Pinal County Transit Governance Study

Technical Working Group Meeting #2

January 30, 2020

PINAL COUNTY
Transit Governance Study

Agenda

- Welcome and Introductions
- Project Overview / Status Update
- Transit Governance Models
  - Peer Review
  - Stakeholder Feedback and Considerations
  - DRAFT Governance Models
- Stakeholder Workshops (Spring 2020)
- Next Steps

Project Overview & Status Update

Project Overview

Develop structure and system to govern regional transit investments:

- Service goals
    - Service network and markets
    - Performance expectations
- Sharing and allocating funds
- Decision making and policy development
- Flexibility to accommodate growth and change

Project Schedule

No.	Meeting Topic / Goal	Indicative Schedule
1	Existing Conditions, Opportunities and Needs Identify Peer Communities / Agencies	October 30, 2019
2	Draft Findings: Peer Review Discuss: Governance Options and Strategies	January, 2020
3	**Stakeholder Workshop #1:** Transit Service Design, Governance and Options	March, 2020
4	Draft Findings: Governance Assessment and Recommendations Discuss Implementation Schedule	June, 2020
5	**Stakeholder Workshop #2:** Draft Recommendations	August, 2020
6	Discuss: Draft Final Recommendations and Implementation Schedule	October, 2020

Transit Governance Models
Peer Review
Stakeholder Interviews
DRAFT Models

Peer Review

Peer Review

- Analyze structure of up to 4 model transit agencies
  - Service Area Characteristics
  - Governance Structure
  - Funding
- Identify lessons learned (strengths, weaknesses, opportunities and challenges)

Peer Review

1. Northern Arizona Intergovernmental Public Transit Authority (NAIPTA) (Flagstaff, AZ)

2. Eagle County Transit District (Eagle County, CO)

3. Valley Regional Transit (Boise, Idaho)

4. San Joaquin Regional Transit District (SJRTD) (San Joaquin Valley, CA)

5. Pinal County Joint Technical Education District (Pinal County, AZ)

NAIPTA
Flagstaff, Arizona
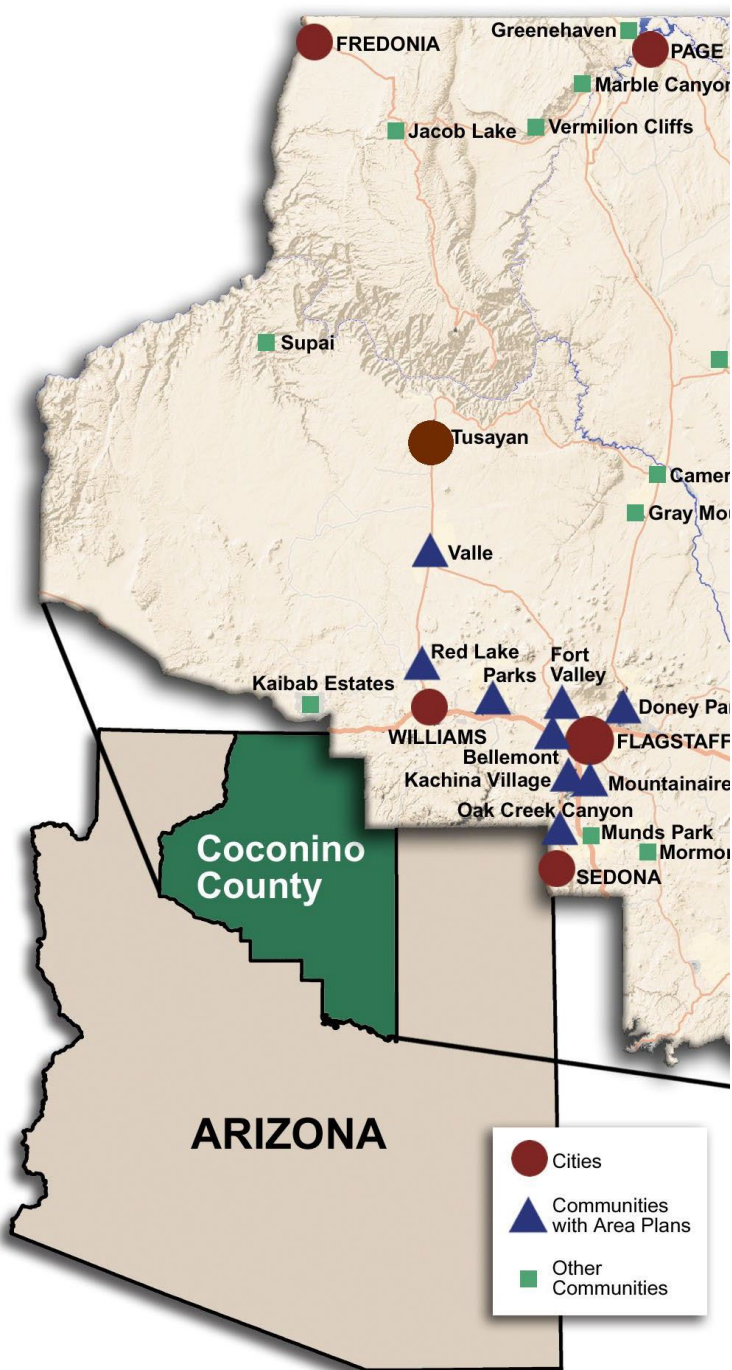
- Fixed routes, primarily serve City of Flagstaff with a few smaller adjacent communities

- Academic Partnerships
    - Northern Arizona University system
    - Coconino Community College

- Recent/Growing Seasonal Ski Resort Shuttle

- 140,000 residents in the County

NAIPTA Transit Services

- Only public transit provider in Coconino County:
    - **Mountain Line** – 9 fixed routes
    - **Mountain Link** – NAU campus connection to Mountain Line at Downtown Connection Center
    - **Mountain Lift** – county-wide access for vanpool, paratransit taxi (funds prepaid cards)
    - **Mountain Express** – seasonal ski area service with private funding

- Focus on frequency
    - 20 minutes or less system wide
    - Some campus routes 7.5 minutes during peak

NAIPTA Transit: Governance

- Intergovernmental Government Agreement (IGA)
- Board of Directors
  - ARS specifies Board membership and selection by county, city, and academic organizations
    - 5 seats (2 Flagstaff City Council, 1 County Board of Supervisors, 1 delegate each from CCC and NAU) plus alternates
  - Primarily a policy-making and governance body
  - Oversight role
  - Delegates admin functions to the General Manager
- Transit Advisory Committee (TAC)
  - Advise Board -no decision-making authority
  - Vets all agenda items prior to presentation to the board

NAIPTA Transit: Regional Funding

- Operations: local contributions + federal formula funds

- Capital funding: state funds + federal grants
  - Buy buses
  - Facilities
  - Downtown Transit Center

- Communities must provide matching funds to receive fixed route service

NAIPTA Transit: Lessons Learned

- High urban cost of living moves potential target audience outside of service area. Makes transit cost prohibitive.

- Matching funding as condition for provision of service:
  - Strengths financial stability
  - Limits service expansion

- TAC vetting focuses board meetings

- All member organizations have primary and alternate members, which can lead to inefficiency (re-hashing of old business), but helps with reaching quorum

Eagle County Transit
(Eagle County Colorado)

Most development along the I-70 corridor

Town of Vail/
Vail Ski Resort

Largest ski area in U.S.
(in terms of skier visits)

Housing cost prices out workforce

County also includes Town of Avon (Beaver Creek Mountain Resort)

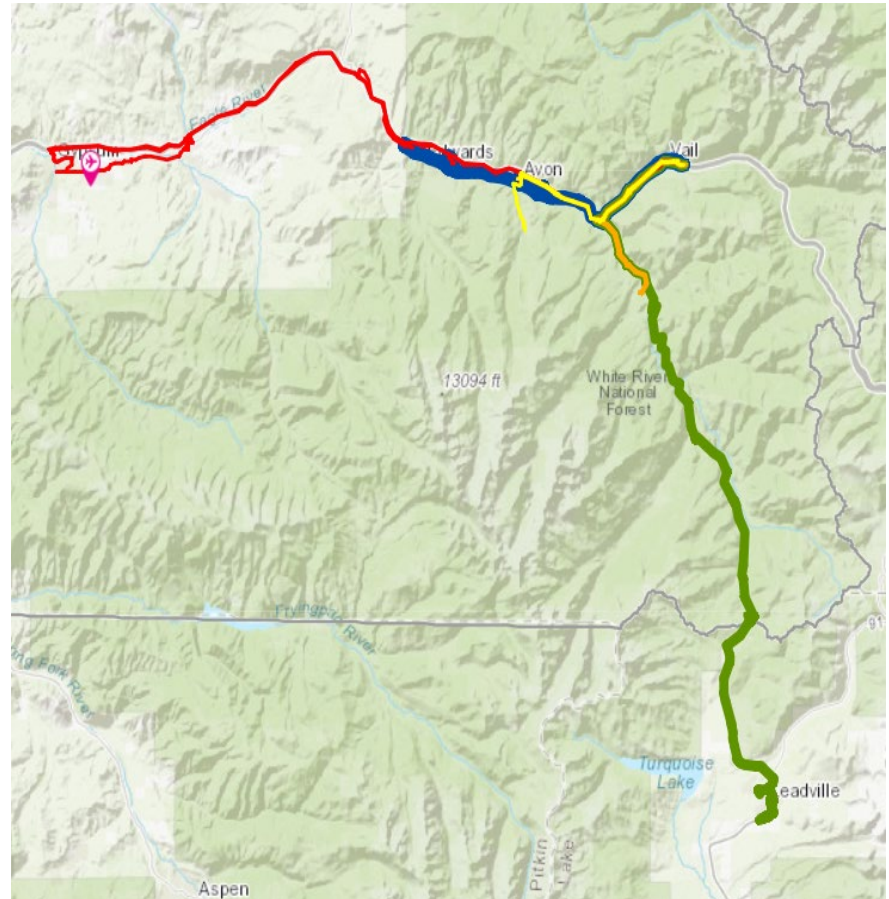Residential communities are Edwards, Avon, Eagle, and Gypsum.

52,000 residents, 3M+ tourists annually

Eagle County Transit Services

Eagle County has four transit providers:

- ECO Transit
- Vail Transit
- Avon Transit
- Beaver Creek Transit

- Ad hoc service coordination
  - Meet regional service needs

Eagle County Transit Services: Governance

- ## Transit Department within Eagle County
  - Governed by Eagle County Board of Commissioners (BOCC)
  - County provides management, financial, funding, and service decisions
  - Transit employees are county employees

- ## Eagle County Regional Transit Authority Advisory Board
  - Elected officials from the 7 incorporated communities that receive service + the Beaver Creek Resort Company
  - Appointed by BOCC for 3-year terms
  - Meet quarterly
  - Avon and Vail staff feel Board dominated by smaller towns

Eagle County Transit: Funding

- Half-cent (½¢) countywide sales tax (1995)
  - Countywide tax replaced local government contributions
- Fares account for approximately 25% of its funding
- Local services are not supported with countywide tax revenue

Local Funding Sources in Eagle County

- General revenue funds
- Taxes on ski passes and lodging
- Parking revenue
- Resort fees

Eagle County Transit: Lessons Learned

- Don't underestimate the importance of local control

- Local service identities are also often important
  - A single agency can operate services with multiple identities

- Board representation needs to be fair

- Multiple funding sources produce stronger systems
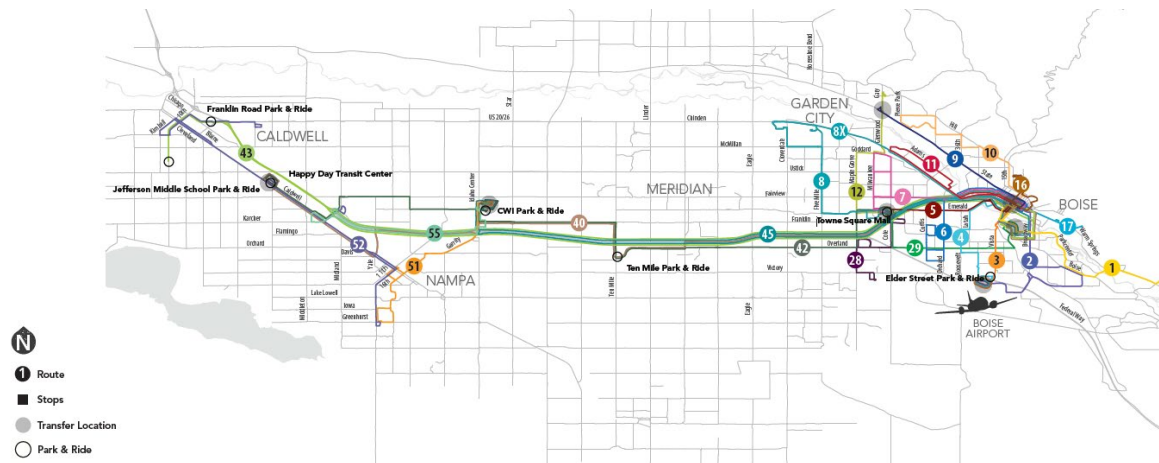
Valley Regional Transit (Boise, ID)

- Focused on Boise and Caldwell, Idaho

- Partners with academic institutions and redevelopment districts
  - University of Boise
  - College of Western Idaho
  - Meridian Dev Corp

- Encompasses multiple counties and MPOs

- 700,000 county residents

Valley Regional Transit: Services

Services Provided:

- 18 Fixed Routes: (9 high frequency)
- ACCESS paratransit (ADA) in Boise/Garden City and Nampa/Caldwell
- Partners with shared mobility services
- GreenBike service in Boise

Public Private Partnerships

- Rides to wellness program with hospitals
- New programs for passes for residents or employees of developments (informal TOD-like initiatives)

ValleyConnect 2.0 plan

- Increase to 4X the existing amount of fixed route
- Expand service to include Kuna, Eagle, Parma, and Wilder

Valley Regional Transit: Governance

- Board of Directors (29 seats)
  - Established IAW Idaho State Enabling Code title 40, Chapter 21
  - Meets quarterly
  - Creates the box that the Executive Board operates within
  - All voluntary – not by funds

- Executive Board (11 seats)
  - Subset of Board of Directors
  - Decision making and policy
  - Meets monthly

Valley Regional Transit: Regional Funding

- No specific tax for transportation or transit
  - Paid for from general funds
- Administer multiple federal funding programs (large and small urban)
  - VRT cannot combine programs or cross-subsidize
  - Ada County uses all FTA dollars, Canyon County does not
- ValleyConnect 2.0 expansion plans make the case for a new tax

VRT Funding Sources

- 1%, Other, $221,660
- 5%, Directly Generated, $1,004,820
- 2%, Local Capital Grants, $339,134
- 1%, Aux Trans Funds, $127,716
- 19%, Fed Capital Grants, $3,578,160
- 29%, Fed Operating, $5,618,435
- 43%, Local Operating, $8,209,506
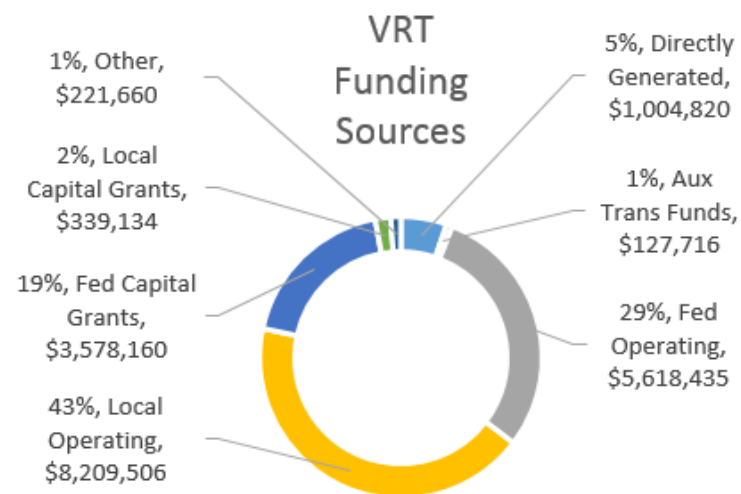
Valley Regional Transit: Lessons Learned

- Large, inclusive BOD encourages participation, ownership
  - All area jurisdictions, regardless of funding or current services
  - Academic institutions as important patronage
- Smaller Executive Board focuses oversight
- Board representation + persistent engagement paves the way for service expansion
- Iterative planning process keeps process manageable
  - Strategic planning to corridor planning to more comprehensive planning
  - Each step building on the last

San Joaquin Regional Transit District
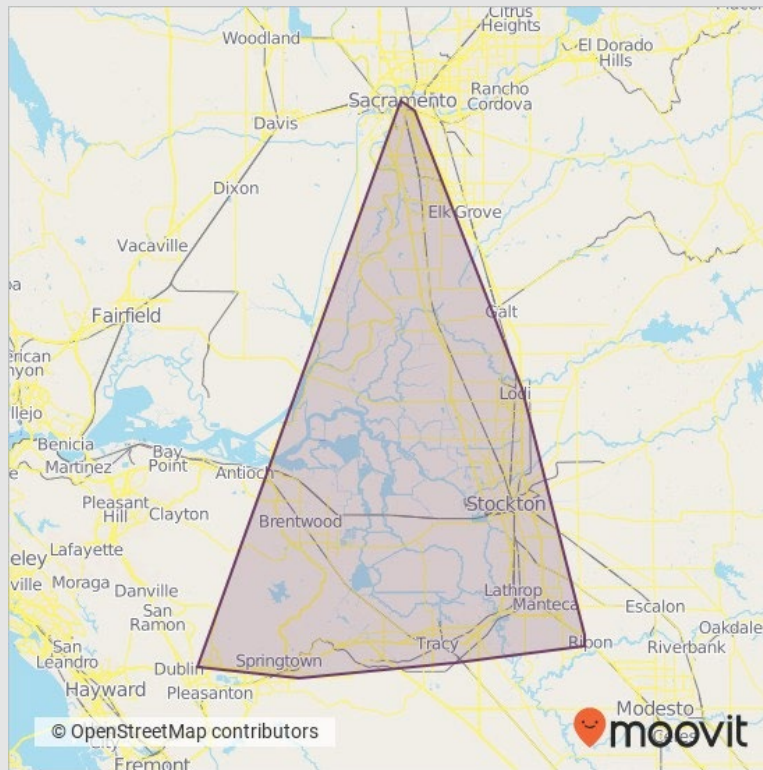
Large region

- Stockton

- Lodi, Tracy, Lathrop, Manteca, Ripon

Connects with large urban areas

- Sacramento

- Bay Area via BART

750,000 county residents

SJRTD Transit Services

- 30 Routes
  - 5 BRT
  - 16 Routes within Stockton (7/16 proceed out to county-wide communities)
  - 8 Commuter Routes to Bay Area and Sacramento
- Dial-A-Ride service for disabled
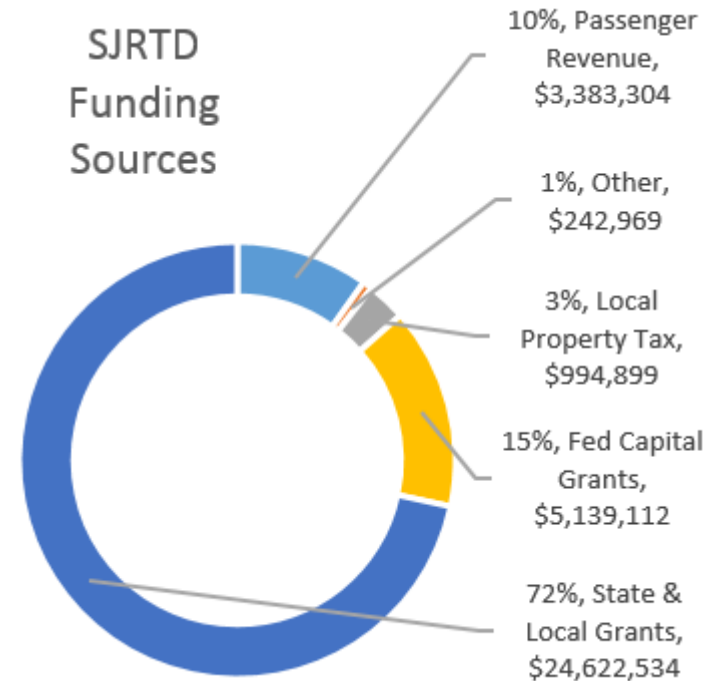- 133 Revenue Vehicles
- 3 Stations for connections between routes
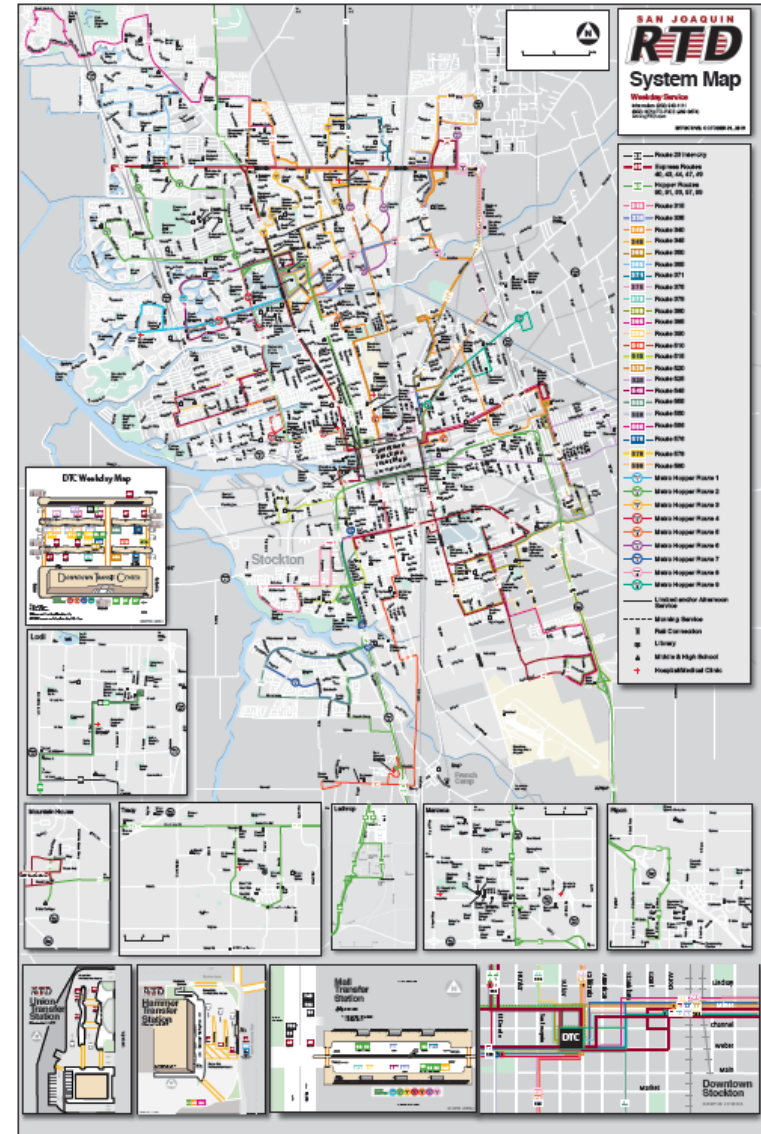
SJRTD Transit: Governance

- Board of Directors (5 seats)
  - Stockton City Council (appoints 2); San Joaquin County Board of Supervisors (appoints 2); SCC and SJCBS (jointly appoint 1)
  - 4-year term as stated in the SJRTD Act of the CA Public Utilities Code
  - Establishes RTD policy, selects CEO and legal counsel
- Topical Committees
  - City/County Liaisons, Facilities, Finance and Audit, Personnel, COG Ex-Officio, Retirement Board
  - Each is 2 members – all directors on the Board

SJRTD Transit Funding

- Neither City of Stockton nor County make budget appropriations to RTD

- Significant recent increases in State and Federal Formula Grant Programs

- CA voters defeated a bill to repeal the Gas Tax

- Significant expenses related to developing infrastructure for fully electric busses


SJRTD Funding Sources

10%, Passenger Revenue, $3,383,304

1%, Other, $242,969

3%, Local Property Tax, $994,899

15%, Fed Capital Grants, $5,139,112

72%, State & Local Grants, $24,622,534

SJRTD Transit: Lessons Learned

- Strong regional partnerships and connections to major population centers increases relevance to transit-dependent population

- Small Board and committee structure may be burdensome to members

Central AZ Valley Institute of Technology (CAVIT)
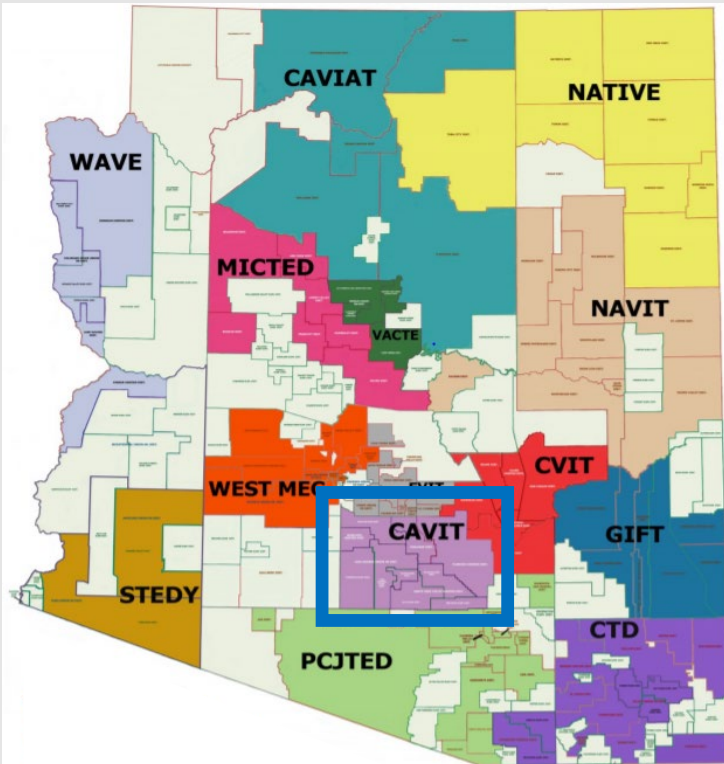
Technical High School

Joint venture of 13 Pinal County high schools from 5 regional high school districts

12 career training programs

Coolidge, AZ

CAVIT Programs

- Programs Include: Cosmetology, Dental Assistant, Fire Science, Law Enforcement, Massage Therapy, Medical Assistant, Nursing Assistant, and Veterinary Assistant

- Available to youth from 11th Grade to age 21 (includes graduates)

- 640 students in 2018-19 Academic Year

- Provides dual enrollment for up to 12 college credits

- No student transportation

- Students provide free wellness clinics to community residents four times per month

CAVIT Governance

- Board
  - Elected representation (5 members)
  - Represent their home districts (current members from Coolidge, Eloy, Maricopa, Florence, and Casa Grande)
  - AZ Department of Education structure
- School Administration
  - Superintendent, Coordinator, and Asst. Principal
  - 13 teachers
  - Business and Financial Services Office

CAVIT Funding

- Local revenues include property taxes and investment income

- Intermediate comes from the County

- State funds are from Equalization Assistance

CAVIT Funding Sources

Less Than 1%, Federal, 25,000

2%, State, 125,000

8%, Intermediate, 500,000

9%, property taxes, $610,000

81%, Local, 5,240,000
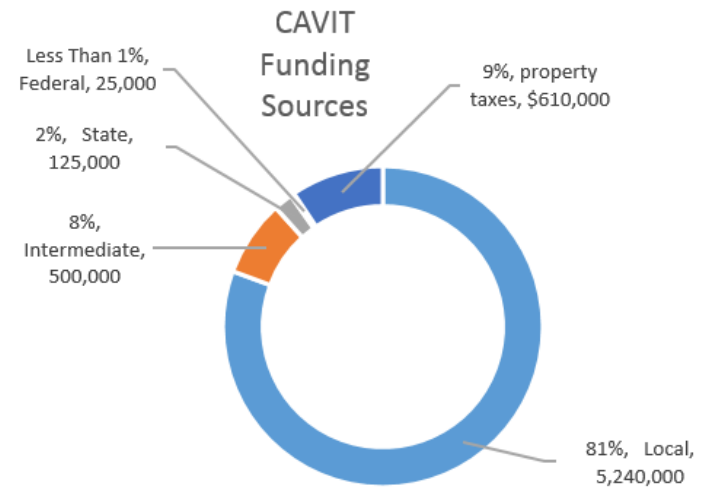
Stakeholder
Feedback

Stakeholder Interviews

- 4 Staff / Transportation Professionals
  - Eloy
  - Casa Grande
  - Coolidge
  - Pinal County Mobility Plan
- 4 Elected Officials
  - Pinal County
  - Casa Grande
  - Maricopa
  - Coolidge

Interviews: Early Findings

- Increasing interest in transit services
  - Regional and local connections
  - More growth, more development
  - Aging population
  - Increased awareness from community
- Some caution and apprehension
  - Low ridership of past attempts
  - Cost of services relative to benefit
  - Desire to prepare for future technologies

Interviews: Early Findings
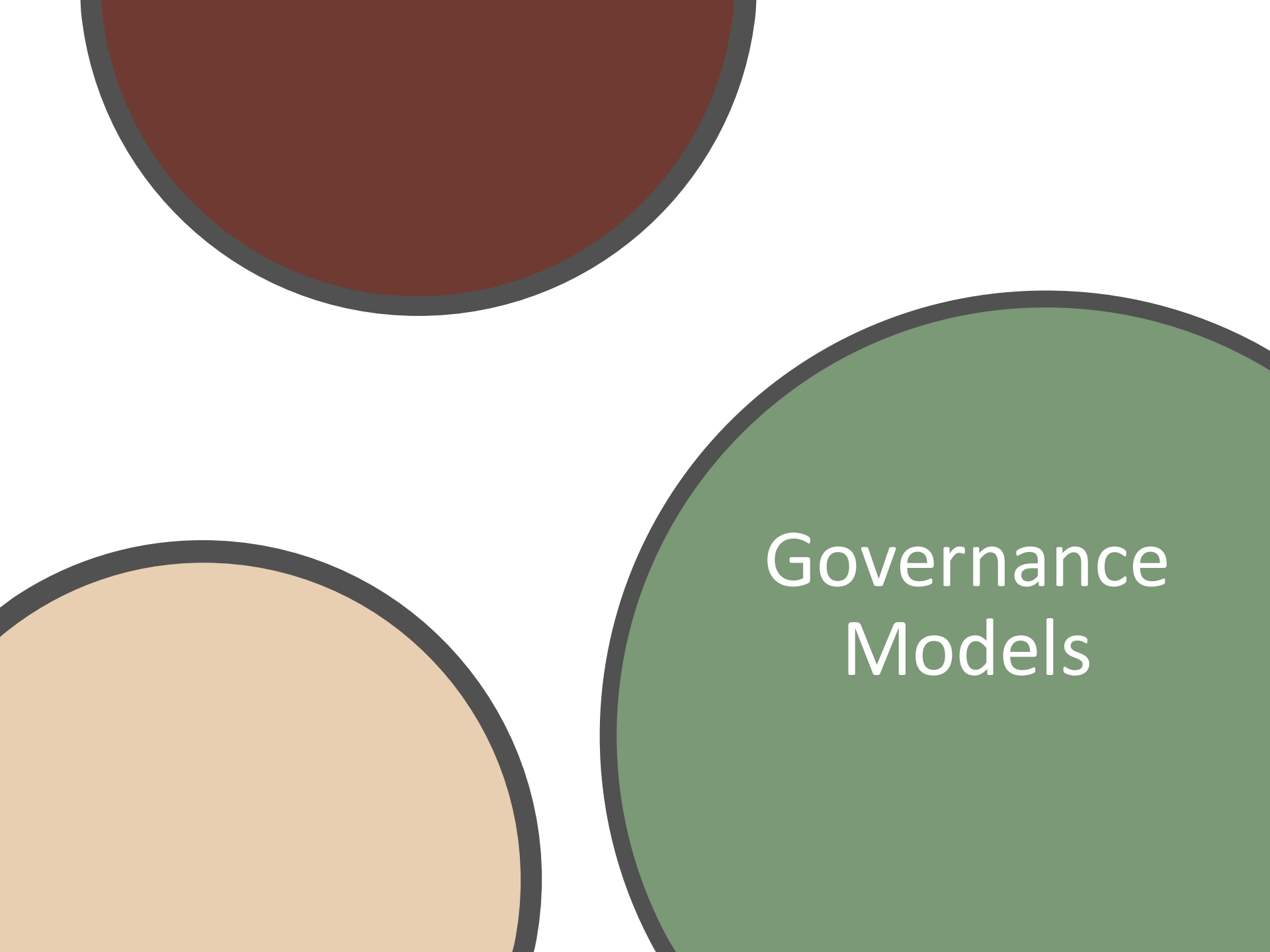
- **More agreement**
  - Increasing need for public transportation
  - Openness to new ideas (beyond traditional transit services)
  - Services require local and within Pinal County
  - Concern about costs and contributions from local jurisdictions

- **Less agreement**
  - Importance of public transportation services generally
  - Governance approach (countywide or local focus)
  - Willingness to collaborate

Interviews: Early Findings

- Generally speaking, staff liked the idea of a consolidated, countywide service administration, but elected officials want more local control.

- "Devil is in the details"
    - Total costs
    - Increment costs
    - Expected financial contributions from individual partners
    - Cost sharing
    - Structures for decision making

Governance Models

Draft Governance Models

Consolidated regional (countywide) agency

Independent local agencies

Regional authority with underlying local systems

Hybrid approach
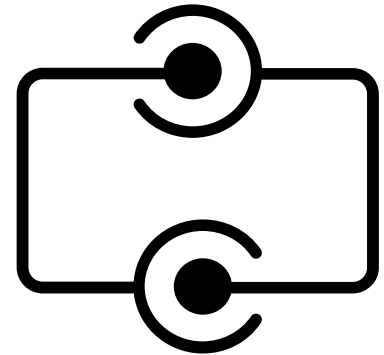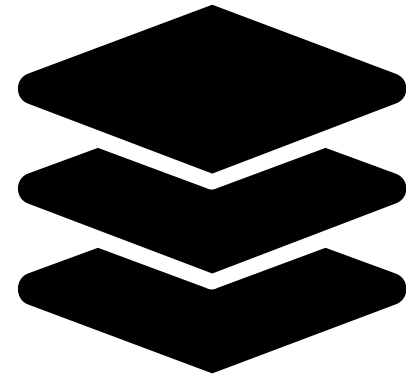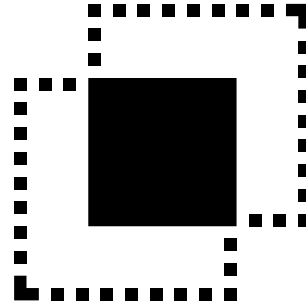
Consolidated Approach

Lead agency
- Existing Agency (CART, CAG, Pinal County) OR
- New Regional Transit Authority/Agency

Funding
- Regional tax revenues
- Requires local contributions

Decision Making
- Transit Board of Elected Officials/Appointed Individuals
- Potential to bring in regional partners

Transit Service Planning and Operating Model
- Consolidated
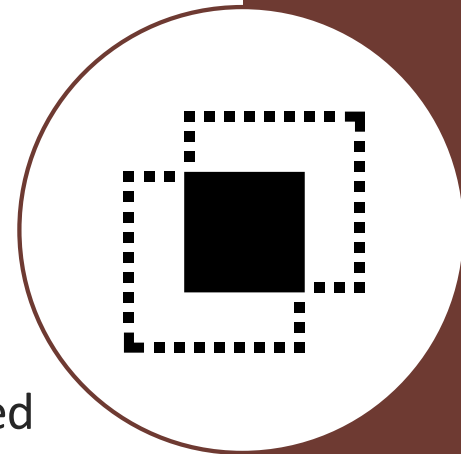
Consolidated Approach

Advantages

- Transportation is largely regional

- Shared administration/ overhead

- Likely lowest cost, least complicated service delivery

Disadvantages

- Will require local investment

- Loss of local control / local investment

- Political challenging – existing operators v. new service needs

- Serving smallest communities
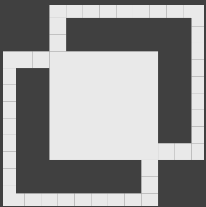
Independent Agencies

Lead agency
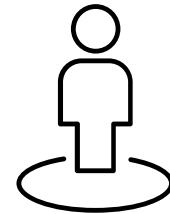- No lead agency - cities, towns create local and regional services as desired

Funding
- Regional tax revenues distributed based on formula
- Requires local contributions

Decision Making
- Local
- Requires regional agreement on sharing tax revenues

Transit Planning and Operating Model
- Local

Independent Agencies

Advantages

- Local control

- Politically acceptable

- Allows agencies to invest as much or as little as they want

Disadvantages

- Fragmented approach

- Discourages regional service

- Likely more expensive on a per unit cost

- Need formula / method to allocate tax revenues

- No option for smallest communities

Regional Authority with Underlying Systems

Lead agency
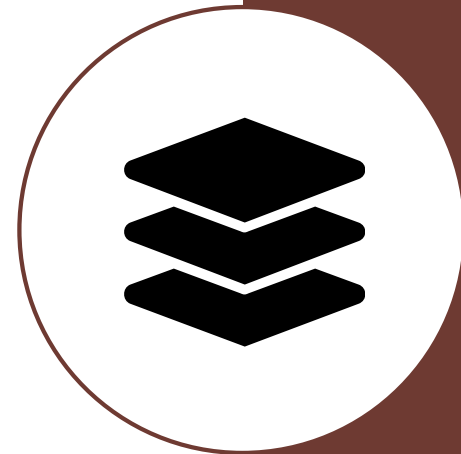- Regional agency for regional services
- Local agencies for local services, as desired

Funding
- Shared tax revenues
- Requires local contributions

Decision Making
- Local and regional

Transit Planning and Operating Model
- Regional authority takes care of regional service
- Local services done locally

Regional Authority with Local Service Option

Advantages

- Shares local and regional control

- Politically acceptable

- Allows communities to invest as much or as little as they want

- Options for smallest communities

Disadvantages

- Higher cost model

- Stretches regional tax resources

- More expensive on a per unit cost

- Need formula / method to allocate tax revenues

- Need option for non-operators

Hybrid Approach

Lead agency

- Regional agency - communities "buy in" as desired

Funding

- Share regional tax revenues
- Requires local contributions

Decision Making

- Regional

Transit Planning and Operating Model

- "Family of services"
  - Regional fixed route
  - Specialized services
 - Local services
- Communities can opt for local service
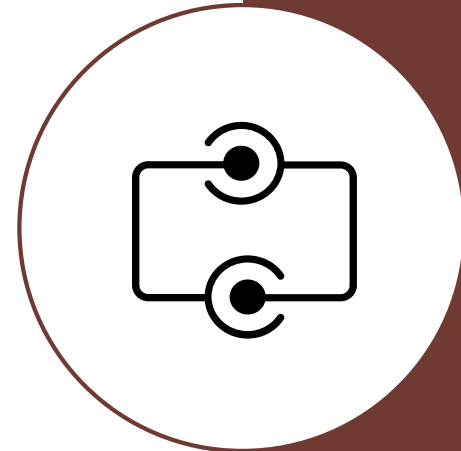
Hybrid Approach

Advantages

- Offers choice
- Creates opportunity for efficient, regional operator
- Creates option for smallest communities
- Politically acceptable
- Allows communities to invest as much or as little as they want

Disadvantages

- More complicated option
- Stretches regional tax resources
- Need formula / method to allocate tax revenues

PINAL COUNTY
Transit Governance Study
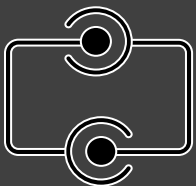
Governance Models

- Other governance options and approaches
- Variations within theme
- Detail and articulation
- Another round of review

Stakeholder Workshops

Stakeholder Workshops

Workshop Objectives

- Engage wider group of stakeholders
- Collect feedback on governance models

Stakeholder Workshops

Workshop Ideas

- Open House
    - Dispersed model
    - Casual meeting with longer hours
    - Potential for online version

- Focus on what they like and what they don't like

- Tentatively scheduled for March 24 or 25
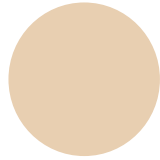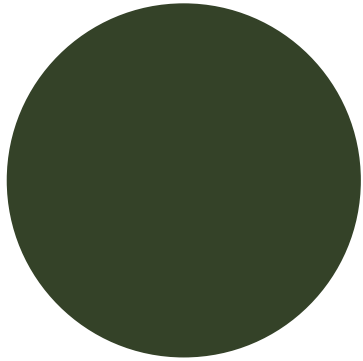
Next Steps

Next Steps

- Finalize TM #1 passed on TWG feedback

- TM #2 Peer Review

- Updated and Refined Governance Models

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