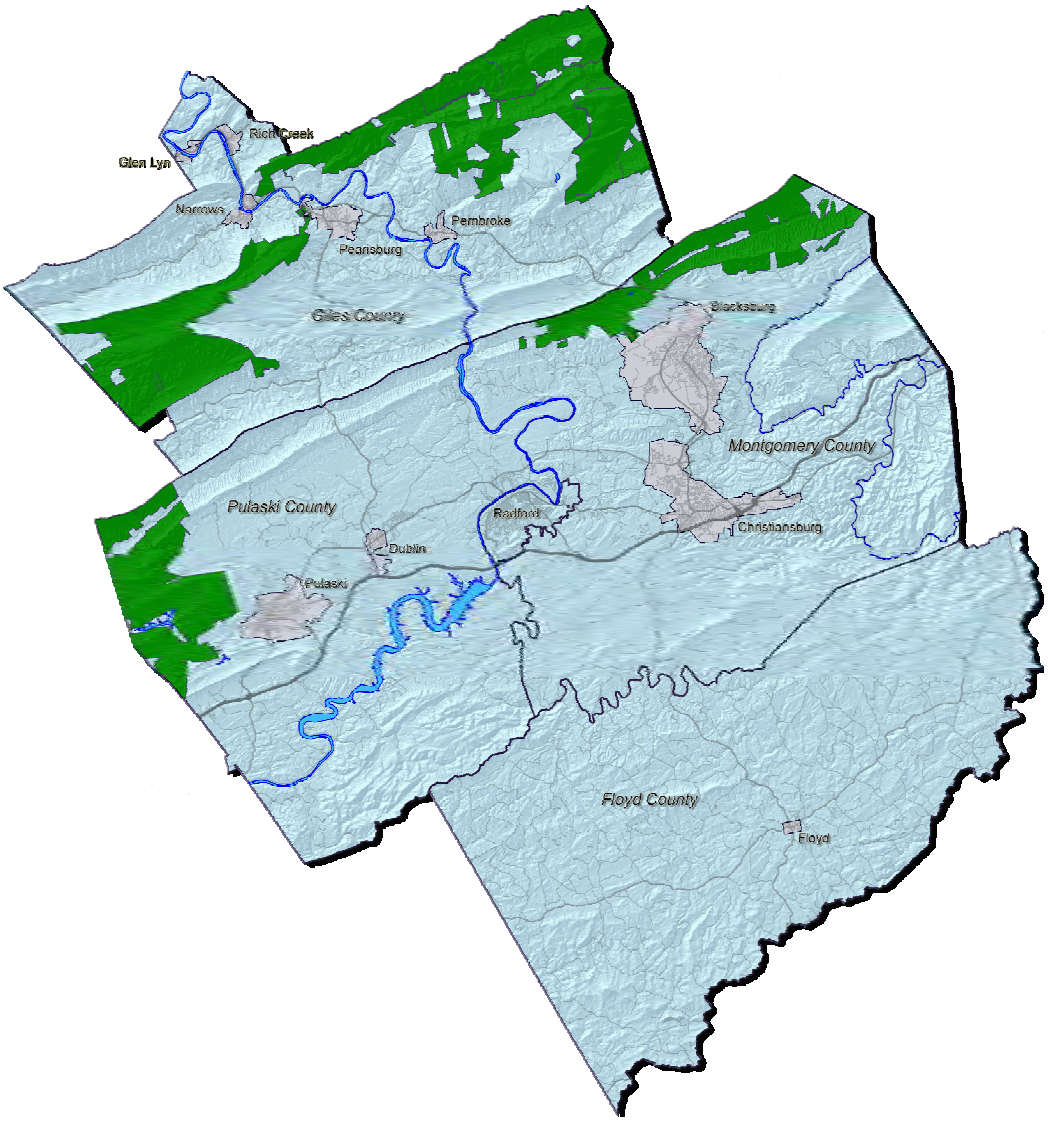
Regional Transit Organization Study



December 01, 2011

Prepared by: New River Valley Planning District Commission &
Blacksburg-Christiansburg-Montgomery Area Metropolitan Planning Organization

As the interest in public transportation continues to increase in the New River Valley there may be opportunities to create new services, establish partnerships and increase funding competitiveness for the benefit of each community in the region.

Disclaimer

This report was prepared by the staff of the New River Valley Planning District Commission, through funding assistance received from the Federal Highway Administration (FHA), United States Department of Transportation (USDOT), Blacksburg-Christiansburg-Montgomery MPO, and the Virginia Department of Transportation (VDOT); through VDOT's Rural Transportation Planning Assistance Program.

The contents of this document reflect the views of the authors and do not necessarily reflect the official views or policy of the Federal Highway Association or the Virginia Department of Transportation. This document does not constitute standard, specification, or regulation. Federal Highway Association and Virginia Department of Transportation acceptance of this document as partial fulfillment of the work program obligations does not constitute endorsement/approval of the need for any recommended improvements; nor does it constitute commitment to fund any such improvements. Additional project level assessments and/or studies of alternatives may be necessary.

Acknowledgement

Pursuant to the terms and conditions of the Regional Transit Organization Analysis Task Order Agreement between the Blacksburg, Christiansburg, Montgomery MPO and the New River Valley Planning District Commission, approved December 10th, 2010.

This study was approved and endorsed by:

- The Blacksburg-Christiansburg-Montgomery Area Metropolitan Planning Organization on December 01, 2011
- The New River Valley Planning District Commission on January xx, 2012

Study Contributors & Special Thanks

Plan Preparation

Kevin Byrd, NRVPDC – Executive Director
Dan Brugh, BCMMPO – Executive Director
Elijah Sharp, NRVPDC – Regional Transportation Planner
Justin Blackburn, NRVPDC – Cartographer

Regional Stakeholder Committee

Deborah Freed, VT – Alternative Transportation Manager
Barry Helms, Town of Christiansburg – Interim Town Manager
David Ridpath, City of Radford – City Manager
Steven Sandy, Montgomery County – Planning Director
James Hurt, City of Radford – City Engineer
Ranny Akers, Pulaski County – Board of Supervisors
Josh Baker, Community Transit – Director
Gary Heinline, Pulaski Area Transit – Director
Rebecca Martin, Blacksburg Transit – Director
Carl Palmer, Valley Metro – Director
Michael Grega, Community Transit – Transit Manager
Erik Olsen, Blacksburg Transit – Transportation Planner
Tim Witten, Blacksburg Transit – Special Projects Manager
Mark Cox, Helping Hands Transit – Owner

Regional Transit Organization Study

EXECUTIVE SUMMARY ---------- 1

SECTION 1 – IDENTIFYING THE STUDY AREA ---------- 5

SECTION 2 – INTRODUCTION ---------- 6

2.1 PURPOSE ---------- 6
2.2 PREVIOUS STUDIES AND LOCAL PLANS ---------- 6
2.3 EXISTING SERVICES ---------- 8
2.4 CURRENT SERVICE PROVIDERS ---------- 9
2.5 CURRENT SERVICE CHALLENGES ---------- 10
2.6 POTENTIAL FUTURE SERVICES ---------- 11

SECTION 3 – EVALUATING ORGANIZATIONAL STRUCTURE ALTERNATIVES ---------- 12

3.1 IDENTIFYING MODELS IN VIRGINIA ---------- 12
3.2 ORGANIZATIONAL MODEL DETAILS ---------- 14
3.3 POTENTIAL ORGANIZATIONAL MODEL SCENARIOS ---------- 16

SECTION 4 – STAKEHOLDER GROUP ANALYSIS ---------- 19

4.1 STAKEHOLDER ROUNDTABLE ---------- 19
4.2 EVALUATION OF EACH MODEL ---------- 19
4.3 INTERVIEW RESULTS ---------- 21

SECTION 5 – PLAN RECOMMENDATIONS ---------- 25

5.1 ORGANIZATION MODEL RECOMMENDATION ---------- 25
5.2 STEPS FOR IMPLEMENTATION ---------- 28
5.3 CONCLUSION ---------- 30

REFERENCES ---------- 32

LIST OF FIGURES

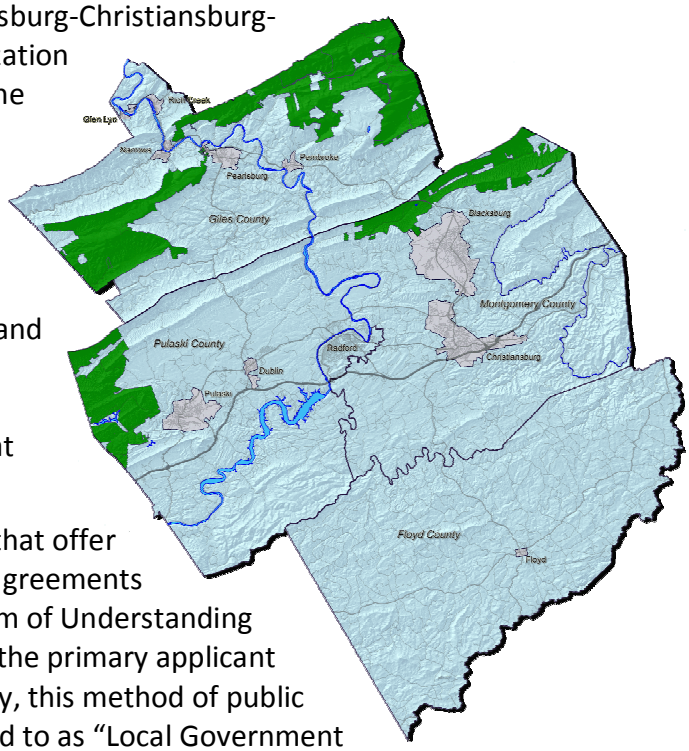
FIGURE 1 – NEW RIVER VALLEY REGION ---------- 5
FIGURE 2 – NRV TRANSIT SERVICE AREAS ---------- 8

LIST OF TABLES

TABLE 1 – ORGANIZATIONAL CHECKLIST COMPARISON ---------- 3, 25
TABLE 2 – TRANSIT SERVICE OPERATING AREAS ---------- 9
TABLE 3 – EXISTING/POTENTIAL REVENUES ---------- 27

Executive Summary

The Regional Transit Organization Study was initiated by the New River Valley Planning District Commission (PDC) and the Blacksburg-Christiansburg-Montgomery Area Metropolitan Planning Organization (MPO). The purpose of this study is to evaluate the long term organization models identified in the Department of Rail and Public Transportation's (DRPT) *Transit Service Plan for City of Radford/Radford University,* prepared in December 2009, by the KFH Group, under subcontract to Cambridge Systematics. The PDC and MPO are both aware that the interest in public transportation in the region is growing, and there may be opportunities to develop partnerships that would benefit local communities.



Currently, New River Valley communities that offer transit services are responsible for entering into agreements with service providers, developing a Memorandum of Understanding (MOU) amongst funding partners, and serving as the primary applicant for annual state and federal funding. In this study, this method of public transportation organizational operation is referred to as "Local Government Jurisdiction Operation." In addition to this method, the following alternatives are evaluated:

1. Transportation District
2. Service District
3. Regional Transportation Authority

Each of the alternatives encourages the development of a multi-jurisdictional entity. Although each method is similar, there are distinct differences related to policy and authority, the types of organizations or entities that could participate, whether or not new funding could be generated, and whether or not enabling legislation would be required. Here is a general overview of each organizational option:

- *Local Government Jurisdiction Operation*: A local town, city, or county that is authorized to enter into contracts and agreements to provide public transportation. The locality is responsible for developing MOUs between each funding partner. Typical responsibilities of the local government are to apply for Federal and State funding, contract service operators, purchase and maintain equipment and vehicles, and record ridership as necessary to delineate appropriate funding contributions from each partner.
- *Transportation District:* The Transportation District Act of 1964 and the Virginia Code Chapters 15.2-4504-4526 provide authority for jurisdictions to create a

Transportation District. A Transportation District is established by any two or more counties or cities (would exclude local universities and organizations) created by ordinance, and adopted by the local governing body of each participating jurisdiction. New services and agreements would be developed and managed by the district. The new entity could also provide expertise and leadership to neighboring communities that may be interested in providing new services.

- *Service District:* Virginia Code Chapters 15.2-2400-2403 provides local governments the authority to establish a Service District. Similar to the transportation district, a service district is comprised of any two or more counties or cities (would exclude local universities and organizations) created by ordinance, and adopted by the local governing body of each participating jurisdiction. Service Districts are governed by a development board or other body with responsibilities agreed upon by participating agencies. The creation of a new service district would provide similar opportunities described in the transportation district; however, a key difference is the ability to levy taxes to generate revenue for specific services within the service district boundary.
- *Regional Transportation Authority:* Potentially the most robust of the alternatives; however, the creation of a new authority could have the fewest limitations. A regional authority would require enabling legislation that would clearly define the level of authority and responsibilities. Although it may be the largest undertaking, it would act as a true regional entity. Partners could include local governments, universities, and other interested organizations. The authority could be limited to public transportation or may provide leadership in other areas of transportation as well. Authority could be granted to generate additional revenues, or the new entity could simply be responsible for entering into service agreements.

To determine the advantages and disadvantages of each organizational model, a regional stakeholder committee was developed. The committee was comprised of the Blacksburg-Christiansburg-Montgomery MPO, New River Valley PDC, Montgomery County, Pulaski County, City of Radford, Town of Christiansburg, Town of Blacksburg, Blacksburg Transit, Pulaski Area Transit, Community Transit and the Smart Way (Valley Metro).

In addition to the feedback provided at committee meetings, stakeholder interviews were conducted on a one-on-one basis. The interviews enabled a broader discussion with service providers (local government, university, or organization) and service operators. The next page provides a chart (Table 1) that compares the four organizational models.

2011 Regional Transit Organization Analysis		Method of Operation			
	Details Checklist	Local Operation	Transportation District	Service District	Regional Authority
Authority	Prepare a transportation plan	Yes	Yes	Yes	Yes
	Construct, acquire, maintain, or operate facilities	Yes	Yes	Yes	Yes
	Enter into agreements or leases	Yes	Yes	Yes	Yes
	Acquire land by purchase, lease, gift, or condemnation	Yes	Yes	Yes	Yes
	Levy and collect transportation service tax	No	No	Yes	Yes
	Limited to Public Transportation	No	Yes	No	No
Composition	Local Government	Yes	Yes	Yes	Yes
	Any Two or More Localities	Yes	Yes	Yes	Yes
	University or College	Yes	No	No	Yes
	Community Organizations or Private Entities	Yes	No	No	Yes
Considerations	Enabling Legislation Required?	No	No	No	Yes
	Multijurisdictional Perspective?	No	Yes	Yes	Yes
	Require establishing a Commission (voting body)?	No	Yes	Yes	Yes

Table 1

Based on the feedback from regional stakeholder meetings and individual interviews, there is a desire to evaluate the development of a regional entity. The level of authority or precise role of the new organization is unknown; however, study participants conveyed interest in developing a regional resource. Steps for implementing a new regional entity could include:

1. Determining the organizations authority and structure
2. Obtain endorsement from participating partners
3. Obtaining enabling legislation (depending on level of authority)
4. Developing organizational policies such as by-laws
5. Transfer staff and equipment (depending on level of authority)

The stakeholder committee identified that *any* future organizational alternatives would need the ability of recognizing all funding partners – specifically universities and supporting agencies. Currently, services are funded through a variety of federal, state, and local sources. A new regional entity would have access to all of the same funds, and the local match would simply shift to the new entity.

The creation of a new authority could also enable a broader range of funding sources. Examples in Virginia include:

a) Grantors Tax: levied when property changes hands – could vary in amount each year depending on sales. Example: ¢.40 per $100 of property value.

b) Motor Vehicle Rental Tax: levied on motor vehicle rental charges – revenues would vary depending on rental volumes. Example: 2%

c) Transient Occupancy Tax: levied to all lodging receipts – revenue would vary depending on visitation levels and lodging rates. Example: 2%

d) Safety Inspection Fee: amount added to the annual safety inspection fee. Example: $10

e) Sales Tax on Auto Repairs: levied on automobile repair charges – revenue would vary depending on vehicles serviced. Example: 5%

f) New Vehicle Registration: levied on new vehicle registrations – revenue would relate closely with vehicle sales. Example: 1%

g) Regional Registration Fee: levied annually to vehicle registration renewals. Example: $10

h) Motor Fuels Sales Tax: levied when motor fuel is purchased – estimated per capita. Example: 2%

i) Commercial Real Estate Tax: Levied on all commercial properties within the service area. Example: 10 cents per $100 of assessed valuation for commercial property.

j) Commercial/Residential Impact Fee: Set at the discretion of local jurisdictions

k) Property Tax: levied on all personal property taxes. Example 1 cent for every $100 of value.

l) Local Sales Tax: levied on all purchases in the region. Example: 1%

As mentioned earlier, the development of a regional entity's responsibilities can be tailored to meet the needs of the region. The alternative governance structure would create opportunities to provide central staffing for partners, pursue additional funding, and create opportunities to integrate existing systems.

Based on the feedback provided by the Stakeholder Committee and individual interviews, a Regional Transit Coordinating Council should be established. Creating the Council would be the first step towards creating a more inclusive agency and would only require a local agreement between interested stakeholders. Public transit stakeholders should express their interest to the PDC and MPO so that a formal implementation strategy can be developed.

Section 1 – Identifying the Study Area

The study area for this plan includes Montgomery, Pulaski, Floyd and Giles counties, the city of Radford, the towns of Christiansburg, Blacksburg, Pulaski, Dublin, Floyd, Pearisburg, Rich Creek, Glen Lyn, Narrows, and Pembroke, the universities of Virginia Tech and Radford, and the New River Community College. The map below illustrates the study area described:

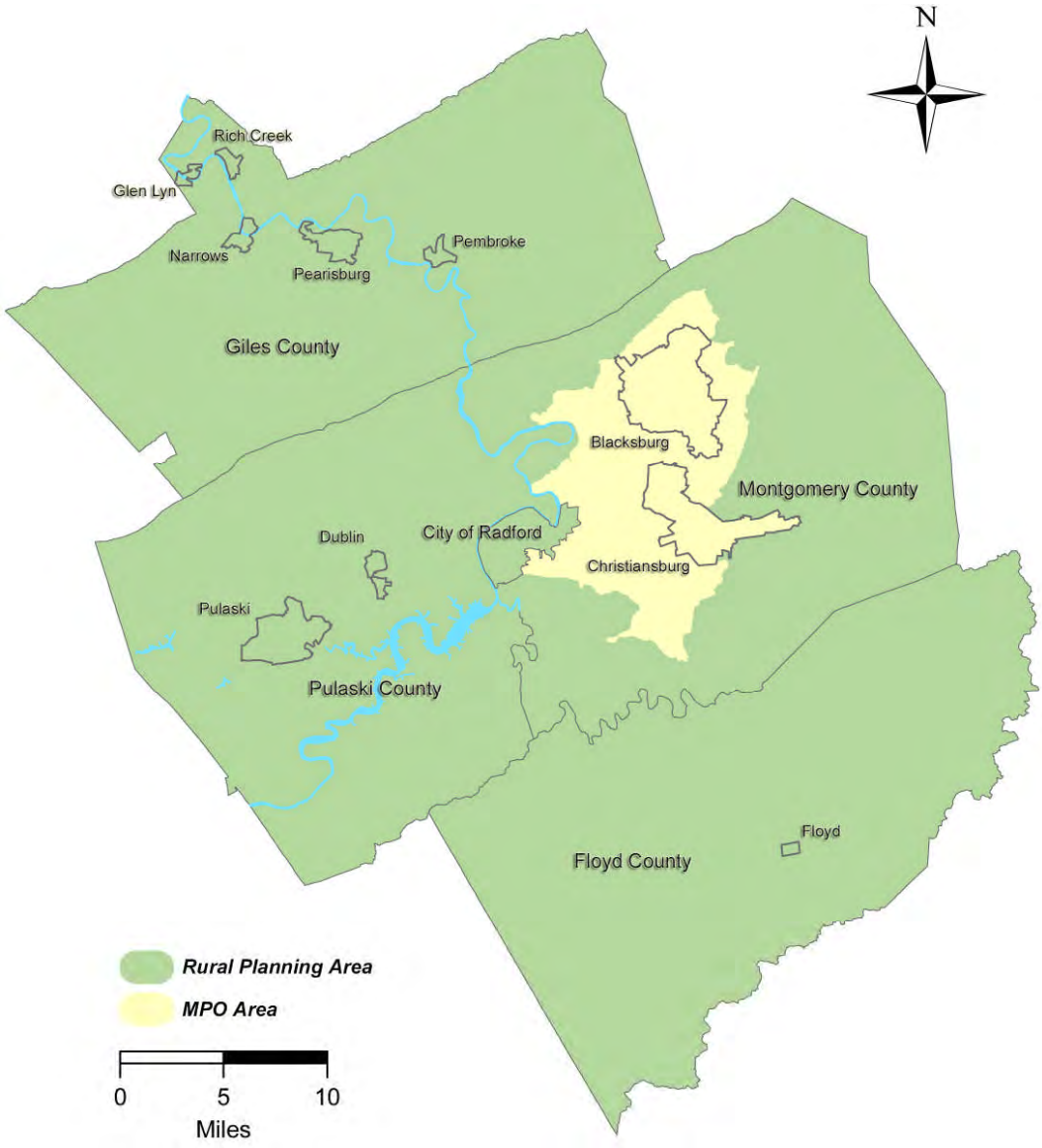


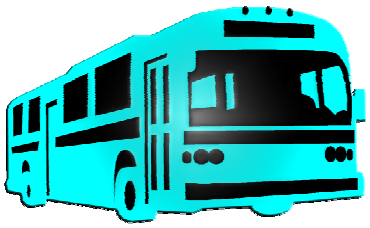
Figure 1

For the purpose of this plan, additional resources and services were also examined for each of the adjoining counties to the region. Intuitively, this concept promotes the continuity of all transportation systems, including public transportation resources.

Section 2 – Introduction

2.1 Purpose

As the interest in public transportation continues to increase in the New River Valley there may be opportunities to create new services, establish partnerships and increase funding competitiveness for the benefit of each community in the region. This study is intended to compliment the Department of Rail and Public Transportation's (DRPT) *Transit Service Plan for City of Radford/Radford University,* prepared in December 2009, by the KFH Group, under subcontract to Cambridge Systematics.



A variety of Organizational alternatives were considered while evaluating new services in the Radford Plan. Chapter 5, Organization Alternatives, reviewed each option and developed potential advantages and disadvantages for each. The organizational models that the study identified were:

1. Local governmental jurisdiction such as a city, town or county
2. Transportation District
3. Service District
4. Regional Transportation Authority

The study that was prepared by DRPT influenced the PDC and MPO to examine each of these models in more detail, in order to develop an organization strategy for public transportation in the future. Many communities in the New River Valley do not have the experience or resources available to operate new transit services. Furthermore, expanding investments is challenging to communicate to the public during a difficult economic climate. Efficiencies in existing systems and opportunities to create transportation alternatives are priorities in the region. This study evaluates each of the organization scenarios outlined, and offers a recommendation based on the feedback provided by a regional stakeholder committee.

2.2 Previous Studies and Local Plans

Over the last 30 years, there have been numerous studies statewide, regionally, and at the local level for the development of public transportation systems. This study builds on existing planning efforts, and incorporates related material as it may pertain to this plan. Previous public transportation planning includes:

- Mobility Resource Manual (2011), *NRVPDC*
- Radford Transit Feasibility Study (2009), *DRPT*
- Employment Mobility Study (2009), *NRVPDC*
- Coordinated Human Services Mobility Plan (2008), DRPT/*NRVPDC*
- New River Valley Transit Study (1998), *NRVPDC*
- Transit Technical Study (1979), *NRVPDC, Center for Urban and Regional Studies VPI & SU*

In 1979, the regional interest in public transportation in the New River Valley was documented. At that time, the following conditions were identified that influenced the preparation of the plan:

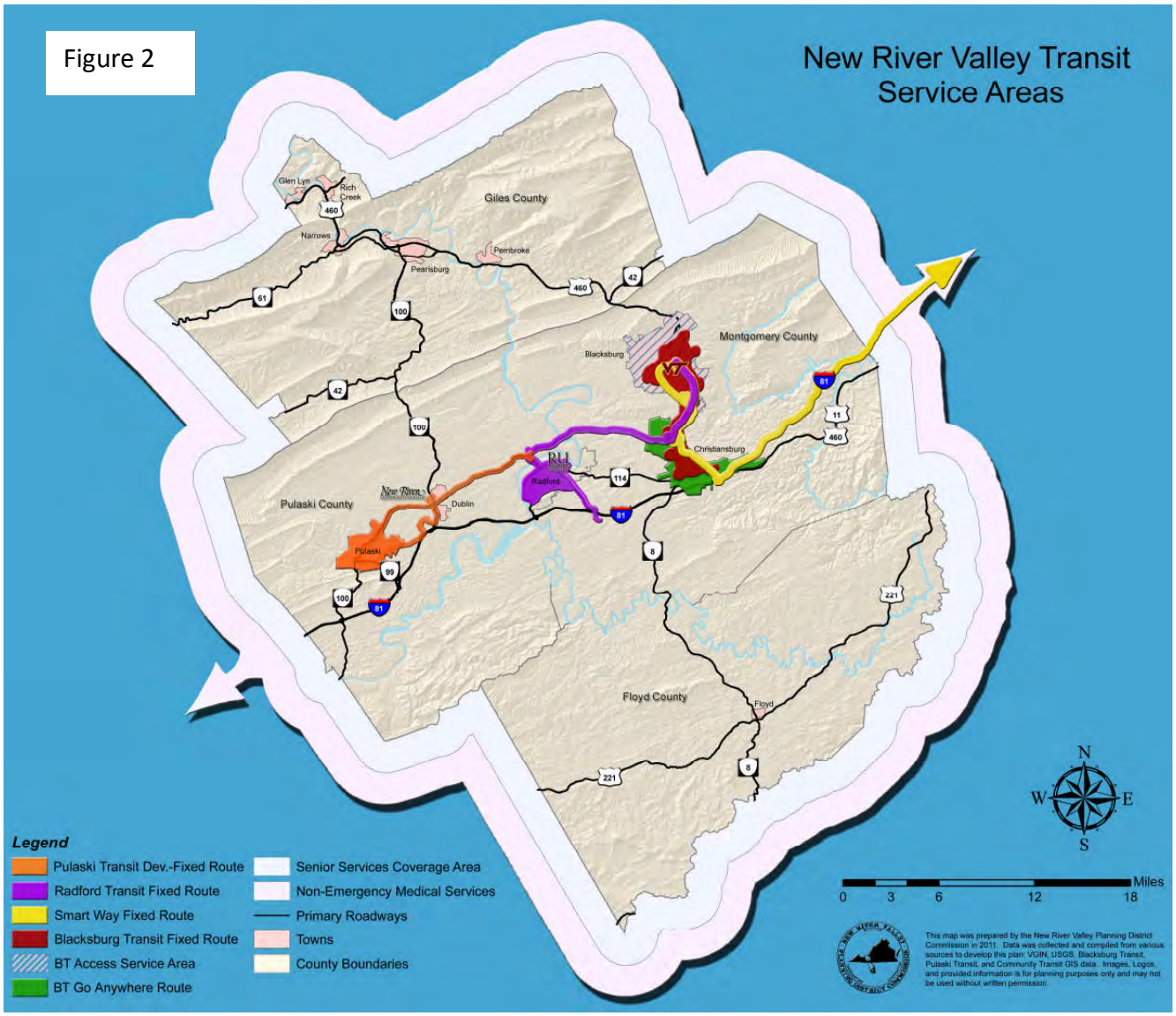
1. People have become more aware of the situation of the poor, elderly and handicapped.
2. Automobile congestion is reaching intolerable levels at some locations.
3. The cost of owning and operating an automobile are rising rapidly.
4. Energy shortages and cost threaten paralysis of the automobile-based transportation system.
5. People are more sensitive of the effects of automobile emissions on health and aesthetics – symbolized by the pall of dirty smog that hangs over urban areas.
6. Parking has become a serious problem in business districts and in and around campuses.
7. Finally, the foregoing interests in the Valley and elsewhere are reflected in emerging state and national policies designed to make community transit efforts more effective.

The way of identifying transportation deficiencies has evolved over time; however, many of the needs are still very relevant today. The plan went on to indicate, " Our automobile-dominant transportation system, as of 1978, still leaves large segments of the population in the New River Valley communities with unmet needs for transportation – In all of our communities, rural and urban, the elderly, handicapped, and low income are particularly likely to experience severe limitations of mobility."

Several of the 1979 Plan objectives have been accomplished in the last 30 years, while others need multi-jurisdictional support in order to implement. This plan takes a closer look at the existing services that are provided in the region. The ultimate goal of the plan is to identify organizational alternatives that could enable transportation options in more communities.

2.3 Existing Services

A variety of alternative transportation services and programs are currently offered in the region. The types of services range from fixed route, deviated fixed route, on-demand service, senior's service, non-emergency medical service, low-income or special needs service, to vanpooling and carpooling commuter programs. The map below illustrates the types of services that are provided.



Non-medical emergency services can be provided outside of the region, as long as the originating address is in the New River Valley. Senior Services can be operated throughout the region as well. Recently, services were extended into Giles and Floyd Counties to provide weekly/bi-weekly trips for seniors. Deviated fixed route services are provided predominantly in the communities located along the I-81 corridor. Future plans indicate the expansion of fixed route, and demand response services throughout the region. Section 2.4 describes existing services in more detail.

2.4 Current Service Providers

Currently there are three public transit service operators that are based in the New River Valley: Blacksburg Transit, Community Transit and Pulaski Area Transit. Services are also provided into and out of the region by Valley Metro, which is based out of Roanoke. Each of the public service providers is responsible for operating various services within New River Valley. The table (shown right) provides an overview of the public service providers, the types of services they provide, and the different areas each service is provided.

Operator	Service Provided in New River Valley			
	Fixed Route	On Demand	Senior Services	Special Needs
Blacksburg Transit	✓	✓		✓
Community Transit	✓		✓	✓
Pulaski Area Transit	✓	✓	✓	✓
Smart Way	✓			
Area Service (above) Provided				
Floyd County			✓	✓
Giles County			✓	✓
Montgomery County	✓		✓	✓
Pulaski County	✓	✓	✓	✓
City of Radford	✓		✓	✓
Town of Blacksburg	✓		✓	✓
Town of Christiansburg	✓	✓	✓	✓
Town of Pulaski	✓	✓	✓	✓

Table 2

Blacksburg Transit (BT) currently provides transit service in the Town of Blacksburg, the Town of Christiansburg and on the Virginia Tech Campus. A range of routes are provided throughout the week within the town limits of Blacksburg and Christiansburg to all general public. The current fleet of vehicles includes approximately 44 buses and 15 vans. BT also provides a paratransit service within the town limits of Blacksburg that assists persons who cannot utilize the regular fixed-route bus system, and who meet the criteria established by the US Department of Transportation under the Americans with Disabilities Act (ADA) of 1990.

BT also recently started a service in Montgomery County for the Warm Hearth Village, a retirement community outside the town limits of Blacksburg. The new service will operate every Tuesday, and feature 8 stops on the Warm Hearth campus, 2 stops at the LewisGale Hospital, and provide connections to downtown Blacksburg and Christiansburg.

New River Valley Senior Services operates Pulaski Area Transit (PAT) and Med-ride. PAT provides both fixed-route and deviated fixed-route service to the town of Pulaski/Pulaski County area, including service to Fairlawn and the New River Community College in Dublin. The service is open to all public located within the service area. The current fleet of vehicles includes approximately 27 Body on chassis (BOC's) and 27 vans.

PAT also operates the New River Valley Senior Services transportation for the elderly and other special populations program. The service area covers the entire New River Valley area with an originating address in the region. Services can be provided to specific medical sites in Roanoke, Charlottesville and Richmond for persons age 60 or over, or to someone with a physical/sensory disability.

PAT also manages the Med-Ride program which offers non-emergency medical transportation for low-income, uninsured and underinsured residents of the region that have no other means of transportation. Services include physician and dentist visits, hospital outpatient services, pharmacy prescription pick-up, health departments, free clinics, dialysis and other necessary health related services. Transportation services for the Med-Ride program are provided by volunteers using their own personal vehicles.

Community Transit (CT) provides non emergency medical trip services for individuals with disabilities and/or special needs. CT is a program operated by the New River Community Service Board, and can provide transportation to any location in Virginia with an originating address in the region.

CT staff also operates the new deviated fixed-route service in the City of Radford (Radford Transit) that started in August 2011. The new service offers services for the residents of Radford and Radford University around the city, to the Carilion hospital, and Fairlawn areas. A future multi jurisdictional connection to Christiansburg, Blacksburg, and Virginia Tech is also planned.

Valley Metro provides fixed-route service that links the Roanoke Valley to the New River Valley via the Smart Way. The Smart Way service begins in downtown Roanoke at Valley Metro's Campbell Court Transportation Center and ends at the Virginia Tech Squires Student Center. The route from the New River Valley to the Roanoke Valley is the exact reverse. The service is open to the general public within Roanoke County, Montgomery County, City of Roanoke, City of Salem, Town of Christiansburg and the Town of Blacksburg located along the route. Valley Metro recently started providing a weekly bus “bridge service” that connects to the Amtrak station in Lynchburg.

2.5 Current Service Challenges

Public Transportation, similar to Virginia’s overall transportation network, is reaching funding thresholds. As costs continue to increase for equipment, staff, and fuel – local communities are stretched to find additional revenues to support existing services. In areas where public transportation is successful, often there is not sufficient funding to provide additional services, let alone respond to the existing demand.

Transit operators are finding ways to make existing resources more efficient through technology and improving coordination amongst other providers. During stakeholder interviews, the idea of a mobility manager was prevalent. The creation of the Mobility Resource Manual was the first phase of developing a mobility manager position.

The idea of central dispatching was also shared during stakeholder interviews – to help coordinate services such as paratransit, non-emergency medical trips, and seniors programs. Central dispatching could create a tool for operators that provide similar services at adjoining boundaries.

Areas where services are currently provided would benefit from the support offered by local governments, large employment centers, and private business

contributions. Support from different partners could create a more dynamic alternative transportation system for a variety of users. Establishing a multijurisdictional entity would create a coordinating agency to work with potential partners and existing service operators.

2.6 Potential Future Services

New services have recently started in the town of Christiansburg and the City of Radford. The Christiansburg service was started in 2010 and featured a downtown circulator route, a shopping route, and a very popular go-anywhere route. The service has since evolved to provide commuting services between Blacksburg and Christiansburg.

The City of Radford started a new system in August 2011. The new service provides transportation throughout the city, to Fairlawn, to Carilion, to Christiansburg, to Blacksburg, and circulation around Radford University.

In early 2011, a private organization called Mega Bus started a long distance service. The route predominately follows the I-81 corridor from Knoxville, TN to Christiansburg, VA to Washington, D.C. – offering rates as low as $1.00.

In addition, the 2035 Virginia Surface Transportation Plan identified the counties of Floyd and Giles as communities that have the characteristics to implement and sustain transit services. Additional studies have not been conducted to determine possible services.

The Department of Rail and Public Transportation is also working with service operators to develop Transit Development Plans (TDPs) that will provide financially constrained and unconstrained plans. TDPs identify coordinated goals to interlink local comprehensive and master plans with transit planning.

Section 3 – Evaluating Organizational Structure Alternatives

3.1 Identifying Models in Virginia

Each of the four models identified in this plan have been successfully implemented in Virginia. Examining models in Virginia, as opposed to nationally or abroad, is important because of existing law and enabling legislation unique to the Commonwealth. Furthermore, established organizations in Virginia could provide guidance for the development of a similar structure in the New River Valley.

1. Local Governmental Jurisdiction Operation

   The local government operation model is currently the primary structure for transit services in the New River Valley. An example of local government operation is Radford Transit. The City of Radford serves as the applicant for state/federal funding, and the local match is provided by Radford University and the City to operate services.

   In addition to applying for funding, the city owns the vehicles/equipment that operates the system, is responsible for the maintaining vehicles, and establishes contracts with service operators to provide services. The City has established an advisory board to communicate with local partners.

2. Transportation District

   An example of a Transportation District in Virginia is the Potomac and Rappahannock Transportation Commission (PRTC) that is comprised of Prince William and Stafford counties, and the cities of Manassas, Manassas Park and Fredericksburg. PRTC currently provides commuter bus service along the I-95 and I-66 corridors, local bus services in Prince William County and the cities of Manassas and Manassas Park. PRTC also offers a ridesharing service called OmniMatch at no cost to participants. Furthermore, in partnership with the Northern Virginia Transportation Commission, the PRTC operates the Virginia Railway Express that provides commuter rail service along the Manassas and Fredericksburg lines.

   In 1986, PRTC was established to facilitate regional transportation solutions to problems that transcended beyond a single local government boundary. In addition to overseeing the commuter rail service, PRTC is responsible for bus service implementation as its member governments sees fit.

   In FY 2009 PRTC operated an active fleet of 130 buses, carried more than 3.2 million passengers, and had 698,732 participants in affiliated carpools and vanpools. 17 commissioners comprise the PRTC Board as follows: (13) locally appointed representatives, (2) Delegates appointed by the General Assembly, (1) Senator appointed by the General Assembly, and (1) Department of Rail and Public Transportation representative.

Membership allows for the collection of a 2% Motor Fuels Tax that is used for transportation improvements in the region. PRTC provides transportation planning services and operating initiatives for bus, rail and ride matching services, capital project management, policy analysis, and regional coordination. PRTC's member jurisdictions rely heavily on the Motor Fuels Tax to meet their local financial obligations. Other funding sources include passenger fares, federal and state funds, and local funding as necessary.

3. Service District

An example of a Service District in Virginia is the Airport Development Area Special Service District that was created by Campbell County in conjunction with the City of Lynchburg. The Special Service District was created to address anticipated future development within a specific area expected to generate substantial service demands. The City and County identified a specific development area to cooperatively manage the impact and mitigate costs associated with providing public services in connection with future development.

Authorities granted to the Special Service District included economic development services, promotion of businesses and retail development services, construction and maintenance of roadways not operated by VDOT, special services including safety and welfare of the public.

The Campbell County Board of Supervisors was appointed as the governing body of the Special Service District and has the authority to exercise all powers set forth in Virginia Code. Specific initial duties included the planning of a new roadway to access the development area, implementation of other traffic management improvements such as traffic calming measures and create a Development Area Master Plan addressing potential infrastructure improvements.

The Board was also enabled to levy and collect an annual 2% property tax within the Special Service district to assist with the expenses and charges for governmental services. The tax levied was only to be used for constructing, maintaining, and operating facilities within the Special Service District and not permitted outside defined boundary.

The creation of the Special Service District was intended to facilitate orderly development consistent with the Comprehensive Plan and consistent with existing land uses in the area. The goal was to mitigate adverse impact on property owners in the area from projected growth, by adequately addressing increased or changed traffic patterns.

4. Regional Transportation Authority

An example of a Regional Transportation Authority in Virginia is the Northern Virginia Transportation Authority (NVTA) that is comprised of Arlington, Fairfax, Loudon and Prince Williams counties and the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park.

The NVTA is responsible for long-range transportation planning for regional projects in Northern Virginia. On the basis of regional consensus, the authority develops transportation policies and priorities for regional projects. Priorities are guided by performance based criteria such as the ability to improve travel times, reduce delays, connect regional activity centers, improve safety, and improve air quality, all in the most cost effective manner.

The governing authority consists of 17 members: (9) participating locality members, (2) Delegates, (1) Senator, (2) citizens appointed by the Governor, (1) Department of Rail and Public Transportation, (1) Commonwealth Transportation Commissioner or designee, (1) chief elected officer of one town.

3.2 Organizational Model Details

Each of the organizational models found in Virginia have a different authority structure and funding mechanisms. The previous section discussed where different models have been implemented. This section evaluates the specifics for each model.

1. Local Governmental Jurisdiction Operation

DRPT requires that the applicant for funding be a local governmental jurisdiction such as a city, town, or county. This model requires service agreements between the applicant and other stakeholders contributing funding or soliciting services. Typically an advisory committee is created to provide guidance on the service. The advisory committee voting structure should commensurate with levels of funding to enable stakeholders the flexibly to adjust routes.

Often this arrangement works well in communities that have universities or large employment centers as partners. By establishing service agreements the local government would be receiving local transit services that would otherwise not be feasible. The University or large employer would have access to federal and state operating dollars to maximize services without bearing the full cost.

2. Create a new Transportation District

The Commonwealth of Virginia offers a variety of ways to create joint enterprises to perform public functions. The Transportation District Act of 1964 and the Virginia Code Chapters 15.2-4504-4526 provide authority to jurisdictions to create a Transportation District.

A Transportation District is established by any two or more counties or cities, created by ordinance and adopted by the local governing body of each participating jurisdiction. Such ordinances must be filed with the Secretary of the Commonwealth.

Members of the established transportation district would need to be appointed by the governing body but are not required to be members of said body. Authorities and functions generally include the preparation of a transportation plan, construction and acquisition of facilities, power to enter into agreements or leases with private companies for operation of facilities, and the ability to contract or agreement within the district regarding operation of services or facilities.

A transportation district would create a strong partnership amongst participating stakeholders. New Services and agreements would be developed and managed by the district and provide sound expertise and leadership to neighboring communities that may be interested in providing new services. Efficiencies would be developed in the process of applying for state and federal funding by consolidating programs and eliminating redundancies in service.

3. Create a new Service District

Virginia Code Chapters 15.2-2400-2403 also provides local governments the authority to establish a Service District. Similar to the transportation district, a service district is comprised of any two or more counties or cities created by ordinance adopted by the local governing body of each participating jurisdiction. Additionally, the ordinances must be filed with the Secretary of the Commonwealth.

The creation of a service district requires a public hearing prior to the creation or it may be created by order of the circuit court by local petition. Service Districts are governed by a development board or other body with responsibilities agreed upon by participating agencies.

Authorities and functions generally include providing transportation services, own facilities, equipment and property to provide such services, contract with any person, municipality or state agency, and the ability to levy and collect property taxes to pay for services.

The creation of a new service district would provide similar opportunities described in the transportation district and also provide the opportunity to generate transportation funding to support local programs.

4. Create a new Regional Transportation Authority

A regional transit authority requires strong regional consensus and would require enabling legislation in Virginia. Examples of legislation enabling the creation of regional authority can be found in Virginia Code 15.2-4829 through 15.2-4840 pertaining to the Northern Virginia Transportation Authority. A regional authority would be comprised of two or more local governing bodies and similar to the transportation and service district require a governing body of appointed officials from each participating jurisdiction.

A Regional Transportation Authority perhaps has the most flexibility and potential to provide the widest range of services. Authorities and functions could be limited to public transportation or they could be expanded to include other transportation services and facilities.

3.3 Potential Organizational Model Scenarios

This section takes a hypothetical approach to the four organizational models identified in the study. Actual partners from the New River Valley are utilized to create a more realistic evaluation of the models. The examples are not based on interest from the community or organization that is used in the scenario.

1. Local Governmental Jurisdiction Operation

What if the Town of Pearisburg or Town of Floyd were interested in starting a new service? Ideally community stakeholders would express their interest of in starting a new service to the Town. Once the local interest is identified, the community could request assistance from DRPT to determine the feasibility of public transportation. DRPT would hire a consultant (with potential cost share from locality) to prepare a feasibility study by working closely with a local stakeholder working committee.

The feasibility study would identify potential alternatives and associated costs to operate a new service. Specifically, the plan would develop a needs assessment to analyze population and land use data, along with qualitative data provided by a stakeholder committee. The goal would be to develop a solid understanding of the travel needs and locations of potential transit riders.

Based on the consultation process, a transit service plan would be prepared and presented to the community. If the community agreed to commit the associated funds towards the new service; they would complete federal and state funding applications through DRPT. The local community is then responsible for purchasing and maintaining equipment, coordinating MOU's with additional funding partners, annually applying for state and federal funds, and entering into necessary contracts and agreements to operate the new service.

Depending on the number of local stakeholders, a Transit Advisory Board may need to be created. Representatives of the Board would serve to indicate interests related to the new transit system.

2. Create a new Transportation District

What if Pulaski County, Montgomery County, and the City of Radford wanted to establish a Transportation District? Virginia Code Chapters 15.2-4504-4526 would enable them to do so. Both counties and the city would need to establish an ordinance adopted by the local governing body. The ordinance would then be filed with Secretary of the Commonwealth.

By creating the new District, the jurisdictions could prepare a multijurisdictional transportation plan, construct and acquire facilities, and have the power to enter into contracts/agreements.

Currently public transit is offered within each of the jurisdictions. By working collaboratively, the jurisdictions could eliminate duplicate services. The new Service District could also provide technical assistance, grant writing, enable greater coordination between systems, and potentially offer service providers savings with central dispatching and vehicle maintenance.

Although some of the tools in the Transportation District could be helpful, essential partners such as Virginia Tech, Radford University, towns, and a host of potential future partners would be excluded.

3. Create a new Service District

What if the City of Radford and Montgomery County wanted to create a Service District along the Route 177 Corridor? Virginia Code Chapters 15.2-2400-2403 would enable them to do so. Similar to the transportation district, both the county and the city would need to establish an ordinance adopted by the local governing body. Additionally, the ordinance would need to be filed with Secretary of the Commonwealth.

The creation of a new service district would provide similar opportunities described in the transportation district and also provide the opportunity to generate transportation funding to support local programs.

Creating a Service District could provide a revenue stream to support transit services, bike/ped facilities, or transportation maintenance within the identified area. This model may be particularly helpful to local governments by utilizing future land use plans to identify potential high-growth locations. Adversely, the Service District would be limited to county or city participants.

4. Create a new Regional Transportation Authority

What if the New River Valley wanted to create a new regional entity? Depending on the specific role, three possible versions could be created:

- A Regional Transit Coordinating Council (RTCC): a coordinating entity that would have open participation for all transit stakeholders. The new council would function similar to other regional and local technical committees. The predominant role of the new committee would be to

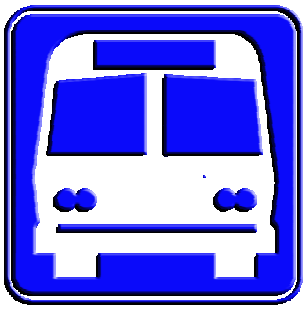
advise participating transit partners (open to membership). The focus of the RTCC would be specifically on public transportation. No additional funding opportunities would be created and the new committee would serve as advisory only.

- A Regional Transit Authority (Sharing Resources): a coordinating entity that would, in addition to the role described in the RTCC, have the ability to purchase/own property, enter into contracts/agreements, and accept funding to support staff and associated programs. The new Authority would require enabling legislation and a strong consensus amongst stakeholders. The new Authority could focus specifically on public transportation or a broader range of transportation related programs.
- A Regional Transportation Authority (Creating Additional Revenue): requires strong regional consensus and would require enabling legislation. In addition to the abilities described in the RTCC and Authority, powers would be granted to generate revenues to support transportation initiatives. One example of funding distribution in Virginia provides 40% of the revenues directly back into the community it was generated from. The additional 60% of the revenue would be directed by an Authority towards regional initiatives. Specific funding mechanisms would need to be identified in the enabling legislation.

Section 4 – Stakeholder Group Analysis

4.1 Stakeholder Roundtable

As directed by the Task Order Agreement between the MPO and PDC, a broad stakeholder committee was established to support the development of this study. The committee was comprised of local jurisdictional government and current service provider staff. Membership included: Blacksburg-Christiansburg-Montgomery MPO, New River Valley PDC, Montgomery County, Pulaski County, City of Radford, Town of Christiansburg, Town of Blacksburg, Virginia Tech, Blacksburg Transit, Pulaski Area Transit, Community Transit and the Smart Way (Valley Metro). Radford University was invited, but unable to participate.



The specific roll of the Stakeholder Committee was to provide guidance for developing criteria to weigh advantages/disadvantages of each model, provide previous planning and existing services information, participate in stakeholder interviews, and provide feedback on the draft study.

The PDC and MPO facilitated stakeholder group meetings and provided all necessary materials throughout the planning process. The committee met on January 26th, April 26th, and August 29th.

4.2 Evaluation of Each Model

Each of the four organizational models were introduced and discussed at the April 26, 2011 Stakeholder Committee Meeting. In addition, the organizational models were evaluated at the individual stakeholder meetings. A summary of the feedback that was provided for each model is below.

1. <u>Local Governmental Jurisdiction Operation</u>

   In General, this method is works well with local communities that have large employment centers within their jurisdictional boundaries. Universities play a pivotal role in the New River Valley by creating services that a single locality could otherwise not afford. This partnership is two-fold; the University receives more services by contracting through a locality to receive state and federal funds. Although many advantages were identified, this model will make it challenging for communities that do not have large employment centers to provide alternative transportation services.

   Advantages:
   - Public involvement
   - Local relationships
   - MPO/PDC are good resources/coordinate local planning
   - Keep state/federal funds
   - Available resources
   - Retain individualism

Disadvantages:

- Local politics/buy-in
- Competing needs
- Cost planning
- Introduction of new jurisdictions/partners

2. Create a new Transportation District

An organizational strategy that allows multiple jurisdictions (a county or city) to establish a new entity. The Transportation District would create opportunities for central staffing, planning, and coordination resources. In addition, it would have the ability to enter into contracts/agreements and own property – removing a single local government's need to provide the services. The major disadvantage is that existing VA Code states that the District is comprised of any two or more counties or cities, thus excluding important regional partners such as universities and towns.

Advantages:

- Create a multijurisdictional entity
- Eliminate duplication of services

Disadvantages:

- Exclusion of non-governmental partners
- Financial administration?

3. Create a new Service District

A Service District is not regularly used in Virginia. Predominantly, the model works well for undeveloped future high-growth areas. The model enables a jurisdiction(s) to levy new taxes and fees to support transportation initiatives. Again, the major disadvantage is that VA Code states that it must be comprised of any two or more counties or cities. This model was not determined appropriate at the regional level; however, it does offer some advantages that should be considered further by local governments.

Advantages:

- Create a multijurisdictional entity
- Have the ability to generate additional transportation revenue

Disadvantages:

- No large scale example provided in Virginia
- Could create a cross/duplication of services
- Exclusion of non-governmental partners

4. Create a new Regional Transportation Authority

The creation of a new authority affords the widest range of possibilities. Whether regional partners prefer a coordinating, contracting, or legislatively enabled entity – a Regional Authority can provide powers/duties that are

tailored to local desires. The stakeholder review process revealed three potential phases of the new entity that are further described in section 4.3-9.

Advantages:

- Create a rural/urban area partnership
- Identify regional priorities
- Create an interface between existing systems
- Have the ability to purchase equipment
- Opportunity to create a coordinating entity/association
- Would be open to all stakeholders and funding partners
- Economies of scale when it comes to staff, maintenance garages, purchasing, health insurance, etc.

Disadvantages:

- Local politics/buy-in
- Concern for losing individualism
- If revenues were generated how would they be spent?
- Increased responsibility for small staff
- Potential new costs to operate services

4.3 Interview Results

In order to gain additional project insights, the PDC interviewed a variety of stakeholders including: local governments, transit operators, universities, and participating agencies. Below are the questions that were asked during the interview and the responses that were provided.

<u>General Information:</u>

1. I am responding to the survey from this perspective:
   - ☒ Local Government 40%
   - ☒ University or College 15%
   - ☐ Employment Center 0%
   - ☒ Service Operator 40%
   - ☐ Other 0%
2. I currently contribute funding to provide transit?
   ☒ Yes (100%) ☐ No (0%)
3. I currently contribute staff towards transit?
   ☒ Yes (55%) ☐ No (45%)
4. I feel knowledgeable about state/federal funding and potential opportunities?
   ☐ Yes (45%) ☒ No (55%)
5. I can currently utilize public transportation services as a means of alternative transportation in my community?
   ☒ Yes (60%) ☒ No (40%)

*Note: Yes Respondents were all residents of Blacksburg or Christiansburg – convenience factor limits people to actually use the services although they are available. Those responding "No" lived outside of the Town Limits of the nearest community.

6. I feel that the current level of alternative transportation offered in the NRV is adequate.
   - ☒ Yes (10%)
   - ☒ No (90%)

*Note: Yes Respondents indicated ability to afford additional services in the Region as a limiting factor.

7. There needs to be more choices in the area of:
   - ☒ Fixed-Route
   - ☒ On Demand
   - ☒ Programs
   - ☒ Private Services
   - ☒ Bike/Ped System

*Note: On Demand also reflects the Demand-Response services. A comment was noted that indicated improvements were need in all areas to make alternative transportation an attractive option for the public. Additional comments suggested that private service providers would have limited abilities and market to provide services.

<u>Organizational Structuring:</u>

8. There are foreseeable issues with organizational models in the region?
   - ☒ Yes (100%)
   - ☐ No

*Note: Majority of respondents indicated a need for multijurisdictional leadership and resources for communities and service providers. Other concerns involved the expansion of local government services expanding beyond their respective jurisdictions. In addition, coordination for multiple services and addressing intergovernmental issues will become challenging.

9. In the future, I feel that this organizational alternative may be valuable:
   - ☒ Local Government Operation 100%
   - ☐ Transportation District
   - ☐ Service District
   - ☒ Regional Authority 100%
   - ☒ Others: Expanded PDC/MPO roles, coordinating entity 100%

*Note: A series of three steps was recommended to develop a regional entity over time – as needed: (1) Establish a Regional Transit Coordinating Council to serve in an advisory role to local partners; (2) Create a Regional Authority that would have the ability to purchase equipment, enter into contracts and agreements, and accept funding from participating stakeholders and agencies; (3) Create a Regional Authority that could have the ability to work with participating stakeholders to levy transportation revenue, and establish a board to administer funding towards transportation improvements in the region.

10. Of the models being evaluated, these should be avoided:

☐	Local Government Operation	
☒	Transportation District	100%
☒	Service District	100%
☐	Regional Authority	

*Note: Transportation and Service Districts omit partners/stakeholders that are not a county, city or town.

11. Perhaps the greatest challenge in the future is:

☒	Local Match – Funding	40%
☒	Education – Encouraging Ridership	20%
☒	State Administered Funding	25%
☒	Expanding Systems/Programs	10%
☒	Other: Multi-jurisdictional cooperation/ coordination, Federal Funding and Programs	5%

*Note: The unpredictable nature of state and federal funding was a common concern among survey respondents. In addition, increasing energy costs tend to increase the demand for public transportation. The increasing energy costs also have impacts on operating systems.

12. What potential threats could be imposed on agencies or local governments by creating a new entity?

- Potential loss of control – level of authority
- Would funding be utilized in the area it was received or be open for membership area?
- Cost to participating stakeholders – potential administration costs
- Increased responsibilities for same staff
- Service providers may have concerns about control/boudaries

13. What would be considered the tipping point to initiate the conversation of creating a new entity?
    - Ultimately, where can saving occur to benefit local communities and multijurisdictional providers?
    - Now – may improve existing multijurisdictional partnerships
    - If the Urban area increases into additional jurisdictions
    - If the MPO dissolves in the new Surface Transportation legislation
    - Changes to formulas for funding
    - If the price of fuel increases substantially
    - As more routes are created that interconnect neighboring jurisdictions
    - If services are started in Giles and Floyd
    - A tipping point is not needed to guide redirection – new revenue options may bring more folks to the table
14. Ideas/position for creating educational opportunities for the public?
    - Socionomics exposure – breakdown the fundamentals of public transportation to encourage ridership. Locations, where to put bus fare, what is a time check, how to request a stop, and other basics.
    - Participate in community weekly/monthly events – provide a staff person and piece of equipment for a demonstration to increase public awareness.
    - Local advertising on radio, newspaper/newsletters, and tv.
    - Student and Faculty listserves.
    - Ride Solutions reach out.
    - Continue to develop TDP's to engage transit service provider/local conversations.
    - Educating local government councils.
    - Educate planning process to the general public.
    - Word of mouth – providing good services and allowing the public to spread the word.
    - Speaking/providing presentations at local community meetings

Section 5 – Plan Recommendations

5.1 Organization Model Recommendation

This study recognizes that there are currently no major issues with the existing organizational methods; however, as the interest in transit grows, a single local government's resources may become limited – unless they desire to be in the business of transit. Furthermore, the New River Valley has two major Universities that make substantial contributions to public transportation systems. Although many routes are intended for student or faculty use, routes are also provided to connect key activity and employment centers that benefit the general public. Because of this important partnership, the stakeholder committee identified that *any* future organizational alternatives need the ability of recognizing all funding partners.

In addition to the feedback provided at committee meetings, stakeholder interviews were conducted on a one-on-one basis. The interviews enabled a broader discussion with service providers (local government, university, or organization) and service operators. Below is a chart that compares the four organizational models in more detail.

2011 Regional Transit Organization Analysis

	Details Checklist	Method of Operation			
		Local Operation	Transportation District	Service District	Regional Authority
Authority	Prepare a transportation plan	Yes	Yes	Yes	Yes
	Construct, acquire, maintain, or operate facilities	Yes	Yes	Yes	Yes
	Enter into agreements or leases	Yes	Yes	Yes	Yes
	Acquire land by purchase, lease, gift, or condemnation	Yes	Yes	Yes	Yes
	Levy and collect transportation service tax	No	No	Yes	Yes
	Limited to Public Transportation	No	Yes	No	No
Composition	Local Government	Yes	Yes	Yes	Yes
	Any Two or More Localities	Yes	Yes	Yes	Yes
	University or College	Yes	No	No	Yes
	Community Organizations or Private Entities	Yes	No	No	Yes
Considerations	Enabling Legislation Required?	No	No	No	Yes
	Multijurisdictional Perspective?	No	Yes	Yes	Yes
	Require establishing a Commission (voting body)?	No	Yes	Yes	Yes

Table 1

Based on the individual interviews and general stakeholder feedback, the creation of a regional entity may be valuable. The creation of a new regional entity would create a few changes in the existing MOU-styled structure of providing transit. Currently, services are funded through a variety of federal, state, and local sources. A new regional entity would have access to all of the same funds, and the local match would shift to the new entity – as opposed to another local government. The creation of a new entity could also enable a broader range of funding sources. Examples in Virginia include:

a) Grantors Tax: levied when property changes hands – could vary in amount each year depending on sales. Example: 40 cents per $100 of property value.

b) Motor Vehicle Rental Tax: levied on motor vehicle rental charges – revenues would vary depending on rental volumes. Example: 2%

c) Transient Occupancy Tax: levied to all lodging receipts – revenue would vary depending on visitation levels and lodging rates. Example: 2%

d) Safety Inspection Fee: amount added to the annual safety inspection fee. Example: $10

e) Sales Tax on Auto Repairs: levied on automobile repair charges – revenue would vary depending on vehicles serviced. Example: 5%

f) New Vehicle Registration: levied on new vehicle registrations – revenue would relate closely with vehicle sales. Example: 1%

g) Regional Registration Fee: levied annually to vehicle registration renewals. Example: $10

h) Motor Fuels Sales Tax: levied when motor fuel is purchased – estimated per capita. Example: 2%

i) Commercial Real Estate Tax: Levied on all commercial properties within the service area. Example: 10 cents per $100 of assessed valuation for commercial property.

j) Commercial/Residential Impact Fee: Set at the discretion of local jurisdictions

k) Property Tax: levied on all personal property taxes. Example 1 cent for every $100 of value.

l) Local Sales Tax: levied on all purchases in the region. Example: 1%

As mentioned earlier, the development of a regional entity could have little impact on funding or authority. However, the alternative governance structure creates substantial opportunities for multiple communities to share resources, better coordinate systems, and potentially create additional funding.

Revenue projections were calculated utilizing the examples implemented in Virginia. The Commissioner of Revenue for each county and city within the region was contacted in order to obtain the latest annual revenue data. Below is a chart that shows

existing revenue by jurisdiction. The chart identifies the amount of funding that could be generated to support transportation initiatives:

2011 Regional Transit Organization Analysis		Jurisdiction				
	Details Checklist	City of Radford	Floyd County	Giles County	Montgomery County	Pulaski County
Annual Revenues by Classification (2008 or Newer Data)	Population	15,142	15,418	16,648	94,392	34,167
	Taxable Property Values	$795,229,090	$1,685,064,100	$1,189,906,800	$7,159,568,600	$2,835,258,000
	Taxable Retail Sales	$70,000,000	$60,000,000	$125,000,000	$900,000,000	$290,000,000
	Real Estate	NR	$437,159	NR	$6,996,211	$1,442,499
	Accomodation	$3,295,708	$875,788	$2,334,232	$14,912,949	$5,883,733
	Repair and Maintenance	$1,972,925	$2,890,531	$2,628,373	$11,503,860	$2,057,069
	Gasoline Stations	$2,446,856	$2,158,817	$3,564,153	$24,604,655	$17,470,127
	Motor Vehicle Parts Dealers	$3,084,926	$1,004,365	$2,717,724	$21,426,976	$5,343,057
	Rental and Leasing Services	$446,041	$337,118	$489,326	$9,856,461	$2,002,145
	Food Services and Drinking Places	$18,106,473	$6,277,195	$11,488,058	$134,735,769	$34,491,474
	Tourism/Visitor Expenditures	$12,986,104	$17,921,421	$21,930,010	$111,192,107	$46,694,735
Potential Funding Projection	Grantors Tax ($.40/100)	NR	$1,749	NR	$27,985	$5,770
	Motor Vehicle Rental Tax (2%)	NR	NR	NR	NR	NR
	Transient Occupancy Tax (2%)	$65,914	$17,516	$46,685	$298,259	$117,675
	Safety Inspection Fee ($10)	$75,710	$77,090	$83,240	$471,960	$170,835
	Sales Tax on Auto Repairs (5%)	$154,246	$50,218	$135,886	$1,071,349	$267,153
	New Vehicle Registration (1%)	$61,400	$67,200	$80,800	$372,000	$151,200
	Regional Registration Fee ($10)	$103,268	$105,151	$113,539	$643,753	$233,019
	Motor Fuels Sales Tax (2%)	$48,937	$43,176	$71,283	$492,093	$349,403
	Commercial Real Estate Tax ($.10/$100)	$99,891	NR	$137,570	$1,234,238	$418,230
	Commercial/Residential Impact Fee	NR	NR	NR	NR	NR
	Propert Tax ($.01/$100)	$79,523	$168,506	$118,991	$715,957	$283,526
	Local Sales Tax (1%)	$700,000	$600,000	$1,250,000	$9,000,000	$2,900,000
	Local Meals Tax (1%)	$129,861	$179,214	$219,300	$1,111,921	$466,947

NR = Not Recorded or the information was not provided with the original request

Table 3

Based on the existing State and Federal Transit Programs, each $10,000 could support 525 hours of service or 10 hours per week/annually in areas within the MPO (assumes $40 per hour operating rate, 50% federal, 2.85% fare box and excludes

capital). For areas outside of the MPO, each $10,000 could support 775 hours of service or 15 hours per week (assumes $40 per hour operating rate, 50% federal, 17% state, 2.85% fare box and excludes capital). The difference in funding is related to the delineation of urban vs. rural funds. The new funding could be used to support existing transportation programs/services or to explore new alternatives.

Major differences in urban vs. rural transit funding lie within capital costs. In the urban areas a 50% federal match is provided for vehicles. Whereas the rural areas receive an 80% federal match along with a 13% state match in funding. For example, a small body on chassis, 20 passenger transit bus, costs $65,000. Urban areas would be responsible for $32,500, while the rural areas would only need $4,550. Depending on new service frequencies, new vehicles and associated equipment may not be needed for every route. A regional entity could own equipment for specific services that could be utilized throughout the participating area.

In addition to purchasing equipment or operating services, the newly generated revenue could also be used to support transportation planning, and investments in other transportation related infrastructure or educational programs. A new regional transportation entity could provide a range of opportunities for the communities in the region.

5.2 Steps for Implementation

The level of authority or precise role of a newly recognized regional entity is unknown; however, study participants conveyed interest in developing a regional resource. Steps for implementing a new regional entity would include:

1. Determining the organizations authority and structure
2. Obtain endorsement from participating partners
3. Obtaining enabling legislation (depending on level of authority)
4. Developing organizational policies such as by-laws
5. Transfer staff and equipment (depending on level of authority)

The initial steps could seem challenging at first; however, there are examples of regional entities in Virginia that could provide implementation guidance. The Thomas Jefferson Planning District Commission recently completed a Charlottesville-Albemarle Regional Transit Authority Plan. The plan identified the following issues that needed resolved prior to initiating the Authority in the Charlottesville area:

- Do the stakeholders want to establish details for cost sharing prior to establishing the Authority?
- Would participating stakeholders accept the cost of providing the new services?
- What topics should be addressed in the Memorandum of Understanding:
    - Composition of Board Members:

    i. Elected officials only?
    ii. Contributing stakeholders only?
    iii. Ex-officio representation for citizens, state and federal partners?
    iv. Can Board Members designate alternates?
    v. What is the term for members?
    vi. Voting – 1/person, 1/jurisdiction, proportional to population, or proportional to contribution to Authority?
- Procedures:
    i. Simple majority vote to approve measures?
    ii. Action items require a vote from each member or stakeholder group?
    iii. How are ties broken?
    iv. What is the frequency of meetings?
- Services:
    i. Where is the new Authority housed/located?
    ii. Is the new Authority a fully independent entity or are services contracted by participating stakeholders?
- Employment and Staffing Needs:
    i. Would current staff be transferred to the Authority?
    ii. Would current staff retain seniority and benefits?
- Cost and Revenue Allocations:
    i. How are costs for providing services allocated to stakeholders?
    ii. How are costs of capital equipment and facilities allocated to stakeholders?
    iii. Can in-kind services fulfill stakeholder funding obligations?
    iv. How are in-kind services valued?
    v. How are revenues received from state and federal programs?
    vi. How are revenues accruing to the Authority allocated?
- How are decisions made that affect planning or implementing new services?
- Provision for expansion or contraction of membership:
    i. Can other entities join the Authority?

ii. What is the procedure for a stakeholder to withdraw from the Authority – how are financial obligations treated?

- Do all issues need to be resolved prior to forming or requesting legislation to authorize the authority?
- What revenue sources should be requested in authorizing legislation?
- Currently, funding for transit programs are distributed to a local government, which has the sole authority to decide how funding is utilized.
    - Are local jurisdictions willing to cede this authority?
    - Are stakeholders willing to continue allocating funds to a new authority?

Once legislation has been approved to create the new Authority, participating stakeholders will need to appoint members to the governing board. The first action should be to create bylaws that address revenues obtained by the authority, procedures for services provided, responsibilities of participating stakeholders, authority activities, and personnel policies. Working committees can be established and assisted by a professional facilitator to resolve issues.

After the bylaws have reached an agreement, each participating stakeholder will need to take formal action to join the Authority. Once membership has been authorized the Authority can be formally implemented.

5.3 Conclusion

Based on the feedback provided by the Stakeholder Committee and individual interviews, a Regional Transit Coordinating Council should be established. Most stakeholders believe that current arrangements meet local needs; however, as public transportation continues to expand a more robust entity will be needed.

A Regional Transit Coordinating Council is recommended as the first step towards creating more dialog across the region. Generally, the new Council would meet on a regular basis to discuss public transportation in the region and serve as a coordinating entity to support local governments, partnering stakeholders, and service providers.

The new Council would be very simple to implement and offers the flexibility needed to include all of the region's existing public transportation partners. The Council would provide a stronger multi-jurisdictional/multi-system perspective than at present. A disadvantage to this approach is that no new revenue sources would be created and that it would strictly be to advise rather than determine policy.

If the recommendation is favorable amongst regional transit partners, the Council may be created through an agreement between interested stakeholders. Below is a list of potential representation for the new Council (additional membership could be added as needed):

- 1 representative from Radford University
- 1 representative from Virginia Tech

- 1 representative from New River Community College
- 1 representative from the Floyd Area
- 1 representative from the Giles Area
- 1 representative from the Montgomery Area
- 1 representative from the Pulaski Area
- 1 representative from the Radford Area
- 1 representative from the Blacksburg Area
- 1 representative from the Christiansburg Area
- 1 representative from the Blacksburg-Christiansburg-Montgomery MPO
- 1 representative from the NRVPDC
- 1 representative from VADRPT
- 1 representative from VDOT
- 1 representative from Blacksburg Transit
- 1 representative from Community Transit
- 1 representative from Pulaski Area Transit
- 1 representative from Valley Metro
- 1 representative from a private transportation related business

The Council could initially be staffed by the New River Valley Planning District Commission, in cooperation with the MPO, utilizing existing programs and resources. Additional funding assistance would be sought through the Virginia Department of Rail and Public Transportation's Technical Assistance Program. Through leadership provided by DRPT, the committee would collaborate to determine improvements to existing resources, interconnectivity of multiple systems and programs, identify supporting facilities, and create a regional transit plan.

REFERENCES

KFH Group, INC, under subcontract to Cambridge Systematics, (December 2009). *Transit Service Plan for City of Radford/Radford University*. 4920 Elm Street, Suite 350, Bethesda, MD 20814. Retrieved from the Virginia Department of Rail and Public Transportation website: http://www.drpt.virginia.gov/default.aspx

Nelson/Nygaard Consulting Associates, under subcontract to Vanasse Hangen Brustlin, Inc, (August 2008). *Charlottesville-Albemarle Regional Transit Authority Plan.* 10 High Street, Suite 903, Boston, MA 02110. Retrieved from the Thomas Jefferson Planning District Commission website: http://www.tjpdc.org/transportation/rta.asp

US Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Highway Statistics. *Our Nation's Highways: 2010, Figure 4-2. Licensed Drivers per 1,000 Residents by State: 2008.* 1200 New Jersey Avenue, SE, Washington, DC 20590.

US Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Highway Statistics. *Our Nation's Highways: 2010, Figure 3-2. Vehicles Per Capita by State: 2008.* 1200 New Jersey Avenue, SE, Washington, DC 20590.