

PINAL COUNTY TRANSIT GOVERNANCE STUDY

Technical Working Group Meeting #2

Thursday, January 30, 2020, 10:00 am
Pinal County Courthouse

Introduction

Travis Ashbaugh introduced the project and read the Title VI announcement. The meeting began with introductions.

Bethany Whitaker from Nelson\Nygaard provided an overview of the meeting agenda, noting that the focus would be on talking about draft governance models.

Bethany also reminded people about the study purpose and the focus on developing a government structure to guide development of Pinal County transit services now and in the future. She showed people a schedule of upcoming meetings and said she'd get back to upcoming meetings towards the end of the presentation.

Peer Review

Amy Moran from Wilson & Company presented the team's research on the peer reviews. She discussed 4 transit systems plus one local to Pinal County school district:

- NAIPTA (Flagstaff)
- Eagle County, Colorado
- Valley Regional Transit (Boise, Idaho)
- San Juaquin Regional Transit District (California)
- Central AZ Valley Institute of Technology (CAVIT)

Amy presented each system and provided an overview of services, governance structure, funding and identified a handful of lessons learned. Amy explained that they are still waiting for a final interview for CAVIT. Questions and discussion from the TWG included:

- Clarifying questions about the number of seats and number of votes on each of the transit boards
- Arizona does not have a funding source dedicated to transit at the state level. In some cases, it re-purposes federal funds allocated to Arizona but not spent.
- Clarify if the entire 1/2 cent sales tax is exclusively for public transit (Eagle County, Colorado)
- Clarify if all transit agencies in Eagle County receive (and compete for) federal funds
- Clarify if the Boards have staff support and if yes, how much. This question was especially relevant to San Juaquin RTD

- Recommendation that the team interview the champion in AZ behind forming the vocational technical school district.
- Discussion of how fair representation of larger and smaller jurisdictions is achieved. Either more seats or proportional voting to provide adequate balance to areas with greater population.

Stakeholder Interviews

Bethany presented some draft findings from stakeholder interviews, including meetings conducted with staff as well as elected officials. She discussed similarities and differences among the interviewees and the lessons learned from the conversations.

Key differences between staff and elected officials is the level of interest in regional services as compared with local services, with elected officials more interested in developing local services and less interested in paying into a regional system. Bethany also said that many interviewees said the models looked okay but that “the devil is in the detail” and they needed more information to evaluate things.

The TWG suggested that the team interview elected officials at the Town of Eloy as well as someone from the eastern part of the county. They also asked the study team to talk with Mary Clements at “On the Go Express”.

Draft Governance Models

Bethany presented four draft governance models and highlighted the strengths and weaknesses of each:

- A **regional structure** where transit services in the county are developed by a single entity. The entity would be governed by a regional board. Advantages of this model is that it would be cost effective. Disadvantages include loss of local control.
- **Independent local transit agencies** that operate their own services, which is a model similar to status quo. Transit governance would be at the local level. Advantages are local control and no major change while disadvantages are that the model would be more expensive (overall and on a per unit cost) and less opportunities for regional service development.
- A **regional entity responsible for delivering service between communities and local communities provide local service**. There would be a regional transit board as well as local transit governance. Creates structure for regional services but also preserves local control. Much like Eagle County.
- **Hybrid regional and opt in approach**. A regional entity that provides regional service with a “opt in” option for local communities to contract with regional entity to operate local service. Similar to the option above but with more emphasis on coordination through contracting.

TWG members talked about the regional tax revenues available to support transit. Several members clarified that the regional tax services are dedicated to park and ride lot development (up to 12), plus funding for existing services (Maricopa COMET, Cotton Express, CART) and demand response services. Tax revenues are not intended to support new services, although some TWG members said the definition of existing services was not well defined

TWG members also had the following comments and ideas:

- How would the model relate to public private partnerships? TWG members and the consultant team explained that all models could engage in contracts with private sector transportation service providers. This is a common practice across the state. All models would also accommodate bringing private partners to the table and there are a lot of examples in Arizona and nationally of working with regional institutions like colleges and also hospitals.
- TWG members discussed the status quo and advantages and disadvantages of the way things are currently working. They liked options that at least created a path for increased coordination.
- A question was asked about how community growth and development are addressed with the hybrid approach to governance.
- The option of privatization was discussed. Study team shared that public transit systems are not profitable enough to attract private operators, but that some elected officials might say it is preferable. Don't include as an option to avoid a 'poison pill.'

Ultimately, the TWG decided to combine the 3rd and 4th governance model, agreeing that they were basically the same thing.

Bethany explained she would go back and work with her team to flesh out the models in more detail so they could be better defined and to give TWG members more confidence in the information before it is presented to a wider audience.

Stakeholder Workshops

C.T. Revere talked about the upcoming workshop currently scheduled for late March. He suggested holding the meeting as an open house and using a dispersed model of providing information.

The TWG debated different ideas including making a presentation or a hybrid approach. They also discussed the upcoming RTA or Regional Council meetings and how those events might create an opportunity to reach the target audience. Ultimately, the TWG agreed with the following:

- NN would prepare a briefing book that is simple and straightforward with information about the project and then an overview of each governance model. This information would be made available to stakeholders in advance of workshops.
- NN would make a presentation at the RTA Board and/or CAG Regional Council on March 25.
- Approximately one week after the presentation, the team would hold a stakeholder workshop (format to be determined) for other stakeholders to learn more about the project and provide comments.

To-do List

- Send out slides used in meeting marked "draft for discussion only"
- NN to prepare a draft document outlining governance models in more detail (2/12/2020)
- Informal TWG meeting to review/discuss draft materials (2/25/2020)

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- Final document needed for CAG Regional Council Packet (or PRTA if meeting is scheduled) (03/13/2020)
- Presentation to CAG Regional Council (or PRTA if meeting is scheduled) (3/25/20)
- Hold additional stakeholder interviews with Mary Clements and representatives from Towns of Kearny, Mammoth and Superior
- Stakeholder meeting (4/2/2020)

Attendees:

Travis Ashbaugh, CAG

Kathy Borquez, Pinal County

Robert Mawson, CAG

Erik Heet, City of Coolidge

Judy Ramos, City of Maricopa

Jeff Fairman, Community Development Director, City of Eloy

Marsha Ashcroft, Horizon Health and Wellness

Jill Dusenberry, ADOT

Andy Smith, Pinal RTA

Jason Hafner, SCMPO

Duane Eitel, Casa Grande

C.T. Revere, Gordley Group

Amy Moran, Wilson & Company

Bethany Whitaker, Nelson\Nygaard