Pinal County Transit Governance Study

Technical Working Paper 1

Peer Review and Stakeholder Interviews

May 2020

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1. Study Overview

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 will evaluate transit governance models and recommend a framework to guide future governance, management, and implementation of public transportation services in Pinal County. The analysis will include recommendations on how existing and future public transportation services can coordinate and collaborate on service delivery as well as how the region should manage, structure, and oversee public transportation service development.

Recommendations will be 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. Technical work will be 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 its 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 included funding for local road projects for less populated municipalities, plan administration, and a public transportation element. The public transportation element included $1 million per year or about three percent of the total funding. Specific funding allocations called out in the voter-approved plan included:

- 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 general public, and the provision of 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 an opportunity to create a framework to manage and govern future public transportation services. The study will consider different models and options for collaboration across communities and coordination between existing and potential new transportation services. Recommendations must consider the needs of communities already providing transit services and offer flexibility to incorporate new services that may be added as Pinal County adds people and jobs. In identifying a governance structure, the study will consider 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 is fundamental to the overall study.

This technical working paper presents an analysis from a peer review that examined how similarly sized and positioned transit agencies set up their governance structures. It also reports on a series of interviews held with stakeholders across Pinal County.

2. Peer Review

Introduction

This technical working paper examines the governance structures of similarly sized and positioned transit agencies. Our analysis explores the evolution of these structures, as well as the events, planning, and decision making that led to these models in their existing forms. The analysis also considers criteria for selecting members to governing bodies and allocating representative seats to jurisdictions or stakeholder organizations. Other topics considered include funding sources and budget, structure of the service, geographical area, and population served. We adopted this approach to compare the experience of these peer agencies and the goals and objectives identified by the Pinal County Stakeholders. This analysis will also highlight best practices for changing governance structures, which will be incorporated into the findings of this project.

Figure 1 Map of Peer Agencies Studied

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

The team used these criteria to identify five 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 evaluated these six agencies (see Table 1) based on their governance structure, board structure, funding sources, and services provided and shared the summarized information with the TWG. Given these characteristics and availability of information, four transit agencies (see Figure 1) out of the six initially considered were chosen for further analysis to provide insight to Pinal County.

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
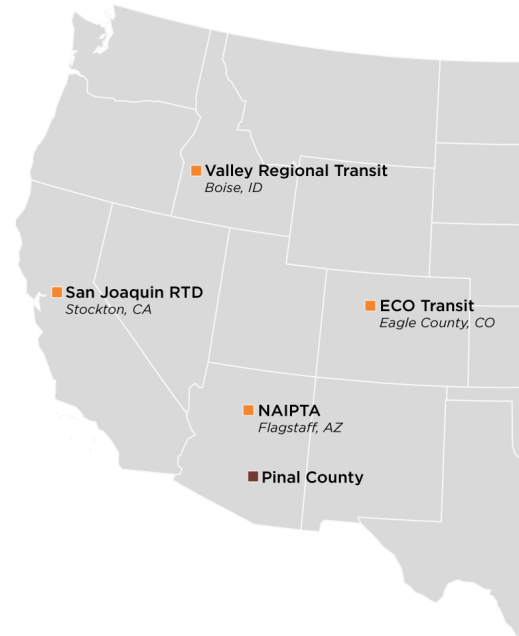
Table 1 Peer Agencies Considered

| Agency	Location (Metro Area)	Service Area Population	Service Area (Sq. Miles)	Governance Structure	Board Structure	Funding Sources	Services Provided
Valley Regional Transit	Boise, Idaho	338,759 (NTD 2018)	66 (NTD 2018)	Regional Public Transportation Authority	29-member Board of Directors from jurisdictions & smaller executive board	Federal, local, and directly generated funding	Provides 21 fixed-route services in Boise/Garden City, 3 in Nampa/Caldwell, and 6 intercounty routes between Ada and Canyon Counties. Also operates Greenbikes system.
Green Mountain Transit	Burlington, Vermont	93,656 (NTD 2018)	61 (NTD 2018)	Municipality	13-member Board of Commissioners from member jurisdictions	Federal, state, municipal, other local (in-kind from Elders and Persons with Disabilities programs and other institutions)	Fixed-route local and commuter routes, ADA paratransit, medical shuttles, services for older adults and people with disabilities, school shuttles
Northern Arizona Intergovernmental Public Transit Authority (NAIPTA)	Flagstaff, Arizona	71,917 (NTD 2018)	29 (NTD 2018)	Intergovernmental Public Transit Authority	5-member Board of Directors including Flagstaff, Coconino County, and education institutions	Federal, directly generated, local/partners (City of Flagstaff sales tax, Northern Arizona University, Coconino County)	Operates fixed-route, and paratransit services in Flagstaff, and vanpool services for the entire county.
San Joaquin Regional Transit District (SJRTD)	Stockton, California	744,835 (NTD 2018)	1,426 (NTD 2018)	Regional Transportation District	5-member Board of Directors appointed by county and city governments	Federal, State Transportation Development Act, State Transit Assistance, Measure K	Operates fixed route in the Stockton metropolitan area, deviated fixed route in smaller towns, intercity and commuter routes, and Dial-a-Ride
Eagle County Transit	Eagle, Colorado	54,943 (US Census, 2018)	1,685 (County)	County Transit Department	County Board of Commissioners, plus advisory board of elected town officials	Federal, regional sales tax, contributions from local resorts	Operate 5 fixed routes in winter, 4 in spring between major towns in area
Pinal County Joint Technical Education District	Pinal County, Arizona	N/A	N/A	Education District	Five-member governing board, made up of elected members from Coolidge, Eloy, Maricopa, Florence, and Casa Grande	State revenues, local revenues (property taxes, investment income), Intermediate revenues (county equalization assistance)	Public school district working in partnership with thirteen area high schools across five regional school districts, which provides career programs for high school juniors and seniors

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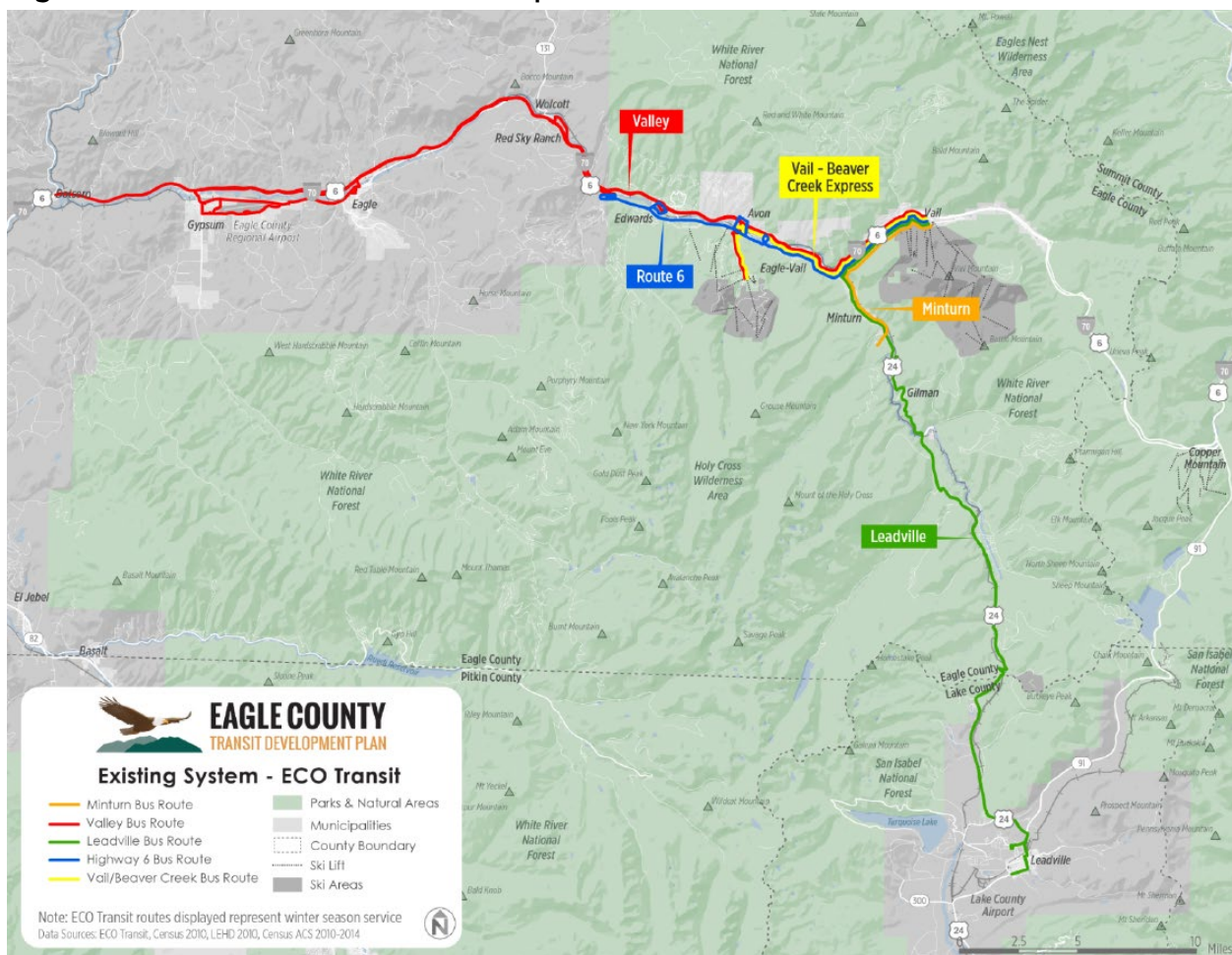
ECO Transit: Eagle County's Regional Provider

Services

ECO Transit is the county's regional provider, with a focus on regional trips in the I-70 corridor between Dotsero and Vail (Figure 2). 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 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.

Service Area

ECO Transit's official service area is the entire county, which is 1,685 square miles. However, transit primarily services operate along the I-70 and US Route 24 corridors, which are very long and narrow. 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.

Governance

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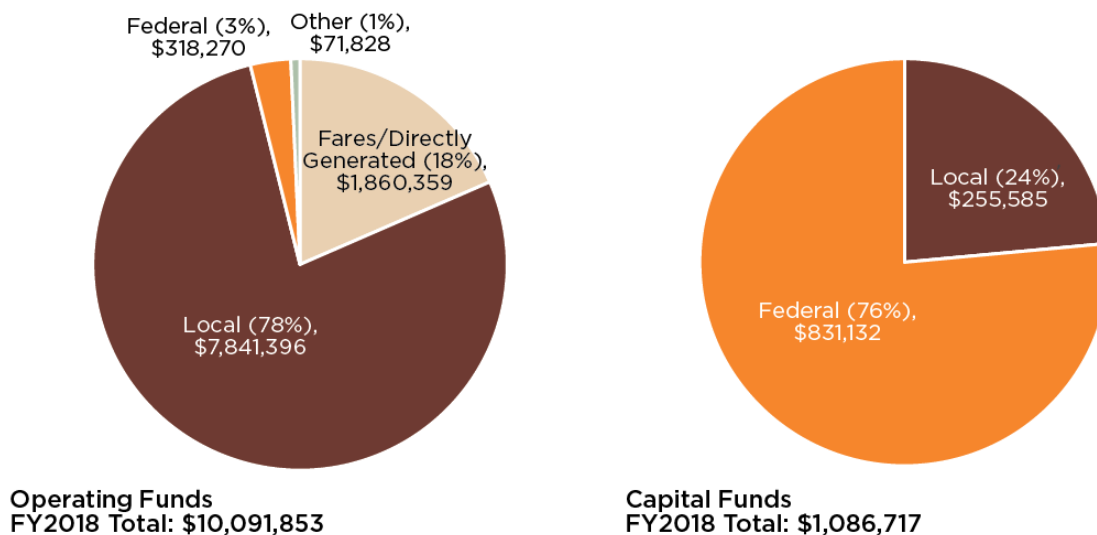
ECRTA members are appointed by the Eagle County Board of Commissioners. Members are appointed for three-year terms and membership is not related to funding.

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.

The breakdown of operational and capital funding in FY2018 for ECO Transit is shown in Figure 3. 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.

Figure 3 ECO Transit Operating and Capital Funding

Federal (3%), $318,270
Other (1%), $71,828
Fares/Directly Generated (18%), $1,860,359
Local (78%), $7,841,396

Operating Funds
FY2018 Total: $10,091,853

Local (24%), $255,585
Federal (76%), $831,132

Capital Funds
FY2018 Total: $1,086,717

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. These services are designed to serve:

- Residents traveling between homes and work
- Visitors traveling between vacation rentals and homes and downtown Vail and the base of the ski area
- Residents and visitors traveling between remote parking lots and downtown Vail and the base of the ski area

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 many seasonal residents. In addition, 1.3 million people also visit Vail each year, and visitors comprise a major proportion of transit demand. 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's services vary by season, with five seasonal schedules: early winter, winter, spring, summer, and fall. There are seven routes in the winter and five to six during the rest of the year. Service frequencies also vary, with the most frequent service provided in the winter, followed by summer and early winter, and much less in the spring and fall. Vail Transit directly operates all its services, with approximately seventeen vehicles in peak service during the winter.

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 city general funds. In FY2018, the annual operating cost of Vail Transit was $5.23 million.

Avon Transit

Avon Transit provides service within the Town of Avon (approximately 8.1 square miles) and to and from Beaver Creek Resort. The Town of Avon has only 6,400 full-time residents. In addition, many visitors who ski at Beaver Creek stay in Avon (and ski lift connections between downtown Avon and Beaver Creek Village are also available). Transit services provided by Avon Transit are fare-free and vary by season, with two seasonal schedules: "winter," which runs from late November until April and "summer," which runs from April until late November. In the winter, there are four routes in total – two local routes that operate within the town, a daytime "Skier Express" that transports skiers from Avon to Beaver Creek, and

a nighttime Restaurant Shuttle that transports guests from Beaver Creek Village to restaurants in Avon. During the summer season, only the two local Avon routes operate.

Avon Transit service is provided by the Town's Mobility Department. As such, it 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 pays the costs for the Skier and Restaurant shuttles. The annual operating cost for Avon Transit in FY2018 was $1,334,966.

Beaver Creek Village Connect

Beaver Creek Resort provides Village Connect services that operate within the resort area, which is adjacent to Avon. These services operate only during the ski season. Four routes are provided: one that operates within the village area, one that connects two remote parking lots, one that operates to and from Bachelor Gulch on US Route 6 just outside of Avon, and an employee shuttle to the Ritz-Carlton Hotel. Connections can be made with ECO Transit on US Route 6 at Bachelor Gulch.

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 its four percent sales tax on ski tickets and Avon has its 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 4 NAIPTA Mountain Line System Map
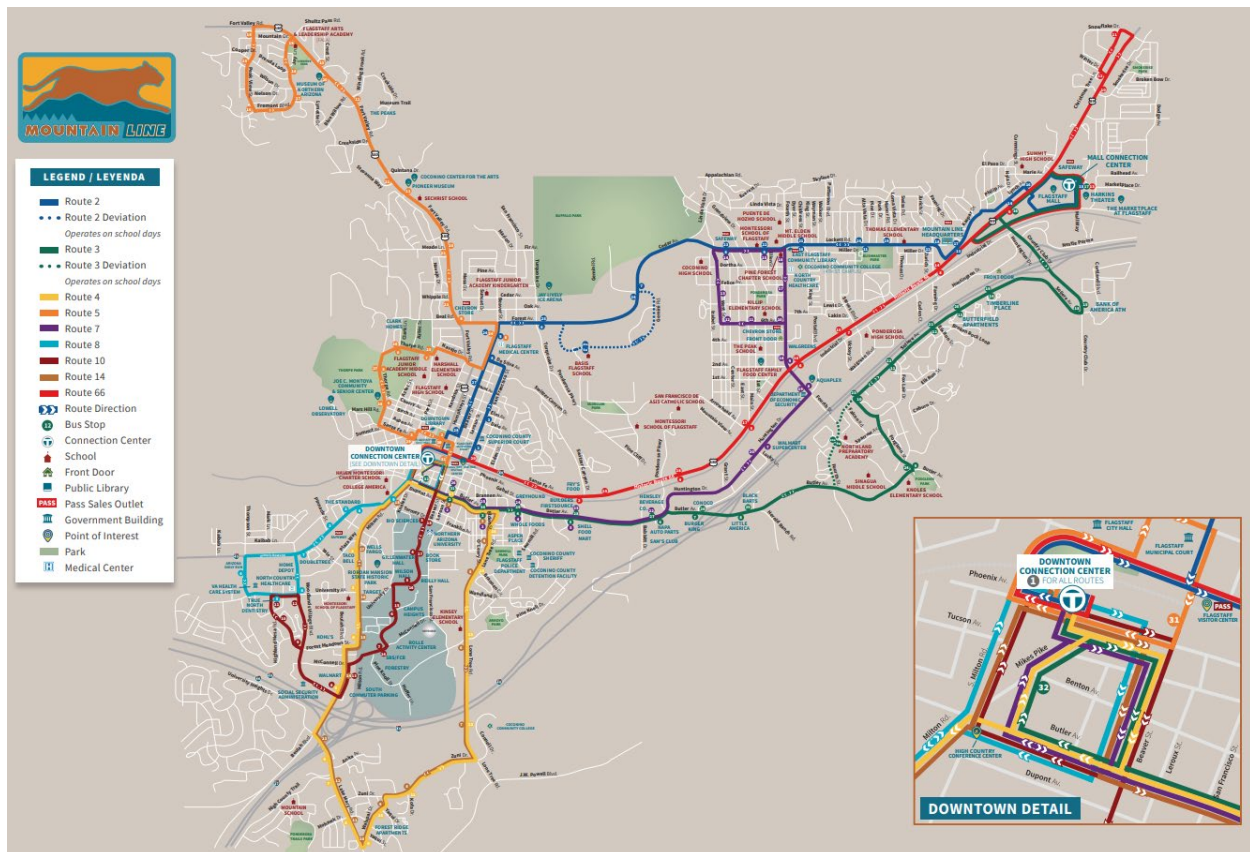
NAIPTA Transit Services

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.

Service Area

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. 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.

Governance

NAIPTA 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
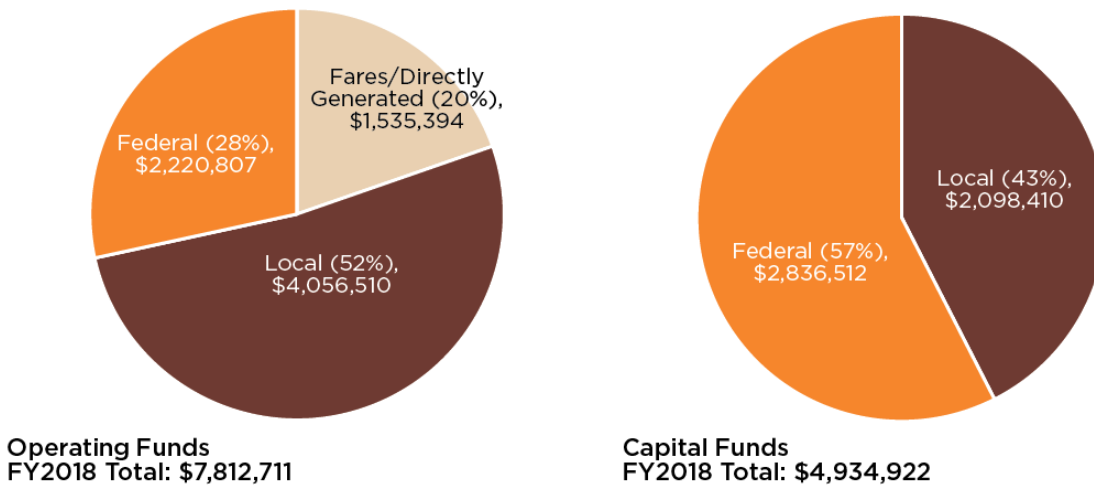- One seat for Northern Arizona University

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 (FMPO)
- 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, who is also the General Manager
- Director of Operations
- Administrative Director
- Facilities Manager
- Marketing & Communications Manager

Figure 5 NAIPTA Operating and Capital Funding

Operating Funds
FY2018 Total: $7,812,711

Fares/Directly Generated (20%), $1,535,394
Federal (28%), $2,220,807
Local (52%), $4,056,510

Capital Funds
FY2018 Total: $4,934,922

Local (43%), $2,098,410
Federal (57%), $2,836,512

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 the pot, 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 pot (see Figure 5).

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.

Figure 6 ValleyRide System Map
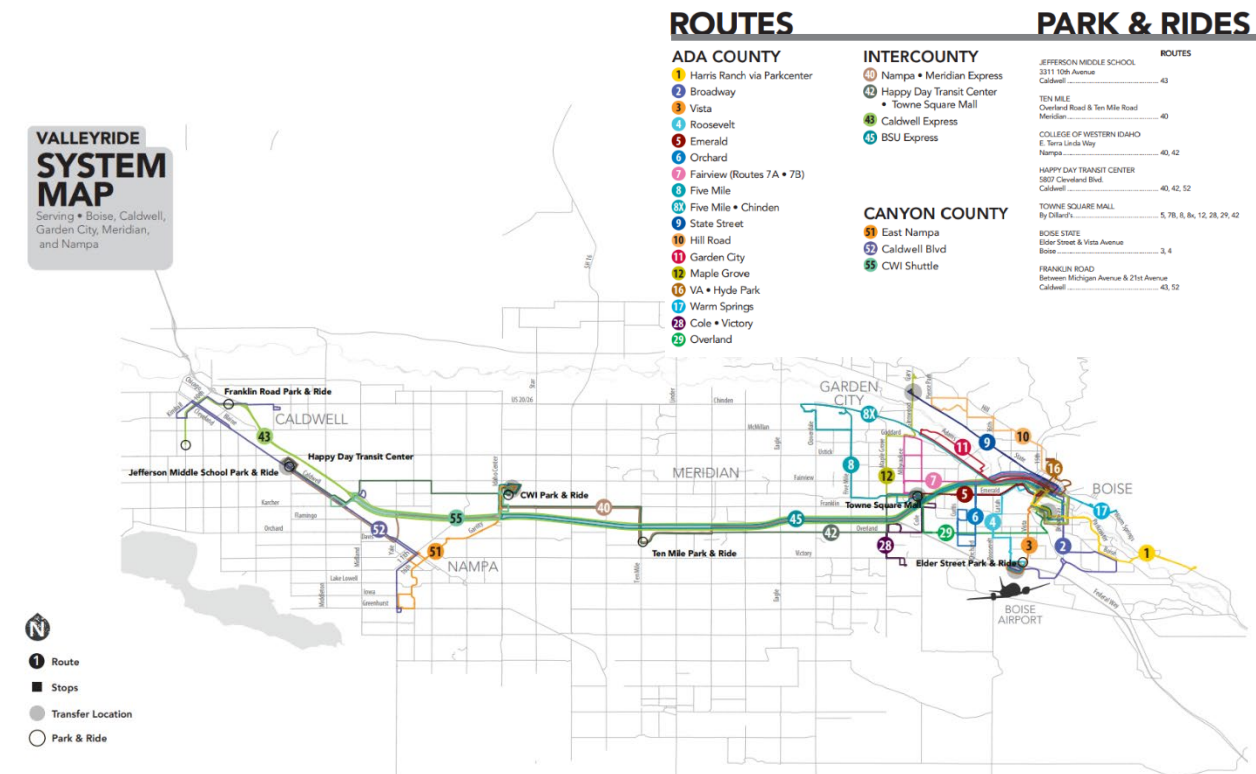
VRT puts a high priority on its short-term planning efforts, starting with a Five-Year Strategic Plan adopted in 2002, created through extensive input from stakeholders and community groups. The plan detailed priorities and implementation strategies to guide agency efforts. The Strategic Plan was updated in 2008, 2010, 2013, and 2015 in order 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.

VRT Transit Services

Services

VRT manages the contracts for the operation of the following ValleyRide services:

- 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.

Service Area

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.

Governance

VRT 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.

Figure 7 VRT Operating and Capital Funding

Operating Funds
FY2018 Total: $13,792,870

Capital Funds
FY2018 Total: $477,924
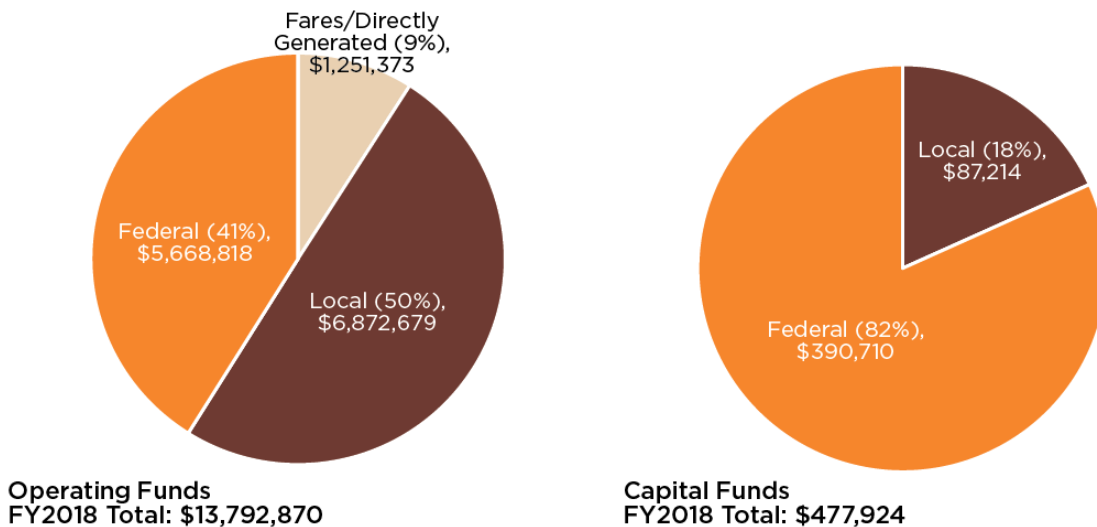
Funding

As stated above, 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.

As shown in Figure 7, VRT had $13.8 million allocated to service operations and $480,000 for capital projects (FY2018). 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.

Figure 8 San Joaquin RTD System Map
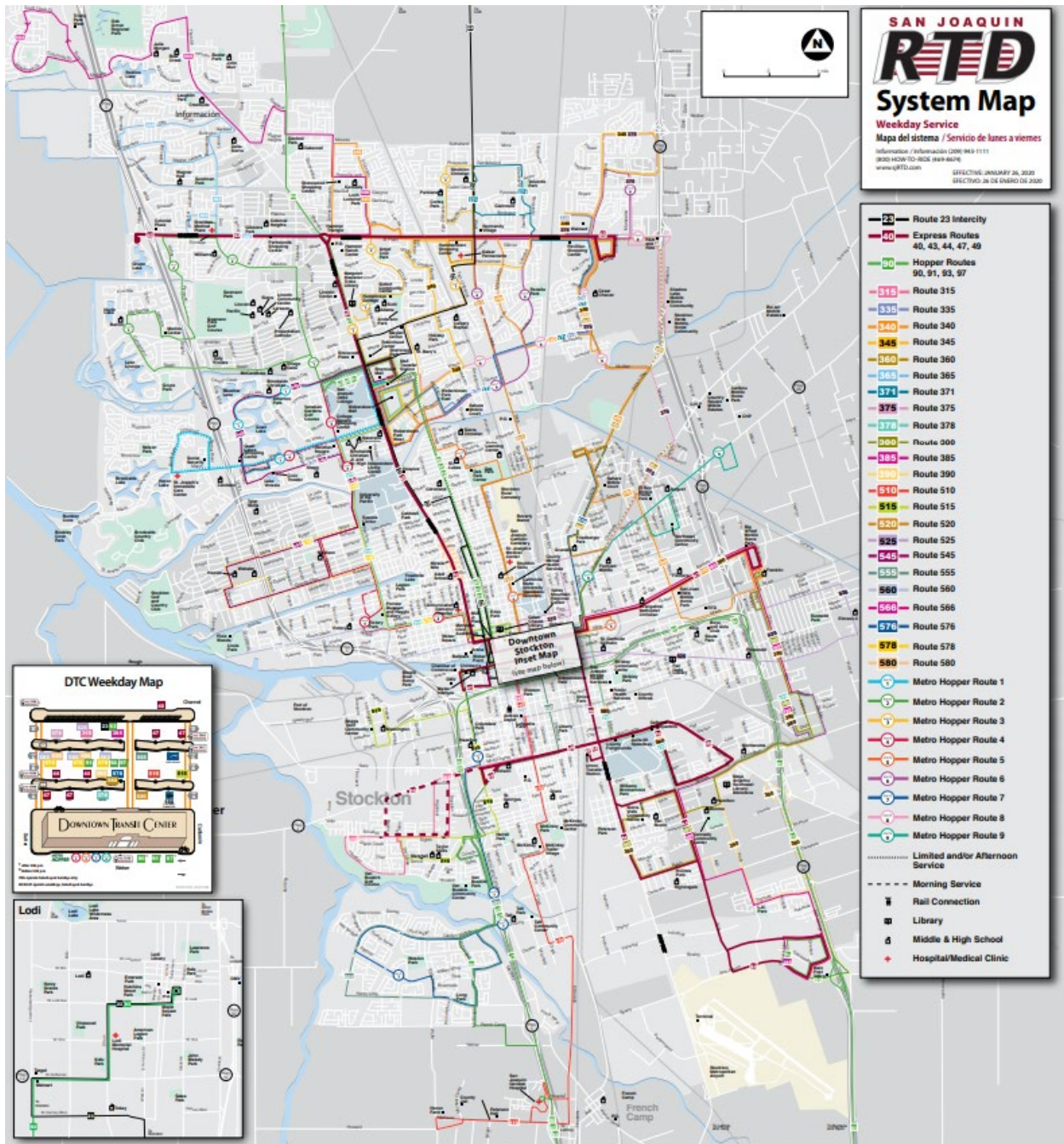
Given its strategic placement on the Interstate 15 corridor, and in the center of the northern agricultural/ industrial area, Stockton is an important agricultural and transportation center. Other employment and residential centers in the county include Lodi, Lockford, Lathrop, Manteca, and Ripon.

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

Services

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.

Service Area

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.

Governance

RTD 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.
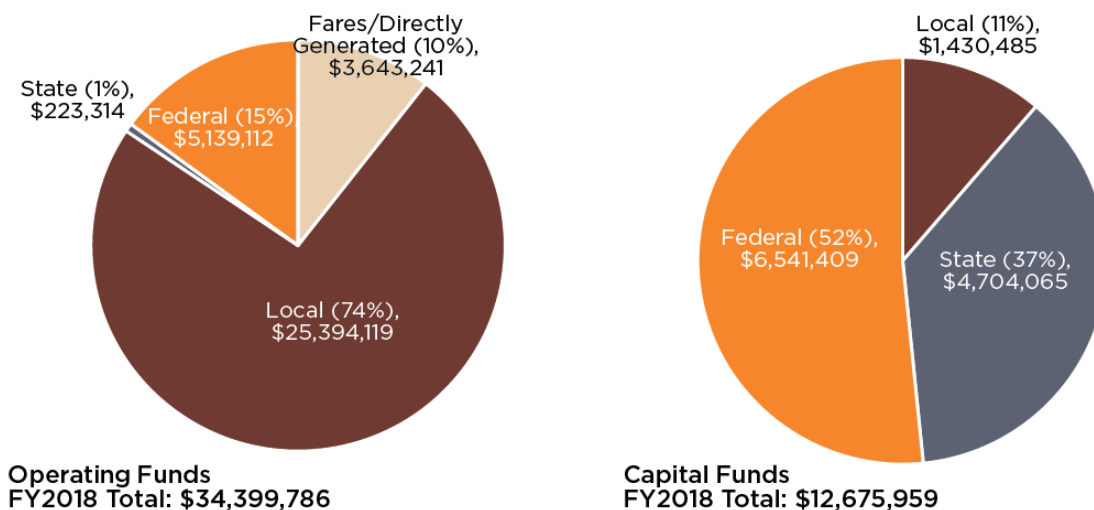
Funding

San Joaquin RTD receives funds from local, state, and federal sources, as well as fares (see Figure 9). 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

Figure 9 San Joaquin RTD Operating and Capital Funding

Operating Funds
FY2018 Total: $34,399,786

- State (1%), $223,314
- Federal (15%) $5,139,112
- Fares/Directly Generated (10%), $3,643,241
- Local (74%), $25,394,119

Capital Funds
FY2018 Total: $12,675,959

- Local (11%), $1,430,485
- Federal (52%), $6,541,409
- State (37%), $4,704,065

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 three primary lessons learned that apply to Pinal County:

- San Joaquin RTD serves a region with more population and employment and higher population/employment density. The magnitude of the market and demand helps the region support multiple services and service providers, even without dedicated funding.

- 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. They also serve different markets and provide different services (see Table 2).

Pinal County governance models will be governed by Arizona State Statute. Options available under Arizona state law include the ability of municipalities or counties to operate transit agencies. Municipalities can also use a joint powers organization to form a transit government. Another option permissible under Arizona state law includes incorporating transit services into a Regional Transportation Authority (RTA). Other options are restricted by population. For example, Intergovernmental Public Transit Authorities can only exist in counties with populations of 200,000 residents or fewer and a Regional Public Transportation Authority requires a population of 1.2 million.

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. These include:

1. **Transit Service Area:** Does the transit agency serve a single jurisdiction or a larger region that includes 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.

Agency Type and Transit Service Area

There are a handful of choices facing transit governance, but perhaps the most fundamental choice 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.

Table 2 Peer Review Statistics Summary

Agency	Governance Structure	Funding Sources	Source of Local Funds	Operating Budget	Service Area Population	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

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 and have powers to provide regional services. While they have served regional markets in the past, they do not currently exercise this authority. NAIPTA currently only 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. These organizations are designed to 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 general public.

Some of the lessons from the peer reviews include:

- Board representation needs to be fair. For some of the peers, this led to large inclusive boards that allow participation from 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 must be focused on equity and resource

allocations and should have more control about spending. Transit services without a dedicated funding source can still be oriented around regional service delivery but tend to face more conflicts over regional service investments. This is often because local communities that warrant transit investment may not be willing or able to provide local funds in proportion to their need.

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.

3. Stakeholder Interviews

Introduction

Understanding stakeholder perspectives about any future transit governance structure is a critical part of the Transit Governance Study. The study includes multiple opportunities for stakeholders to participate in the study, including through stakeholder interviews. The study team conducted over fifteen interviews with a variety of stakeholders in Pinal County, which included elected officials as well as staff directly engaged in the operation and manage of public transportation services.

In both sets of interviews, the conversation began with an introduction to the Transit Governance Study and its objective noting that the team was interested in the stakeholders' perspective on issues related to how transit services might be governed and organized in Pinal County. Interviewers were instructed to tell participants that all discussions would be confidential. Findings would not be attributed to a single individual and instead would be summarized across all participants. A list of individuals interviewed is included as Appendix A.

The following section summarizes key findings from the interviews. Findings are separated into comments collected through interviews with staff and comments collected through interviews with elected officials. Each section highlights findings relevant to regional transit governance models. These findings were identified by the study team. 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 B for the complete interview guide):

- 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 are 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.*

  - o *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.

    o *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.*

    o *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.*

    o *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. Appendix B contains 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 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.*

4. Key Findings

The peer reviews and stakeholder interviews provide helpful context as Pinal County considers different models and options for providing transit services as the region grows. Understanding how peer regions set up their transit governance structures, as well as the perspectives of different stakeholders who currently interact with transit in Pinal County, creates a foundation for the rest of the governance study. Summarized below are key findings that help to answer the three questions outlined in the study goals.

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

The peer review offers a handful of models for collaboration. The analysis primarily focused on formal structures, such as coordinating on transit service delivery, participating on governing boards, and contributing financially, either outright or through purchasing service (contracting). The data also suggests that structure forums are strongest when there is a shared commitment, such as to fund service (Boise, Idaho) or oversee regional funding (Eagle County, CO).

The peer review also shows informal opportunities, such as citizen and rider advisory committees and community engagement activities. Locally, the CART Board provides an example of advisory committees collaborating on service design. Additionally, stakeholder interviews suggest that there are existing regional forums, including the PRTA, where partners discuss transit services and funding, both formally and informally.

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

The peer review highlights different ways to balance regional and local transit services:

- Regional transit agency that only provides regional service (individual cities and towns manage and operate services locally)
- Regional transit agency that provides both regional and local services
- Regional transit agency that provides regional and local services but focuses on a single city

Governance models reflect funding, especially where there is a funding stream dedicated to transit. Funding streams raised regionally have a regional governance model; likewise, regions with local revenues organize service and governance locally. An exception is where there are no dedicated funding streams. In the case of Boise, Idaho, partners rely on the regional transit authority to operate, plan, and deliver service and the regional transit authority relies on the partners for funding.

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

The peer review suggests that while individual governance models have their own strengths and weaknesses, the governance models adapt and are constrained by local circumstances:

- As an intergovernmental public transit authority, NAIPTA has a flexible regional structure that is conducive to service expansion. Partners are able to collaborate with NAIPTA and the organization has staff and systems (vehicle maintenance, driver training, grant management, etc.) to expand services. The challenge is funding and partners must be able to provide local resources to match federal funding. Thus, NAIPTA primarily serves the City of Flagstaff, which has dedicated transit funding.

- Eagle County, Colorado has multiple transit operators, including regional and local providers. This model is less efficient but offers more control for local communities. Local communities' benefits from having a strong tax base that raises funds from tourists and visitors and local communities have learned how to successfully leverage their position to offer expanded services.

- Valley Regional Transit (VRT) in Boise, Idaho has a complicated governance structure with three oversight boards. However, the complicated structure brings a large group of stakeholders to the table and maximizes their participation. These steps are needed to raise and maintain local funding in a region with no dedicated funding source.

- The San Joaquin Regional Transit District (RTD) operates regional services and serves a polycentric region with interconnected population and employment markets. The governance structure is relative straight-forward and reflects an agency with a clear mission (providing regional connections) and dedicated revenues (regional sales tax revenues).

Appendix A: Stakeholders Interviewed

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

Appendix B: Interview Guide

Interview Guidance

- Interviews began with an introduction to the study and its objective noting that our team was interested in interviewees' perspective on issues related to how transit services might be governed and organized in Pinal County.

- Interviews 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.

Interviews with Staff

- 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?

Interviews with Elected Officials

- 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.