PRTA in 2015 after periods of rapid population growth and increasing demand on the transportation network. By establishing the PRTA, the County began the process of identifying both transportation improvements and a funding stream for implementation. In 2017, the PRTA asked voters to approve a Twenty-Year Comprehensive Multimodal Regional Transportation Plan ("the Plan" or "the Regional Transportation Plan") and a half-cent sales tax tied directly to the Plan. In November of the same year, Pinal County voters approved both the Plan and sales tax.

Projects included in the Regional Transportation Plan—and funded by the sales tax—largely consist of roadway projects. In total, roadway investments account for 92.5% of the funded projects. The Plan also includes funding for local road projects for less populated municipalities, plan administration, and a public transportation element. The public transportation element receives $1 million per year or about three percent of the total funding. Specific funding allocations called out in the voter-approved plan include:

- Construction of park-and-ride facilities throughout Pinal County

- Annual funding for dial-a-ride services to assist people with disabilities, seniors, and members of the public and annual operational funding for the existing system

- Potential for local matching resources to fund transit service expansion

Study Goals

Among the challenges facing Pinal County as it moves forward with the public transportation elements of the Regional Transportation Plan is the need to create a framework to manage and govern future

public transportation services. The governance study considered different models and options for collaboration across communities and coordination between existing and potential new transportation services. The project team also studied the needs of communities already providing transit services and considered how models could offer flexibility to incorporate new services that may be added as Pinal County adds people and jobs. In identifying a governance structure, the study team considered several questions including:

- How can individual cities, towns, and other partners collaborate to guide transit service development in Pinal County?

- What are the different governance and organizational models that could be used to guide future collaboration?

- What are the costs and benefits of individual models? How do they help existing service providers? How does each model support and encourage development of new public transit services?

These questions are intertwined; the costs and benefits of different governance models depend on how cities and towns want to collaborate. Likewise, how partners want to collaborate will determine the composition and structure of individual governance structures. Answering these questions was fundamental to the overall study.

Study Methods

The Pinal County Transit Governance study was prepared through an iterative process that involved research, analysis, and stakeholder input. A small project management team directed the overall study; this team was led by the Central Arizona Governments (CAG) and included representation from the Pinal Regional Transportation Authority (PRTA), Pinal County, and Arizona Department of Transportation (ADOT). A larger Technical Working Group (TWG) guided the study by directing study tasks and providing input on findings and recommendations. The TWG included staff from Pinal County municipalities, area nonprofit agencies, and regional and state governments.

The technical work completed as part of this study started with a review of existing transit services and an analysis of the market for transit. It also consisted of a peer review of transit governance structures and systems used by similarly positioned regions, which included a review of Arizona transit agency governance and finances. The study was developed with extensive stakeholder and community input through stakeholder interviews, presentations, and stakeholder workshops.

Title VI Compliance

Title VI of the 1964 Civil Rights Act states that "No Person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." The Pinal County Transit Governance Study took the following steps to comply with Title VI:

- Commenced all meetings, including TWG meetings and stakeholder workshops by reading the Title VI statement.

- Conducted a demographic profile of Pinal County that examined the size and distribution of households with low-incomes and limited access to private vehicles. It also included an analysis of individuals based on age and ability.

- Offered an opportunity to participate in a stakeholder interview to all towns and cities in Pinal County, regardless of size or expressed interest in public transportation.

- Evaluated the impact of the different governance models on transit service development.

Report Organization

The report is organized around five main chapters, immediately following this introductory section:

- Chapter 2 Existing Transit Services and Markets

- Chapter 3 Peer Review: Transit Governance Structures

- Chapter 4 Stakeholder Input

- Chapter 5 Transit Governance Models

- Chapter 6 Recommendations and Implementation

The following appendices are included at the end of this document:

- Appendix A: Stakeholders Engagement

- Appendix B: Stakeholder Workshop

- Appendix C: Transit Administrator Job Description

- Appendix D: Transit Agency Coordination, Collaboration and Consolidation

Chapter 2: Existing Transit Services and Markets

Overview

Pinal County is a fast-growing region. According to the U.S. Census, Pinal County's population on July 1, 2019 was 462,789, which reflects an addition of 90,000, or 23% more residents since April 1, 2010. This rate of growth translates to an additional 27 people moving to Pinal County each day. By developing the Pinal Regional Transportation Authority (PRTA) and securing a regional transportation plan and sales tax, Pinal County residents recognized the need to build infrastructure to support and manage growth.

While the Transit Governance Study is focused on structures and systems to manage and direct transit services, it is important to inventory existing transit services as well as the underlying market for transit services. The inventory of existing and planned services shows where and how public transportation services are currently operating and where future systems are planned. Existing and planned transit services can also be compared with the transit market analysis, which indicates the underlying demand and need for transit services. The market analysis suggests how transit services may develop within the County and highlights the current and future changing conditions, including needs and emerging opportunities for transit, that may influence new governance structures . This section is a summary of Technical Memo 1: Existing Conditions; this memo is available under a separate cover.

Existing and Planned Transit Service

There are a handful of public and human transportation services operating in Pinal County, including local and regional services. There are also two intercity services—Greyhound and Amtrak Thruway bus service—that provide a few trips a day to Phoenix and other regional destinations. Public and human service transportation in Pinal County includes:

- **Cotton Express** – a local bus service that operates within the City of Coolidge. It consists of two deviated fixed routes, as well as demand response services. The Cotton Express is available on weekdays from 7:00 AM to 8:00 PM and carries about 20,000 riders each year[1]. The Cotton Express is operated by the City of Coolidge and governed by the Coolidge City Council, Mayor, and City Manager.

- **Central Arizona Regional Transit (CART)** – a regional bus service that serves the cities and towns of Coolidge, Florence, and Casa Grande as well as Central Arizona College. It also serves the Greyhound bus stop at Love's Travel Stop in Eloy. The service operates two deviated fixed routes that travel in opposite directions along the same route. CART operates on weekdays

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[1] City of Coolidge

between 5:00 AM and 8:30 PM and carries about 13,000 annual riders. CART is operated by the City of Coolidge under the oversight of the CART Board, which includes representatives from the member agencies of Pinal County, the City of Coolidge, the Town of Florence, and Central Arizona College. An Intergovernmental Agreement (IGA) between these entities describes the commitments that each organization makes to the transit system and obligation for matching funds.

- **City of Maricopa Express Transit (COMET)** - a local and regional public transportation service that includes local demand response, regional demand response, and local circulator services. Demand response services operate on a reservation basis and the local circulator is available on weekdays between 7:00 AM and 5:30 PM. COMET provides approximately 4,100 trips. It is managed by the City of Maricopa and governed by the City Council and Mayor.

- **Gila River Transit** – a local and regional deviated fixed route service operated by the Gila River Indian Community. Service is available on weekdays from 8:00 AM to 4:30 PM.

- **On-the-Go Express** – a regional demand response service available to adults aged 60 or more and individuals with disabilities. It is designed to provide access to medical appointments and essential services, including shopping. It largely serves the eastern part of Pinal County. The service is managed by the Pinal County Department of Public Health and is available on weekdays from 8:00 AM to 3:00 PM. On-the-Go provided 6,700 trips in Fiscal Year (FY) 2018.

- **Human Service Transportation** – demand response services operated by the nonprofit organizations, such as but not limited to, Horizon Health and Wellness, the Opportunity Tree, the Pinal-Gila Council for Senior Citizens, and the Pinal Hispanic Council. Transportation services respond to client needs and serve parts or all of Pinal County. In FY 2018, Horizon Health and Wellness and the Opportunity Tree provided nearly 17,000 and 11,300 trips, respectively. The Pinal Hispanic Council carried 17,100 riders in 2017[2]. As private nonprofit entities, the services are governed as part of the organization's overall management.

The cities of Casa Grande and Eloy recently completed transit studies that explored the need and opportunities for public transportation services in their communities. Both studies were completed in 2019 and funding continues to be the largest barrier to implementing recommendations identified as part of the planning efforts.

- **The City of Casa Grande** completed a Transit Development Plan in 2019. The plan includes short-term recommendations that suggest implementing two local deviated flex routes, one on Florence Boulevard and a second route focused on downtown and health services destinations.

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[2] **Ridership data for the Pinal Hispanic Council was available for the calendar year. Data was not available for the Pinal-Gila Council Senior Citizens.**

The plan also identified longer term transit opportunities markets in southwest Casa Grande and a service along Pinal Avenue in southeast Casa Grande.

- **The City of Eloy** completed a Transit Feasibility Study in 2019 that recommended a combination of flexible local circulator service within downtown Eloy and a regional bus route to connect Eloy with Casa Grande.

Transit Market Analysis

The demand for transit service can largely be explained by a handful of factors, including population and employment density, but also socio-economic and demographic characteristics of the underlying population. Density is a key factor because areas with higher concentrations of people and jobs mean the overall market for travel is higher, but also because transit is more competitive in areas with high concentrations of people and jobs. Socioeconomic and demographic characteristics, like age, income, disability, and access to a vehicle also increase the demand for transit.

The Pinal County transit market analysis focuses on the size and distribution of people and jobs as well as the distribution of people more likely to use transit, such as people with low incomes, people without access to a vehicle, older adults, youths, and people with disabilities. It also includes underlying travel flows and the location of major activity centers--such as large employers, medical centers, shopping areas, and universities and colleges—used to identify places where people are traveling to and from. Key data sources for the analysis include population and employment data from the US Census Bureau's American Community Survey (ACS) and Longitudinal Employer-Household Dynamics (LEHD) programs.
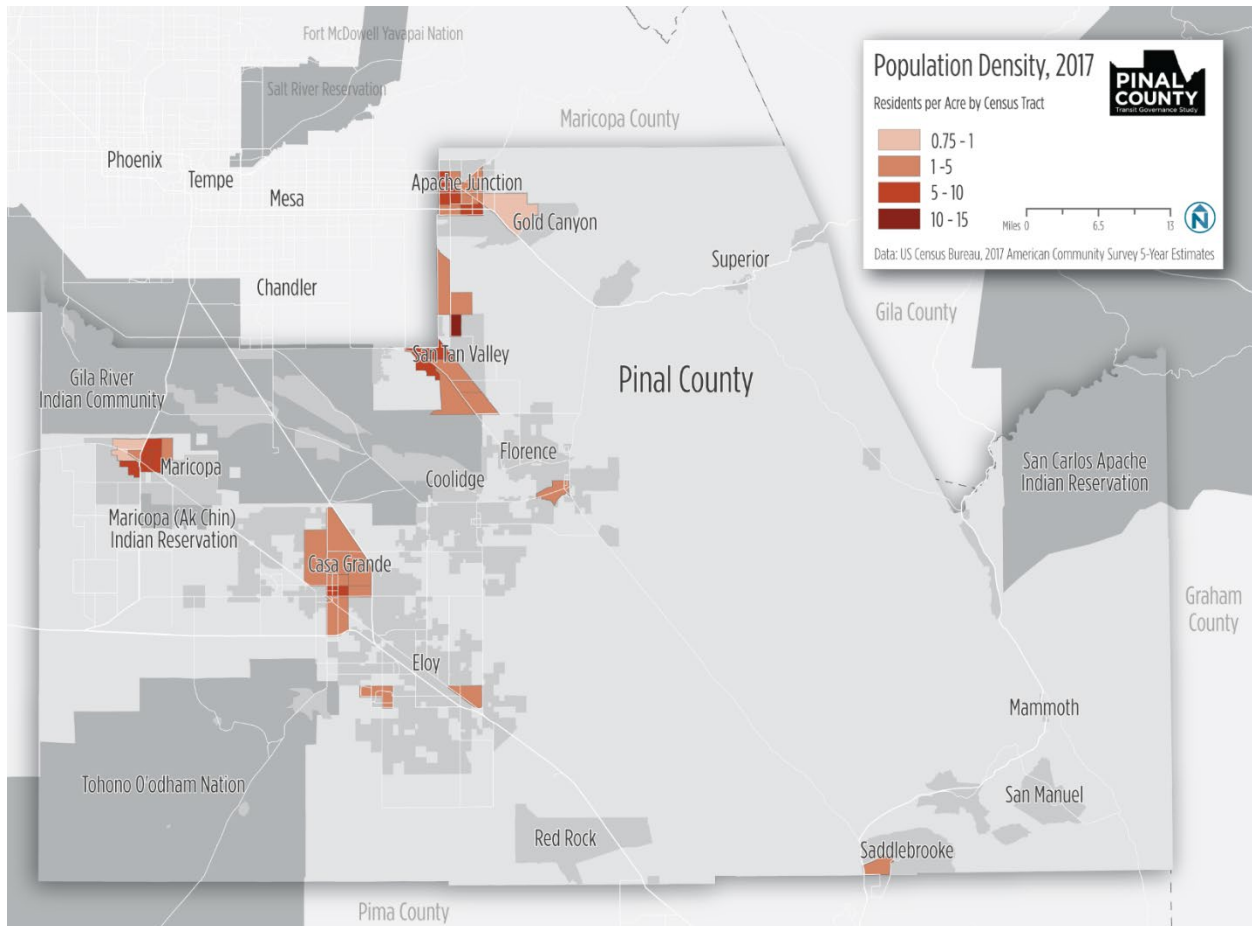
Population

Pinal County's population grew by 125% between 2000 and 2017 from roughly 180,000 residents to over 405,000 residents. Rapid growth is expected to continue; forecasts suggest there will be 616,000 people living in Pinal County by 2030 and over 820,000 people by 2040 (Figure 1). Despite rapid growth, Pinal County's overall population density is quite low at about 76 persons per square mile. This contrasts with nearby Maricopa County, which has a population of density of 452 persons per square mile. Pinal County's population is currently concentrated in Casa Grande, Apache Junction, Maricopa, Florence, and the unincorporated San Tan Valley area (Figure 2). The distribution of population currently shows highest densities in the northwest portion of the county, like Apache Junction and San Tan Valley, which function in part as bedroom communities for the Phoenix metropolitan area. Future population growth will continue current trends with exceptions for communities along the northern border of Pinal County.

Figure 1. Pinal County Population, 2000-2040
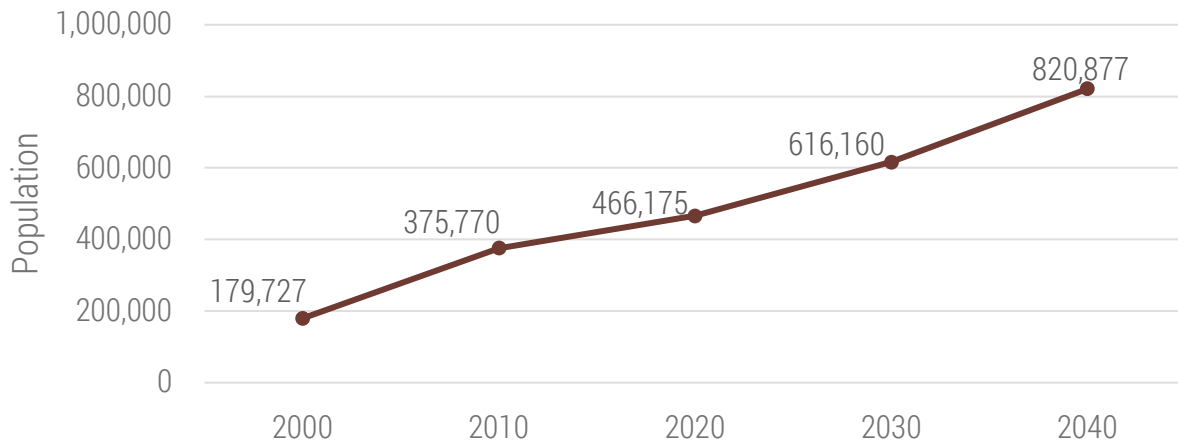
Source: US Census Bureau American Community Survey: 2000-2010; Arizona Office of Economic Opportunity 2019-2055 Sub-County Population, Medium Series.

Figure 2. Pinal County Population Density, 2017

High Transit Need Populations

In addition to population density, socioeconomic characteristics influence an individual's propensity towards transit use. National research shows that many socioeconomic groups often have a higher propensity for transit use than the overall population. These include:

- **Zero Vehicle Households:** People with limited or no access to a personal vehicle, either by choice or by necessity, are more likely to rely on transit. Given Pinal County's predominantly suburban and rural character, car ownership rates are high. However, according to the US Census Bureau, 13.3 percent of Pinal County households do not own a vehicle. Zero vehicle households are concentrated in Pinal County's largest communities: Apache Junction, San Tan Valley, and Maricopa.

- **Low Income Residents:** Residents with lower incomes tend to use public transportation to a greater extent because it is less expensive than owning and operating a personal vehicle. In Pinal County, the largest populations of individuals with low incomes are in Apache Junction, Casa Grande, Eloy, and San Tan Valley. For this analysis, households with an annual income below $35,000 (approximately 150 percent of the Federal Poverty Level for a family of four) are included as low-income households.

- **Older Adults:** Older adults begin to drive less as their age increases, and in some cases begin to use public transportation more often. According to the 2017 American Community Survey, approximately 20 percent of Pinal County residents are aged 65 or older, a rate that is higher than the national average (16%). In Pinal County, older adults are concentrated in Apache Junction, Maricopa, and Casa Grande with another cluster in the southeast corner of the County, in Saddlebrooke.

- **People with Disabilities -** Individuals with disabilities may be unable to drive or have difficulty driving and may be more likely to rely on transit or paratransit services to meet their transportation needs and maintain an independent lifestyle. Concentrations of people with disabilities in Pinal County are found in Apache Junction, Maricopa, Casa Grande, and San Tan Valley.

Transit Needs Index

The market analysis considered each of the high need populations individually and combined them into a single Transit Needs Index. This analysis reflects the density of transit-supportive populations—zero-vehicle households, households with incomes below $35,000 per year, people over the age of 65, and people with disabilities—in each census tract in the county. Each census tract is assigned a score of 1 (least transit-supportive) to 5 (most transit-supportive) for each of the four metrics, which are summed to calculate an overall transit need score. The transit needs index identifies the areas in Pinal County with the greatest need for transit service (see Figure 3). This analysis tells us that the highest need for transit includes Apache Junction, Casa Grande, Maricopa, San Tan Valley, and Eloy. Smaller clusters of

need are also visible in Florence and Coolidge as well as Saddlebrooke in the southeast corner of the county.

Figure 3. Pinal County: Transit Needs Index (2017)
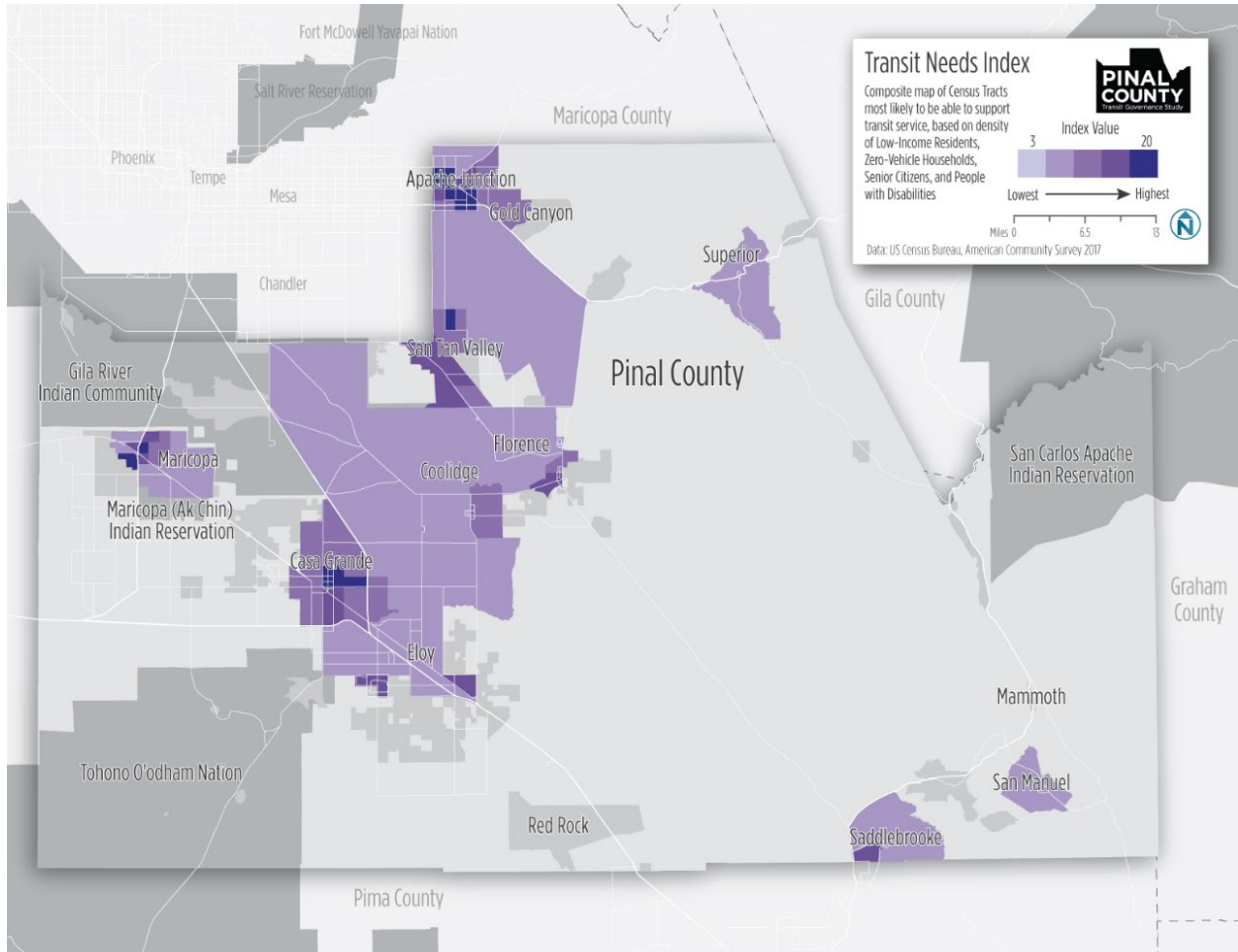
Employment

Like population, employment in Pinal County has grown steadily. In 2010, the County had roughly 50,000 jobs, which increased to 125,000 in 2017. Pinal County is forecasted to have 200,000 jobs by 2030 and more than 325,000 by 2040. Jobs within Pinal County are somewhat concentrated in the areas with population density: Apache Junction, San Tan Valley, Casa Grande, and Florence (Figure 4). Other areas, however, like Eloy, Coolidge, and Maricopa have relatively low employment suggesting that residents must commute outside of the community for jobs and services.

Despite increasing growth, the portion of people who live and work in Pinal County is still quite small, at about 25% of all residents. An even smaller portion of Pinal County residents work in their home communities (see Figure 5). Indeed, nearly half (48%) of all Pinal County residents commute to the Phoenix metropolitan area for work, including to jobs in Phoenix, Mesa, Tempe, and Chandler.
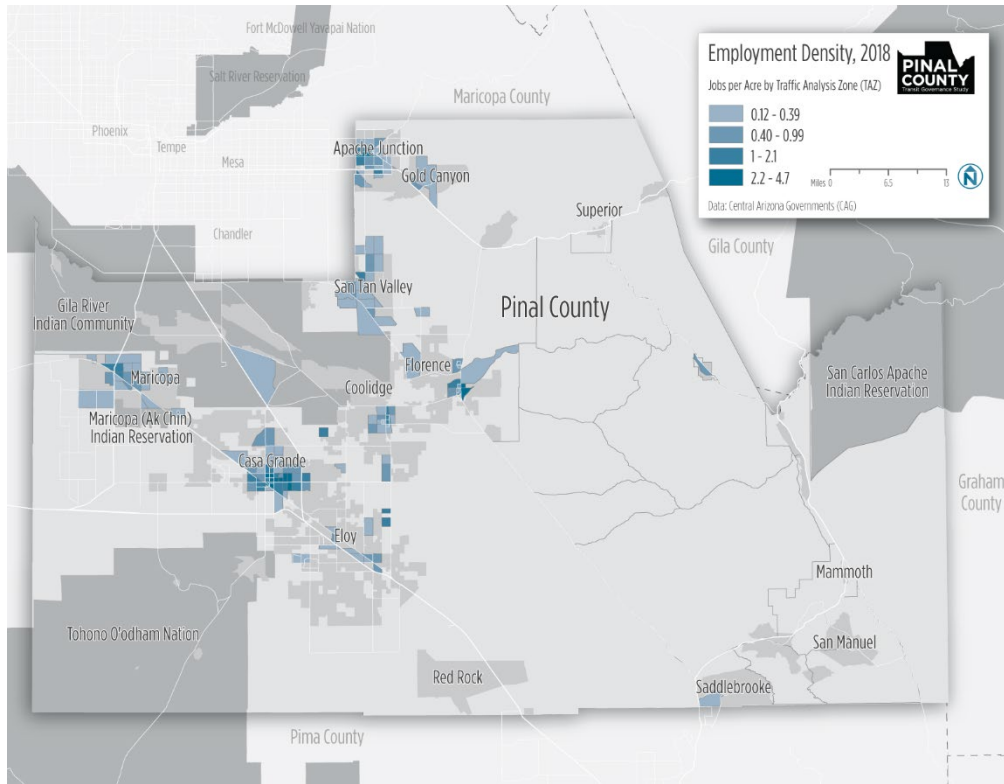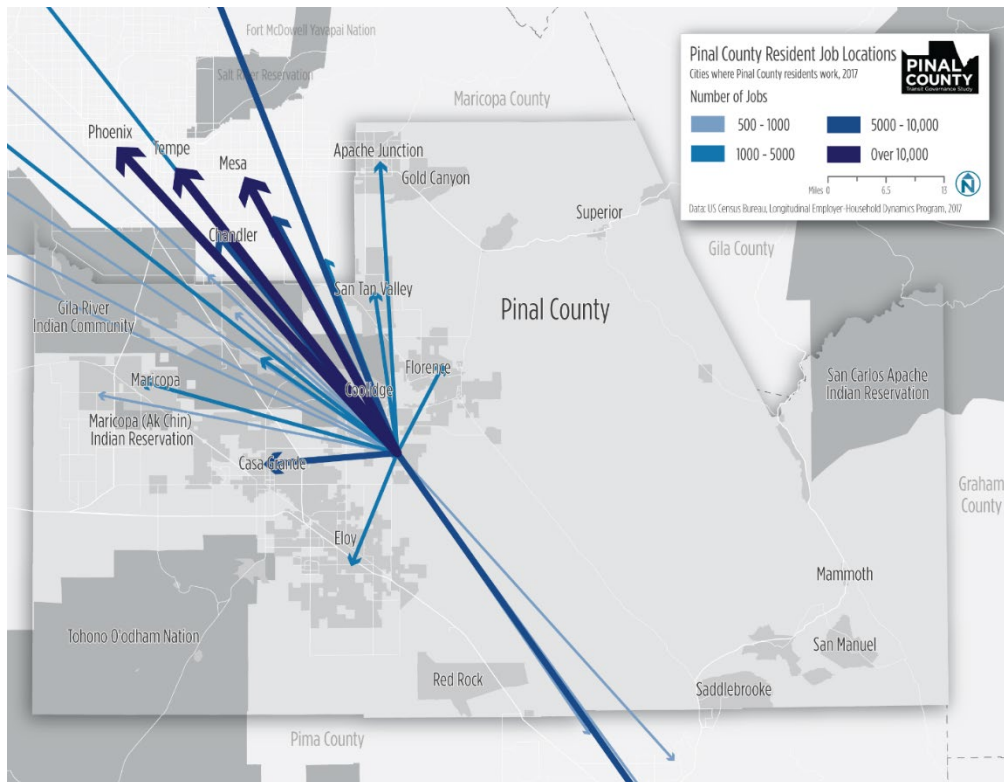
Figure 4. Pinal County Employment Density (2018)

Figure 5. Pinal County Residents Employment Destinations (2017)

Activity Centers and Destinations

The analysis of population and employment trends identifies transit needs based on the distribution of people and jobs. People also travel to activity centers, like large employers, shopping malls and retail centers, hospitals, and town centers. The study team mapped a handful of regional destinations in Pinal County (see Figure 6); this analysis suggests a cluster of activities in Casa Grande as well as in Florence and Coolidge.

Figure 6. Activity Centers in Pinal County
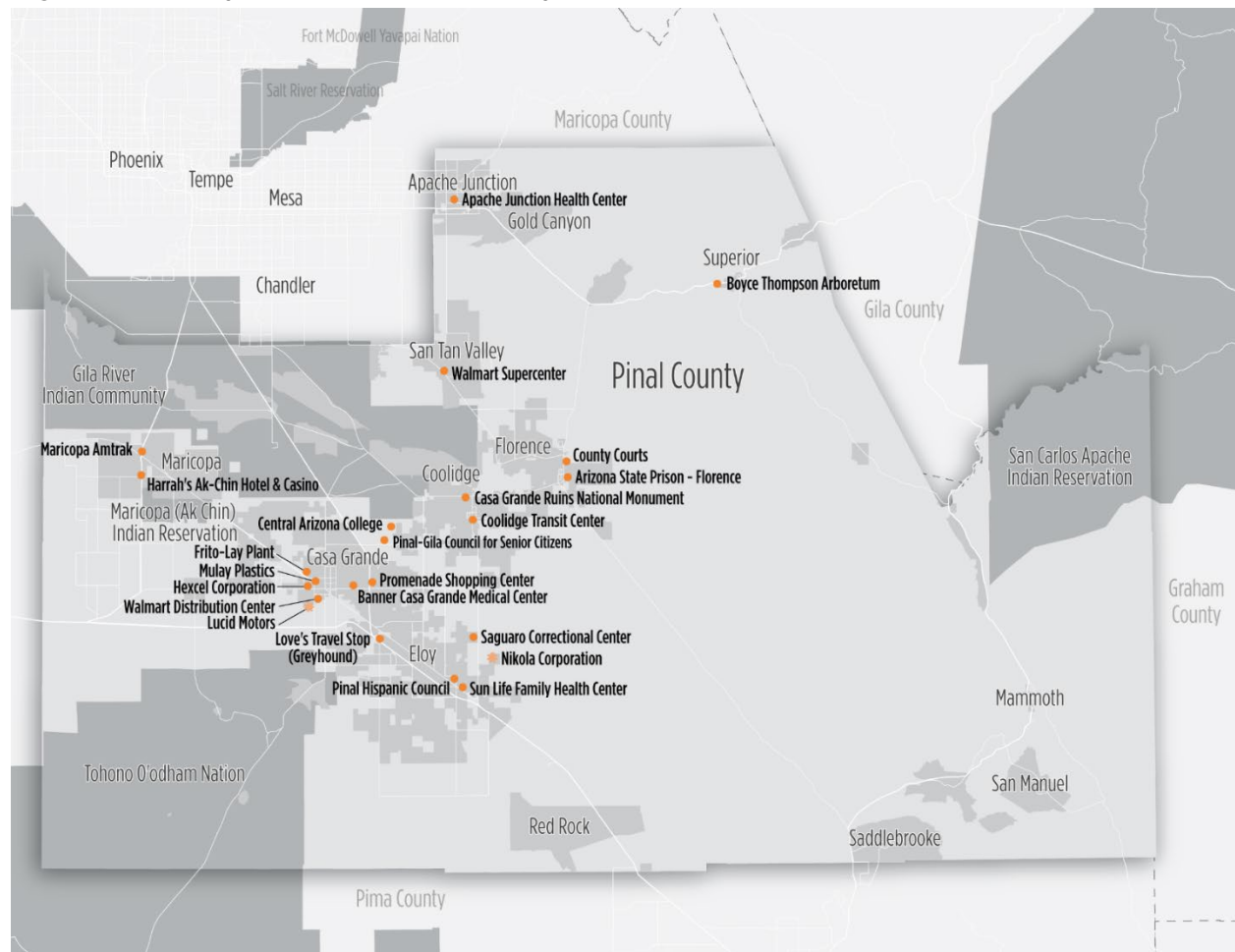
Existing Transit Services and Market Analysis Key Findings

The existing conditions analysis compiled information on the underlying market and demand for transit services and the availability of existing services. Key findings from the analysis suggest the following:

- Overall, Pinal County is growing rapidly, both in terms of population and employment. However, growth is not shared equally across the County, with some areas growing rapidly and others more slowly. Further, even as the county adds people and jobs, overall population and employment density will be low.

- An economic and regional center is emerging within Pinal County in Casa Grande and the surrounding communities of Coolidge, Florence, Maricopa, and Eloy. These areas have experienced rapid growth and are forecast to grow faster than other parts of the county.

- Pinal County's socioeconomic characteristics suggest a need for transit and likelihood to use it. This includes relatively high numbers of older adults, people with disabilities, and people with low incomes.

- Existing transit services are limited and focused on local markets. Travel demand, employment travel flows, and development patterns suggest a need to travel between communities for jobs and services. The demand for regional transit service is expected to continue in the future.

- Casa Grande and Eloy have active plans for new public transportation services but need funding to move forward. Casa Grande's service development plans call for local services, while Eloy's recommendations include a local and regional route.

- Funding has limited the growth and development of all public transportation services, but especially regional services. Currently the only regional transit service, CART, connects three communities (Coolidge, Casa Grande, and Florence) but connections are limited to organizations willing to support the service.

Chapter 3: Peer Review: Transit Governance Structures

Introduction

The Pinal County Transit Governance Study included a peer review to evaluate the governance structures of similarly sized and positioned transit agencies. The analysis explored the evolution of these structures, as well as the events, planning, and decision making that led to these models in their existing forms. It also inventoried technical aspects of the governance structures, such as criteria for selecting members to governing bodies and the process for allocating representative seats to jurisdictions or stakeholder organizations. Other topics included funding sources and budget, structure of the service, geographical area, and population served.

Selection of Peer Agencies

The project team identified the following characteristics while picking peer agencies for analysis.

- A variety of governance structures across the agencies
- Fast-growing communities
- Expansive geographic area
- Multiple service types

Figure 7 Map of Peer Agencies Studied

The team used these criteria to identify 5 potential peer agencies and shared them with the Technical Working Group for consideration. The TWG suggested adding another agency, the Pinal County Joint Technical Education District for evaluation given it provides an example of successful collaboration locally. The study team briefly analyzed the six agencies based on their governance structure, board structure, funding sources, and services provided and shared the summarized information with the TWG, which ultimately identified four agencies for detailed analysis (Figure 7):

1. ECO Transit in Eagle County, Colorado
2. Northern Arizona Intergovernmental Public Transit Authority (NAIPTA) in Flagstaff, Arizona
3. Valley Regional Transit (VRT) in Boise, Idaho
4. San Joaquin Regional Transit District (San Joaquin RTD) in Stockton, California

Figure 8. Peer Review Statistics Summary

Agency	Governance Structure	Funding Sources	Source of Local Funds	Operating Budget	Service Area Population (2018)	Service Area Size (sq miles)	Annual Ridership	Annual Vehicle Revenue Hours	Vehicles at Maximum Service
Pinal County					*446,806 (county)*	*5,374 (county)*			
ECO Transit (Eagle County, CO)	County Transit Department	Federal, local, fares	Countywide sales tax	$10,091,853	54,973	1,685	1,058,885	85,189	22
NAIPTA (Flagstaff, AZ)	Intergovernmental Public Transit Authority	Federal, local, fares	Local sales tax, partner contributions	$7,812,711	71,917	29	2,471,301	84,857	33
Valley Regional Transit (Boise, ID)	Regional Public Transportation Authority	Federal, local, fares	Partner contributions	$13,792,870	338,759	66	1,369,532	139,822	67
San Joaquin RTD (Stockton, CA)	Regional Transportation District	Federal, local, state, fares	Local property and sales taxes	$34,399,786	744,835	1,426	3,403,527	187,101	92

Source: Peer Reviews, FTA National Transit Database 2018

Note Pinal County service area population reflects 2018 population. Data included in the Existing Transit Services and Markets (Chapter 2) are based on 2017 data.

The four transit agencies examined in the peer review offer different models for how transit governance in Pinal County may be organized and structured. They serve different markets and provide different services (see Figure 8). As part of understanding which models might offer advantages and disadvantages for Pinal County, the peer review suggests that there are interrelated factors that determine governance structures:

1. **Transit Service Area:** Does the transit agency serve a single jurisdiction or a larger region with multiple jurisdictions? Transit agencies that serve a single jurisdiction tend to have simpler and more focused organizational structures. Agencies that serve multiple jurisdictions are generally more complex and require more administrative systems to allocate resources across partner agencies.

2. **Agency Type and Board Structure:** Is the transit agency an independent, stand-alone organization, or is it part of an existing government agency? Stand-alone agencies and their governing boards are solely responsible for delivering transit services. In contrast, transit services embedded in existing government agencies are one of many services provided, and their governing boards are responsible for multiple services.

3. **Funding Source:** Does the transit agency have a dedicated funding source specifically for transit purposes, or does it rely primarily on federal funding and local contributions? Transit agencies with dedicated funding are more likely to be stand-alone agencies that are larger and more complicated than agencies without dedicated funding.

ECO Transit - Eagle County, CO

Background

Eagle County, CO is located along I-70 in the heart of the Rocky Mountains west of Denver. Although the county is rectangular, most of the county's development is along the I-70 corridor. The Town of Vail is the home to Vail Ski Resort (which, in terms of skier visits, is the largest ski area in the United States) and is the county's economic driver. Other employment centers are the Town of Avon, which is the closest town to Beaver Creek Mountain Resort; Eagle, which is the county seat; and Gypsum. The largest residential communities are Edwards, Avon, Eagle, and Gypsum. However, the high cost of living in communities such as Vail means most Vail employees commute from residential areas outside of Vail, creating long and potentially expensive commutes.

Eagle County is served by four transit services. ECO Transit is the county's regional provider. The Town of Vail is served by Vail Transit, and the Town of Avon is served by Avon Transit. The Beaver Creek Village Connect service operates in the Beaver Creek Resort.

Figure 9 ECO Transit Winter Routes Map
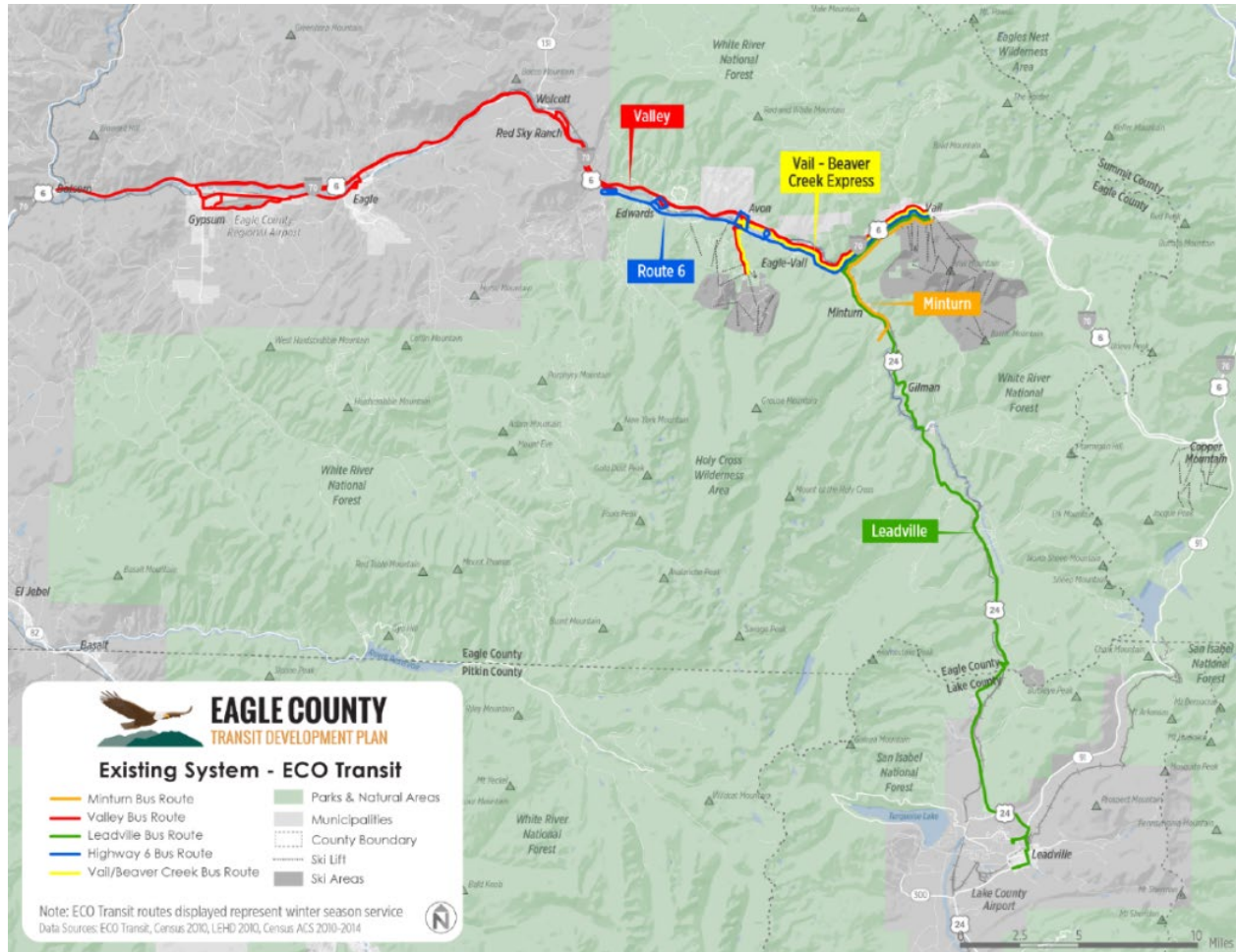
ECO Transit: Eagle County's Regional Provider

ECO Transit is the county's regional provider, with a focus on regional trips in the I-70 corridor between Dotsero and Vail (The four transit agencies examined in the peer review offer different models for how transit governance in Pinal County may be organized and structured. They serve different markets and provide different services (see Figure 8). As part of understanding which models might offer advantages and disadvantages for Pinal County, the peer review suggests that there are interrelated factors that determine governance structures:

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Figure 9). Express service operates along I-70 and "local" service operates along US Route 6, which parallels I-70. It also provides service between Leadville (in Lake County) and Vail via US Route 24.

ECO Transit's official service area is the entire county, which is 1,685 square miles. However, transit services primarily operate along the I-70 and US Route 24 corridors. Its longest route in the I-70 corridor—the Valley Route—operates between Dotsero and Vail, which is fifty-three miles. The distance between Leadville and Vail via US Route 24 is thirty-eight miles.

Eagle County has 54,943 residents (US Census 2018), the overwhelming majority of whom live in the I-70 corridor. In addition, tourism is a major driver of the county's economy, and visitors comprise fifteen percent of ECO Transit's winter riders.

ECO Transit's services vary by season. Demand is highest in the winter during the ski season, second highest in the summer, and lowest in the spring and fall. To reflect these differences in seasonal demand, ECO Transit provides service on five routes in the winter and four routes during the rest of the year. Service frequencies on some routes are also higher in the winter. Connections can be made with all local providers, with the major transfer locations being:

- Vail Transit Center, with connections to all Vail Transit services
- Avon Station, with connections to all Avon Transit services
- US Route 6 at Bachelor Gulch (just outside of Avon), with connections to Beaver Creek Village Connect

ECO Transit directly operates all its services, with nineteen vehicles at peak service during the winter.

Agency Type and Board Structure

ECO Transit is a department of Eagle County, and as such is governed by the Eagle County Board of Commissioners (BOCC). The BOCC has authority for all ECO Transit matters, including management, financial, funding, and service decisions. All employees are county employees.

Oversight of ECO Transit is provided by an eight-member Eagle County Regional Transit Authority (ECRTA) Advisory Board which is comprised of elected officials from the incorporated communities that receive service plus the Beaver Creek Resort Company, which owns the Beaver Creek Mountain Resort and provides connecting service in the wintertime (see below). ECRTA meets quarterly to make recommendations to the Commissioners in an advisory capacity "regarding long- and short-term plans and strategies for the provision of regional mass transportation and trails in and around Eagle County." Avon and Vail staff have stated that they believe that the ECRTA is overly dominated by representatives from the smaller communities.

ECRTA members are appointed by the Eagle County Board of Commissioners. Members are appointed for three-year terms and membership is not related to funding.

Funding

ECO Transit's major source of local funding is a half-cent countywide perpetual sales tax that was enacted in November 1995. Prior to that time, regional services had been very limited. They were originally funded by Vail Associates, a private firm, with an emphasis on transporting skiers and workers. Later, the towns of Vail and Avon, Beaver Creek Resort, and Eagle County began to provide funding that created additional, but still limited, services. The enactment of the countywide sales taxes replaced the local funding sources, and Vail, Avon, and Beaver Creek now use those revenues for their own services.

ECO Transit spent roughly $11.2 million on transit services in FY2018, with roughly $10.1 million spent on operations and $1.1 million on capital. Seventy-eight percent, or $7.8 million, of operating funds are paid locally, through the countywide sales tax. ECO Transit is also the only Eagle County provider to charge fares, and fares fund approximately eighteen percent, or $1.9 million, of its costs. One-way adult cash fares are $4.00 for regular routes and $7.00 for premium services. ECO offers discounts for bulk purchases, older adults, and youths and offers discounts through employer programs. For capital costs, federal sources provided about seventy-six percent of total costs, with the local entity paying the rest.

Local Transit Providers

In addition to the regional service provided by ECO Transit, Eagle County has three providers that serve urban areas: Vail Transit, Avon Transit, and Beaver Creek Village Connect.

- **Vail Transit** - The Town of Vail is situated in a constrained narrow valley and places a very high emphasis on reducing travel by single occupant vehicles. To do this, it restricts parking, charging very high rates—up to $50 per day—in the wintertime and provides robust local transit service. Vail Transit's service area is the Town of Vail, which is approximately 4.7 square miles. The Town of Vail has 5,500 full-time residents, plus seasonal residents and up to 1.3 million annual visitors. Transit services are fare-free and operate to, from, or via the Vail Transit Center, where connections can be made with ECO Transit regional services.

  Vail Transit is a division of the Town of Vail Department of Public Works, and as such is governed by City Council. The City Council has authority for all Vail Transit matters, including management, financial, funding, and service decisions. All Vail Transit employees are city employees, and there is no advisory board. Vail Transit's major sources of funding are city parking revenues, a four percent tax on Vail ski tickets, and town general funds.

- **Avon Transit** - Avon Transit provides service within the Town of Avon and to and from Beaver Creek Resort. The Town of Avon has 6,400 full-time residents and like Vail is a resort town with significant increases in seasonal residents and visitors. Avon Transit operates with two seasonal schedules (winter and summer). Avon Transit service is provided by the Town's Mobility Department and is governed by the Town Council. The Town Council has authority for all Avon Transit matters, including management, financial, funding, and service decisions. All Avon Transit employees are town employees, and there is no advisory board. The Town of Avon has a four percent lodging tax, which flows through the general fund, but is the major source of transit funding. Beaver Creek Resort also contributes financially to Avon Transit. The annual operating cost for Avon Transit in FY2018 was $1,334,966.

- **Beaver Creek Village Connect**- operates within the resort area, which is adjacent to Avon. These services operate only during the ski season. Village Connect service is designed primarily to service workers and guests; there are relatively few full-time residents in the resort area. Beaver Creek Resort, a private corporation owned by Vail Resorts, pays for all costs related to Village Connect services. All transit decisions are made by the Beaver Creek Resort as part of its ongoing operations.

Consolidation Considerations

In 2018, Nelson\Nygaard developed a Transit Development Plan for ECO Transit. As part of the development of that plan, a series of stakeholder interviews were conducted that touched on consolidation and integration issues. During those interviews, ECO Transit and Avon Transit representatives stated that they were open to the idea of consolidation, but Vail and Beaver Creek representatives stated that they were not. This was primarily because both want to maintain local

control (and their unique identities). Also, as described above, Town of Vail staff believe that ECO Transit's advisory board is overly dominated by representatives from small communities who are not sufficiently concerned with their needs.

Even though consolidation was not desired, all four providers did desire better coordination and to pursue additional joint initiatives to improve service, efficiency, and information. The four providers are now working together to develop a Coordinated Information Hub Portal (CIH) to improve information through a single source. They have also established a Transit Coordinating Team (TCT) that meets quarterly to improve coordination and as the forum that ultimately improves service and efficiency.

Observations and Lessons Learned

Eagle County has four different transit providers and there are no current plans to consolidate. There are three major reasons for this:

- Local control is very important to Vail and Beaver Creek Resort.
- Maintaining local identities is also important to Vail and Beaver Creek (although there is no reason that a single agency cannot run services with different identities).
- Vail and Avon believe that the ECO Transit Advisory Board is dominated by smaller communities who do not adequately consider their needs.

One major difference between Eagle County and other regions is the ability of local communities to raise funds to support local transit services. The Town of Vail has a four percent sales tax on ski tickets and Avon has a four percent tax on accommodations. These two communities had been using these funds for both local and regional services. Beaver Creek relies on contributions from the resort fees. The countywide sales tax for regional transit replaced funds used to support regional services and allowed Vail, Avon, and Beaver Creek Resort to use local revenues for local transit.

There are four main lessons from Eagle County that apply to Pinal County:

- Local control can be very important and can be the main reason that a more consolidated approach is not considered.
- Local identities are also often important. (However, while this was mentioned as a reason that consolidation was not desired, a single agency can operate services with multiple identities.)
- Board representation needs to be fair. The perception that representation would not be fair can also prevent consolidation.
- Multiple funding sources produce stronger systems. The Eagle County sales tax was used to supplement, rather than replace, existing local services.

Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) - Flagstaff, AZ

Background

The Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) operates transit in Flagstaff and the surrounding area, located in Coconino County, Arizona, under two named services: Mountain Line and Mountain Lift. It also operates a taxi travel program and contracts for a vanpool program on behalf of Coconino County.

Prior to the creation of NAIPTA, transit services in Coconino County were provided by a department of the county government, under the name Pine County Transit. In 2006, jurisdictions in Coconino County and neighboring Yavapai County decided to create a joint Intergovernmental Public Transportation Authority (IPTA), which lead to the start of NAIPTA. Between 2006 and 2012, NAIPTA provided transit services in Cottonwood and Sedona in Yavapai County, in addition to Coconino County services. In 2012, the two counties and their respective jurisdictions decided to split and operate their own services. Since then, NAIPTA has primarily serviced the Flagstaff area, as well as some countywide vanpool and taxi programs.

Figure 10 NAIPTA Mountain Line System Map
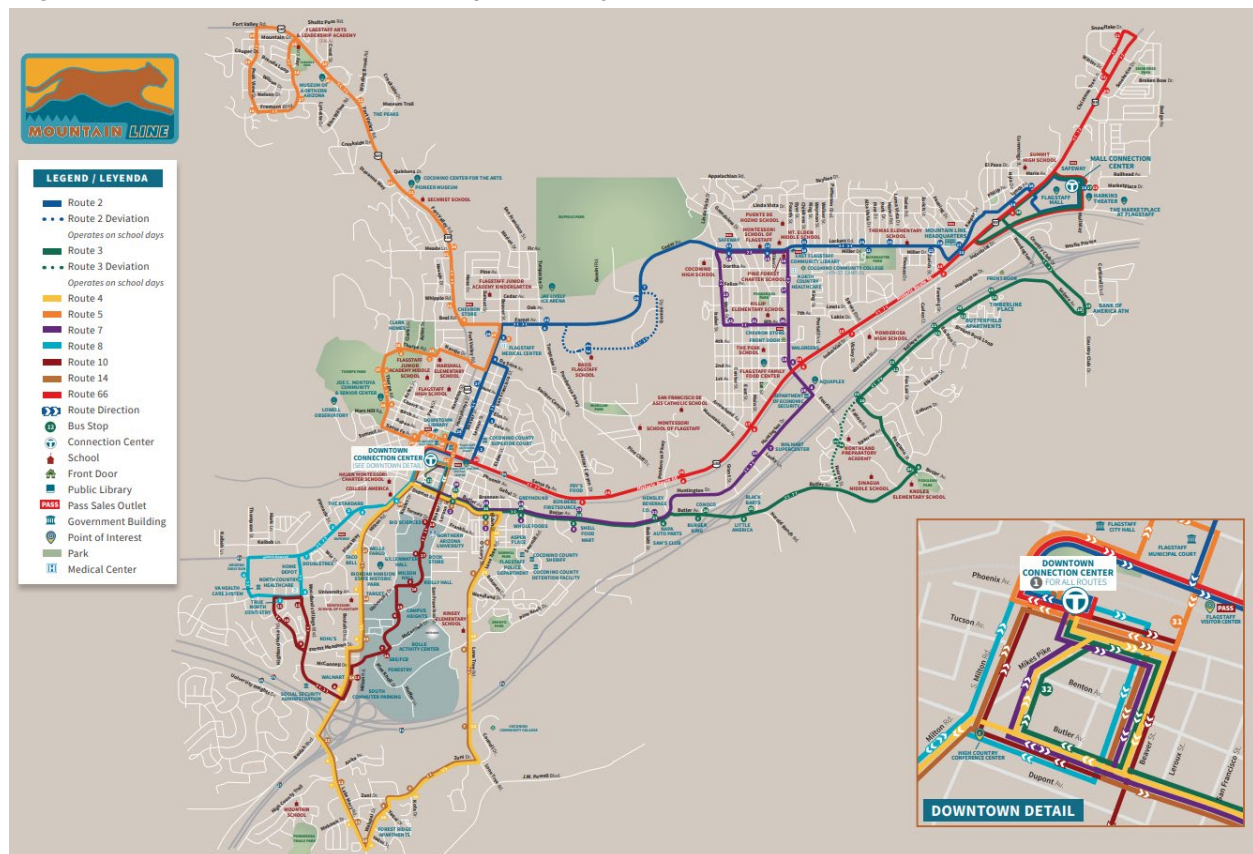
NAIPTA Transit Services

NAIPTA's official service area is the Flagstaff Metropolitan Planning Organization's (FMPO's) service area, which is Flagstaff, AZ and the areas of Coconino County immediately surrounding it. However, it primarily serves the City of Flagstaff with its fixed-route services (Figure 10). According to the 2018 FTA National Transit Database, NAIPTA serves approximately 71,917 people in an area of twenty-nine square miles. Vanpool services are available countywide. NAIPTA is willing to expand its service area if jurisdictions request transit service and are willing to pay the cost to operate service. The City of Winslow explored this option with NAIPTA before deciding to operate their own local services.

NAIPTA directly operates the following transit services in Flagstaff, AZ:

- Mountain Line: fixed-route system consisting of nine routes, including connections to Northern Arizona University
- Mountain Express: a winter-only Mountain Line service to Arizona Snowbowl
- Mountain Lift: paratransit service for the City of Flagstaff

Additionally, NAIPTA manages a taxi voucher program for those who qualify for Mountain Lift but may live outside of the City of Flagstaff but inside the NAIPTA service area. The agency also contracts with Enterprise Commute (a private provider) for vanpools, which are available countywide. In the past, NAIPTA has explored options for regional commuter routes to area cities, but low demand has not made them feasible. Ridership is highest when Northern Arizona University is in session.

NAIPTA operates twenty-nine buses, all of which are hybrid-electric including six sixty-foot articulated buses, and eight paratransit vehicles. The Mountain Line prioritizes high-frequency service. Each stop is served by a bus at least every twenty minutes throughout the day. During peak times and on higher traffic routes, buses come as often as every 7.5 minutes.

Agency Type and Board Structure
NAIPTA is an independent regional transit service provider. It has four member agencies: City of Flagstaff, Coconino Community College, Coconino County, and Northern Arizona University. There is a Board of Directors that acts as the primary policymaking and governance body of NAIPTA, with administrative functions delegated out to the NAIPTA General Manager and staff. The Board consists of the following seats as dictated by the Arizona Revised Statues (28-9121) for IPTAs, and each seat also has an assigned alternate representative:

- Two seats for the Flagstaff City Council
- One seat for the Coconino County Board of Supervisors
- One seat for Coconino Community College
- One seat for Northern Arizona University

NAIPTA also has a Transit Advisory Committee (TAC) that serves in an advisory role to the NAIPTA CEO and General Manager. The TAC consists of the following seats, and each seat also has an assigned alternate representative. Although the TAC has no decision-making authority, everything that is presented to the Board of Directors must first be vetted through the TAC, except in emergency situations.

- One seat for a citizen representative from Flagstaff
- One seat for the Flagstaff City Manager
- One seat for the Coconino County Manager
- One seat for the Flagstaff Metropolitan Planning Organization (MetroPlan)
- One seat for the Economic Collaborative of Northern Arizona (ECoNA)
- One seat for Coconino Community College
- One seat for Northern Arizona University

Lastly, NAIPTA is staffed with an Executive Leadership Team, consisting of the following:

- CEO & General Manager
- Director of Operations
- Administrative Director
- Facilities Manager
- Marketing & Communications Manager

Funding

NAIPTA's fixed-route services are primarily funded through the City of Flagstaff's sales tax, which provides $0.00175 per dollar as approved by a 2000 ballot initiative. The County provides funds for countywide vanpool services and the taxi voucher program outside of Flagstaff. In FY2018, NAIPTA had $7.8 million in operating funds, with local entities contributing over half of that amount, fares at about twenty percent, and federal funds at about twenty-eight percent. The agency also had $4.9 million in capital funds, split between federal and local sources, with federal at fifty-seven percent of the total.

NAIPTA's local funding comes from its local entities, with the City of Flagstaff contributing about ninety percent of the share, primarily through its transit sales tax. Northern Arizona University contributes nine percent, and Coconino County contributes the remaining one percent. Federal funds are a combination of 5307 Urbanized Area, 5339 Bus and Bus Facilities, 5310 Mobility Management, and 5311 Rural Transit grants.

Observations and Lessons Learned

NAIPTA presents an example of a regional transit agency with clear service and governance structures, though limited by funding. The agency is open to further regional collaborations and the expansion of its service boundaries, provided these other jurisdictions can pay for their share.

There are four findings from NAIPTA that offer lessons for Pinal County:

- NAIPTA's Board structure is simple, yet representative. The Transit Advisory Committee helps bring input into Board decisions.

- Though NAIPTA primarily serves the City of Flagstaff, it has a flexible governance structure in which other jurisdictions outside of the NAIPTA service can make their case to expand the

NAIPTA service area. If these jurisdictions can pay for the cost for the transit service, NAIPTA can provide the transit services, and the jurisdictions can get a seat on the Board.

- Coconino County pays for countywide vanpool services operated by NAIPTA. This is an example of how cities and towns can contract with a transit provider for service. It also provides a service model for how Pinal County may serve employment outside of municipalities.

- Since the Flagstaff's sales tax is the main revenue source for NAIPTA, fixed route services only operate within the city limits. This has led to underserved areas that are outside of the city borders but are still relatively dense and have a need for transit. This is often a limit for many "pay to play" systems that can be too expensive for communities to buy into.

## Valley Regional Transit (VRT), Boise, ID

Background

Valley Regional Transit (VRT) is the Regional Public Transportation Authority (RPTA) for Ada and Canyon Counties in Idaho. The largest residential communities in the service area include Boise, Meridian, Nampa, Caldwell, and Parma. According to Idaho Code, a RPTA's responsibilities are to:

- Be accountable to local governments
- Have exclusive jurisdiction over publicly funded transportation
- Provide public transportation services
- Encourage private transportation programs
- Coordinate both public and private transportation programs

Ada and Canyon Counties voted separately to form RPTAs in 1998. The Boards of the resulting agencies then met in 1999 and voted to merge. Since then, the name Valley Regional Transit was adopted for the entity responsible for overseeing and planning public transportation, and the name ValleyRide is used for the transit service itself. VRT is not funded through a dedicated local source such as a sales tax. The agency gets its local funding primarily through allocations from local governments, largely raised through property taxes.

VRT puts a high priority on its short-term planning efforts, starting with a Five-Year Strategic Plan adopted in 2002, created through extensive input from stakeholders and community groups. The plan detailed priorities and implementation strategies to guide agency efforts. The Strategic Plan was updated in 2008, 2010, 2013, and 2015 to keep agency direction up to date. In 2018, a new six-year capital and service plan called ValleyConnect 2.0 was adopted, which is the document currently guiding the region's transportation objectives.

Figure 11 ValleyRide System Map
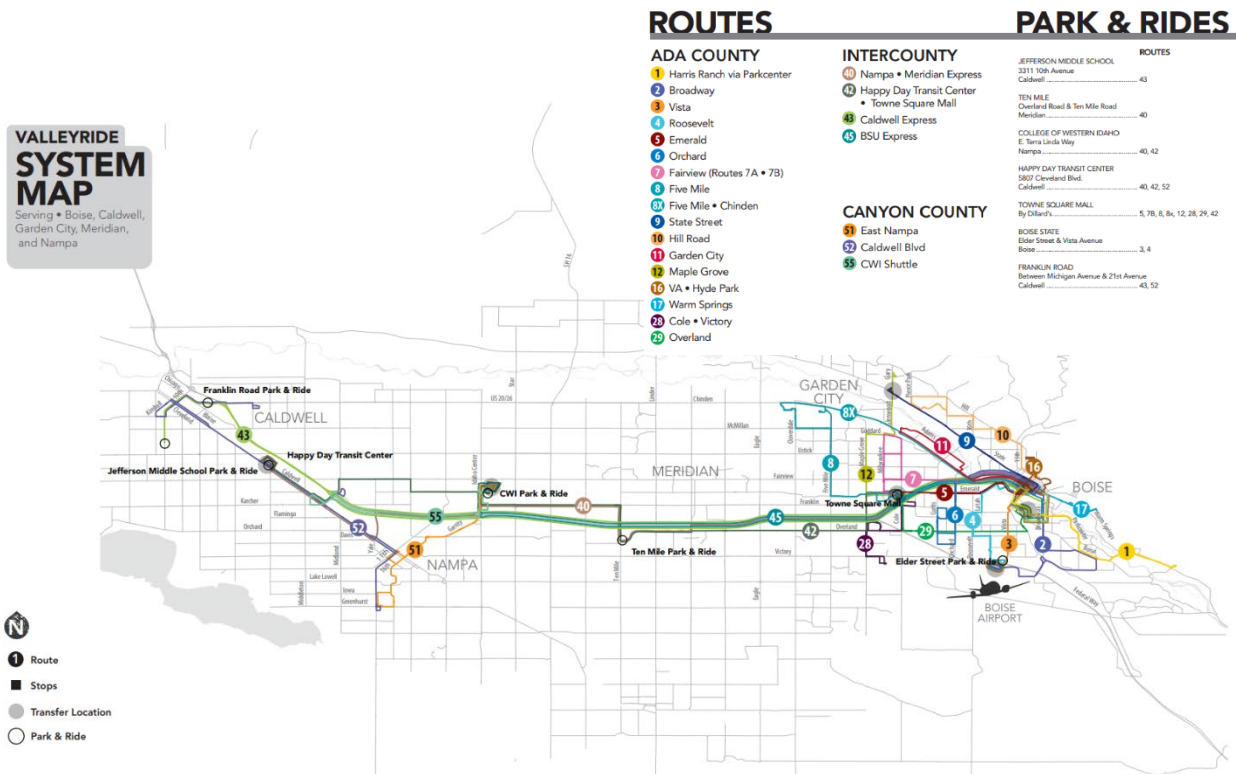
VRT Transit Services

VRT primarily serves the most populous areas of Ada and Canyon Counties. According to the 2018 FTA National Transit Database, its service area is sixty-six square miles and has 338,759 people. Fixed routes operate in the counties' urban areas, and paratransit service is available three-quarters of a mile from a bus stop. For transportation outside of the ValleyRide service area, VRT provides information on private and non-profit transportation companies.

VRT manages the contracts for the operation of the following ValleyRide services (Figure 11):

- Twenty-one (21) fixed routes in Boise/Garden City
- Three (3) fixed routes in Nampa/Caldwell
- Six (6) intercounty routes between Ada County and Canyon County

In addition to fixed-route service, VRT coordinates ACCESS paratransit service. The agency also partners with a few private, non-profit, and vanpool operators. There is a program that coordinates on behalf of riders with Lyft and provides funding for first mile and last-mile solutions for riders. VRT is also the parent organization for bike share in Boise called Green Bikes.

There are forty-two ValleyRide vehicles in peak service. VRT owns the public bus system, including the rolling stock and all the facilities. It contracts with a private firm who operates all VRT services and employs operations staff.

Agency Type and Board StructureVRT is an independent regional transit authority. It has three oversight entities: the VRT Board, VRT Executive Board, and Regional Advisory Council. The Board is responsible for establishing policies and guiding the strategic priorities for the agency. The Board consists of twenty-nine seats, plus alternates for each seat. The state code mandates representation, giving seats to any city wholly or partially within the service area. Cities with fewer than 25,000 residents get one seat, and cities with more than 25,000 get two seats.

- Two seats each for the Ada County and Canyon County Commissions
- One seat each for the Ada County Highway District (ACDH) and Association of Canyon County Highway Districts
- One seat each for the Capital City Development Corporation (CCDC) and Meridian Development Corporation
- One seat each for Boise State University and College of Western Idaho
- Seats for municipalities: Boise (2), Caldwell (2), Eagle, Garden City, Greenleaf, Kuna, Melba, Meridian (2), Middleton, Nampa (2), Notus, Parma, Star, Wilder
- One seat for the Idaho Transportation Department

The VRT Executive Board is an eleven-member standing committee of the Board charged with reviewing matters related to financial, operations, governance, and legislative actions of VRT. The Executive Board focuses on internal and operational issues and works closely with the executive director of VRT. The committee consists of the following members:

- Five Board officers: Chair, Chair-Elect, Vice-Chair, Secretary/Treasurer, and Past Chair
- Five at-large Board members
- One Boise State University representative

Lastly, the Regional Advisory Council (RAC) is also a standing committee of VRT, but its membership is comprised of transportation customers, providers, and advocates. The RAC advises the VRT Board on its programs, services, and policies and brings information to their constituents. There are currently fifteen members. Members are selected to represent a balance of interests in policy, services, and outreach, and two-thirds of membership must be from Ada County, with the remaining one-third from Canyon County.

Funding

As noted, VRT has no power to impose a sales tax on the residents of Ada and Canyon Counties. Therefore, they are dependent on federal funds and financial contributions from the local jurisdictions. Ada County spends all the federal money available each year and can come up with the needed local match. Canyon County, in contrast, does not spend all its potential federal grants, due to lack of support in providing local funds. Inter-county transit services can utilize federal funds from both counties, while other services depend on the county in which they operate.

In FY2018, VRT's annual budget was roughly $19 million with $13.8 million allocated to service operations and $480,000 for capital projects. Local entities paid half of the operating costs, fares

accounted for roughly nine percent, and federal grants accounted for the remaining forty-one percent. VRT primarily used federal grants for capital projects; about eighteen percent was raised from local sources.

Observations and Lessons Learned

The structure of the VRT Board encourages regional collaboration for transit. Though the state code only mandates Board seats to jurisdictions that are wholly or partly within VRT's service area, VRT exceeds the standard by offering Board seats to any community within Ada and Canyon Counties, regardless of transit service or if they provide funding to VRT. The agency hopes that Board representation and awareness of VRT services may lead more communities to join into the system. The Board structure also provides smaller communities more weight on the decision-making processes, while pressing larger cities to make their case for their needs to the smaller communities.

Since its inception, the general approach of VRT has been to conduct outreach to nearby cities within Ada and Canyon Counties to advocate for the benefits of transit and to help those communities decide on services. Often, communities have started the process by inviting VRT to provide paratransit and other non-fixed-route services. After seeing the benefits of transit, the communities opt into expanded fixed-route services by providing a share of the cost through its local funds (mostly from property taxes).

There are four main lessons learned for Pinal County:

- A large, inclusive Board encourages participation and ownership. The VRT allows all area jurisdictions to participate regardless of funding or current services. Academic institutions are also included as important patrons. However, a large Board may be seen as prioritizing smaller jurisdictions over larger cities.
- Since a large Board can be difficult to manage while making decisions, VRT has a smaller Executive Board comprised of Board members, focused on oversight of financial, operations, governance, and legislative actions of VRT.
- Board representation and persistent engagement helped VRT pave the way for service expansion by bringing partners to the table and engaging them in the service planning/development process.
- VRT has built and expanded their transit system through an iterative, short-term strategic planning process where each step builds on the last. This keeps the planning process manageable. These plans are revisited and updated frequently.

San Joaquin Regional Transit District (RTD), Stockton, CA

Background

San Joaquin County is located inland of central California, approximately fifty miles east of San Francisco. The county seat, Stockton, with a population of 311,000, is the thirteenth largest city in California. Given its strategic placement on the Interstate 15 corridor, and in the center of the northern

agricultural/ industrial area, Stockton is an important agricultural and transportation center. Other employment and residential centers in the county include Lodi, Lockford, Lathrop, Manteca, and Ripon.

San Joaquin County is served by six public transit services:

- San Joaquin Regional Transit District (RTD), the regional transit provider for San Joaquin County (the focus of this peer review)
- Municipal transit departments in Escalon, Lodi, Ripon, and Tracy, which provide local service within their respective jurisdictions
- Altamont Commuter Express, a service provided by the San Joaquin Regional Rail Commission, which runs commuter rail service between Stockton and San Jose

In addition to the public agencies, Amtrak provides rail service at three stations in San Joaquin County, two in Stockton and one in Lodi. There are also several private companies that participate in Americans with Disabilities Act (ADA) ride programs, providing special transportation needs for the elderly and disabled population in the county.

In 1963, legislative groundwork began for the establishment of a public transit special district in Stockton, and in 1965, the Stockton Metropolitan Transit District (SMTD) began providing service for the residents of Stockton. In the 1990's, at the request of the San Joaquin Council of Governments and San Joaquin County, SMTD expanded its boundaries to include all of San Joaquin County and renamed itself into the San Joaquin Regional Transit District, also called RTD.

San Joaquin RTD: San Joaquin County's Regional Provider

RTD serves all of San Joaquin County (1,416 square miles), including fixed-route services in the Stockton metro area. San Joaquin County has about 744,835 residents (2018 FTA National Transit Database), ninety-five percent of whom live in Stockton or a nearby community that gets direct service from RTD. These residents are linked via regional services that provide impressive connectivity between jurisdictions large and small.

RTD provides public transit services in the Stockton metropolitan area, as well as intercity, interregional, and rural transit services countywide. RTD operates the following services:

- Five Metro Express Routes – bus rapid transit in the Stockton metro area
- Twenty-eight Metro Routes – fixed routes in the Stockton metro area
- Nine Metro Hopper Routes – deviated fixed routes within the Stockton metropolitan area
- One Intercity Route – fixed route connecting Stockton and Lodi
- Six Hopper Routes – deviated fixed routes Ripon, Escalon, Manteca, Lathrop, and French Camp to Stockton, Tracy, and Lodi
- Eleven San Joaquin Commuter Service Routes– subscription bus service from San Joaquin County to Sacrament, the Bay Area, and Bay Area Rapid Transit (BART)
- Dial-A-Ride Service – curb-to-curb paratransit within the Stockton metropolitan area

RTD contracts National Express Transit, a private firm, to operate county services, which includes Commuter and Hopper services. San Joaquin RTD has 141 revenue vehicles (107 buses, thirty cutaways, and four high top vans), 209 employees (in administration, transportation, and maintenance), and 105 contracted employees (National Express Transit) working in its three Stockton operations and administrative locations: County Transit Center, Downtown Transit Center, and Regional Transportation Center.

Agency Type and Board Structure

RTD is an independent agency that provides regional transit service in San Joaquin County. It is governed by a Board of Directors consisting of five members appointed in the following manner:

- Two Directors appointed by the Stockton City Council
- Two Directors appointed by the San Joaquin County Board of Supervisors
- One Director appointed jointly by five members of the Stockton City Council and five members of the San Joaquin Board of Supervisors

Board applicants must be a resident of RTD's service area for at least one year prior to appointment. The role of the Board is to establish RTD policy, select RTD's Chief Executive Officer and Legal Counsel, and control and guide the operation of RTD.

Funding

San Joaquin RTD receives funds from local, state, and federal sources, as well as fares. In FY2018, RTD spent roughly $34.4 million on service operations, which was primarily raised through local sources (regional sales and local property taxes). RTD also relied on passenger and federal (FTA) sources. The agency also spent $12.7 million on capital projects, with funding from federal and state sources.

RTD receives several FTA grants, including 5307 Urbanized Area Formula, 5310 Enhanced Mobility, 5311 Rural Area Formula, and 5339 Bus and Bus Facilities grants. They also receive 5339c Low or No Emission Vehicle Program funds to purchase and deploy zero-emission buses. Notable sources of local and state funds include:

- Local property taxes
- Measure K, a local San Joaquin County transportation sales tax initiative, originally passed in 1990 and renewed in 2006 until 2041. Thirty percent of sales tax revenue goes to passenger rail transit, bus transit, and pedestrian and bicycle projects.
- Statewide sales tax and excise tax on motor vehicle fuels
- State programs for reducing greenhouse gas emissions

Observations and Lessons Learned

Of the reviewed peers, San Joaquin RTD has the most mature transit system and offers insights into how Pinal County may develop in the future. San Joaquin County's population and employment markets are dispersed among several interconnected cities, including larger cities and smaller communities. San

Joaquin residents, like people living in Pinal County, also commute to adjacent metropolitan areas. The RTD has been successful by providing longer distance commuter services, including services that rely on a system of park and ride lots and transfer centers.

There are two primary lessons learned that apply to Pinal County:

- RTD used the need for regional connections to build strong partnerships and create agreements about service connections. Any future regional transit service in Pinal County could develop transfer points for connections to commuter services offered to Phoenix or Tucson.

- A smaller board structure may prove burdensome to volunteer board members and would preclude the facilitation of shared ownership in the transit authority by all the communities that currently participate, or who may participate in the future.

Peer Review Key Findings

The four transit agencies examined in the peer review offer different models for how transit governance in Pinal County may be organized and structured (see Figure 8). The experience of these agencies offers lessons for Pinal County, especially in terms of how transit agencies are organized, how they structure their governing boards and how they are funded.

Agency Type and Transit Service Area

Several factors influence transit governance structures; among the most influential is the transit agency's service area, namely will it serve regional or local needs, or both regional and local needs. The answer to this first question also helps determine if the transit agency will sit in an existing organization, such as a municipal or county government, or if it will be a stand-alone organization.

The peer reviews include a variety of governance models.

- ECO Transit is a regional transit provider that operates as a county department within Eagle County.

- NAIPTA operates as an intergovernmental public transit authority. This means that they are an independent agency with powers to provide regional services. While they have served regional markets in the past, they do not currently exercise this authority. NAIPTA currently operates fixed-route service within the City of Flagstaff.

- Valley Regional Transit in Boise, Idaho operates as an independent transit agency and operates both regional and local transit services, serving two counties.

- San Joaquin Regional Transit District is a regional transit provider that operates local services in the Stockton metropolitan area, as well as intercity and county services for smaller jurisdictions. It is as an independent transit agency.

    Lessons from these examples include:

- Locally controlled transit services are more simple and easier to manage and operate, especially if they have a dedicated funding source.

- Governance models with both regional and local service providers were in regions with multiple funding sources. Some had a dedicated funding stream (ECO Transit), but others relied on sharing federal and state funding (San Joaquin RTD).

- Consolidated transit governance models work best when there is representation from a range of communities and partners.

- The desire for local control is likely the largest barrier to a consolidated approach. Local control considerations include funding and how funds are spent, services provided (routing, fares, stops, etc.), and branding (names, logos, etc.).

- Branding and service identity is especially important for communities that have strong tourism markets. However, it is possible that a single consolidated governance structure can operate services with multiple identities or multiple brands (see Eagle County). Likewise, it is possible for multiple transit agencies to share a common brand, such as Valley Metro in Maricopa County.

Board Composition

Transit agency boards or commissions and their composition is a critical part of transit agency governance because they provide representation for taxpayers and users of public transit who are supporting the service.

The type of transit agency drives board organization and composition. For example, in cases where transit services are managed by an existing local or county agency, policy and fiduciary responsibilities ultimately rests with the city council or county commission. Often transit agencies will have a transit board, made up of representatives from underlying communities or comprised of citizens, partners, or local communities. In these examples, transit boards will be responsible for service decisions and/or community relations.

In cases where transit services are managed by an independent, stand-alone agency, the transit board will have policy and fiduciary responsibilities. In these cases, transit board members are elected officials, who represent their home communities or individuals appointed by the local or regional municipalities. In rare cases, transit board members may be elected by the public.

Some of the lessons from the peer reviews include:

- Board representation needs to be equitable, with representation from participating communities. Some peers were particularly inclusive with their governing boards and offered representation to all local communities and institutional partners.

- Some municipal transit systems operate without a transit board or body directly responsible for managing transit services. These systems use existing representation structures, like city councils or county boards to govern service development.

- Equitable representation is critical for successful transit governance. In some cases, communities that pay more also have more say in agency management. One way to allocate more "say" is by having more representatives on the board. Another way is to weigh the votes of each member, such that a board member representing a community paying a larger share will have a vote that counts more or is weighed more heavily. Some communities prefer to have more seats at the table, while others prefer a smaller board.

- Many transit agency boards have sub-structures. These include a smaller executive board, responsible for financial and management decisions. In other cases, transit agency boards also have technical advisory committee or rider committee to help share decision making, service development and community relations. Another common sub-committee is one focused on the needs of riders with disabilities.

Funding

One of the most important—and most difficult—functions of transit boards and governance structures is determining how transit service and financial contributions are shared. Transit service investments are generally tied to service levels. In practical terms, this means if a community receives more transit services, they provide more local funding. This can be a simple equation when service operates within a single jurisdiction; it becomes more complicated with regional and connecting services.

Funding and funding allocation models are also complicated by funding sources. Transit services largely or entirely supported by a dedicated funding source have more control over spending and have more flexibility to allocate service investments regionally based on demand and need. Transit services that rely on contributions from individual communities and partners can still be oriented around regional service delivery but tend to face more conflicts over how investments are made regionally. For example, a community may be unwilling to expand transit service in their area, if they must pay all of the cost increase. Likewise, communities may be unwilling to expand local transit services in a single community if costs are shared across all participating partners, rather than just that one community.

Examples of these challenges and dilemmas are found in the peer reviews in the following examples:

- In Eagle County, the Towns of Vail, Avon, and Beaver Creek wanted local transit services, in addition to the services ECO Transit provided at a regional level. They also wanted control, so they implemented their own local services. Vail, Avon, and Beaver Creek benefit from being higher end resort communities. This meant they can raise local funding through measures, such as taxes on parking and ski passes/tickets. Without the flexibility of being able to raise local funds, they would have to work more closely with ECO Transit to balance regional and local transit needs.

- Local funds supporting NAIPTA services come from a combination of dedicated local taxes levied on the City of Flagstaff, plus contributions from partner organizations, such as Northern Arizona University. As a result, transit services are focused on the City of Flagstaff and service to partner facilities. While the service is effective, it has been difficult for NAIPTA to expand service. Without a regional funding source, smaller communities with transit needs are unserved because they cannot raise local matching funds.

- Valley Regional Transit in Boise, Idaho serves multiple jurisdictions and requires these jurisdictions to pay into the transit services. This has meant that the agency devotes considerable resources to community relations, developing partnerships and managing a large, inclusive board. This approach to partnerships and collaboration works but is time intensive.

- The San Joaquin RTD serving San Joaquin County provides regional transit services and Stockton-area local service, with other individual municipalities providing additional services as desired and needed at a local level. RTD leverages funds from a wide range of local, state, and federal sources, including local sales and property taxes, state sales and excise taxes, state greenhouse gas reduction programs, and a range of FTA grants. This depth and breadth of funds is likely not available for Pinal County.

Chapter 4: Stakeholder Input

Introduction

Understanding stakeholder perspectives about any future transit governance structure is a critical part of the Transit Governance Study. The Pinal County Transit Governance Study included opportunities for stakeholders to participate in the study, including the TWG, stakeholder interviews and stakeholder workshops. The study team also made presentations to committees, including the PRTA Board, the PRTA Technical Advisory Committee, and the City of Casa Grande City Council.

The study team used stakeholder interviews to inform development of the Transit Governance Models and used the stakeholder workshops to refine and prioritize the individual models. This section describes our approach and input received from each group.

Stakeholder Interviews

The study team conducted over fifteen interviews with Pinal County stakeholders, including elected officials and staff directly engaged in the operation and management of public transportation services. In both sets of interviews, the conversation began with an introduction to the Transit Governance Study and asked interviewees for their perspective on how transit services might be governed and organized in Pinal County. Interviewers were instructed to tell participants that all discussions would be confidential so that findings cannot be attributed to a single individual and instead would be summarized across participants. The study team separated comments according to staff and elected officials and highlighted findings relevant to regional transit governance models. Stakeholder comments that support the finding are provided in italics immediately beneath each statement. Text in *italics* represent direct quotes or summarized comments.

Interviews with Agency Staff

The study team completed six interviews with planning managers, transit managers, mobility managers, and individuals with transportation planning responsibilities or directly involved with the management or operation of transit services. Questions focused on existing transit services, needs for new or expanded services and ideas on how transit might be organized and structured in Pinal County. An overview of key questions included (see Appendix A for the complete interview guide and list of stakeholders interviewed):

- Understanding existing transit services, development over time and key markets
- Work completed to develop transit services, including plans to move forward with implementation
- Existing and future transit service needs, including local and regional needs
- Ideas and thoughts about how transit services could be organized and governed in Pinal County
- Ideas or recommendations for transit agencies that might be good models for Pinal County

The conversations with planning staff coalesced around several key points.

- There was consensus that public transportation is a good thing and could help residents of Pinal County.

  o *Transit is a key component to improve quality of life for all residents in the region. It will also become increasingly important as Pinal County grows and develops.*

  o *Pinal County needs regional transit service along with a coordinated and connected network of local circulator systems within each community.*

  o *We have no plans to implement local transit, but we are open to accommodating regional transit connections, if it helps people in our jurisdiction.*

- Overwhelmingly, the interviewed stakeholders described a system with both local circulators and regional connecting routes.

  o *Implement regional connections, but don't abandon local circulators.*

  o *Economic development and urbanization have led to interdependence of Pinal County communities. This has revealed the need for regional transportation solutions.*

  o *There is a lot of growth around town with lots of new employers. Many of them are located - or locating – outside of town, we need to be able to get workers to jobs.*

- The size of the community tended to determine relative weight of the two priorities for investment; those in smaller communities tended to prioritize regional connections, while those in the larger communities, especially with large population and employment centers, tended to prioritize local service.

  o *People want connections to the hospital in Casa Grande or the shopping there.*

  o *We need local circulators so people can get around town, but we also need to connect to other places. My community doesn't have many services, so people need connections to the neighboring areas so they can work, go shopping and see a doctor.*

- Planning staff expressed an interest in a regional transit service model where individual towns would have representation and input in how services delivered. Support for this idea largely emerged from an interest in a cost-effective solution.

  o *A single, regional management entity would facilitate intergovernmental cooperation and ensure provision of a coordinated and integrated transit network.*

  o *Although change is difficult and transit is an emotional topic, the cost effective and efficient regional approach benefits everyone in the county.*

- *The governance model should consider mid-term and long-term future conditions. Even though several places are growing, it is also concentrating in Casa Grande, SanTan and Maricopa. Connections to and between these places is going to become more important for everyone.*

- Several individuals also mentioned that transit management is complicated, and it can be difficult to find someone with the skills and experience to operate a system. Consolidating operations would likely create an opportunity for Pinal County to find someone with more experience.

  - *The Consolidated Model would provide the greatest degree of flexibility for expanding service in the future and would allow for a more seamless connection not only between major urban centers within Pinal County but also connectivity to smaller population centers.*

  - *A regional approach to transit governance will ensure that the needs of students and faculty of local community colleges are properly accounted for given projected student enrollment growth.*

  - *CART shows how regional services can work. It is an example of how partnerships between multiple communities can work, even in Pinal County.*

Interviews with Elected Officials

The study team conducted twelve interviews with elected officials and city or town managers. These interviews were conducted later in the project, after the study team had already drafted early ideas about transit governance models. Interviews asked elected officials for their opinion about the importance of transit services and asked them to provide ideas about potential governance models. A summary of the questions is provided below (see Appendix A for the complete interview guide).

- Please describe your experience with public transit and the role it plays in your community.

- Do you expect transit to increase in importance over time?

- This study is exploring different governance models, ranging from models where services continue to be operated independently to models where services could be organized as a consolidated agency (or something in between). Which one of these models is more appealing to you?

- Do you have ideas about how transit services could be organized or governed?

Elected officials were supportive of transit services, but they also expressed concern about the productivity and cost effectiveness of existing transit services.

- *My constituents value transit. I know there are a lot of people who need the service. Plus, the second you try to take it away, people come out to support it.*

- *Coolidge has a transit system that it is well managed. They also have a nice transit facility with Coolidge as a hub.*

- *People want the bus, but ridership has been dropping – the economy is good and gas prices are low. It is a double-edged sword for transit service.*

- *Ridership is not growing on our services. If the buses are empty, what's the point of them? We are spending money for a service that is not being used.*

- *We all have to be accountable to the taxpayers. We need safeguards to ensure our investment is really paying off.*

Elected officials are interested in transit governance. Some of the elected officials had thoughts about factors that need to be considered as part of shaping any future governance model. The most consistently mentioned factor was cost effectiveness and the desire for a governance structure that would be cost efficient. Another strong sentiment was the fact that several communities have been investing in transit for many years and deserved some return on their investment. Other considerations included geographic equity and making sure all communities have a vote.

- *The governance model should be very sensitive to the preferences voiced by those communities that have been dedicating local funds to support transit services over the past decade or more (i.e., City of Coolidge and City of Maricopa).*

- *The most important thing is cost effectiveness, including anticipated efficiencies of a future model. This might lead to a consolidated approach.*

- *There are some political voices that do not support transit. Success of an expanded service model, therefore, requires reminding elected officials of the benefits of good quality transit service and the needs of transit dependent riders.*

- *I'm in favor of any structure that allows cities and towns to work together and optimize the effectiveness of money invested.*

- *The most important thing is that residents of Pinal County have viable transit options to commute into eastern Maricopa County and get to destinations and get to the transit network in Phoenix.*

Stakeholders had different ideas about the advantages of potential different governance models. Some stakeholders felt protective of existing services and wanted them to be retained as they currently operate. Others were more open to new ideas, including consolidated models or some sort of hybrid option. Several stakeholders also felt that a consolidated regional transit system would make sense, but that it might be too big a step to make in the short-term.

- *Decentralized models work because locally oriented services respects past investments in transit by individual jurisdictions within Pinal County.*

- *Consolidated governance structures could be viable, if there would be significant cost savings and efficiencies that could be recognized at the local level, especially in terms of required financial support from each individual community.*

- *I'm committed to a regional approach to solving transportation and transit issues that affect existing and future residents within Pinal County and eastern Maricopa County.*

- *The initial emphasis might need to be on local control, but that could shift to regional control in the future.*

- *I like the idea of a hybrid solution. Local elected officials will want to have control over local services that run within their communities. Some sort of Regional Board of Directors with representatives from each community within Pinal County could oversee the regional transit service component.*

- *A consolidated model or some sort of hybrid could help create a foundation to expand transit services to communities located on the edge of the County.*

- *There may be opportunities for shared services that don't include all of Pinal County. The Sun Corridor Metropolitan Planning Organization (SCMPO) is a good example of a sub-regional planning structure. This is a good alternative to a broader, more comprehensive, and regional approach.*

Elected officials were interested in hearing more about next steps in the project. Several stakeholders said they needed more information to help them evaluate choices. The idea that "the devil is in the detail" was a sentiment raised by several individuals.

- *I would want to be able to "see" the governance model before handing over community money to any regional entity. It is hard to cede decision-making when you're not sure what they'll do. Board representation could help.*

Stakeholder Workshops

CAG and the TWG held two stakeholder workshops to gather information about individual governance models (see Chapter 5), understand stakeholders' perspectives on the benefits and challenges of each model, and ultimately get guidance on a preferred model. The workshop consisted of a combination of a presentation, small group discussion, and instant polling. A summary of the workshop proceedings and findings together with the attendance list is included as Appendix B.

Due to public health concerns associated with the COVID-19 pandemic, the workshops were held as a video conference. After a preliminary poll, workshop participants went into breakout rooms to discuss their preferences among the three models and ask questions of the study team. Questions and interest from the small group discussions included:

- Asking about the criteria used to selecting peer review models. Nelson\Nygaard responded by saying the selected systems are all in the western United States and have similar geographic size

and population. One system was selected because it served as an example of future growth in population and employment centers.

- Stakeholders asked whether the different governance models had the same sources of funding. The study team confirmed that they assume the same funding model (federal grants, local match, and fares).

- Many stakeholders expressed support for the hybrid model due to its flexibility for both communities served and not served by transit.

- Others expressed interest in the consolidated model, potentially as the end goal for the region, due to its efficiency. Participants also discussed the possibility of starting with a hybrid model and moving towards a consolidated model.

- Stakeholders asked about how the hybrid model works and were told that the system involves multiple communities working together on a transit system that can include both shared transit and independent systems. There are examples of successful consolidated and hybrid systems within Arizona already, like Valley Metro, Yuma, Flagstaff, etc.

- Stakeholders discussed how the consolidated model is the most cost efficient, though some agencies have already made significant local investments in transit. Cities with existing transit services, for example, said they preferred for the independent model because their existing transit system gives them experience and local control.

- Participants also discussed the balance of allowing local agencies to have as much authority as possible while having an overarching entity that would help build out the system.

Instant Polling

After the small group discussions, participants were asked a series of trade-off and multiple-choice questions. The results of these polls are shown in Figure 12 to Figure 14**Error! Reference source not found.**. Generally, participants prioritized the regional options of the polls. The consolidated and hybrid models were more preferred than the independent model through a variety of criteria.

Figure 12. Trade-Off Questions: Assuming a Regional Transit Authority

| All Pinal County communities have a seat on the Transit Board | 61% | 39% | Pinal County communities have a seat on the Transit Board only if they **have transit** service |
| All Pinal County communities have a seat on the Transit Board | 40% | 60% | Pinal County communities have a seat on the Transit Board only if they contribute **local funds** towards transit service |
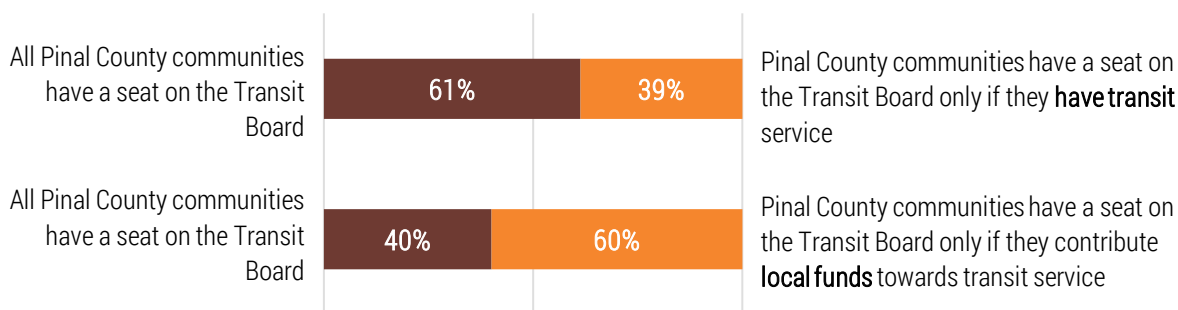
Figure 13. Trade-Off Questions: Regional and Local

Left statement			Right statement
Transportation services should be planned and managed at a regional level	79%	21%	Transportation services should be planned and managed at a local level
All Pinal County communities should have access to transportation services	96%	4%	Transit service should only be in urbanized areas
Cost effectiveness is most important, even if it means giving up some local control	80%	20%	Local control is most important, even if it means the system overall is more expensive
I would pay into a regional transit system, if it meant the region receives more federal funds	100%	0%	I am against a regional transit system, even if it means giving up some federal funds

Figure 14. Best Fit Governance Model Questions

	Consolidated Regional Model	Independent Agency Model	Hybrid Model
Lead to most effective transit service in Pinal	61%	13%	26%
Improve transit service in your community	43%	3%	53%
Be most cost effective from a regional perspective	90%		10%
Be most cost effective for local governments	80%	10%	10%
Be politically acceptable in your community	29%	19%	52%

■ Consolidated Regional Model   ■ Independent Agency Model   ■ Hybrid Model
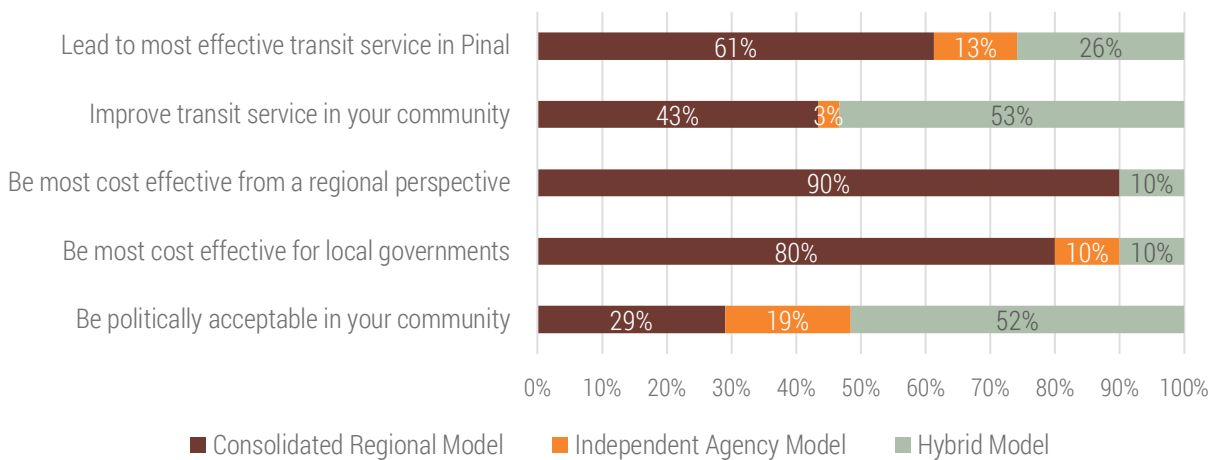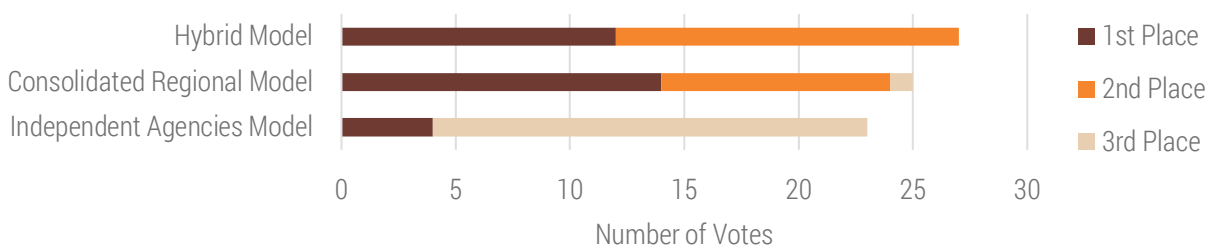
At the end of the workshop, stakeholders were asked to rank the three models (Figure 15). Overall, participants prefer the hybrid and consolidated models over the status quo independent model.

Figure 15. Post-Discussion Ranking

Model	1st Place	2nd Place	3rd Place
Hybrid Model			
Consolidated Regional Model			
Independent Agencies Model			

Number of Votes

Chapter 5: Transit Governance Models

Introduction

The study team developed the governance models based on findings from previous work, input from the Technical Working Group and stakeholders, and financial analysis to understand the general costs and benefits associated with different structures. These findings, input, and analysis results include:

- Pinal County has three public transit providers: the cities of Maricopa COMET and Coolidge (Cotton Express) operate deviated fixed route and Central Arizona Regional Transit (CART) operates fixed-route service. There are also a handful of demand response service providers, including On the Go Express. There are also at least two more communities that have completed transit planning studies but have not yet moved forward with implementation.

- A handful of human service demand response providers in Pinal County also use Federal Transit Administration (FTA) Section 5310 funds for vehicles and services.

- Comparisons of governance models are based on the existing cost structures and funding sources for transit agencies operating in Pinal County and other similarly sized and positioned transit agencies in Arizona.

- Pinal County's combined investment in transit operations and preventative maintenance is roughly $1.7 million annually (combined all sources). Capital spending varies by year but is estimated at roughly $300,000 each year. FTA pays about half of the transit investment costs, or about $875,000 in 2018.

- Contributions from cities, towns, and partner agencies in Pinal County account for 46% of service costs (roughly $780,000).

- The remaining funds are generated from fares, roughly 2% or $40,000 of regional investment

The Pinal Regional Transportation Authority (PRTA) is expected to raise about $1 million annually to support local transit services. These funds can be used for park and ride lots, existing transit services, and service expansions. However, the governance analysis is not considering potential funding available through the PRTA because the PRTA has not yet developed models or systems for how public transit funds will be distributed. Any assumptions made by the project team, therefore, would be premature.

Within this framework, the TWG and study team drafted three potential governance models:

- Consolidated Regional Transit Agency

- Independent Transit Agencies

- Hybrid Option with Regional Service Provider and Local Transit Service

Each model offers advantages and disadvantages for Pinal County stakeholders. The models are presented and analyzed in more detail in the following section.

Independent Model

Public transportation in Pinal County would be provided through a disaggregated model with individual communities operating services and developing local services in response to need. This option follows the status quo, with existing service providers continuing their existing services (see Figure 16).

Communities could establish new transit services as they see fit and partnerships between new and existing communities would also be possible, as desired. Local transit service could be operated with public employees or as a contracted service.

Figure 16. Independent Governance Model
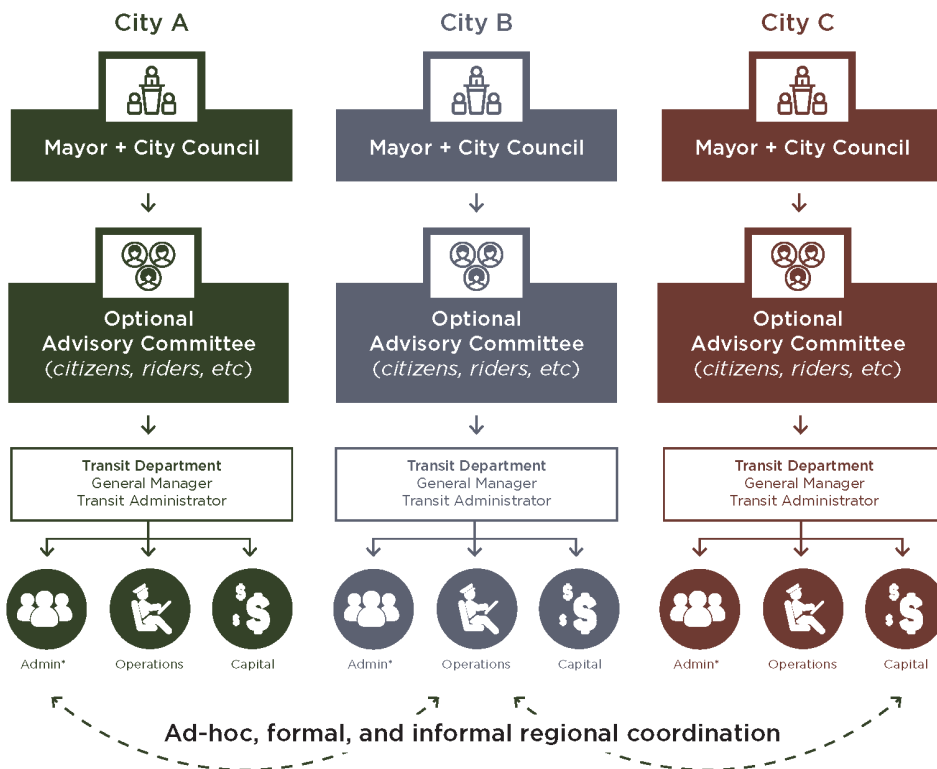
* Individual cities provide back-of-house support (financial services, TTR, payroll, etc)

Strengths

Local control. Governing transit agencies at the local level maximizes local control over the design and development of public transportation services. It also provides flexibility for agencies to work together and form regional services, like CART, as needed.

Simplifies sharing of PRTA funds. The Pinal Regional Transportation Plan clearly identifies tax revenues to be used to support existing transit and demand response service providers. Some of these

service providers have invested in public transportation for many years and can use PRTA funds to partially relieve general fund support. While administratively more complicated, the independent model retains the status quo making the process for allocating PRTA funds relatively straight-forward.

Flexibility to develop regional public transportation services. While more challenging, the status quo does provide flexibility for communities to collaborate and develop regional services in response to needs.

Weaknesses

Makes it difficult to develop new transit services. The independent transit agency model provides flexibility for cities and towns to develop new transit agencies, but the ability to initiate these new services would be difficult. Increased difficulty results because cities and towns must assume the risk and responsibility for service development on their own and must also develop expertise.

Does not maximize federal transit investment. It is difficult to start new transit services with local funding serving as a primary barrier. For example, Casa Grande is a designated as an urbanized area by the federal government and eligible for significant public transportation funds (estimated at just less than $1 million per year) through the FTA. Data suggests that after the 2020 census, the City of Maricopa will also be a designated urbanized area and eligible for a similar level of funding. However, these funds must be matched with local funds, meaning both communities would need to raise or allocate a large amount of new funds to fully maximize the federal transit investment.

Results in more expensive transit services. Operating independent transit services increases the cost of the overall network. The region will spend more on transit administration and support functions (marketing, contracting, procurement, technology, etc.) increasing the cost of service on a per unit basis.

Consolidated Model

Public transportation services in Pinal County would be governed and managed through a single regional agency responsible for delivering service (see Figure 17). This agency would consolidate existing public transportation in the county, including existing local (Cotton Express and COMET), regional (CART), and demand response services. It could include the entire county or a sub-set of communities. The single regional agency would also operate any new services, including local and regional services. Transit service could be operated with public employees or as a contracted service.

Strengths

Reduced administrative costs. Shared management functions will reduce the proportion of resources spent on administration. Currently, the region spends about 22% of existing transit resources on management. In Arizona, other consolidated transit models (Yuma and Pima counties) operate with lower administrative costs of around 18%. Lower administration costs increase the amount of service available without additional funds. Impact increases as regional investment in public transportation grows.

Makes it easier to develop new transit services. A consolidate transit agency facilitates service expansion because it will be simpler and less administratively complicated to join an existing agency than start a new one.

Facilitates sharing of regional transit funds. A regional transit agency could allocate PRTA funds regionally. Existing transit agencies could still receive general fund relief while communities receiving new services could leverage a portion of PRTA funds for new service. Cost sharing and cost allocation formulas have not yet been determined but could be structured to provide general fund relief to entities already sponsoring transit service and help new agencies leverage federal fund.

Increased expertise and investment in support functions like marketing and technology. By consolidating administration functions, a regional transit agency will dedicate a full staff position to management, increasing manager's skill and expertise. A single consolidated agency also increases flexibility of agency to invest in marketing and technology development. A single agency also would create standardized branding and information systems.

Weaknesses

Loss of local control. Cities and towns would have to cede local control over the development, operations and management of public transportation services and would still be expected to contribute funds.

Figure 17. Consolidated Governance Model
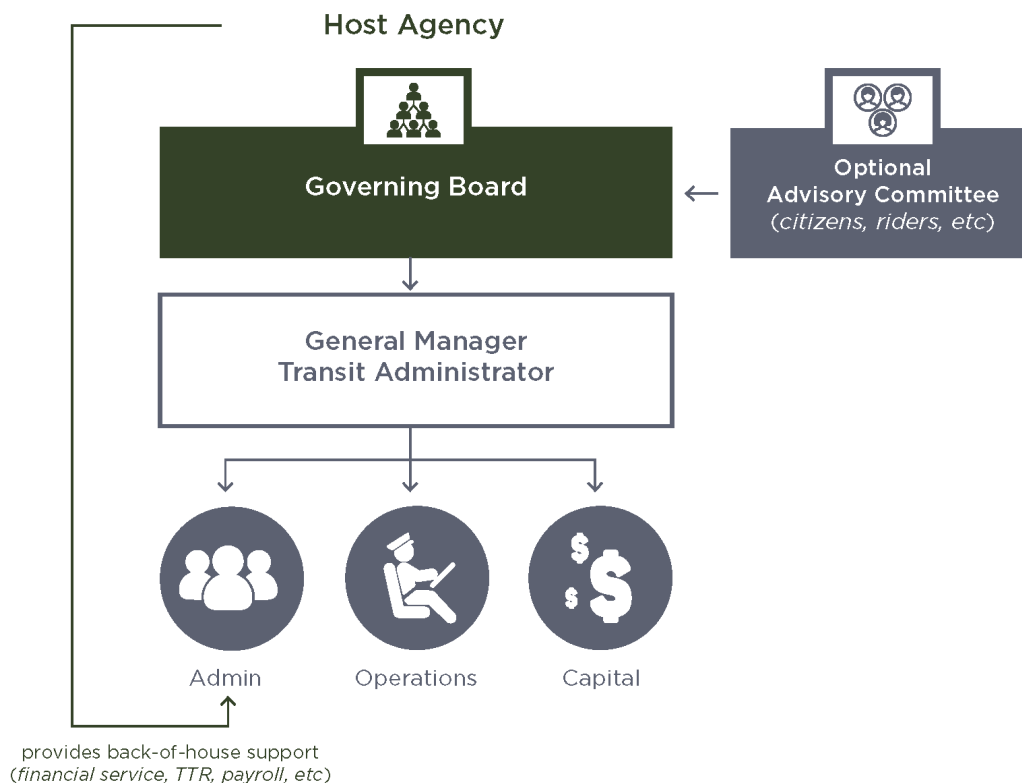
More complicated decision-making systems. A regional transit agency requires more complicated governance structures, including cost allocation funds, revenue sharing and decision-making structures. This will be more challenged as new services are developed, especially urbanized areas with higher needs.

Hybrid Model

The third option would be a hybrid approach. A regional public transportation service provider would assume responsibilities for service in Pinal County and local communities have the option to join the regional service provider or develop local services (see Figure 18).

Existing service providers would have the option to join the regional transit service agency or could continue to operate service independently. Communities interested in providing their own services could also contract with the regional transit agency to operate service. If a community contracts with the regional transit operator for service, they would not be a member of the regional transit authority. Local transit service could be operated with public employees or as a contracted service.

Strengths

Partially reduces administrative costs. The hybrid model retains some of the benefits associated with a consolidated model because it continues to consolidate management functions into a single agency.

Makes it easier to develop new transit services. Having a regional transit entity, even if it is a sub-regional organization, makes it easier for the region to expand services because it simplifies the work needed to get started. Individual cities and towns could join the sub-regional agency, or contract with them to provide new service.

Increased expertise and investment in support functions like marketing and technology. Larger transit agencies have more resources for administration functions, and positions like a full- time general manager/transit administrator. Larger agencies are also more likely to invest in resources like marketing and technology. A single agency also would create standardized branding and information systems.

Weaknesses

Complex service delivery structure. The hybrid model creates flexibility for how services are organized but has potential for a complex service delivery model with multiple transit service providers. This could result in a more fragmented and uncoordinated services, which could be more complex for riders.

More complicated decision-making systems. A regional transit agency requires more complicated decision-making systems and structures about how funding and resources are shared and invested across individual communities. Complex decision-making models will continue with a hybrid model.

Figure 18. Hybrid Service Delivery Model
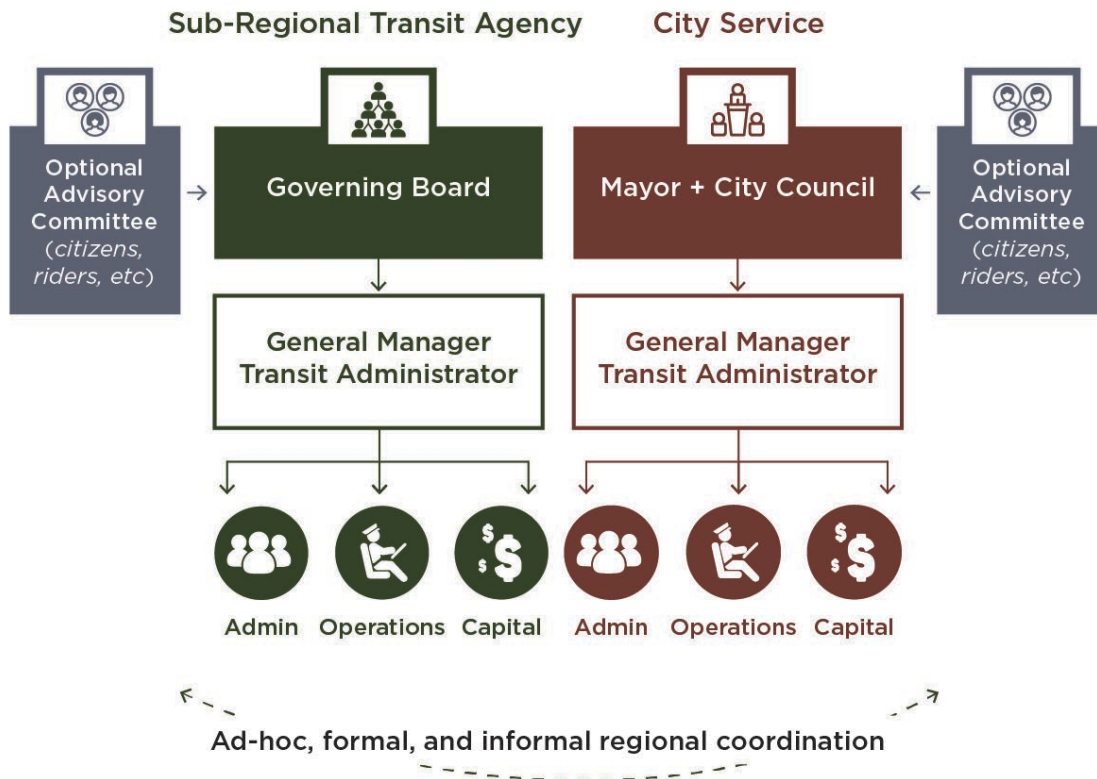
The study team also evaluated each of the draft governance models within Arizona State Statutes, including existing transit governance structures and associated power and authority. This analysis suggests that, while some agencies may need to adapt existing agreements, the three draft governance models identified are allowable under Arizona State Statute (see Figure 19).

Summary

As discussed, each governance model offers advantages and disadvantages (see Figure 20). The Independent Model, for example, offers the most local control and maintains the status quo, but is the least efficient structure overall. The Consolidated Model offers the most potential for cost efficiency and strongest opportunity for service expansion; these advantages are balanced against reduced local control. The Hybrid Model balances cost efficiency and local control.

Figure 19. Potential Governance Models and Governance Structures Allowed by Arizona Revised Statute

	Countywide Transit Agency	Metropolitan Public Transit Agency (MPTA)	Regional Transportation Authority (RTA)	Joint Powers Organization (JPO)	Intergovernmental Agreement (IGA)
Existing Services	Yes On-the-Go is example of county wide transit service	No	No	No	Yes The City of Coolidge has agreements with partners to operate and fund CART
Consolidated Model	Yes Consolidated transit services could be managed by Pinal County	Yes MPTA must serve 51% of county. Requires considerations of other requirements, such as publicly elected board	Yes Pinal County has already approved RTA. Powers could be extended to operate regional transit services	Yes JPO could help create structure for sub-section of county interested in transit services	Yes IGA could help create structure for sub-section of county interested in transit services
Multiple Independent Agencies	Yes Counties and cities can operate transit services Examples include cities of Maricopa and Coolidge	N/A	N/A	N/A	N/A
Hybrid Model	Unlikely Hybrid model implies some areas and subareas are served and others are not.	Yes MPTA must serve 51% of county. Requires considerations of other requirements, such as publicly elected board	Yes Pinal County has already approved RTA. Powers could be extended to operate regional transit services	Yes JPO could help create structure for 2 or more cities interested in sharing transit services	Yes IGA could help create structure for 2 or more cities interested in sharing transit services

Source: Nelson\Nygaard Consulting Associates

Note: Two transit governance models are allowed by Arizona Statue but not permissible in Pinal County due to population size. These include a Regional Public Transportation Authority, which requires a county population of 1.2 million or more and an Intergovernmental Public Transit Authority (IPTA), which requires a county population of 200,000 or less.

Figure 20. Comparison of Governance Models

	Consolidated Regional Transit Agency Model	Independent Transit Agencies Model	Hybrid Model
Agency Type	Regional Government Agency or Independent Agency	Cities/towns and county governments	Regional transit agency **and** cities/towns and county
Federal Funding Sources	FTA 5310 & 5311, plus 5307 depending on member participation	FTA 5310, plus 5307 **or** 5311 depending on city	FTA 5310 & 5311, plus 5307 depending on member participation
Local Government Contributions	38% to 40%	Varies by agency, average is 43% to 48%	Varies by agency, 38% to 48%
Admin Costs (Est.)	~18%	Varies by agency, average is 22%	Varies by agency, 18% to 22%
Cost per Hour of Service (Est.)	$75.00 to $79.00	Varies by agency, average is $80.00 to $83.00	Varies by agency, $75.00 to $83.00
Participation	Depends – countywide operator assumes communities are members, but an independent agency could be an optional sub-set of communities	Optional – communities decide if they want to sponsor transit agencies	Optional – communities decide if they want to participate
Flexibility to Support Transit Growth	Strong – new agencies can buy into existing organization and administrative structures	Weak – requires new agencies to raise own matching funds and develop own structures. Has not been feasible to date	Medium – can participate in sub-regional operator

Chapter 6: Recommendations and Implementation

Introduction

The Transit Governance Study was designed to evaluate transit governance models and options that would help advance and develop public transportation in Pinal County. As part of developing the options and selecting a preferred option, the TWG strived to balance the needs of communities already providing transit services with the potential to offer flexibility to develop new services as Pinal County adds people and jobs. In identifying and recommending a governance structure, the TWG considered the following:

- Options for how individual cities, towns, and other partners might collaborate to guide transit service development in Pinal County.

- The costs and benefits of individual models and how they help existing service providers and at the same time, support and encourage development of new public transit services

The final steps of the project involved reviewing technical data collected to date and considering this information together with input provided by stakeholders. Stakeholder input included the findings from stakeholder workshops held in July, 2020 (see Chapter 4) as well as feedback provided during presentations to the PRTA Technical Advisory Committee.

Recommendations

As discussed, the Pinal County Transit Governance Study was charged with recommending a transit governance structure. After receiving input from stakeholders, the TWG reviewed findings and evaluated their options for a preferred governance model. Discussions at the TWG meeting included a concern if stakeholders at the workshop fully understood the consequences associated with the alternatives, including the costs and requirements of operating public transportation service. Other TWG members debated the merits of the status quo as compared with moving towards a consolidated system.

The TWG members supported the hybrid model because it encourages collaboration and consolidation among communities that wanted and needed to work together but does not force choices. Ultimately, the hybrid model was recommended as the most appropriate and effective governance structure for Pinal County because:

- **It is politically acceptable.** Both regional stakeholders and TWG members felt the hybrid approach balanced the desires of some stakeholders to keep things the way they are with the desires of other stakeholders interested in full consolidation of transit services.

- **Offers flexibility to respond to regional needs.** As Pinal County adds population and employment, the hybrid model allows existing transit service providers to respond to local needs and also encourages a shared structure to address regional or sub-regional needs. Some communities could operate their own local services and contribute to a regional service.

- **The hybrid model makes it easier to develop new transit services.** When some services consolidate around a regional or a sub-regional organization, it will be easier for communities to join an existing structure than start a brand new one.

- **The hybrid option creates opportunities to reduce administrative costs.** By consolidating some services, the hybrid model will reduce some of the administrative and management costs associated with multiple, independent transit agencies.

- **Consolidated services, even on a sub-regional basis, increase expertise and investment in support functions like marketing and technology.** Larger transit agencies have more resources for administration functions, and positions like a full- time general manager/transit administrator. Regional or sub-regional transit agencies are also more likely to invest in resources like marketing and technology.

Hybrid Governance Model Options

The Pinal County Transit Governance Study also laid out implementation models for the recommended transit governance alternative. The TWG and study team identified three potential, non-exclusive options for how a hybrid governance structure could be applied in Pinal County:

1. The Pinal Regional Transportation Authority (PRTA) plays a leadership role in managing regional transit resources and investments.

2. Coolidge Area Regional Transit (CART) becomes a regional transit operator and initiates partnerships with adjacent cities and towns.

3. A new agency forms to operate regional transit services. This new agency could build by expanding or repositioning one or more of the existing transit operators.

These options are examples of *how the hybrid model could be applied* in Pinal County and are not intended as a prescription for how the model should be applied.

Option 1: PRTA Lead

The PRTA would be responsible for implementing the region's 20-Year Comprehensive Multimodal Regional Transportation Plan. Within this larger role of implementing the comprehensive plan, the PRTA could also assume responsibility for the transit elements (Figure 21). Implementing the transit elements would require developing a regional park-and-ride system and assisting with the management of countywide dial-a-ride services. The governance model assumes PRTA transit funds could be used to

support staff to manage and oversee plan implementation. Depending on how the plan is implemented, the PRTA may be able to leverage federal funds to support the transit planning work.

Figure 21. Hybrid Governance Model – PRTA Lead
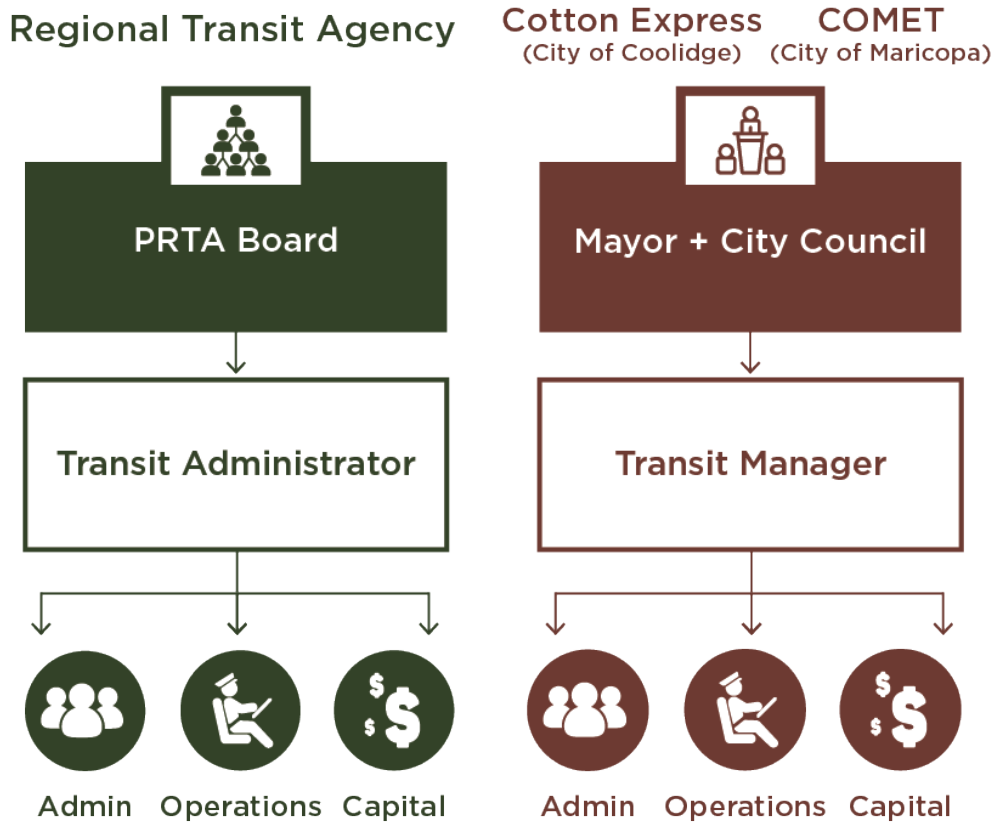
Including transit elements within a regional transportation authority structure is permissible under Arizona Revised Statutes (ARS 48-5301 through 49-5354).The primary advantage of this approach is that there is logic associated with including transit within the roles and responsibilities of the regional transportation authority, including the ability to combine transit and multimodal transportation (sidewalks, crosswalks, bike paths) investments within the context of other roadway investments.

In terms of transit service operations, however, this model has some disadvantages. Key among these concerns is that assigning a transit role to the PRTA would introduce a new transit agency into Pinal County's service mix, potentially further fragmenting the network of service. The PRTA does not have experience operating transit services, which may make taking this step more challenging. The lack of experience could potentially be overcome with experience and/or hiring staff with operations experience.

Option 2: CART Lead

A second potential model would be for CART to expand its role as a regional transit service provider and formally collaborate with new partners to expand the transit network (Figure 22). Potential partners may

include nearby municipalities, including Casa Grande, Eloy, and Florence, pending interest and available funding. There are at least two advantages associated with this option. First, CART is currently the only agency in Pinal County with experience operating regional fixed-route transit service. An expansion of the service, therefore, would leverage the knowledge and experience of the professional transit staff currently managing CART and Cotton Express. CART is currently governed with an Intergovernmental Agreement (IGA) that lays out each partner's funding commitment and role in service oversight.

Figure 22. Hybrid Governance Model – CART Lead
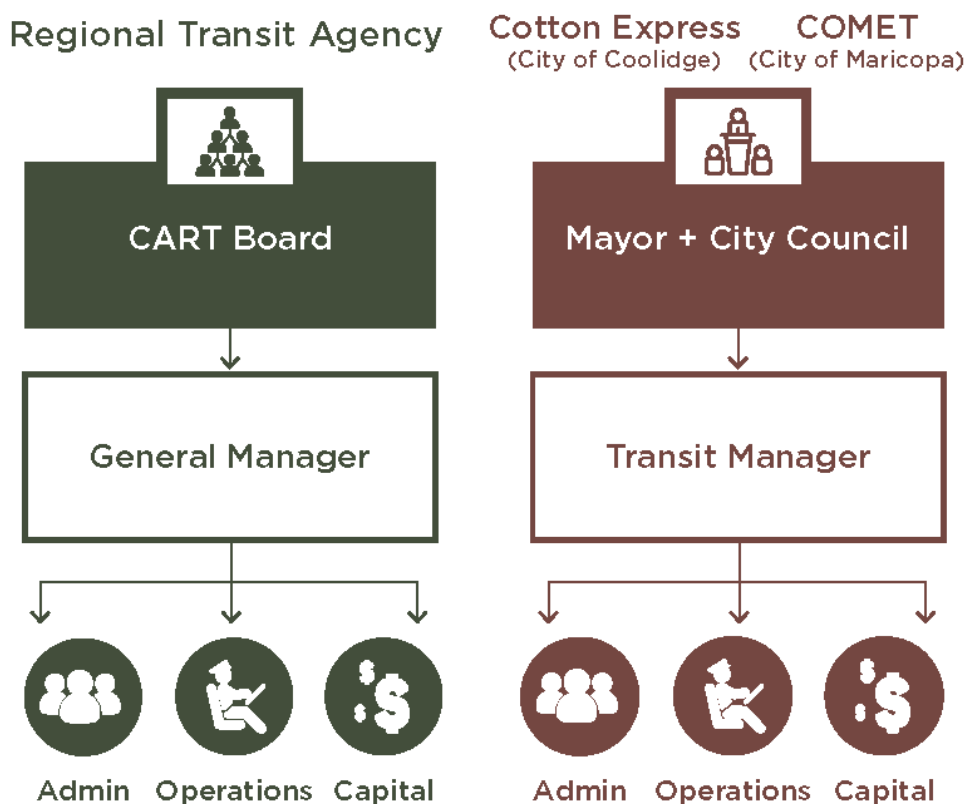
The second advantage of this option is geographic. CART currently operates between Coolidge, Florence, and destinations in Casa Grande, a cluster of fast-growing communities with transit needs. Eloy, another fast-growing community with high transit needs, is contiguous to this cluster, and both Eloy and Casa Grande have plans to implement transit services.

The primary disadvantage with CART assuming a regional transit leadership role is that CART's governance structure is embedded within the City of Coolidge. While there is an independent Advisory Board that oversees transit service development and management, the City of Coolidge has ultimate responsibility for the service. This presents two major challenges.

1. One of the most important potential new partners to a regional transit service structure is the City of Casa Grande. Casa Grande is eligible for FTA Section 5307 funds, which includes up to

over $1.1 million annually to support transit investments[3]. Section 5307 funding requires matching funds that must be raised locally or regionally. The City of Coolidge is not a federally designated urbanized area; therefore, it is ineligible to be a direct recipient for FTA Section 5307 funds, which limits CART's ability to manage transit service development from a regional perspective. It is possible for the City of Casa Grande to be the Direct Recipient of Section 5307 funds and use these resources to contract with CART to provide service (see below).

2. CART's current structure governs the service through an Advisory Board, but the City of Coolidge has ultimate responsibility and authority over the service. CART's arrangement is successful within the context of the existing service with partner annual contributions ranging from $15,000 to $25,000. If/when financial contributions increase substantially, cities and towns may be reluctant to pay into a system that is governed by another communities' elected officials. As the size and complexity of the financial arrangement increases, CART could change its charter to operate as an independent authority, separate from the City of Coolidge. The Cotton Express could continue to operate within the City of Coolidge structure or could be folded into the regional transit service network. Preliminary conversations suggest that while Coolidge is interested in expanding the regional role of CART's service, it is not interested in separating CART from the city's management at this time.

Given the challenges associated with building a regional transit governance structure around CART, this option was not carried forward to implementation planning.

It is worth noting, however, that Pinal County cities and towns, including the City of Casa Grande, may use their FTA Section 5307 funds to contract with CART to operate the service. Under these relationships, a city or town would manage and structure transit service, and CART would operate the service according to an agreement. From a transit governance perspective, contracting with CART is preferrable to a new transit service provider operating service independently. Cities and towns interested in expanding existing transit services or developing new ones are encouraged to keep working with CART on regional transit service delivery. Any future contracting arrangement would need to consider FTA regulations for how transit resources, such as vehicles are shared between services.

Option 3: New Regional or Sub-Regional Transit Agency

A third governance option would be to form a new agency designed to operate regional transit services. This agency could be regional and represent all or most of Pinal County or could reflect a smaller, sub-regional group of two or more cities and towns. The new agency could form with two or more communities in Pinal County agreed to jointly operate transit services. The agency could be developed by expanding or repositioning one or more of the existing transit operators (i.e., Maricopa or Coolidge) or

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[3] **Federal Transit Administration Table 3 (updated August 30, 2019) FY 2019 Full Year Section 5307 and Section 5340 Urbanized Area Apportionments.**

it could be initiated by communities without any existing transit services program. According to Arizona Revised Statutes, communities within Pinal County could use a Joint Powers Organization (JPO) or Intergovernmental Agreement (IGA) to establish responsibilities around transit governance, funding, and representation. Depending on the cities that collaborate to deliver transit services, the new transit agency may be designated as a direct recipient for FTA funding, including urbanized formula funds associated with the FTA Section 5307 program.

There are potential advantages associated with this option, especially if two or more of the larger communities in Pinal County agree to form a new transit agency, or if one of the cities already providing transit services collaborates with a strong partner positioned to receive FTA Section 5307 funding (i.e., Maricopa or Casa Grande). By partnering with one of Pinal County's urbanized areas, communities could set up an agency that is positioned to receive federal grants that could be leveraged to create economies of scale. This means that urban and rural communities can share the cost of transit service administration and management proportionate to their respective share of overall options. In addition, urban transit services are allowed to operate a small portion of their service in non-urbanized areas, especially if service extensiosn include access to employment or other critical services, like education or medical facilities. Section 5307 grants are also advantageous because while they do require local matching funds, they are not competitive and instead are allocated annually based on a formula set by the FTA.

From a transit planning perspective, this approach to transit governance has geographic advantages because the new agency would be designed from inception to connect and serve multiple jurisdictions. In addition, access to the Section 5307 funds would site a new agency and transit service in the region's most urbanized areas, effectively matching services with needs.

The primary disadvantage with this option is the organizational and financial effort required to establish a new agency. This is especially the case because Pinal County's two urbanized areas are both almost exclusively within a single municipality (i.e., cities of Maricopa and Casa Grande). As a result, it would be simpler and offer more local control for one of the urbanized municipalities to accept FTA Section 5307 funds and operate or contract for service independently. As demand warranted, either municipality could form limited agreements to provide service into neighboring communities and/or share funding on a route-by-route basis.

Implementation

At the time this study was conducted (February 2021), the most feasible option is expected to be for the PRTA to play a leadership role in the development and management of regional transit services. Advancing this transit governance model requires confirmation from the PRTA regarding intent to lead regional transit planning in Pinal County. It also requires defining expectations for what the transit planning leadership role would entail and setting aside resources needed to accomplish the PRTA's established goals.

For the PRTA to play a lead role in transit governance, they would need to invest in staffing resources to carry out the duties. Staff would also need political/policy, organizational and financial support from the PRTA. Staffing support would likely require establishing a Transit Administrator (or Transit Manager) position within the PRTA organization and laying out a clear work program, responsibilities, and expectations for what will be accomplished within the first and second years of employment. The position will require funding from PRTA transit revenues; these revenues could potentially be matched with federal transportation or transit planning funds. An indicative work plan for the PRTA and Transit Sub-Committee are laid out in the transit implementation checklist with more detail on the potential work plan for the sub-committee and any new staff provided in the following section.

PRTA Transit Implementation Checklist

1. **Establish transit goals and policy framework for implementing transit elements of Pinal County's 20-Year Comprehensive Multimodal Regional Transportation Plan.** While the regional transportation plan lays out high level guidance for regional transit investments, the PRTA will need to develop – or delegate development of - transit policies and a funding framework to guide immediate and longer-term transit investment decisions.

2. **Reinstate PRTA Transit Sub-Committee.** The PRTA may delegate responsibilities to a sub-committee focused on public transportation issues (i.e., Transit Sub-committee) that makes recommendations to the overall PRTA. Peer review findings suggest that representation on the sub-committee should be inclusive, with representatives from Pinal County, individual cities, and towns, plus potentially representatives from human service agencies.

3. **Hire a Transit Administrator to staff Transit Sub-Committee.** The Transit Administrator would work under the direction of the PRTA and Transit Sub-Committee and be responsible to implement the transit elements of the regional transportation plan. Initially, the Transit Administrator would be funded by the PRTA but over time, staffing costs may be transferred to FTA grants and local funding. A draft job description for the Transit Administrator is included as Appendix C.

4. **Direct and Implement Regional Park and Ride Development Plan**. One of the clearest transit elements of Pinal County's 20-Year Comprehensive Multimodal Regional Transportation Plan is development of a regional park-and-ride system. The PRTA Transit Administrator could begin work on developing this strategy as soon as the PRTA Board authorizes the work.

5. **Coordinate Pinal County's Human Service and General Public Dial-a-Ride / Demand Response service.** Another directive of Pinal County's Regional Transportation Plan is investment in dial-a-ride services to assist people with disabilities, seniors, and members of the public. Pending direction from the Transit Sub-Committee and PRTA Board, the Transit Administrator may help manage disbursement of PRTA funds to strengthen dial-a-ride services available for seniors and people with disabilities.

6. **Support Local and Regional Transit Service Development.** Under direction from the Transit Sub-Committee, the Transit Administrator may lead the development and management of local and regional public transportation services in Pinal County, through a combination of funding, technical support and/or by directly providing services.

7. **Encourage Collaboration Among Transit Service Providers.** Over time, the PRTA may seek to encourage coordination, collaboration, and consolidation among new or existing transit services in Pinal County. Coordination, collaboration, and consolidation may be encouraged with financial incentives.

Short-Term Action Plan for PRTA, PRTA Transit Sub-Committee and Transit Administrator

The PRTA and potential new Transit Sub-Committee would need to invest in staffing resources to implement the vision and carry out specific duties. As noted, this position would require political/policy, organizational and financial support from the PRTA. Staffing support includes establishing a Transit Administrator (or Transit Manager) position within the PRTA organization and laying out a clear work program, responsibilities, and expectations for what will be accomplished within the first and second years of employment. The position will require funding from PRTA transit revenues; these revenues could potentially be matched with federal transportation or transit planning funds. In the short-term there are at least three key roles for a new Transit Administrator position.

Create and Implement Pinal County's Park-and-Ride Development Strategy

There is a wide range of approaches to developing park-and-ride facilities and systems. An initial step will be to receive direction from the PRTA/Transit Sub-Committee regarding goals and objectives for the regional park-and-ride network, including their interest in encouraging the development of commuter-based services, like vanpool and carpool programs. Building on this direction, the Transit Administrator could initiate a regional park-and-ride lot strategy that reflects and balances multiple factors:

- The size, spatial, and temporal demand of Pinal County's travel markets, especially employment travel demands – Pinal County is a rapidly growing area, in part because it offers access to regional job markets on both the northern and southern ends of the county. Apache Junction, for example, is roughly 35 miles from downtown Phoenix and the unincorporated community of Saddlebrooke is 25 miles from downtown Tucson. The job market within Pinal County is also growing rapidly and given the geographic expanse of the county could support regional transit and/or carpooling services.

- Market demand, needs, and opportunities for regional bus, vanpool, and carpool services – Experience from other parts of the United States suggest that factors like travel distances, congestion, and parking costs lead to increased use of commuter-oriented transportation services. Other factors that shape demand include wage levels, fuel prices, and the convenience of the park-and-ride system.

- The availability of existing and planned commuter services – Vanpool and carpool services are relatively dynamic and can be started with minimal investment, but commuter bus services are more expensive to initiate, so require more analysis and planning. The Transit Administrator will need to inventory existing commuter resources and explore potential future services that may serve Pinal County. The Transit Administrator may also consider how the PRTA may encourage the expansion of existing services and development of new commuter services into Pinal County.

After these issues have been researched and analyzed, the Transit Administrator could evaluate existing and future conditions to determine how they translate into needs for a regional park-and-ride network, including:

- The location of future park-and-ride lots and a prioritized strategy for development

- Facility size and desired amenities

- Recommendations for leased or owned lots

- Estimated cost of park-and-ride lots, categorized by capital and operating costs

- A detailed funding plan that evaluates the potential for partnerships with regional organizations and institutions as well as federal funding resources

- Coordination with other roadway projects

- Marketing plan to increase awareness and use of the facility

As soon as the strategy is available, the Transit Administrator can begin implementation, including acquiring property, either through leases or land purchases.

This work may be conducted directly by the Transit Administrator with some help and support from PRTA or other regional planning staff resources, including the Central Arizona Governments (CAG) and South Corridor Metropolitan Planning Organization's (SCMPO) mobility manager. Another option is for the Transit Administrator to lead the strategy with consultant support. Depending on how the work is carried out, a park-and-ride lot development plan and regional strategy should be completed within 12 to 18 months. Implementation can begin shortly after the strategy is developed. Leased park-and-ride lots can be advanced quickly so that facilities can be operational within a few months.

Coordinate Pinal County's Existing Dial-A-Ride Services

At the time the Pinal County Transit Governance Study was developed, there were at least five demand response services operating in the county, including service operated by Pinal County (On-the-Go Express) and other private nonprofit agencies, the largest of which include Horizon Health & Wellness, the Opportunity Tree, the Pinal Gila Council for Senior Citizens, and the Pinal Hispanic Council. These services are largely designed to meet the needs of older adults and people with disabilities as well as agency clients. Combined, these agencies served just over 52,000 trips in 2018. Most of the existing demand response transportation services are supported through a combination FTA Section 5310 funds and resources provided by the individual agencies.

The Transit Administrator may work with the Transit Sub-Committee to ensure PRTA grants and funding programs are aligned with the agency's overall goals. The Transit Administrator could also collaborate with individual transportation service providers to understand their needs and determine how funding may be structured and administered to balance the goals and needs of both the PRTA and the individual operators. The Transit Administrator may also help the PRTA Board administer the disbursement of funding and/or coordinating PRTA spending with FTA Section 5310 funding. A leadership role may also include advancing technologies and systems that facilitate coordination, such as leading development of regional trip planning tools and/or managing a regional procurement for a scheduling and dispatch system.

This task requires developing relationships with existing transportation service providers and ideally, would be conducted directly by the Transit Administrator with help and support from PRTA and other regional planning staff resources, including CAG/SCMPO's mobility manager. Assuming the Transit Administrator has access to PRTA funds to lead this task, work may be initiated within the first few months of the position being filled. Increased coordination and collaboration among providers may be accomplished within 6 to 12 months of starting.

Support Local and Regional Transit Service Development

The PRTA Transit Administrator may also play a leadership role in the development and management of local and regional public transportation services, through funding, by providing technical support and/or by directly providing services. Important supporting functions could include technical assistance or regional resources to support:

- Transportation grants and federal transit funding – Currently, the CAG/SCMPO mobility manager maintains a database of federal and other funding programs available to support transit and transportation programs. The Transit Administrator could work with mobility managers to leverage this expertise, to maximize the impact of local funds by matching them with federal and other funding opportunities. Pending direction from the PRTA Board, the Transit Administrator may be able to directly work with communities to apply for federal funds and leverage PRTA funds to support transit investment.

- Procurement, contracting and administration expertise – There are several ways that the PRTA could aid cities and communities with regards to procurement and contracting for transit services and systems. Assistance could include developing and negotiating contracts with public transit and transportation service providers and/or technical support for the development and procurement of shared regional transit technologies, such as (for example) real-time bus arrival systems, scheduling, and dispatch software, and/or passenger information systems.

- Transit planning, operations, and management – Transit expertise is currently concentrated in a handful of organizations in Pinal County. The PRTA could provide transit planning skills (service planning, mapping, market analysis) directly or through a collaboration with other regional transportation agencies. The PRTA could also support local transit providers with operations and management expertise and technical resources.

- Transit marketing / Passenger information systems – The PRTA could take the leadership on the management and design of passenger information materials and systems, including shared transit information materials (brochures, webpage, etc.), development of trip planning and booking apps, and/or development of a regional reservation call center.

- Transit service coordination, collaboration, and consolidation – In the short-to-medium term the PRTA may play a lead role in supporting increased coordination among transit services, management, and operations. Overtime the PRTA may also get involved in encouraging formal collaboration among partners and potentially consolidation of some service elements or programs. The specific elements of service coordination, collaboration and consolidation will unfold over time (see also Appendix C for more information on how to processes may be executed).

Appendix A: Stakeholders Engagement

Stakeholder Interview Guide

Interviews began with an introduction to the study and its objective and noting that the project team was interested in interviewees' perspectives on issues related to how transit services might be governed and organized in Pinal County. Interviewers were instructed to tell participants that discussions would be confidential. Findings would not be attributed to a single individual and instead would be summarized across all participants.

Questions for Staff Interviews

- Does your community have transit services?
    - If yes, please discuss service:
        - How have services developed over time?
        - Who are your primary riders? Has your ridership changed over time?
        - What are you plans for service development?
        - Are there new markets that need (or are requesting) service? Are needs stronger for local or regional services?
        - Are you planning meeting those needs?
    - If no, please discuss:
        - Do you have a transit development plans?
        - Do you think the existing need is greater for local or regional services?
        - Do you have a strategy in place to get your transit plans implemented? What are your challenges moving forward?
        - What challenges do you face getting those services started?
- Do you expect transit to increase in importance over time?
- This study is focused on how transit services could be organized and governed in Pinal County. Do you have any other ideas about how transit services could be organized or governed?
- Are there any transit agencies or systems in Arizona or elsewhere that you think are good models for Pinal County?
- Is there anything else you would like to share with the team?

Questions for Elected Official Interviews

- Please describe your experience with public transit and the role it plays in your community. Do you feel this is an essential service for your community and its residents? If yes, why? If not, why not?
- Do you expect transit to increase in importance over time? If yes, why? If not, why not? What are the primary challenges associated with expanding service over time?
- This study is focused on how transit services could be organized and governed in Pinal County. We are exploring different potential models and ideas, ranging from a model where services continue to be operated independently by each community to one where services could be

organized as a consolidated agency (or something in between). Which one of these models is more appealing to you? Why? Are there any fatal flaws with either of the models?

- Do you have any other ideas about how transit services could be organized or governed?
- Is there anything else you'd like to share with the team?
- Interviewers were instructed to tell participants that the study is ongoing and there will be opportunities to provide additional comments on draft ideas that the team is developing.

Stakeholders Interviewed

- Eddie Cain - CAG/SCMPO, former Mobility Manager
- Erik Heet - Cotton Express & CART, Transit Manager
- Duane Eitel - City of Casa Grande, City Traffic Engineer
- Jon Vlaming - City of Eloy, Community Development Director
- Supervisor Pete Rios - Pinal County
- Mary Clements – On-the-Go Express - Pinal County Public Health
- Council Member Robert Schroeder – City of Apache Junction
- Mayor Craig McFarland - City of Casa Grande
- Mayor Jon Thompson - City of Coolidge
- Rick Miller - City of Coolidge, City Manager
- Council Member Dan Snyder - City of Eloy (Representing Vice Mayor Micah Powell)
- Mayor Tara Walter - Town of Florence
- Mayor Debra Sommers - Town of Kearny
- Don Jones - Town of Mammoth, Town Manager (Representing Mayor Joe Dietz)
- Council Member Vincent Mandfredi - City of Maricopa
- Judy Ramos - City of Maricopa, Assistant City Manager
- Vice Mayor Robin Benning - Town of Queen Creek
- Mayor Mila Besich - Town of Superior

Appendix B: Stakeholder Workshop

The purpose of the stakeholder workshops was to gather information about individual governance models, understand their perspectives on the benefits and challenges of each model and ultimately get guidance on a preferred model. The project team conducted 2 workshops on the same day. Stakeholders were asked to RSVP to the workshops and had flexibility over which one to attend. The workshops were conducted in July 2020; due to public health concerns, the workshops were conducted using the Zoom technology. The team used Mentimeter to facilitate polling.

The workshop consisted of a combination of a presentation, small group discussion and instant polling. The workshop agenda consisted of:

1. Welcome and introductions
2. Overview of study overall, including tasks completed to date (peer system review and stakeholder interviews)
3. An initial poll question asking for governance model preference
4. Facilitated discussions held in breakout rooms (maximum of 6 participants)
5. Report out to the group on breakout room discussion
6. More extensive polling on preferences for governing models
7. Next steps

Workshop and Discussion

Presentation

Nelson\Nygaard provided a brief overview of the Transit Governance study, technical work (peer review, Technical Working Group) and draft governance models. A copy of workshop materials is available under a separate cover.

Preliminary Poll

Immediately after the presentation, the study team administered a preliminary poll to determine the favored governance model. This poll was intended to provide a "first impression" of stakeholder preferences before they went into breakout rooms to discuss their preferences and ask questions. The first poll asked participants to rank the models based on best fit for Pinal County. The hybrid model had the most 1st place rankings and the independent agencies model had the most 3rd place rankings (see Figure 23).

Figure 23 Pre-Discussion Ranking
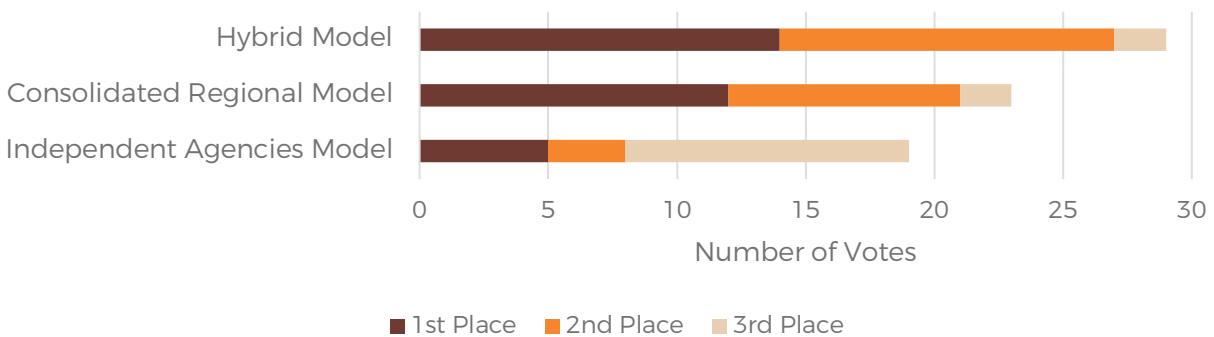
Small Group Discussions

After the preliminary poll, workshop participants went into breakout rooms to discuss their preferences and ask questions of the study team. Questions and interest from the small group discussions included:

1. Asking about the criteria used to selecting peer review models. Nelson\Nygaard responded by saying the selected systems are all in the western United States and have similar geographic size and population. One system was selected because it served as an example of future growth in population and employment centers.

2. Stakeholders asked whether the different governance models had the same sources of funding. The study team confirmed that they assume the same funding model (federal grants, local match plus fares).

3. Many stakeholders expressed support for the hybrid model due to its flexibility for both places with and without transit.

4. Other stakeholders expressed interest in the consolidated model, potentially as the end goal for the region, due to its efficiency. Participants also discussed the possibility of starting with a hybrid model and moving towards a consolidated model.

5. Stakeholders asked about how the Hybrid model works and were told that the system involves multiple communities working together on a transit system that can include both shared transit and independent systems. There are examples of successful consolidated hybrid systems within Arizona already, like Valley Metro, Yuma, Flagstaff, etc.

6. Stakeholders discussed how the consolidated model is the most cost efficient, though some agencies have already made significant local investments in transit. Cities with existing transit services, for example, said they preferred for the Independent model because their existing transit system gives them experience and local control.

7. Participants also discussed the balance of allowing local agencies to have as much authority as possible while having an overarching entity that would help build out the system.

Instant Polling

After the small group discussions, participants were asked a series of trade-off and multiple-choice questions. The results of these polls are shown in Figure 24 to Figure 26. Generally, participants prioritized the regional options of the polls. The consolidated and hybrid models were more preferred than the independent model through a variety of criteria.

Figure 24 Trade-Off Questions: Regional and Local

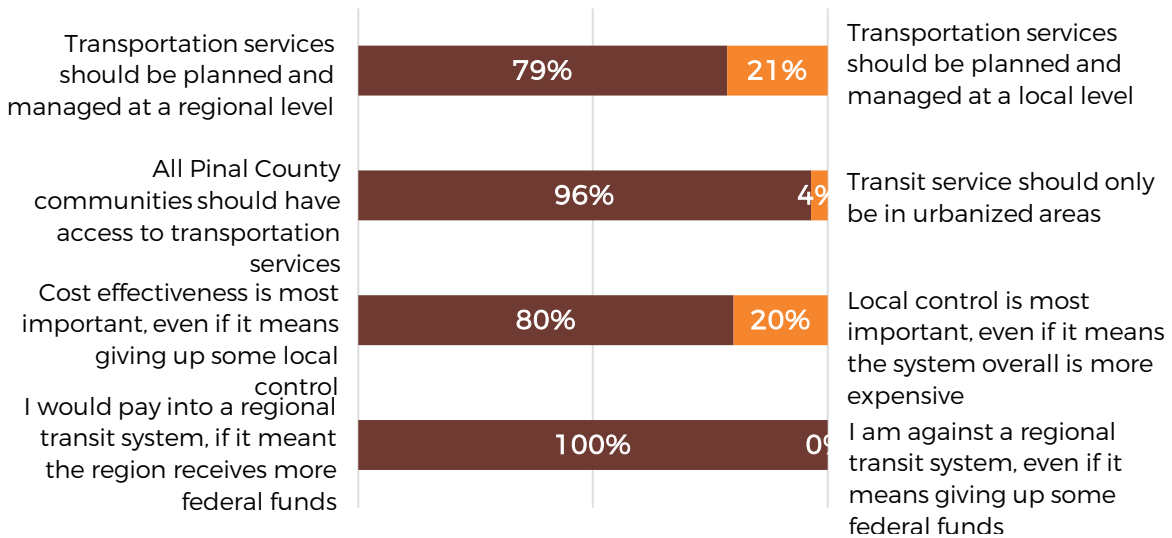|		
Transportation services should be planned and managed at a regional level	79% / 21%	Transportation services should be planned and managed at a local level
All Pinal County communities should have access to transportation services	96% / 4%	Transit service should only be in urbanized areas
Cost effectiveness is most important, even if it means giving up some local control	80% / 20%	Local control is most important, even if it means the system overall is more expensive
I would pay into a regional transit system, if it meant the region receives more federal funds	100% / 0%	I am against a regional transit system, even if it means giving up some federal funds

Figure 25 Trade-Off Questions: Assuming a Regional Transit Authority

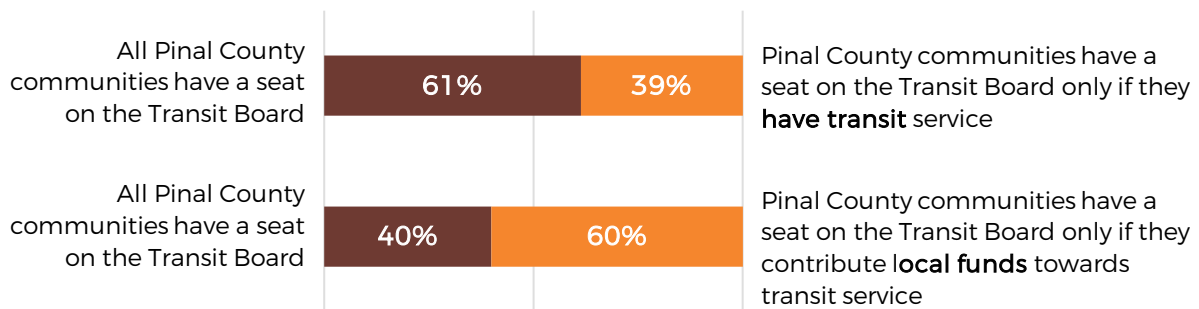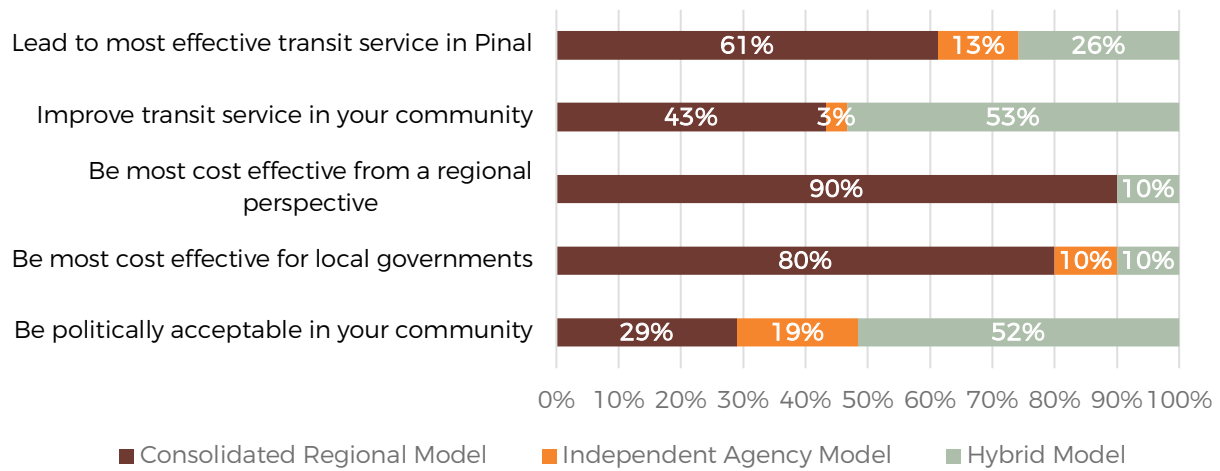|		
All Pinal County communities have a seat on the Transit Board	61% / 39%	Pinal County communities have a seat on the Transit Board only if they **have transit** service
All Pinal County communities have a seat on the Transit Board	40% / 60%	Pinal County communities have a seat on the Transit Board only if they contribute **local funds** towards transit service

Figure 26 Best Fit Governance Model Questions

At the end of the workshop, stakeholders were given the first question to rank the three models again. Comparing Figure 27 to Figure 23, the consolidated model increased slightly in first place votes throughout the workshop. Overall, participants prefer the hybrid and consolidated models drastically over the status quo independent model.

Figure 27 Post-Discussion Ranking
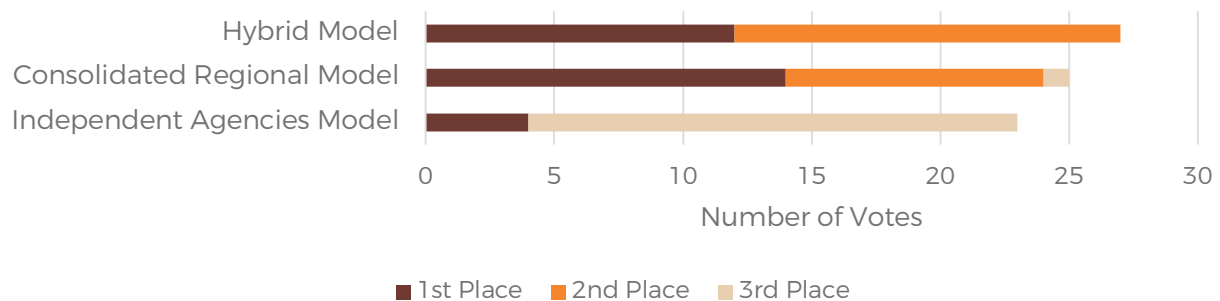
Session #1 10AM Attendance List

- Bryant Powell – City Manager, City of Apache Junction
- Larry Rains – City Manager, City of Casa Grande
- Rick Miller – City Manager, City of Coolidge
- John Thompson – Mayor, City of Coolidge
- Abe Garcia – City of Coolidge
- Jerry Stabley – Planning Manager, City of Eloy
- Jeff McCormick – Town Manager, Town of Kearny
- Dale Wiebusch – Intergovernmental Affairs Director, City of Maricopa
- Nancy Smith – Vice Mayor, City of Maricopa
- Julia Gusse – Councilmember, City of Maricopa
- Bruce Gardner -Assistant Town Manager, Town of Queen Creek

- Heather Wilke – Intergovernmental Relations Manager, Town of Queen Creek
- Pete Rios - Supervisor, Pinal County
- Irene Higgs – Executive Director, SCMPO
- Jason Hafner – Transportation Planner, SCMPO
- Jill Dusenberry – Transit Manager, ADOT
- Robert Mawson – Member, CAG
- Audra Koester-Thomas – Member, MAG
- Bernadette Kniffin – Transit Administrator, San Carlos Apache Tribe
- Marsha Ashcroft – Horizon Health & Fitness
- Jason Bottjen – Pinal County
- Mohamed Youssef – Deputy Public Works Director, Town of Queen Creek
- Erik Heet – Administrator for CART & Cotton Express, City of Coolidge
- Travis Ashbaugh –CAG
- Amy Moran –Wilson & Company
- CT Revere –Gordley Group
- Kara Lehmann –Gordley Group
- Bethany Whitaker –Nelson\Nygaard
- Yanisa Techagumthorn– Nelson\Nygaard

Session #2 4PM Attendance List

- Harvey Krauss – City Manager, City of Eloy
- Dan Snyder – Councilmember, City of Eloy
- Benjamin Bitter – Assistant Town Manager and Public Information Officer, Town of Florence
- Hezekiah Allen – Community Services Director, Town of Florence
- Robin Benning – Councilmember, Town of Queen Creek
- Todd Pryor – Town Manager, Town of Superior
- Steven Miller – Supervisor, Pinal County
- Lynn Parsons - Coolidge Chamber of Commerce
- Duane Eitel – City of Casa Grande
- Sara Allred – Assistant Transit Group Manager, ADOT
- Andrea Robles – Executive Director, CAG
- Jill Dusenberry – Transit Manager, ADOT
- Jason Bottjen – Pinal County
- Travis Ashbaugh – CAG
- Amy Moran –Wilson & Company
- CT Revere –Gordley Group
- Kara Lehmann –Gordley Group
- Bethany Whitaker– Nelson\Nygaard
- Yanisa Techagumthorn –Nelson\Nygaard

Appendix C: Transit Administrator Job Description

Essential Responsibilities

The Transit Administrator is responsible for implementing the transit elements of the Pinal County 20-Year Comprehensive Multimodal Regional Transportation Plan. Duties and activities will be performed under the direction and guidance of the Pinal Regional Transportation Authority (PRTA) and other sub-committees of the authority, including the Transit Sub-Committee.

Work is expected to include development of 1) a countywide transit policy and transit investment framework, 2) a countywide park and ride lot system; 3) distribution, management, and reporting of transit grant funds; and 4) ongoing communication and collaboration with the PRTA Board and PRTA Transit Sub-committee. Position will also advance PRTA's transit goals, which may include increased coordination and collaboration with Pinal County transit providers and other regional transit providers operating in Maricopa and Pima counties.

Qualifications

Any combination of training, education, and expertise equivalent to graduation from an accredited college or university with a Bachelor's Degree in Public or Business Administration, Transportation, Geography, Public Policy, Urban Studies or related field and 3-5 years of experience in public transportation planning, operations or administration, or graduation from accredited college or university with a Master's Degree in Public or Business Administration, Transportation, Urban Studies or related field and 103 years of experience in public transportation planning, operations, or administration.

Must possess a valid Arizona Driver's License by date of hire.

Knowledge and Abilities

Applicant should possess knowledge of:

- Principles and practices of public transportation administration and transit planning

- Transit funding programs, including Federal Transit Administration (FTA) programs, policies, and regulations

- Transit program financial analysis and budgeting procedures

- The transportation needs of older adults, people with disabilities and other special needs passengers

- Project management, including planning, scheduling, monitoring, and problem solving

- Processes/ procedures for developing and implementing transit plans

- Relationships between land use and transit service, including principles associated with Transit Oriented Development

- Contract administration, especially administration of transit contracts

Applicant should possess the ability to:

- Communicate and express ideas effectively, both orally and in writing

- Establish and maintain effective working relationships with elected officials, Board members, regional transit professionals, contractors, co-workers, and members of the public

- Carry out policy directives in an effective and timely manner

- Negotiate and resolve controversial issues

- Maintain a customer service focus on program delivery

- Manage and direct staff, as needed

- Represent the PRTA at local, regional, and statewide meetings and events

Appendix D: Transit Agency Coordination, Collaboration and Consolidation

At some point, the PRTA and Transit Sub-Committee may be called upon to encourage formal collaboration or consolidation among two or more of Pinal County's transit agencies. Advancing formal collaboration or consolidation will require careful discussions, planning, and implementation and work must be tailored to specific goals, objectives, and circumstances. The process associated with leading formal collaboration and consolidation of transit agency services includes:

1. Identify two or more transit agencies that mutually agree to initiate discussions regarding increased collaboration or consolidation of one or more transit services. The PRTA *may* facilitate or serve as the lead agency under which services will collaborate or consolidate.

2. Determine collaboration or consolidation goals, objectives and expected benefits and ensure participating agencies have full support from their respective governing bodies to proceed with discussions and planning.

3. Inventory participating individual agency services, functions, staff positions, policies, and assets (resources) to establish the baseline conditions and resources for participating agencies. The baseline conditions assessment should include (for example):

- Transit services and service productivity and performance trends

- Operational model (directly operate, contracted service, etc.), role of local governance and labor agreements

- Organizational and management structures, including decision-making systems

- Funding models and cost allocation structures

- Agency positions, staffing and human resource policies and guidance

- Operating and management policies including service scheduling and dispatch systems, communication policies and practices, performance monitoring, reporting systems and systems to adhere to federal regulations (drug and alcohol testing, ADA, labor protection, etc.).

- Inventory capital assets and state of good repair, including vehicles, technologies, passenger facilities, maintenance facilities and back of house systems.

4. Use the inventory of baseline conditions to guide identification of areas for formal collaboration (i.e., shared maintenance facilities) and/or to develop a consolidation plan. For example, inventory will guide development of:

- A new joint agency management structure with organization charts, staffing needs for the combined agency, expected budget, cost allocation and funding models.

- Strategy for integrating transit services, including planning and design of an integrated or shared transit network.

- Operations and management plan for jointly managing, delivering, and maintaining services. This includes a staff organizational chart for service management and a location analysis that shows which services are operated out of shared facilities.

- Communications strategy for communicating with riders, stakeholders, and members of the public.

5. Build on collaboration or consolidation strategy to create implementation plan for moving towards shared or consolidate transit operations and management.

Coordination – two or more agencies working together in formal capacity. Agencies retain unique identities and control over assets and employees.

Collaboration – two or more agencies establish formal arrangements to share management of resources, such as passenger information, scheduling systems, vehicles, or staffing. Agencies retain unique identities and control over assets and employees.

Consolidation – two or more agencies vest operational authority in one agency. Vehicles and assets are owned by the consolidated agency and employees are employed by the consolidated agency.

Appendix E: Comments & Responses Received on Final Report

Comment	Consultant Team Response
Chapter 1: Introduction, "Anything about litigation that has been implementation?"	Governance Study does not consider the tax litigation.
Chapter 2: Existing Transit Services and Markets, "This section does not end with any info that tells us how the governance structure in the County needs to respond to the current and future changing conditions, even though this is the stated value of the effort. Maybe it exists later in the document…"	Agreed. Section is intended to provide background information and to set the stage for current and future transit needs that indicate the role for transit governance. Text has been adjusted to reflect information purpose.
Chapter 2: Existing Transit Services and Markets, "These are all findings. There is not one bullet point that discusses Implications for Transit Governance."	Agreed. Text has been adjusted to reflect findings content.
Chapter 3: Peer Review: Transit Governance Structures, "Since this is a Governance Study, it seems the value of the peer reviews would be to investigate how other agencies do governance. However, this appears to be the shortest section of the review."	As outlined in the beginning of the chapter, transit governance is determined by interrelated factors including transit service area, agency type and board structure and funding models. The sub-header "Governance" was changed to "Agency Type and Board Structure" to avoid confusion.
Chapter 3: Peer Review: Transit Governance Structures, "It is not immediate obvious how this lesson applies to Pinal County" (in reference to lessons learned from the San Joaquin RTD)."	Text was provided for context and a reminder of differences in scale, but agreed it is not directly a lesson learned. Text was removed.
Chapter 3: Peer Review: Transit Governance Structures, "It is unclear what this means. Does it mean that mono-funded transit services should have more control measures in place to ensure that resource allocation is equitable?"	Text was intended to make the point that transit agencies with dedicated funding are focused on allocating those funds. The peer review shows that when communities and partners contribute their own funds to transit

	service, their perspective changes creating different decision-making models and governance structures. Text has been updated to clarify.
Chapter 5: Transit Governance Models, "The below list are not assumptions. I assume these are facts…"	Agreed. Introductory text has been updated.
Chapter 5: Transit Governance Models, "Maybe this figure is more appropriate after the explanation of the models."	Agreed. Table has been moved.
Chapter 5: Transit Governance Models, "I do not agree with the statement that multiple transit agencies simplify use of PRTA Transit funds more than a consolidated or hybrid model would. In fact, I would say it is exactly the opposite."	In this case "simplifies" refers to the politics of sharing funding, not the administration of managing multiple grants. Text has been updated to say, "While administratively more complicated, the independent model retains the status quo making the process for allocating PRTA funds relatively straight-forward."
Chapter 5: Transit Governance Models, "It has yet to be determined by Legal Council and PRTA Board how these funds can be utilized. I would remove this sentence unless that determination has been made prior to the finalization of this document."	Agreed. Text has been updated.
Chapter 5: Transit Governance Models, "This is all accurate however I am unsure how it relates directly to "Does not maximize federal transit investment."	The independent model does not maximize federal transit investment because it requires individual communities to raise local funds on their own. This compares with regional or sub-regional transit governance structures where the burden of raising local funds can be shared across multiple communities and partners. Text has been updated to clarify this point.
Chapter 5: Transit Governance Models, "Not as much administrative cost savings as Combined model, not as much organizational efficiency as Combined model, likely only works if some/all of the big players get involved."	Agreed.

Chapter 6: Recommendations and Implementation, "Shouldn't this information (i.e., findings from the Stakeholder Workshops) be in Chapter 4 Stakeholder Input?	Agreed. Text has been moved to Chapter 4.
Chapter 6: Recommendations and Implementation, "I think expansion of the WHY the Hybrid model is the best choice for Pinal County is warranted. The 51 pages of the report have been BUILDING to this decision."	Agreed. Text has been expanded to support recommendation.
Chapter 6: Recommendations and Implementation, "This requires much more thorough development since it is the recommendation of the study."	The Hybrid Governance Model Options are not recommendations but rather offer options for how a governance structure might be implemented. The level of detail reflects the fact that the options may or may not be advanced. Further, additional information and discussion is provided in the Implementation section.
Chapter 6: Recommendations and Implementation, "I feel like the Advantages/disadvantages section of this this is extremely brief. 4.5 pages were dedicated to telling me about transit in Eagle County, but the option of PRTA running transit for the County get 3 paragraphs and a chart?"	This comment refers to the advantages and disadvantages of one of the implementation options. The overall discussion on the role PRTA might play is much longer, with a description of how regional or sub-regional transit governance may be implemented under a hybrid option. Further detail is provided through a description of implementation activities, plus two appendices (Appendix C: Transit Administrator Job Description and Appendix D: Transit Agency Coordination, Collaboration and Consolidation). It is worth noting that these are merely options, not recommendations (see comment above). At this point in the governance discussion, there are several outstanding decisions for the PRTA that would influence next steps, including the PRTA's internal priorities and approach for addressing transit elements of the 20-Year Multimodal Regional Transportation Plan. Without this information, the consultant team is unable to fully flesh out a detailed implementation plan.

Chapter 6: Recommendations and Implementation, "This statement is unsupported. WHY is there "logic associated with including transit..."?	Text has been adjusted to directly demonstrate logic of planning for transit investments (a transportation mode) in the regional transportation authority.
Chapter 6: Recommendations and Implementation, "No first strength was identified for there to be Other strengths. Additionally, only one more strength is listed after this statement. If you choose to keep it change to "Another strength"	The first strength is that the model is legally permissible under the Arizona State Statute. The second strength is that there is logic associated with including the multitude of transportation modes in a single agency (i.e., pedestrian, motor vehicle, transit, and bicycle).
Chapter 6: Recommendations and Implementation," I don't believe this statement is accurate."	Text stated, "over $1million annually". According to the FTA website, Casa Grande's Section 5307 allocation (in 2019) was $1.1 million. Text was updated to add the additional decimal point. Team also provided a reference to source.
Chapter 6: Recommendations and Implementation, "Which grants are these? Are you talking about 5307 funding? If so, I don't see how this is an advantage to any community outside of the designated 5307 recipient, since 5307 funds cannot be spent outside of the designated urbanized area."	Grants refer to FTA Section 5307 funds. As mentioned, the grants are advantageous because they are formula based, rather than competitive. The grants can help adjacent communities even if they are outside of the urbanized area for two reasons: 1. Shared costs of transit service administration and management - urban and rural services can share administration and management of transit service where rural service providers pay their portion of the costs of administration. This can be advantageous to rural communities by reducing costs and by giving rural communities access to a broader and deeper array of skills. 2. Section 5307 offer more flexibility than Section 5311 funds and transit services funded with urban funds are allowed to operate in non-

	urbanized areas, especially if service extensions include access to employment or critical services, like education or medical facilities.
	Text was updated to reflect additional information.
Chapter 6: Recommendations and Implementation, "Thereby eventually encountering all of the disadvantages of the CART led option without the benefits of the CART led option."	Agreed
Chapter 6: Recommendations and Implementation, "With what money?"	Funds available to support administration and management of the PRTA overall may be used to support the costs of the Transit Administrator. Another option might be to devote a portion of the costs required to develop a regional park and ride lot system to funding the Transit Administrator position.
Chapter 6: Recommendations and Implementation, "This is happening with or without a Transit Administrator."	At the time the Pinal Transit Governance Study was developed (2020), the PRTA organizational structure was not known. Thus, there may be resources dedicated to developing a park and ride lot strategy that was not shared with the consulting team. Assigning responsibility of developing park and ride lot strategy to staff who are also working towards regional transit service coordination and consolidation offers synergies and a shared mission.
Chapter 6: Recommendations and Implementation, "Isn't this what the Gila Pinal Rides Committee does?."	As noted in this section, "This work may be conducted directly by the Transit Administrator with some help and support from PRTA or other regional planning staff resources, including the Central Arizona Governments (CAG) and South Corridor Metropolitan Planning Organization's (SCMPO) mobility manager." The consultant team believes with the backing of the PRTA, a Transit Administrator may be able to expand the scope and/or accelerate transit service and agency coordination or consolidation across a broader grouping of agencies and projects.