

Chapter 7. Organizational Element

Valley Regional Transit – An Organizational Background

Valley Regional Transit (VRT), the Regional Public Transportation Authority for Ada and Canyon Counties, was created in 1998 to bring public transportation services to residents of the Treasure Valley region. The Treasure Valley (Ada and Canyon Counties) is home to more than 500,000 residents, three-quarters of whom live in one of 14 incorporated communities, of which Boise is the largest with a population over 200,000.

The state of Idaho is projected to be the sixth fastest growing state in the nation over the next 20 years and the Treasure Valley is expected to accommodate much of this population growth. The need to manage continued rapid growth and to maintain high levels of mobility throughout the region is at the heart of ongoing discussions about the quality of life in the Treasure Valley. Currently public transportation service levels are significantly lower than most comparable sized cities due to a lack of dedicated transit funding and limited availability of local funds.

Shortly after its inception, the regional authority took over operation of Boise Urban Stages (“THE BUS”), the city owned transit service for Boise and Garden City. The formation of Valley Regional Transit also brought local bus service in Nampa and Caldwell under its jurisdiction. Private or non-profit providers operate these services under contracts with VRT. Beginning in 2005 all bus service in Ada and Canyon counties will operate under the name ValleyRide. In the fall of 2004, VRT established a new three-year contract with a private service provider to deliver Canyon County and inter-county commuter services.

VRT was formed in large part to coordinate public transportation services throughout the two-county area, including fixed route, rideshare services, park-and-ride, paratransit and other alternatives to the single occupancy vehicle. Over the past five years, VRT has completed a Transportation Development Plan concept service design, a Five-Year Strategic Plan, and a

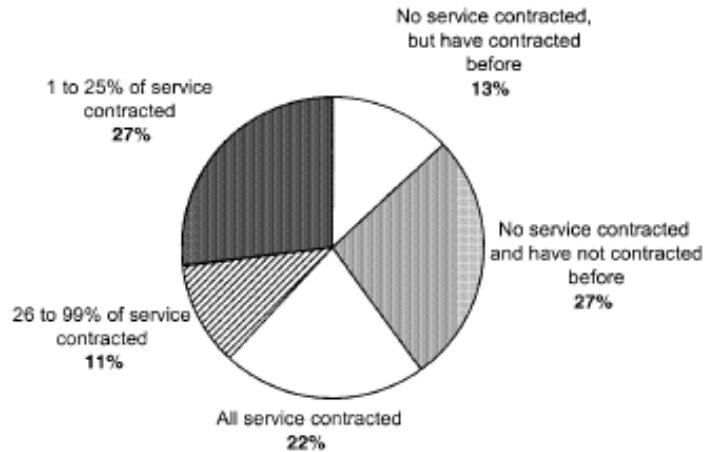
preliminary analysis of a commuter rail corridor. The Regional Operations and Capital Improvement Plan (ROCIP) represents the culmination of this work into short-term and long-term service strategies. The context and history of VRT, from inception through its current development, point to its role as a regional planning and coordination body – a particularly important consideration in determining the optimal organizational structure and service delivery model for the agency.

Overview of this Assessment

This element of the ROCIP examines the impacts of service delivery model options available to Valley Regional Transit (VRT), with specific attention to the question of whether Ada County service provision should be retained as an in-house function or contracted to a private contractor. This review assumes that Canyon County and inter-county services will continue to be contracted for the next three to five years; a contract was established in the fall of 2004 and carries a minimum term of three years with an option to extend.

A number of key factors influence a transit agency's decisions to contract all or some elements of fixed-route and paratransit services. Overall contracting is much more popular for paratransit services than fixed route; however many agencies, particularly mid-sized properties, are moving to contract arrangements for all or a portion of fixed-route services. Figure 7-1 shows the percent of service contracted by US transit properties in 2001:

Figure 7-1 Percent of Service Contracted by US Transit Agencies (2001)



Source: TRB Report: Contracting for Bus and Demand-Response Transit Services

Deciding whether to contract service should be a local decision, as the benefits and downfalls of a contracted service delivery arrangement are highly dependent on local factors and cost drivers such as labor contracts and service area characteristics. This review provides a qualitative analysis of the major tradeoffs facing Valley Regional Transit today and in the future, as it implements the Long-Range Service Plan (see Chapter 4).

Valley Regional Transit Organization

Policy Framework

The Five-Year Strategic Plan describes the agency’s core activities as follows:

Valley Regional Transit is involved in planning public transportation services for the Treasure Valley and is managing and operating services in the Cities of Boise and Garden City.

VRT is responsible for short-range and long-range planning of all public transportation services in the Treasure Valley, including: local bus, intercity and intercounty bus, complementary paratransit, vanpool and carpool, rideshare, park-and-ride and other publicly accessed transportation. Capital facility

development, marketing and public outreach are also part of VRT's core goals in meeting the transportation needs of Treasure Valley residents.

The agency's Mission and Vision statements support these activities:

***Mission** – The mission is to move people throughout the Valley by coordinating and providing convenient public transportation services.*

***Vision** – We envision a Treasure Valley where people have access to transportation choices that meet their personal and business needs and support a livable and healthy community.*

An effective organizational strategy for VRT must examine the impacts of alternative service delivery models on the agency's ability to meet its strategic Mission and Goals. Additionally, it should ensure that VRT aligns itself with the most current and effective business practices in the industry.

The VRT Mission statement, developed through a recent strategic planning process, recognizes the agency's charter to manage and administer public transportation services of all types throughout the Treasure Valley. While the Mission statement does recognize service provision as an element of the agency charter, it also emphasizes its role in coordinating a broad range of available transportation services throughout the region. Under current organizational arrangements, a large percentage of VRT staff time is allocated to the management and operations of fixed-route and paratransit services in Boise and Garden City. Through the ROCIP process, a number of regional stakeholders have expressed a concern that in-house operation of Boise fixed-route and paratransit services has negatively impacted the agency's regional charter and created an inequitable focus on these elements of the regional system.

While VRT's current organizational structure does not directly conflict with the Mission and Vision statements, it does hinder the agency's ability to achieve its charter – to plan and administer a fully integrated, regional public transportation system. Specifically, the in-house operation of Boise/Garden City local services leads to:

- **Reactive management** – Day-to-day management of a transit system requires staff capacity to respond to ever changing and rapidly developing operational issues as well as effective long-term planning and monitoring. ValleyRide Boise service operations management functions are understaffed, causing workflow from fixed-route and paratransit operations to ripple back through administrative staff functions, often landing as high up as the Executive Director.
- **Lack of clear definition between short-range and long-range functions:** VRT’s inability to fully staff operations management functions are due in part to funding constraints, but are also caused by a very limited qualified labor pool in the local area. A constant shifting of responsibilities between staff leads to ambiguous or confusing job descriptions and creates a conflict between short-range planning and management responsibilities and the agency’s long-range planning and coordination function. Inevitably, immediate short-range issues end up consuming staff time, leading to neglect of long-range planning and regional coordination responsibilities.
- **Insufficient monitoring of services:** Monitoring of public transportation services of all types in the Treasure Valley is an import function of VRT’s planning and administrative departments. Currently very little performance measurement occurs outside of the required FTA Section 15 data collection and processing and almost none in relation to other alternatives, such as rideshare, that do not require federal reporting. VRT plans to develop and adopt a new performance measurement system after the completion of the ROCIP.

The organizational policy issues addressed in this review are summarized in the question, “How can VRT modify or improve its organizational structure to address these issues and effectively meet its adopted Mission and Vision statements?”

Organizational Structure

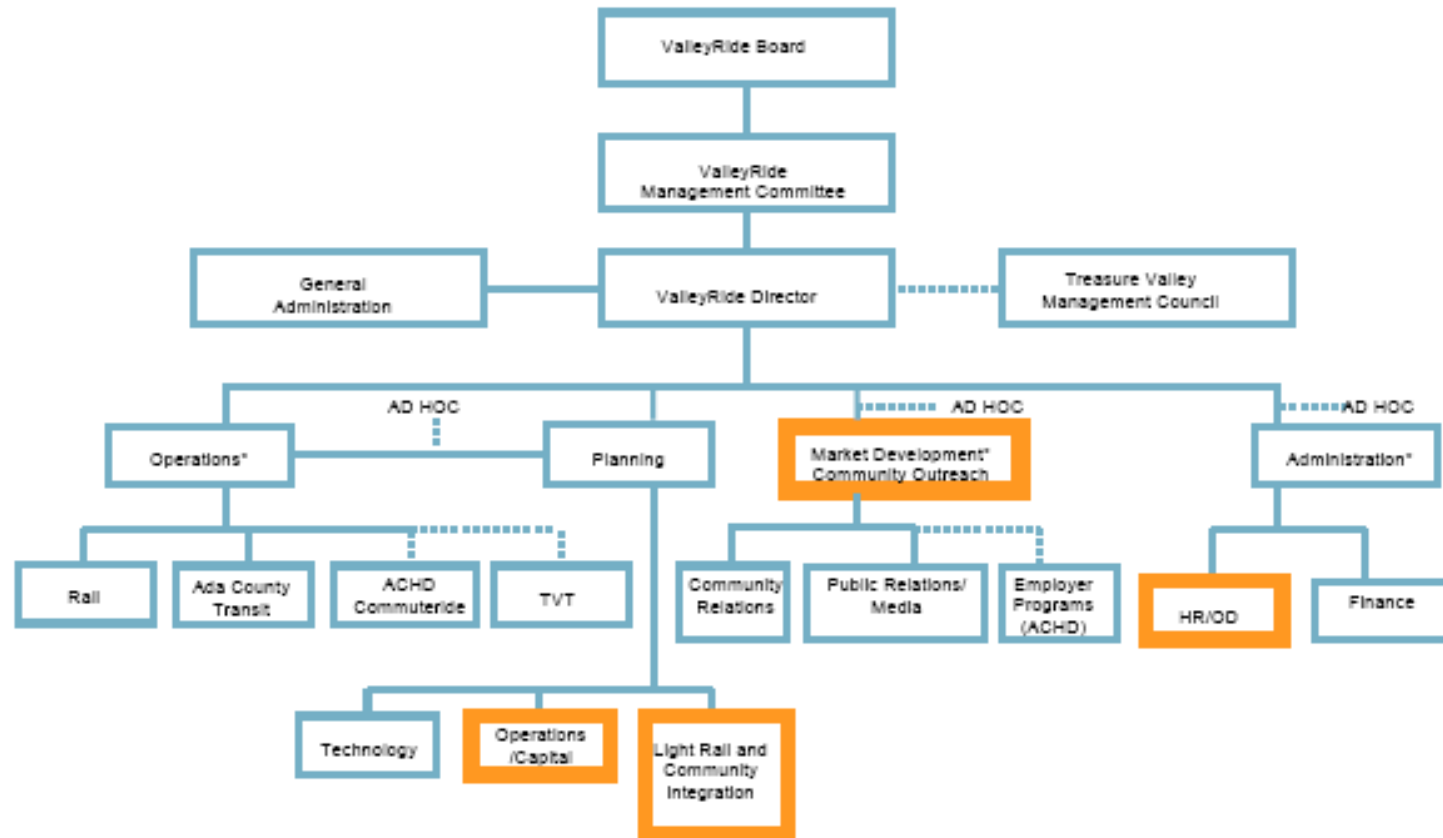
Valley Regional Transit’s current organizational structure is illustrated in Figure 7-2. This figure is taken from the Five-Year Strategic Plan; several of the

recommended positions have been created and filled, including the Community Outreach position. Primary functional responsibilities lie in four areas:

- Operations, which is intended to focus on the delivery of multiple services through an integrated system of delivery methods;
- Planning, which focuses on service planning and programming, technology, and land use coordination;
- Market Development and Community Outreach, which leads marketing and outreach efforts and responds to customer concerns; and
- Administration, which includes centralized human resources and finance.

VRT's organizational structure is designed to provide an effective framework for developing overall public transportation policy, managing a broad range of resources and overseeing the provision of coordinated services. Final policy direction is provided by the Valley Regional Transit Board of Directors, which is comprised of elected officials from service area jurisdictions. Due to the large size of the Board, a Management Committee is in place to handle minor policy decisions and carry forward recommendations to the full Board. The management committee meets more regularly than the full board, which convenes just four to five times per year. The Valley Transit Advisory Council (VRTAC), consisting of service area provider staff, the Director, and the administrative staff, reports to the Board and the Board Management Committee.

Figure 7-2 Organizational Structure



LEGEND

- * Self-Managed Teams
- Partner Collaborator Relationship
- Position to be Created

Source: VRT Five-Year Strategic Plan, 2002. CH2M HILL.

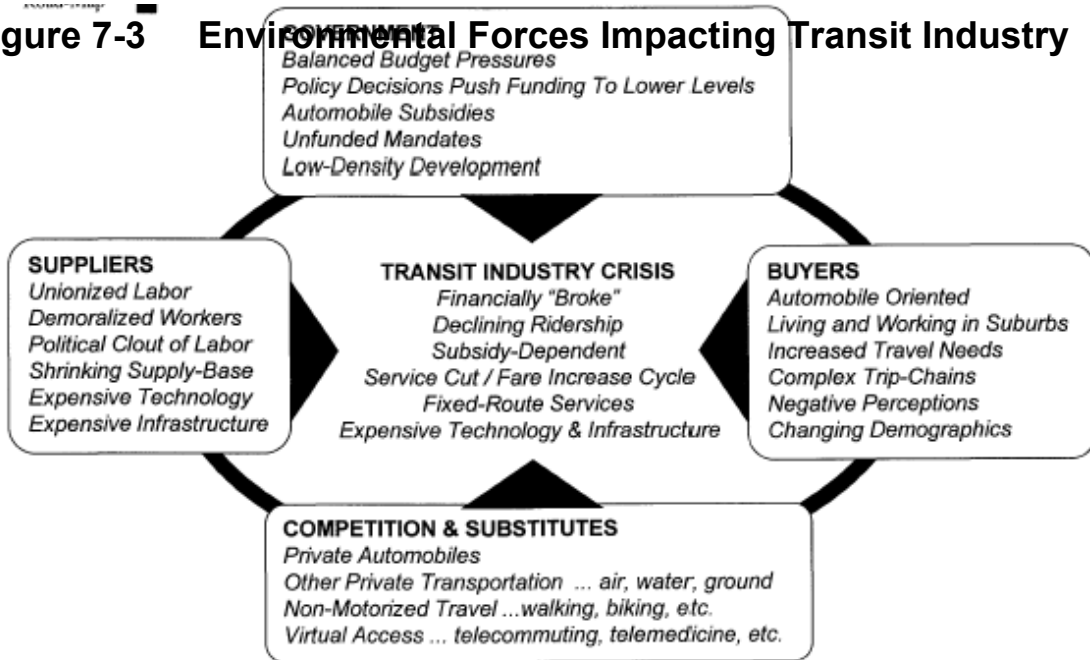
State of the Public Transportation Industry – Focus on Organization

A review of transit industry practices over the last 30 years shows a slow rate of response to changing business practices and technological advancements, often resulting from the influence of labor contracts. A recent series of studies by the Transit Cooperative Research Program on the evolution of business practices in the transit industry reveals that:

There is mounting interest in shifting the 40-year-old mission and focus of transit organizations from traditional operation of services and assets, to managing mobility on behalf of customers, irrespective of whose assets are being used. – TCRP In Pursuit of New Paradigms

Figure 7-3 provides an excellent summary of the major environmental factors influencing transit providers. Most of the “crisis” factors described in the center of the diagram can be applied to Valley Regional Transit (VRT), including: unstable finances with a strong dependence on local subsidies, stagnant ridership levels, cyclical service cuts, and a strong focus on traditional fixed-route bus service.

Figure 7-3 Environmental Forces Impacting Transit Industry



Source: Transit Cooperative Research Program - Research Results Digest. Creating a New Future for Public Transportation. April 1998 – Number 4.

In part, the 1998 formation of a Regional Public Transportation Authority was a response by regional policy makers to a growing recognition of the need to manage growth and to preserve quality of life in the Treasure Valley. Smart growth projects, such as the *Treasure Valley Futures Project*, recognize the need to link growth management strategies with investment in transit and other alternatives to the single occupancy vehicle. There is, however, a big difference between implementing a successful multimodal transportation system and merely providing lip service to the issue.

The TCRP New Paradigm Project looks at opportunities for public transit providers to become customer-focused, mission driven agencies that respond to real market needs rather than simply complying with institutional norms. The overarching shift in business practices outlined in the study calls for a shift

Source: Transit Cooperative Research Program - Research Results Digest. Creating a New Future for Public Transportation. April 1998 – Number 4.

... of simply providing capacity. Several key characteristics of “traditional” transit organization and monitoring include:

- Direct operation by local government or single-purpose agencies, independent of other travel modes.
- Service focus on utilizing capacity of owned assets – usually 35- to 40-foot buses operating on fixed routes and schedules.
- Highly centralized management, with persistent cost-revenue squeeze and relatively inflexible labor-management relations.
- Performance measured by “outputs” of public investment, minimizing “outcomes” or quality of customer experience.

- Slow adaptation to technological advancements.

The New Paradigms Project proposes six elements for change that lead to more effective and customer-responsive organizational foci for public transportation agencies. Figure 7-4 below identifies and briefly discusses each.

Figure 7-4 Six Change Areas Leading to New Paradigm for Transit

Change Area	Scope of Change
Mission Shift	A change in the strategic mission of the organization from a “provider of capacity” and “an operator of owned assets” to a “manager of mobility,” regardless of whose assets might be used to provide capacity.
Customer Focus	A change in the measures of success from service outputs to measures of quality of the customer experience and outcomes of service investment and use across the community.
Collaboration	An expansion of sustained relations and communications across modes, agencies, organizations, and jurisdictions with responsibility for mobility and community quality of life.
Integration	An expansion of formal and informal arrangements that integrate facilities, equipment, systems, services, functions and resources across agencies and organizations (resource sharing)
Information Technology	Introduction of state-of-the-art information technologies to support customer focus and integration across organizations – that is, universal fare media, real time on-street customer information, shared dispatching and scheduling services, etc...
Organization Structure	Introduction of new or altered functions, business units, skills, support systems, and so forth to support the new strategic mission.

Summarized from: Transit Cooperative Research Program - Research Results Digest. Creating a New Future for Public Transportation. April 1998 – Number 4.

The mission of Valley Regional Transit is “...to move people throughout the Valley by coordinating and providing convenient public transportation services” with the purpose of providing “access to transportation choices...” to “support a livable and healthy community.” The Strategic Planning process completed by VRT in 2002 provides an explicit groundwork for the type of mission shift identified in the table above, focusing VRT’s activity in a mobility management role across the two-county region. As noted, however, issues of staff capacity and reactive management have hindered and will be a major barrier to the realization of the adopted Mission and Vision.

VRT's ability to create a stronger customer focus and to develop a more integrated, collaborative regional system is dependent on the implementation of an organizational structure that supports its strategic mission. Service plan recommendations stemming from the Regional Operations and Capital Improvement Plan encourage VRT to improve regional coordination and pursue opportunities to share costs and resources. For example, the plan recommends that VRT encourage major institutional paratransit consumers to provide their own client transportation services with fleet or operating support from VRT. While this type of cost sharing program is emblematic of the type of coordinated, fiscally responsible program development called for in the Strategic Plan, it is questionable whether the organization currently has the capacity to implement and monitor such a program.

A Shifting Market

A key focus of the TCRP New Paradigms Project is to help build capacity within transit agencies to respond more directly to customer needs. Changes in the national economy, job sectors strength and demographics have altered peoples travel needs dramatically over the last decade. Perhaps the most significant economic trend impacting public transportation is the shift to a service based economy. In the Treasure Valley and throughout the United States, resource and manufacturing based economies have transformed to economies based on the delivery of services, including an increasing number of low-wage retail, hospitality and customer service/support jobs. This trend has a number of implications for regional travel and public transportation, which are described in Figure 7-5.

Figure 7-5 Implications of Service Based Economy

Facts	Implications
73% growth in service jobs nationally, 1970-1990; 2% growth in manufacturing	The most rapidly growing job market cannot be served effectively with traditional transit routes, schedules and service hours
72% of civilian employees are in the services sector	Traditional transit services do not provide convenient access to typical service employment sites
Retail trade expected to replace manufacturing as second largest employment category	Traditional transit services do not adequately cover typical service job hours and schedules
Service sector job growth is diffused/dispersed, not concentrated	The most rapidly growing job market cannot be served effectively with traditional transit
Service businesses tend to be smaller in size	Diffused travel demand and less concentrated trip-making reduces the efficiency of traditional transit services
In more densely developed old or urban areas, the effect on travel behavior of the shift to a service- oriented economy may be less pronounced	Density and development mix continue to support traditional transit systems and sources
Service sector requires both highly paid "knowledge" workers and low paid "support" workers, resulting in a growing wage gap	The traditional low-income transit dependent population will grow and require service
70% of service workers are not in well-paid jobs	Service-oriented job access will be diffused/dispersed

Summarized From: TCRP Report 28, Appendix C.

Rapid suburban development in Western Ada County and in Canyon County accentuates a number of these issues. As described in the figure above, a broader geographical and temporal distribution of travel needs makes traditional fixed-route transit services, which focus high capacity at peak hours, less effective. An important long-term organizational goal for Valley Regional Transit should be to build the capacity to develop or coordinate a broader range of flexible, low-capacity services as well as to create effective high-capacity corridor service. More importantly, the agency needs to establish a strong land use policy function to provide proactive coordination with regional

land use and transportation agencies. This function will be a crucial driver of transit productivity and cost effectiveness over the long term.

Benefits and Costs of Service Delivery Models

This section examines the benefits and costs of two service delivery models for Ada County: (1) continued in-house operations and management; and (2) transitioning to a contract service management model. While the primary focus of this analysis is on Ada County services, many of the same principles apply to other elements of the Valley Regional Transit system, including Canyon County local services and intercounty commute services.

Figure 7-6 Cost and Benefits of Service Delivery Models

In-House Model		Contracted Service	
Benefits	Costs/Disincentives	Benefits	Costs/Disincentives
<p>More direct control over operations</p> <p>More efficient coordination of marketing, outreach and service provision functions</p> <p>Wage, benefits and labor agreements maintained for new operators as well as existing</p> <p>Direct control over driver training and safety procedures</p>	<p>Likely to have higher operating costs over long-term</p> <p>Difficult to find and retain qualified operations management staff</p> <p>Ops management continues to be time burden for administrative staff & compromise other strategic priorities</p> <p>Ongoing labor negotiations are drain on staff resources</p> <p>Labor relations can limit ability to adapt to changing market conditions</p> <p>Inability to quickly add staff and capital resources necessary for large service increases expected in the Long Range Plan</p>	<p>Creates competition & more efficient ops management (may lead to slightly lower per hour costs)</p> <p>Contractors bring extensive operations experience</p> <p>Contractors bring institutional management practices and monitoring systems</p> <p>Allows staff to focus on planning and monitoring functions</p> <p>Allows for development of monetary penalties/ incentives for performance & service quality</p> <p>Provides more clarity in administrative staff positions and increases capacity of long-term planning functions</p> <p>Increased flexibility to change or add services</p>	<p>Agency has less direct control over customer service</p> <p>May require some duplication of staffing (or higher staffing levels) for contract and service performance monitoring</p> <p>Less flexibility to respond directly to customer concerns about services or operators</p> <p>Labor agreement protections can create disincentive for bidders</p>

The following paragraphs provide more detailed discussion of key issues related to service delivery model selection and tie each issue to local considerations relevant to VRT.

Cost Efficiency

There is a common perception in the transit industry that contracted service delivery leads to significant cost savings for transit providers, particularly those that have unionized labor. A 2001 survey conducted by the Transportation Research Board showed that two of the top three reasons that agencies chose to contract services were to *improve cost-efficiency* and *reduce costs*. While some agencies may see cost reductions, these benefits typically apply only to agencies that do not operate under union labor contracts or have institutionally contracted services. Union agreements and Federal 13c regulations typically minimize costs benefits of transitioning from an in-house service delivery model to a contract operation. In the short-term it is questionable whether Valley Regional Transit would achieve any cost benefits by contracting the delivery of Boise fixed-route and paratransit services. It is possible that given the fragmented staff responsibilities in operations management, a contractor could manage and provide these services at a lower cost. It is impossible to know until a RFP is released and contractor bids are received. The bottom-line for a mid-sized agency with unionized in-house labor under Section 13c protections, such as VRT, is that cost effectiveness alone is not a sufficient reason to consider a change to contracted service delivery.

Service Quality

The impact of contracting on service quality is a heavily debated issue. In a survey of General Managers from around the United States conducted by the Transportation Research Board, service quality was not cited as a significant issue when switching from in-house to contract service delivery. Of the over 100 General Managers who responded to the survey, a slightly higher number experienced service quality improvements than saw degradation in this area.¹

¹ Transportation Research Board Report: *Contracting for Bus and Demand-Response Transit Services*.

On related issues, GM's were relatively ambivalent about changes in staff time demands and employee moral. While employee retention at the operator level has been good at VRT, the agency has experienced difficulties staffing higher-level operations management positions. Hiring a private provider with national experience can provide the benefit of drawing on a broader pool of transit operations management expertise that is often unavailable in a smaller metropolitan area. Most major contract service providers can bring experienced operations management staff from other comparable sized operations. Existing operator wages, benefits and labor agreements would remain unchanged as required by Section 13(c) provisions if VRT were to transition from in-house operations to a turnkey management contract. It is unlikely, therefore, that switching to a contract provider would increase driver turnover or have a measurable impact on professionalism or service quality.

Labor Management and Labor Productivity

General Managers surveyed in the TRB study indicated that labor management relations typically improved or remained the same under a contract service delivery model. Likewise, labor productivity often increased under a turnkey contract. Institutionalized management practices and experience operations management provided by contract service providers are the primary reasons for improvement in these areas. While Valley Regional Transit has been in existence for less than five years, it has struggled to develop and maintain consistent labor management relations and staffing. FTA Section 13(c) labor protection statutes, described below, limit the impact of a service model shift on labor relations.

FTA Section 13(c) Labor Protection

Section 13(c) is the labor protection provision of the Federal Transit Act that applies to all transit properties that receive federal transit funding. Section 13(c) generally requires, as a precondition to a grant of federal assistance by the Federal Transit Administration (FTA), that fair and equitable protective arrangements must be made by the grantee to protect employees affected by such assistance. The statute requires that provisions addressing five specific matters be included in such protective arrangements:

- (1) The preservation of rights, privileges, and benefits under existing collective bargaining agreements;
- (2) The continuation of collective bargaining rights;
- (3) The protection of employees against a worsening of their positions with respect to their employment;
- (4) Assurances of employment to employees of acquired mass transportation systems and priority of reemployment for employees terminated or laid off; and
- (5) Paid training or retraining programs.²

Valley Regional Transit operator and maintenance employees' wages, benefits and working conditions are developed under the collective bargaining agreement negotiated with Amalgamated Transit Union, AFL-CIO, Local Union 398. All unionized employees are protected by statutory requirements of Section 13(c) under a specific agreement between VRT and the ATU Local 398. Were VRT to transition to a contract service delivery model, the new arrangement would need to maintain the union contract either under VRT or the new contract operator. The contract operator would have to offer jobs to existing drivers at same wage rates, benefits, and under the same labor agreements.

Service Levels and Amount of Service

A desire to increase service levels by lowering operational costs is often a key reason to contract services. However, this will not be a consideration for Valley Regional Transit, at least in the short-term. Operator wages and benefits, the major cost drivers of transit operations, are not likely to change if VRT contracts the management of Ada County services. This means that a contract delivery model will not produce lower operating costs necessary to leverage more service within available operating resources. As stated above, as the agency implements new services, the contractor's flexibility to hire new

² Transit Cooperative Research Program, Legal Research Digest. *Transit Labor Protection - A Guide to Section 13c Federal Transit Act*. June 1995 – Number 4.

operators at non-union rates may allow for more cost effective service delivery and therefore a greater return in on-street service per unit of investment.

Responsiveness To Service Growth

The ROCIP Long Range Service Plan sets forth Low- and High-Growth Scenarios for service expansion over the next six-years. The two scenarios, which are dependent on a new regional funding authority, represent a service increase of roughly 250 percent to 500 percent over existing operations. Even at the lower level of expansion, this would require significant additional administrative, management and operations staff. If a regional funding authority is approved, the implementation of these new services will likely happen over the course of just a few years. Hiring well-trained and experienced staff to fill management and operations supervisory positions has been a challenge for Valley Regional Transit, even in periods of no growth. Hiring to fill a number of new positions from within the local labor pool would be a significant challenge. Contract management companies have the advantage of pulling experienced career track managers from other locations to fill new openings or providing long-term career advancement incentives to attract staff from a national market.

One of VRT's five strategic priorities is to develop a Rail Strategy, achieved in part through the ROCIP Long Range Service Plan, which includes a commuter rail (or other high-capacity service) from Nampa to Boise. Once again, it will be important that the agency have the capacity to contract for the management and operations of any new start rail project, since it requires a unique set of skills and expertise. Likewise, VRT may wish to contract other service components of the Long Range Service Plan under separate contracts.

Facility Location

Decisions to contract or retain in-house services will have an impact on capital planning to accommodate growth in operations and administrative staff as well as fleet maintenance and storage. The centralization of Valley Regional Transit's administrative headquarters in Meridian sends a positive message regarding the agency's charter as a regional coordinating and planning body. Under the current in-house service delivery model it does, however, create

communication and logistical issues between administrative and operations staff. A single facility housing administration, maintenance and operations could lead to cost savings and service quality improvements should VRT choose to keep Boise area services in house. In Whatcom County, Washington the local transit agency reported annual savings of over \$300,000 after consolidating from several separate facilities to single Maintenance, Operations and Administrative Base (MOAB). Under a turnkey contract these savings would not apply and it would make sense for VRT Administration to keep their offices in a location central to the region, such as Meridian.

Recommendations

Valley Regional Transit has established a solid organizational framework through development of its Strategic Plan and has successfully implemented several of the resulting capacity development recommendations. The agency is wisely structured to build and sustain partnerships at every opportunity with customer service as the focal point. However, its capacity to build these partnerships and work collaboratively with the host of transportation providers and land use planning agencies throughout the region is compromised by a reactive focus on operating local fixed-route and paratransit services in Boise and Garden City. Additionally, key strategic priorities such as developing sustainable regional funding are hampered by the day-to-day management related to running a bus system.

Organizational recommendations focus on creating the capacity for VRT to achieve it's primary strategic objectives and are organized in two categories: (1) Organization and Service Delivery and (2) Governance.

Organization and Service Delivery

This section presents recommendations related to the organization and staffing of Valley Regional Transit's four key service components.

- **Retain Planning, Market Development and Community Outreach, and Administrative support functions in house.** These three elements of

VRT's organization should remain in house functions. Specific staff capacity development recommendations include:

- *Develop contract management and monitoring capacity.* This capacity could be added under current VRT Planning and Administrative staff. Contract administration is an Administrative function, while performance monitoring should be handled primarily by Planning staff. Staff will be responsible for the development and monitoring of clear performance measures that are responsive to the seven Guiding Principles set forth in the Strategic Plan. These staff will also be responsible for the enforcement of performance incentives and penalties associated with service management and operations contracts.
- *Create Long-Term Service Planning and Coordinator position.* This staff position would require 0.5 to 1.0 FTE and would focus on funding strategy development, Long Range Service Plan implementation and local and regional service coordination.
- *Create Land Use – Transportation Coordinator position.* This staff position would require 0.5 FTE and could be combined with the long-term planning position listed above. This position would focus on: (1) land-use review for new development to ensure that transit facility and operations needs are accounted for and (2) coordinated land use planning required to ensure that VRT's long term service investments are complemented by transit supportive land use regulations and zoning codes.
- **Maintain turnkey contract service arrangement for Nampa County and intercounty services.** VRT signed a new contract with a private service provider to deliver these services through 2008. This contract should be monitored and reviewed at the end of its term.
- **Develop Request for Proposal, Solicit Bids and Select Contractor to provide Service Management and Operations of Paratransit and Fixed Route services in Ada County.** VRT should develop a Request for Proposal for contract management and operations of Boise and Garden

City fixed-route and paratransit services. A clause could be included to allow the contractor to handle any expansion services in Ada County. The RFP should be especially sensitive to labor agreements and be reviewed carefully by someone with expertise in FTA Section 13(c) labor protection statutes. Before moving ahead, VRT will need to confirm that there is enough incentive for contractors to bid to operate services given Section 13(c) labor requirements. This could be achieved by interviewing representatives from several of the major contract management companies in the United States.

- **Plan for organizational and staffing capacity required to support long-term Service Plan.** VRT should evaluate staffing ratios per unit of service for all administrative support functions and plan for capacity increases relative to projected service increases defined in the Long Range Service Plan.

Governance

This report presents two key recommendations relate to the governance structure of Valley Regional Transit, both of which are intended to strengthen the agency's effectiveness as a regional coordinating body:

- **Strengthen role of the Valley Regional Transit Advisory Council (VRTAC).** VRT's governance structure, discussed in the Strategic Plan, identifies a key role for the Advisory Council (representatives of regional providers) in forwarding regional planning and coordination goals. The Strategic Plan states that the VRTAC will provide a mechanism to, "*...co-develop operational policy and procedures, seek efficiencies and optimization of existing services, collaborate on development of new services, and create the real meaning of Valley Regional Transit through extraordinary customer focus.*"

The VRTAC has been formed and has met regularly over the last year; however, the group has been ineffective, due in part to a perception that VRT planning efforts are inequitably focused on Boise area services. The contract manager for the new Canyon County service provider should be added to this group and regular meetings should continue with a

renewed focus. The VRTAC should report directly to the Board Management Committee on items included in its annual Action Plan (see below).

- **Develop annual action plan for VRTAC:** VRT should develop an annual meeting schedule and action plan for the VRTAC. A focus on top priority goals from the Strategic Plan and the ROCIP implementation plan would be a primary focus for this group. The VRTAC should also play a key role in the achievement of VRT's top strategic priority – securing new funding through a regional authority. The annual Action Plan will lay out goals and strategies to be completed by the Council or “cross-business operational teams” composed of staff members from various provider organizations.

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