



CHAPTER X

Coordination Strategies

INTRODUCTION

The basis for any transit coordination plan is careful consideration of the realistic strategies. Financial plans and management options can then be developed to support the planned coordination. Each coordination strategy must be evaluated using the cost-to-benefit analysis and must meet state and federal requirements. Any strategy which does not end in a positive financial benefit or improved mobility to the community or does not meet state and federal requirements should not be considered for implementation. The following discussion presents the potential transit coordination strategies for the Fort Belknap Reservation and surrounding communities. The first section of this chapter presents the federal and state requirements for coordination of human service transportation under the new SAFETEA-LU law.

FEDERAL REQUIREMENT AND SUPPORT FOR COORDINATION

SAFETEA-LU includes a requirement that any funding for projects under the Federal Transit Administration (FTA) Section 5310 program, the Jobs Access Reverse Commute (JARC) program, and the New Freedoms program must be based on a local coordinated transportation plan. Some of the human services transportation providers in the study area may be eligible for funding under the Section 5310 program while some of the enhanced services discussed in the chapter may be eligible for funding under the JARC or New Freedoms program. Without support of a local coordinated transportation plan, these activities will not be eligible for funding under these specific federal programs.

FTA has developed information for communities to use in the creation of coordination efforts to meet the federal rules. Federal support for coordination of transportation programs is primarily provided under the United We Ride (UWR) program. United We Ride is an interagency federal initiative that supports states and their localities in developing coordinated human service delivery systems. The UWR

program and coordination of transportation services is supported at the highest levels of the federal government. Coordination efforts have been directed by Presidential Executive Order in February 2004 which formed the Transportation Coordinating Council on Access and Mobility.

The UWR program provides both technical support and funding through state coordination grants. These grants can be used to assist states in: conducting a comprehensive state assessment using the UWR Framework for Action; developing a comprehensive state action plan for coordinating human service transportation; or for those states with an existing comprehensive state action plan, grants can be used for implementing one or more of the elements identified within the Framework for Action.¹

MDT COORDINATION REQUIREMENT

Based on SAFETEA-LU, the State of Montana and the Montana Department of Transportation (MDT) are requiring that each region within the state have a single coordinated transportation agency through which all grants will be processed. Each region will only have one transit grant for capital and one transit grant for operating funding for all 5310, 5311, New Freedoms, and TransADE funding. This creates the minimum requirement or standard for coordination efforts. Any coordination strategy must result in a single grant for operation and a single grant for capital in the region. The following coordination strategies each result in a single grant for the study area, but have different processes that the individual agencies will go through in order to develop the grant and possess different levels of complexity in the implementation and design of the coordination strategy.

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Basic Coordination Strategies

Basic coordination strategies are the most obvious and easily attainable opportunities. These can usually be implemented without significant cost or administrative effort, and are the loosest forms of coordination presented in this chapter.

¹ Federal Transit Administration at http://www.fta.dot.gov/legal/federal_register/2004/12174_15861_ENG_HTML.htm.

The basic coordination strategies presented in this section can serve as the foundation for more extensive forms of coordination in the future. These coordination efforts can help bring the different transportation agencies together without forcing any of them to lose control over their operations or significantly alter the service they provide.

There are four basic coordination strategies available to the transportation providers in the study area:

- Conducting joint transportation provider meetings.
- Creating joint public relations and marketing materials.
- Coordinating between agencies for servicing different trips purposes.
- Writing a single MDT grant for capital and operating funds.

At the most basic level, these efforts are designed to bring the transportation providers together to share information. Meeting on a regular schedule for developing public relations will help facilitate the public transportation service providers working together. Efforts to coordinate the services will bring the transportation providers together on operational issues.

Even with these basic coordination strategies, there are activities capable of matching different levels of commitment. The opportunity to undertake a coordination effort at the lowest level of commitment creates a very low barrier to participation, thereby making it easier to gain broad support from the transportation providers. The participating agencies can also continue to take steps toward improving their coordination without altering the nature of their efforts. This will enable coordination to develop as support grows.

Based on the SAFETEA-LU regulations, the basic coordination strategies are viable. However, the basic coordination strategies may not meet the criteria of MDT, since MDT has stated that each region will have one agency that will receive the MDT funds. This will increase the complexity of the coordination efforts without an intergovernmental agreement (IGA).

Formal Coordination Strategies

A formal coordination strategy would create a process wherein all of the region's transit providers could better communicate with each other. The process would be based on formal procedures and a formal agreement between the agencies.

There are five formal coordination strategies available to the transportation providers in the study area:

- Conducting joint transportation provider meetings.
- Creating joint public relations and marketing materials.
- Creating a brokerage/single dispatching center for all trips in the region.
- Writing a single grant to MDT for capital and operating funds.
- Creating an IGA for sharing capital, maintenance, and operational responsibilities.

Brokerage/Central Dispatching

The creation of a brokerage agency would enable all of the transportation providers to closely coordinate their services while retaining their own services and identities. A brokerage agency could be developed separately or as part of an existing agency. The central function of the brokerage agency would be to operate a central reservation and dispatch center for all of the regions services. Potential riders could call one toll-free phone number and have the ability to make a reservation or receive information on any transit service in the region. With the acquisition of reservation software, the lead agency could direct individuals in need of rides to the most appropriate service and provide agencies with the most efficient routes of travel. This scenario could develop out of the shared informational phone line described in the basic coordination section.

The ability of a brokerage agency to effectively manage reservations and dispatch vehicles for multiple services will require the purchase and implementation of reservation and dispatch software. This software will be necessary for the brokerage agency to administer trips



for multiple agencies with minimal staff. The performance of the reservation software will be further enhanced by the installation of mobile data terminals (MDT)

and automatic vehicle location systems (AVL). These pieces of hardware would enable drivers and dispatchers to communicate essential information.

The ability of a group of transportation providers to create a brokerage or to coordinate under a lead agency is improved if an agency with the necessary experience and existing infrastructure is able to assume the role of lead agency.

The lead agency will not only gain the responsibility of managing reservations and dispatching, it will also be responsible for reporting the activities of the brokerage service to member agencies as well as various federal, state, and local agencies. The creation of a brokerage agency will also require the lead agency to contract with all member agencies to explicitly state what services will be provided at what costs. This can be done in the IGA that spells out the responsible of each agency or transportation provider in the region.

The primary costs associated with creating a coordinated public transportation system under this strategy are related to the software, hardware, and staff requirements of implementing the reservation and dispatch center. A geographic information system (GIS)-based reservation and dispatch software system can be a considerable investment. An accurate cost estimate is difficult to determine for such a system because each software package is custom built to the needs and resources of individual clients.

Additionally, existing staff from one of the transit agencies would need to be supplemented and reorganized to handle reservation and dispatch responsibilities for all of the transportation providers. One full-time (40 hours per week) dispatcher could provide service eight hours per day, five days per week. The cost of employing one dispatcher would depend on the pay scale and benefits of the agency, but assuming a base full-time salary of \$17,000 plus a 40 percent benefit markup would result in total annual staffing costs of approximately \$23,800 for this scenario. These costs for equipment and staff would be shared by all participating agencies. The local share of the total costs may be reduced through federal capital and operating grants, such as Sections 5310 and 5311 grants, and other funding

sources, such as the Community Transportation Association of America and Easter Seals.

Although there are significant costs associated with initiating coordination under a brokerage agency, there are numerous benefits to such a technologically-advanced coordination effort. A central reservation system relying on reservation and dispatch software will increase the efficiency of the total system by spreading trips among the providers and helping each agency to optimize their service area. Additionally, it will make the system easier to use for riders and more responsive to their needs. Since demand for transportation services exceeds the capacity of current services, these gains in efficiency will enable the system to meet more of the demand. Although this may limit the ability of efficiency gains to reduce the number of vehicles operating in the region, increasing ridership may result in a lower cost per trip and a reduction in the distance traveled per trip. Sharing reservation and dispatch service also has the potential to reduce the per-agency cost of managing their service by eliminating duplication of administrative services.

Many other communities have been moving to a brokerage style of coordination. For example, the State of Georgia implemented a brokerage system which resulted in better coordination between human services agencies and transit providers. This coordination created a more efficient use of transportation resources and increased access throughout the state.²

Although there is the potential to benefit both riders and agencies, this form of coordination is not likely in the near future. Both the costs associated with a central reservation and dispatch center and the reliance of all providers on a single agency for their daily administration will make it difficult to attract agencies to this scenario before broader support for coordination has been created.

Common Brochure

This common marketing material would distill the information into a brochure designed for broad distribution to potential users. Additionally, a common bro-

² United We Ride at www.unitedweride.gov?Brokerage_Brochure.doc.

chure may pave the way for other marketing opportunities. The creation of a common brochure will require making numerous decisions about what information will be included and how it will be presented. Many transportation providers, especially larger transit agencies, spend considerable time and resources in cultivating marketing strategies. It may be difficult to get multiple agencies with unique identities, especially agencies providing similar services and competing for the same market, to agree on common marketing materials.

An agency, or a small number of staff from different agencies, would need to take responsibility for the work of producing the brochure. The agency that is responsible for the production of the resource manual would already have the information required to produce the brochure. Additional meetings of agency representatives may be required to garner an agreement of the general purpose and design of the brochure.

The cost of a common brochure is variable based on decisions about the quality of printing and level of distribution. Since this brochure would be created for the express purpose of marketing county transportation services to potential riders, it would likely require higher quality printing than the resource manual and have a wider distribution. The design of a common brochure would require more time than the resource manual. Once again, the cost of a common brochure distributed over all participating agencies would reduce the cost the individual cost for each agency.

Once a common brochure has been created, it will be possible to create a common website to post this information. A website can serve both as a marketing tool and as a warehouse of information for potential riders. The design of the site could reflect the common brochure, but it could also provide access to all of the information available in the resource manual.

Intergovernmental Agreement (IGA)

An IGA is created by the participating agencies and transportation providers in order to document each party's responsibilities. The IGA will specify which agencies and/or programs will be responsible for dispatching, vehicle maintenance,

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operations, reporting, marketing, administration, and levels of local matching funds. Each agency still operates as an independent transportation provider, but their funding and capital would be passed through the particular agency that the participating agencies agreed on to be the grantee for the region.

Combined Region Grant

Once the IGA is completed and approved by the participating agencies' councils and/or boards, the grantee agency would write the combined capital and operating grants for the MDT funding. The grant funding would be passed through to the other participating agencies in the IGA.

Lead Agency Coordination Strategies

The lead agency coordination strategies shift the operational and administrative functions to one agency in order to improve the region's transportation services. By eliminating duplication between the transportation providers and by centralizing the dispatching and reservations, an economy of scale would be created for the delivery of transportation services which would meet the MDT requirement. An IGA or contract would need to be created in order to document the shift of local agency funding to the lead agency for local match requirements (for MDT funding of capital and operations).

There are two lead agency coordination strategies available to the transportation providers in the study area:

- Conducting joint transportation provider meetings.
- Creating an IGA for developing a lead agency.

Before any IGA is created, the agencies would need to meet and work out the details of level of service, operational functions, administrative oversight, ownership of capital assets, level of marketing, policy manuals, and communication back to the parties in the IGA. There is also the need to determine if a board consisting of the participating agencies needs to be created, and the level of oversight that this board would have on the lead agency's operation and maintenance of the region's transportation services.

The lead agency would be responsible for all operation services in the region, maintenance of all vehicles, marketing, administration activities, dispatching, grant writing, and supplying the local match funding for the capital and operations. There is a significant level of complexity in the development of this strategy. Therefore, the participating agencies would need to have a sufficient amount of time to plan the many details of this strategy. The capital (vehicle and equipment) would be owned by the lead agency. Over time, the lead agency would become the region's single transit system provider. The IGA would not only specify the funding level that each participating agency would provide, but would also specify the level of transit service that the lead agency would be required to provide to each participating agency.

SUMMARY

All three levels of coordination strategies could be implemented depending on whether the MDT approves the preferred levels of coordination strategies. Based on the information in this chapter, the LSC team and the TAC members have reviewed and developed preferred coordination strategies. These strategies are presented in Chapter XIV of this report.