



# TRANSIT DEVELOPMENT AND IMPLEMENTATION PLAN FOR VALDOSTA URBANIZED AREA

Service Delivery Options

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## 1.0 Introduction

The purpose of this technical memorandum is to present options by which the Valdosta-Lowndes urbanized area can govern and deliver public transit services. This memorandum first presents, as background, an overview of key elements associated with the management of transit systems. The purpose of this background information is to inform the local community regarding what is involved in operating service. Next, governance options which entail the mechanism by which the policies and operations of the transit service will be established and overseen. The entity governing the system is the body that is legally and financially responsible for the system. Finally, various mechanisms for delivering service on the street will be examined. These mechanisms address the day-to-day delivery of service in all its aspects.

## 2.0 Overview of Transit System Management

This section provides a basic description of the organizational functions needed to manage an on-going transit operation. The purpose of this description is to provide background information as a way to aid the Valdosta-Lowndes community discussion about the governance and delivery of transit services (to be discussed below).

The operation of transit service requires a number of diverse skills that need to come together in a coordinated way. There are three basic areas of responsibility within most transit operations that would be applicable to the Valdosta system. They are:

1. Finance and Administration
2. Planning and Marketing
3. Operations

These functions, explained below, obviously need to be coordinated by an overall transit manager to ensure that all facets of the organization are working in harmony.

### 2.1 *Finance and Administration*

This function provides the administrative support for the transit system by being generally responsible for procurement, grants, accounting and human resources. This grouping of duties has responsibility to:

- Annual budget development and monitoring
- Accounting of payroll and benefits
- Counting and deposit of passenger fares—both those collected on the vehicles as well as those pre-paid (such as through agreements with institutions and monthly passes, for example).
- Risk Management including claim settlements from vehicular and passenger accidents as well as workers' compensation incidents.
- Procurement which can range from the purchase of materials and supplies to services. Materials and supplies typically involve vehicle parts and fuel but can also include more sundry items such as office supplies. Services include any outside repairs that can't be handled by the transit operator but also would include accounting, consulting, and printing services too.
- Process invoices for service and supplies
- Seek grant funding outside of regional funding source
- Become the designated recipient for transit funds in Valdosta
- Assure compliance with all relevant requirements for grants and financial activities.
- Communicating clearly financial decisions and outcomes
- Audits as required
- Ensure that the hiring and termination of system employees is handled according to law. This includes ensuring compliance with drug and alcohol testing. Some transit systems require criminal record background checks as well as verification of proper licensing (namely commercial driver's licenses which can be earned during driver training).

- Legal services including routine matters such as contract review and monitoring of interlocal agreements as well as settlement of any claims brought to the operation.

## 2.2 *Planning / Marketing*

This area is responsible for shaping the image and the services of the transit operation. It is the place where the public expectations and needs are developed into a form that can be implemented by the Operations unit (see below). The Planning / Marketing function should be responsible for marketing, ridesharing programs, call center development and operation, planning, and service scheduling.

In a small organization, such as the Valdosta system, it is important to keep planning and marketing functions closely coordinated. In larger organizations they can become separate, but often lose focus that way. Keeping planning and marketing together enhances the ability of the organization to quickly identify and respond to market needs.

Marketing includes advertising and promotion of the system as well as providing customer information through a call center and public information (via print media and web sites). A call center is a mechanism by which riders can obtain bus schedule information as well as make "how to ride" inquiries by telephone. The call center function can also be recipients of service complaints (e.g., late service, discourteous drivers, and unsafe operations). Having the call center and planning functions together provides an opportunity for the Valdosta transit planners to get direct input from system users about the effectiveness of service.

The Planning /Marketing function includes:

- Developing services (such as fixed routes, general public demand response service, ridesharing, vanpools) and determining the resources for each
- Developing schedules for service – to use in contract documents and for public timetables
- Working with Finance and Administration to procure desired services
- Developing and maintaining a public identity for the system (brand, image, marketing materials)
- Structuring and operating a call center or web based system for transit services
- Developing the ADA demand response services and structure. This will include making decisions about how the service should be structured, how to coordinate with human services providers, how to involve current or new providers in the proposed significant expansion of general public demand response service
- Development and monitoring of service standards for services. It will be important to work with the Operations Department in this effort. This will include establishing system governing body supported service standards, developing data collection requirements to be included in contracts for service and monitoring performance.
- Assisting the transit system in external outreach.
- Developing a process for continual review of services using input from the field, data, call center input and expectations of the community.

## 2.3 *Operations*

The Operations function is responsible for implementing the services developed by the Planning group and, depending on the service delivery method, procured through the Finance/Administration group. The operations unit is responsible for what the public sees on the street. Operation's main role is to make sure that the services are delivered according to the parameters that are identified through the service standards. This includes the level and amount of service as well as service quality. Service quality includes on-time performance, vehicle condition, and driver courteously. In any operation, there are always day-to-day issues that need to be dealt with to maintain service on the street. Some of these issues include accidents investigation and traffic congestion that might inhibit the reliability of service as well as customer disputes and absentee personnel to name a few.

Operations could oversee either contract operators or in house personnel. Activities in Operations include:

- If services are contracted with a third party, operations would ensure contractor service delivery meets standards through on-street monitoring and data review. Typically, the contract with the actual operator will specify service delivery standards.
- If services are operated in house, operations would be responsible for the hiring and training of personnel. Drivers would be the largest employee group. New drivers can require at least 80 hours of training—both classroom and on the road.
- Provide dispatch functions. Dispatchers make sure service gets on the street and is a communications conduit to address problems on the street. This can including calling public safety personnel to handle accidents and similar issues that may affect the service.
- Provide road supervision. Road supervisors are actually on the street and provide personal attention to the service by monitoring on-time performance, managing (in deference to law enforcement authorities) accident scenes, as well as resolve customer disputes, controlling on street operations in the event of unusual occurrences such as non-transit accidents and public service emergencies including road closures.
- Working with Planning / Marketing in improving services. This includes assisting in the evaluation of poorly performing routes as well as developing new services.
- Providing input to Finance / Administration on contract terms including driver conduct, schedule adherence, and vehicle condition and appearance.
- Ensuring that vehicles and passenger facilities (such as stops and shelters) are properly maintained and present a positive image to both the general public and riders.

#### 2.4 *Managing the System*

The above three functional areas can be handled either, in whole or part, by dedicated staff or can be parceled out to existing departments and personnel within a municipality. As the initial transit system in the Valdosta-Lowndes area will be modest in size, many of the above functions do not necessarily warrant full time staff dedicated exclusively to the system. For example, the Finance and Administration with the Planning and Marketing functions might be shared with existing municipal departments. An existing human resource department could handle most hiring and termination aspects required of transit employees. Similarly, the finance department could conceivably handle many of the finance functions. A municipal fleet management department could oversee vehicle and facility maintenance. Depending on what entity will govern the operation, an assessment of the workloads and skill sets of the host entity can be made to determine the need for additional staff. Sometimes these departments may need minimal staff to augment their broader municipal duties. Other times, new staff may be needed. It is beyond the scope of this memorandum to make that assessment.

#### 3.0 **Governing Options**

A first step in setting up a new transit operation will be to determine a governance structure. In this context, governance refers to the entity that will be ultimately responsible for the provision of transit service and, consequently, is financially and legally responsible for the service. Such an entity decides, among other things, the routes the service operates, how much fare is charged to riders, the location of bus stops and passenger amenities (such as shelters and benches for riders waiting for the bus), system policies, the capital and operating budgets of the system, as well as authorizes the submittal of grants and decides on how service is actually provided on the street. There are four basic types of governance models in use in the State of Georgia.

Table 1 presents various governing structures currently in use in Georgia. Four basic “models” currently in use in Georgia are:

1. Transit Authority
2. Department within City Government

3. Department within County Government
4. Department within a City-County Unified Government

Another possible mechanism is to have a regional planning organization, such as a Metropolitan Planning Organization (MPO) be the governing body of the system. There are currently no examples of an MPO operating a transit system in Georgia. However, according to South Georgia Regional Development Center (SGRDC) staff, the Southwest Georgia Regional Development Center (which is not an MPO) operates a rural system.

### **3.1 Transit Authority**

As seen again in Table 1, there are four examples of transit authorities in Georgia. Two of these are located in metropolitan Atlanta. Transit authorities are autonomous organizations with their own governing bodies and straddle multiple jurisdictions. In many ways, they are units of governments not unlike cities and counties. In Georgia, the creation of an authority requires an act of the legislature. Authorities have broad powers and can be recipients of tax revenues. In Atlanta, MARTA receives sales tax revenue while the remaining authorities utilize property tax revenues. Authorities will typically appoint a chief executive officer of the organization who, in turn, would be responsible for hiring and managing subordinate staff.

The advantage of the transit authority model is that transit service can extend beyond city and county boundaries. As the needs for transit are not necessarily confined to a specific jurisdiction, the ability to serve multiple areas can be of benefit to riders. Further, transit authorities are governed by a board which is dedicated to that organization. In this way, the governing body can be singularly focused on transit. This is contrasted with the other governing models in which the legislative bodies of cities and counties have a broader set of challenges to oversee.

Table 1: Common Transit System Governance Used in Georgia

Administrative Structure	Agency	City / County	General Requirements
Transit Authority	MARTA	Atlanta	<ul style="list-style-type: none"> <li>• Metropolitan Atlanta Rapid Transit Authority Act, 1965.</li> <li>• MARTA Act subsequently approved in four counties and the City of Atlanta.</li> <li>• Macon-Bibb County Transit Authority formed in 1980 by an act of the Georgia legislature.</li> <li>• GRTA created in 1999 by Georgia legislature. GRTA has the authority to approve region's transportation plan, to overrule local land-use decisions, to require municipal contributions to regional transportation projects and to acquire existing &amp; implement new transportation systems.</li> <li>• Savannah Transit Authority created in 1961 by state legislature. The adoption by the County Commissioners of a local ordinance creating a special district was the triggering mechanism to officially establish Chatham Area Transit Authority. Upon adoption of the local ordinance, Savannah Transit Authority ceased to exist and the Chatham Area Transit Authority officially came into existence in 1987.</li> </ul>
	Macon Transit Authority	Macon	
	Chatham Area Transit Authority	Savannah	
	Georgia Regional Transit Authority	Atlanta	

Table continued

Source: Grice and Associates

*Table continued*

Administrative Structure	Agency	City / County	General Requirements
Department within City Government	Augusta Public Transit	Augusta	<ul style="list-style-type: none"> <li>• Approval by City Council.</li> <li>• Hall Area Transit serves the City of Gainesville as well as Hall County.</li> </ul>
	METRA	Columbus	
	Albany Transit System	Albany	
	Rome Transit Department	Rome	
	Hall Area Transit	Gainesville	
Department within County Government	Gwinnett County Transit	Gwinnett County	<ul style="list-style-type: none"> <li>• Approval by County Commission.</li> </ul>
	Cobb Community Transit	Cobb County	
	CTRAN	Clayton County	
Department within City-County Unified Government	Athens Transit System	Athens	<ul style="list-style-type: none"> <li>• Approval by Unified Government Commission.</li> </ul>

*Source: Grice and Associates*



The disadvantage of the transit authority is that it takes an act of the state legislature to create the authority. Further, boards will be comprised of representatives from jurisdictions within the authority's geographic area. Some of these jurisdictions may have little or no service yet will have votes that affect the parts of the authority that do have service. A kind of internal balancing of interests would be needed. The composition of the board can influence the challenge in balancing competing interests.

### **3.2 Municipal Department**

The remaining three governing models are similar in that they are departments as part of a larger governmental body. In Georgia (as seen again in Table 1) there are five examples of city department systems, three county department systems, and one system that is a part of a unified city-county government. All are governed by the respective entity's elected legislative body (e.g., city council or county commission) and usually are overseen by an executive of that municipality. That executive can be a mayor, city manager or county manager. The transit system may either report directly to the executive or be under another department. For example, a city public works department may have a transit operation under its auspices. As a municipal department, the transit function will consume support services including finance and administration as well as planning as described above.

The advantage of a municipal department is that the governing of the service can be tailored to the area in which service is provided. This model matches the people who use the service with the people who have to financially support it. Another advantage is that most of the functions within a municipality can be adapted to support the transit operation. There could be certain economies to scale by having an existing human resource department, for example, handle the hiring of transit system personnel or an existing procurement department executing a solicitation to hire a private contractor to operate the service.

The disadvantages of the municipal model include:

- The governing body of the municipality has a number of priorities. Typically, transit may need to compete with these priorities.
- Services that need to be provided may go beyond the jurisdiction's boundaries. This could be overcome with interlocal agreements that provide funding and operating authority for such services. For the Valdosta area, service to Moody Air Force Base (a major local employer) would be beyond City boundaries and the funding and operation of that extension would need to be addressed.

#### *Metropolitan Planning Organization: Variant of Municipal Department*

A variation of the municipal department model is having the service based at an MPO. No MPO in Georgia plays the role of a transit operator. In the Valdosta-Lowndes area, the MPO would be the SGRDC. In many ways, the organizational concept would be similar to a municipal department except that the service area would be the MPO region.

The advantages and disadvantages in having the MPO as the provider are similar to the ones identified for the municipal option. An additional challenge would be the balancing the traditional role of an MPO with the management style of transit operations. The mission of many MPOs is to do regional planning. An on-going operation, while not out of the question for any given MPO, is distinct from this mission. The skills set for planning involves data collection and analysis, consensus building, and administration of governmental programs. Transit operations are more day-to-day, immediate in nature and running on spontaneous action with a more "command and control" form of management. Though an MPO can create the structure to include a purely operational mission, the question for the Valdosta-Lowndes area is whether that is a desired role for the MPO to play.

### 3.3 Evaluation of Options

This evaluates the above governance models. The evaluation assumes the desire to have service on the street no later than the spring of 2010 (approximately one year from this writing). Thus, the assessment of options is made in that context.

The key factors to consider in deciding upon a governing model include:

- *Geographic scope of the service*—which attempts to balance the location of potential users with those that are expected to financially support the system.
- *Complexity of the operation*—relating to the need for focus and specialization of the governing body on transit issues. The more complex the transit operation, the greater the justification for a more specialized the governing body to oversee the service.
- *Contribution of financial resources*—the number and type of partners that are to fund the initial service plan can dictate the appropriate governing model. Some financial partners may insist on a significant say in how service is delivered.
- *Time to implement the governing option*—how much time is required to implement the option in comparison to when the service needs to begin operation. It is assumed that transit operations are desired to be underway in the spring of 2010.
- *Access to skills needed to operate and manage service*—which model provides the skills necessary for a successful operation.

Table 2 presents an assessment of the previous model using these factors for the expected service in the Valdosta-Lowndes urbanized area. The City-County model is not evaluated since the area does not operate under that form of government. For the purposes of this evaluation, the authority model is assumed to include jurisdictions in addition to those located in Lowndes County as well as the county itself.

As seen in Table 2, a three level rating system is used to evaluate the various governance options. The ratings range from “fair” where a given criterion is addressed but perhaps not the best fit. This compares with the highest level shown as an “excellent” rating where a criterion is dead on applicable. The ratings in the table are discussed below.

*Geographic Scope*—as seen in Table 2 the city model is rated as “excellent” if the users and primary payers of the service are closely matched. At this time, planning calls for most of the new system to be within the Valdosta city limits, though some services go beyond city boundaries and serves county areas. The county model is rated “good” as its geographic scope covers both the city and some of those outlying areas (such as Moody Air Force Base) that could be served by a start-up system. The authority and MPO models receive the lowest rating because if, the context of starting service by spring 2010, geographically, they are the broadest areas—most of which would not receive the initial service.

**Table 2: Assessment of Governing Models for Valdosta Urbanized Area for Spring 2010 Implementation**

Factor	Governing Model			
	Authority	City Department	County Department	MPO Department
Geographic Scope				
Complexity				
Contribution of Financial Resources				
Implementation Time				
Available Skills				
Overall Rating				

**Rating factors:**

Fair		Good		Excellent	
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*Complexity*—this relates to the need for specialization given the likely size of the Valdosta-Lowndes area system. Currently plans indicate a start-up system with less than 10 vehicles. That is a fairly simple operation. Thus, regional based models are “fair” because there is less of a need for a specialized governance structure. The City is rated “excellent” since most of the system and users are likely to be wholly within city limits. The county is in between with a “good” rating.

*Contribution of Financial Resources*—in the time for implementation of the new system (by spring 2010) it is assumed that most of the local funding for the initial system will come from the City of Valdosta. Though the Valdosta Technical College, Valdosta State University, and South Georgia Medical Center have expressed interest in supporting the new system, no other funding partners appear to be emerging. It is uncertain whether Lowndes County will decide to contribute to the operation of the initial service. As such, the governance of the system as city department seems to match the user population most directly with the people paying for the service. In the short term, the authority, MPO, and county models would likely rely on contributions from the City of Valdosta. If the county contributes financially to the initial system, this rating should be reexamined accordingly. Similarly, if an authority model is implemented with an authority wide funding source, then the authority would similarly need to be re-rated higher.

*Time to Implement*—the City model receives an “excellent” rating because it would have most of the initial service. Thus, as one political entity, there is more political homogeneity than there would likely be with the other governance models. For the opposite reasons, the authority and MPO models rated “fair.” The authority model would require the State to authorize the formation of the organization as well as some kind of approval from jurisdictions that would fall within the authority. As the fall of 2009 is the earliest time for the legislature to consider an authority for the Valdosta-Lowndes area, it would be very difficult to implement a service by the spring 2010 under the authority model. The MPO would also, through its board, need a variety of communities to

approve of the setting up the system. Both of these situations present a more complex organizational task and would likely take longer to work out. The county, though a singular entity, may have more diversified interests to balance (such as the rural and urban interests) to arrive at a consensus on creating a system. Thought not impossible, with more constituencies to address in a system formation effort, the more time it will take to work through those various issues.

*Available skills*—the city and county models each receive an “excellent” rating. Each unit of government has the necessary departments and basic skills to manage a transit system. They both have finance and administration functions as well as functions that could support operations (e.g., a fleet maintenance unit), planning and marketing as well (both units have a public information function). The Authority model would need to create those skills. The MPO has many of the necessary administrative, planning, and marketing skills, but does not have a fleet maintenance capability.

*Overall Rating*—based on the predominance of ratings for all of the criteria, a city based governance system is recommended. The MPO would be a less likely choice as its primary mission is planning and does not have the readily available operational infrastructure in place. If the initial service is contracted out to a third party operator, the need for the MPO to have such an operational infrastructure would become much less of an issue. As a long term strategy, the authority model should be re-evaluated.

#### 4.0 Service Delivery Options

Service delivery options refer to the mechanism by which the transit operation is placed on the street. Mainly, this is an operations management function but could include the remaining functions described in section 2.0 above. There are four basic operating management options in setting up a transit operation:

1. Direct Governmental management and operation (also called an “in-house” operation).
2. Contracted management, but with governmental owned personnel and assets (a combination of an “in-house” and contracted operation).
3. Turnkey, contracted operation with all necessary personnel and assets supplied by a third party entity (typically a private for profit firm but also could be non-profit agency).

##### 4.1 *Direct Governmental Management and Operation*

Under this option, a governmental unit would hire a transit manager and all necessary employees. Equipment, primarily vehicles, would be acquired and operated by the municipal entity as well. In essence, the transit system would be a municipal department as is public safety or community development. The advantage of direct operation is that the municipal entity would have control over the quality of the transit operation. The governmental entity could see to it that its standards of performance are made part of the operation. There would be no misunderstanding on the part of the transit operator as to the municipal entity's expectations. Another advantage could be in improving the productivity of certain municipal functions such as fleet maintenance. More vehicles and mechanics may allow functions now done out-of-house to be done in-house.

A disadvantage in direct operation is the challenge in hiring expert personnel to manage the operation. This could potentially increase the cost of service. Further, transit personnel (especially drivers) tend to be unionized though this might not be an issue in Georgia. This could add an additional challenge to municipal entity's management in administering labor contracts. Finally, assuming an operation in house would require the review of city standard operating procedures to ensure they can support the operation as well as comply with federal funding requirements (such as drug and alcohol testing, procurement regulations, etc.).

##### 4.2 *Contract Management*

Contract management would involve the municipal entity hiring a firm to manage the system. Personnel and equipment are usually employed by the entity. Firms specializing in transit management have access to experienced personnel and can draw upon expertise that is often needed, but too expensive for the municipal entity to obtain on its own. For example, federal government reports, labor issues, and operating

issues have a unique nomenclature. Management firms are well versed in these issues and may respond more effectively than a single transit manager hired by the municipal entity.

A disadvantage is that contract management may be higher in cost than a lone manager. Further, the entity still has issues relating to driver personnel and the potential for unionization.

#### **4.3 Turnkey Operation**

A turnkey operation involves the governing entity hiring an outside organization to set up, run, and manage the transit system. Typically, a private firm would provide such a service. However, another public or non-profit organization could also be a contractor. An example would be using the school district to operate services.

With a turnkey, full responsibility of the operation rests with the contractor. Much of the operational, marketing, financial/administration functions described in section 2.0 above could be handled by an outside organization. The governing entity would need to provide less support than with a direct governmental operation. The governing entity would competitively acquire the services of such a firm or organization. Through the procurement process, the governing entity could ensure high accountability and attention to service quality; presumably companies wanting the service would be inspired to do a good job and keep prices down. Costs and innovation may be superior with an outside entity that has a stake in the successful operation of the service. Further, a contracted operation may limit the municipal entity's exposure to federal labor protection regulations (which would come with the receipt of federal transit funds). These regulations, commonly referred to as "Section 13(c),"<sup>1</sup> can place high financial burdens upon the municipal entity. In short, if the governing entity made efficiency improvements in its operation and eliminated transit jobs, then the entity would have to pay affected personnel full wages and benefits for up to six years. A competitive process in acquiring transit operations could successfully avoid such a situation. A disadvantage is that there would still need to be some city oversight.

While a turnkey operation would relieve the governing entity of many of the functions stated in section 2.0 above, the entity would need to provide some oversight. For example, the entity would likely want to retain control of the budgeting process and grant management. The entity would also need to monitor on-street operations to ensure the contractor is in compliance with contract standards. The entity should also audit vehicle maintenance to ensure vehicles are being properly maintained. Finally, the planning of routes and other services might be best left with the governing entity. The turnkey operator should be held accountable for all human resource related issues to its employees, maintenance of vehicles, could undertake some marketing in the way of a call center and the printing and distribution of information, any other aspect associated with the day-to-day management of the system.

Table 3 summarizes these options.

#### **4.4 Considerations in Selecting a Delivery Method**

No one delivery option is inherently better than another. All options are used throughout the country and within Georgia. These issues can be considered in deciding on a method:

- *Burden on governing entity*--As the transit operation will need the operational and administrative support described in section 2.0 above there will be a burden on existing staff and facilities. These points should be reviewed:
  - Can the entity's administrative departments handle the additional work load if the service were operated in house?
  - If the operation were to be in-house<sup>2</sup>, does the fleet services department have capacity to store and maintain the new vehicles?
  - Is the finance department prepared to handle revenue collected on the vehicles?

<sup>1</sup> The labor protection is now Section 5333 under SAFETEA-LU.

<sup>2</sup> For the purposes of this discussion, in-house operation includes both the "direct" operation as well as contracted management options. The contracted management would be similar to the direct option except the transit manager would not be a city employee.

- *Expertise*—various grant and operational requirements have federal regulations that may be new to the governing entity. The regulatory aspects are voluminous and, at first, can be daunting. In addition, maintaining transit vehicles usually incur high mileage and need frequent cleaning. Does the entity want to take this on and, potentially, address a learning curve?
- *Re-evaluation of service delivery*—addresses how easily it would be to make minor or major changes to how service is delivered.
- *Relative cost*—when taking into account impacts on entity staff and facilities, is an in-house or turnkey operations less expensive?
- *Service quality*—which basic delivery method (in house or turnkey) would ensure the best adherence to desired service standards?

#### 4.5 *Managing the Valdosta-Lowndes*

No matter how the functional areas above are executed (whether direct operations, contract management, or turnkey), it will be necessary, at a minimum, for a full time transit manager to be appointed to coordinate the various functions as described above in section 2.0. Appendix A of this technical memorandum presents a sample job description for such an individual. Under contracted operations, a transit planner might also be assigned to work with the system as well. Depending on workloads, this person could be full time but share duties with other departments. Under direct operations, all of the staff functions in section 2.0 would need to be handled either, or in combination with, existing staff or newly hired staff. This would include a transit manager, planning staff, as well as operational and administrative personnel. Thus, turnkey operations require less staffing on the part of the governing entity than either of the two other methods which could require a full staff of existing and/or new personnel.

Table 3: System Management Options

Option	Definition	Advantages	Disadvantages
<b>Direct Governmental Operation</b>	Government hires a transit manager, all necessary employees, acquires all equipment, primarily vehicles.	<ul style="list-style-type: none"> <li>• Direct control over the quality of the services provided.</li> <li>• Potential “economies to scale” with other governmental functions by pooling resources such as vehicle maintenance.</li> <li>• Avoid overhead and profit costs associated with an outside vendor.</li> </ul>	<ul style="list-style-type: none"> <li>• Challenge in hiring a manager experienced in transit operations.</li> <li>• Potential for unionized workforce.</li> <li>• Potential liability of federal labor protection regulations.</li> <li>• Potentially “politicizes” service decisions.</li> </ul>
<b>Contract Management</b>	Government hires a firm to manage the system. Personnel and equipment are supplied by the City.	<ul style="list-style-type: none"> <li>• Obtain needed expertise on a contract basis.</li> <li>• Have a potential “bench” of management talent and other expertise.</li> <li>• Maintain the advantages of the “direct governmental operation” method.</li> </ul>	<ul style="list-style-type: none"> <li>• Can be a higher cost than a manager hired directly by the governmental entity.</li> <li>• Retain some of the disadvantages of the direct governmental operations option.</li> </ul>
<b>Turnkey Operations</b>	A turnkey operation involves the government hiring an outside organization to set up, run, and manage the transit system. The government might have title to the buses, but the operator would bring in all other assets (e.g., office equipment, garage, tools, etc.).	<ul style="list-style-type: none"> <li>• Potentially provides governmental with an easy easier task to make changes.</li> <li>• Diminishes federal labor protection regulations.</li> <li>• Effective in keeping costs down through periodic procurement.</li> <li>• Potential for deeper resources and a more specialized pool of managerial talent.</li> <li>• “De-politicizes” service decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Would be somewhat dependent on the expertise of the operator for service decisions.</li> <li>• Does not avoid dedicating staff to overseeing the operation.</li> <li>• Diminished day-to-day control of service quality.</li> </ul>

## 5.0 Recommendation

The Transit Steering Committee selected the Metropolitan Planning Organization variant of Municipal Department governance. The SGRDC will be responsible for the governance of the transit system. The Transit Steering Committee understands the limitations of this governance model and the creation of an Authority or other entity will be explored within three years. The Transit Steering Committee will be transformed into transit advisory committee to the MPO and RDC boards.

The MPO would then oversee service delivery. The turnkey operating model will be used. A turnkey operation will involve the MPO hiring an outside organization to set up, run, and manage the transit system. At least one MPO staff person will be hired to provide oversight of the contracted operations.



**Appendix A: Sample Transit Manager Job Description**

POSITION DESCRIPTION

POSITION: Transit Manager

DATE:

INCUMBENT:

WRITTEN BY:

DEPARTMENT: TBA

REPORTS TO: TBA

POSITION PURPOSE:

Under direction, the position of Transit Manager oversees the City's transit operation including, but not limited to, the planning, management, marketing, and monitoring of transit services. The incumbent is responsible for coordinating grant preparation and compliance, public outreach and coordination, transit direct and/or contract operations procurement and oversight.

ESSENTIAL FUNCTIONS:

1. Must possess considerable knowledge of the principles of business finance to participate in the identification, formation and administration of transit services and associated contracts. (Daily)
2. Must possess working knowledge of planning and public administration to manage the organization and operational activities for transit programs. (Daily)
3. Extensive and responsible experience to be able to lead in transit service and planning projects; serve as a liaison between the transit operation and other City departments and outside agencies. (Daily)
4. Ability to review transit operation and marketing proposals and recommend action. (Weekly/Monthly)
5. Must be able to communicate in English language, both in oral and written form with the general public and other staff members, using proper grammar, punctuation and spelling. (Daily)
6. Ability to effectively use computer technology in the preparation of studies, reports and presentations, including word processing and spreadsheets. (Daily)
7. Ability to organize and prioritize workloads and delegate responsibilities. (Daily)
8. Ability to exercise independent judgment in evaluating completeness and accuracy of reports and programs related to business finance. (Daily)
9. Excellent interpersonal skills to establish professional relationships with contractors, citizen and student groups, attorneys, City officials, state employees, lenders, community leaders and others in order to carry out job functions. (Daily)
10. Strong presentation and creative writing skills with the ability to prepare visual aids and make public presentations in a competent and professional manner. (Weekly)
11. Physical ability to board buses and navigate the City's transit operation. (Weekly)
12. Ability to read and interpret maps. (Daily)
13. Must possess and maintain a valid Kansas driver's license. (Daily)
14. Ability to work, as necessary, evenings and weekends.

NATURE AND SCOPE:

The Transit Manager reports to the Director of \_\_\_\_\_, who reports to the City Manager.

The \_\_\_\_\_ Department of the City of \_\_\_\_\_ is one of \_\_\_\_ departments under the City Manager's Office. The Department includes \_\_\_\_\_, which are located in City Hall.

The Transit Manager works with minimum supervision. The position is responsible for providing administrative oversight to transit management, marketing and operations. Activities include working with public and private partners who are involved in transit services, researching grant possibilities to support these activities and administration of transit programs. An important aspect of this position is to organize and attain community support and participation to achieve program objectives.

The incumbent acts as a facilitator to assist in the completion and/or delivery of transit projects and services. Duties may include action as a liaison between business and social service interests and City Departments to ensure projects are completed in a timely manner. The position is also responsible to research and coordinate grant

applications to assist in transit capital and operating projects and administer those projects if grant funds are awarded.

Performance in this position can be measured by the quality of transit services provided, the ability to foster positive relationships with private and public sector participants and the ability to successfully manage relationships with key funding sources.

Challenges to the position will include balancing the numerous interests of public and private partners to create projects that address community needs.

**PRINCIPAL ACCOUNTABILITIES:**

General duties and responsibilities assigned to the Transit Manager:

1. Supervises all transit service and capital activities including preparation of service and marketing plans and agreements.
2. Demonstrates effective leadership in coordinating public and private partners involved in transit activities and acts as the City's liaison in these partnerships.
3. Prepares Federal/State grant applications and oversees compliance and reporting requirements.
4. Schedules, budgets and administers various programs.
5. Reviews and make recommendations regarding service proposals and marketing plans, feasibility studies, financial analyses and other such studies as may be required to provide transit services.
6. Contributes to collaborative and cooperative inter-divisional and intra-departmental relationships to promote cohesive teamwork.
7. Demonstrates familiarity with grant programs and regulations that support transit activities and is able to prepare grant applications for such programs as well as administer projects if funding is received.
8. Demonstrates effective communication skills, both verbally and in writing, with all types of individuals and groups, professional consulting firms, other staff and the public.
9. Communicates well with citizens to maintain public input into transit-related projects and efforts.
10. Works well with professional consulting firms.
11. Promotes a positive image of the City and Division to the general public.
12. Other duties as assigned by \_\_\_\_\_.

**KNOWLEDGE, SKILL AND ABILITY:**

Knowledge of the principles of business finance and a good knowledge of government decision making issues.

Knowledge of the theory, principles and practices of general management, planning and transit services.

Ability to recommend and implement goals and objectives in providing effective and efficient program services; negotiate and administer complex contracts and agreements including multi-million dollar transit operations contracts; prepare clear and concise administrative and financial reports.

The ability to deal courteously and effectively with the public and other City staff.

Demonstrated ability to comprehend complex projects and develop solutions/opportunities to solve problems in a creative manner. Ability to think quickly and communicate complex oral and written instructions to others. Good listening skills.

Ability to maintain administrative, fiscal and general office records and to prepare reports.

**EDUCATION/TRAINING/EXPERIENCE:**

Bachelor's degree from an accredited college or university with major course work in business finance, planning, urban design, architecture, public administration, or a related field and four years of progressively responsible experience in management, financial and economic analysis of redevelopment and real estate transactions. Master's degree in a related field preferred and may substitute for one year of the required experience; or an equivalent combination of training and/or experience.

Required Knowledge:

- Computer software applications including word processing and spreadsheets. Knowledge of Geographic Information Systems.
- Skills/Abilities
- Ability to read and comprehend written material.
- Ability to read and comprehend site plans.
- Ability to listen and apply information and instructions.

Service Delivery Options

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- Ability to compose business correspondence and proofread to provide written communications that are grammatically correct and punctuated properly.
- Ability to communicate verbally to citizens and clients.
- Ability to comprehend and use financial analysis tools.
  
- Machines/Equipment Used:
  - Personal computer
  - Motor vehicle
  
- Physical/Mental Demands/Working Conditions:
  - Must be able to cope with stress brought about by dealing with deadlines and numerous competing interests.
  - Must be able to board buses and navigate transit system.
  - Must be highly organized and able to perform in a very professional manner at all times.
  - Must be able to exercise independent judgment in evaluating completeness and accuracy of information
  - Must be able to logically analyze situations and develop creative solutions to problems.
  - Sedentary work
  - Some work on City buses and occasional outdoor observation of services.
  - Sits for prolonged periods of time.

Supervision

Works independently with minimum supervision.

# GRICE

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& ASSOCIATES

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