

Graham County Transit Feasibility Study



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Executive Summary Feasibility Working Paper

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Graham County Transit Feasibility Study

Phase One Executive Summary

The Arizona Department of Transportation (ADOT) is funding a planning grant to study the feasibility of public transportation in Graham County. A planning grant application was submitted by Graham County for the study. The purpose of the Graham County Transit Feasibility Study is to address the following questions:

- 1) Is there community support and adequate potential ridership for a viable public transit system in Graham County?*
- 2) Does a viable governance structure exist or can one be created to govern, manage and comply with federal funding regulations?*
- 3) Does sufficient local or other financial support exist to provide necessary matching funds for federal funding to financially sustain transit services over time?*
- 4) Is there the potential to leverage existing funding for transportation in Graham County, and coordinate and add value to existing social service agency transportation services with a public transit service?*
- 5) Do the benefits of providing a public transit system outweigh the costs of service delivery?*

This study is meant to update the 2007 Graham County Transit Study that concluded:

“This feasibility study identified a substantial demand for transit and developed a recommended operating alternative, the complexity of the funding and management issues was not resolved.”

The work scope for the 2015 Graham County feasibility study has two phases. The first phase is designed to answer the five questions above to determine if public transportation is feasible in Graham County. This working paper presents the key findings of the first phase of the study regarding whether or not public transportation is feasible. The working paper has been reviewed by the Technical Advisory Committee (TAC) and a recommendation is being made to the Graham County Board of Supervisors, City of Safford City Council, City of Thatcher City and the Pima Town Council that public transportation is feasible and should be established for the Pima-Thatcher-Safford-Solomon area. These elected bodies are being asked to take an advisory vote regarding their willingness to participating in supporting a potential public transportation system by providing local funding to match Federal Transit Administration Rural Transit Funding. The outcome of these votes will determine if the study should move to the second phase of the analysis – development of a detailed service, financial and marketing plan.

Rural Public Transportation Funding

If there is an identified public transportation need in a rural area like Graham County, an eligible entity can apply for Federal Transit Administration (FTA) 5311 funding to support a public transportation service.

The Multimodal Planning Division (MPD) of the Arizona Department of Transportation (ADOT) administers the Federal Transit Administration (FTA) Formula Grants for Rural Areas Program commonly known as the Section 5311 Program or as the Rural Public Transit Program. This program provides funds for public transportation and intercity bus projects serving rural areas. The purpose of these funds is to address the mobility needs of Arizona's rural population. Section 5311 grants are intended to provide access to employment, education, health care, shopping, and recreation. Funds may be used for public transit services operating: a) within rural communities, b) among rural communities, and c) between rural communities and urbanized areas.

Eligible applicants for Rural Public Transit funds include local public bodies (e.g., counties and municipalities), state agencies, tribal governments and related tribal communities and private non-profit agencies. The transportation services funded under Section 5311 must be open and marketed to the general public.

The FTA Section 5311 program covers:

- **58% of the subsidy needed to operate transit services,**
- **80% of the cost of administering the service,**
- **and 80% of the cost of capital equipment.**

Local financial support is needed to cover the balance of the expenses.

Local match funding typically comes from the local sponsoring agency or agencies, usually a local government agency, but other sources may also support the transit program. In-kind contributions may be used toward the local match only if the recipient formally documents the value of each non-cash share, and if this value represents a cost that would otherwise be eligible under the project.

The overall goal of this study is to determine if it is feasible to establish a Rural Transit program within Graham County and whether an application should be submitted to ADOT to become part of the FTA 5311 program.

Public Involvement Effort

To understand the potential need for public transportation within Graham County, an extensive outreach effort was conducted. This included:

- Three meetings of the Technical Advisory Committee which included representatives of the ADOT, Graham County, City of Safford, Town of Thatcher, Town of Pima, Eastern Arizona College, SEAGO, Freeport-McMoran, Chamber of Commerce, SEACAP, Blake Foundation, SEACUS, SEABHS, DES, Mount Graham Medical Center and other social service agencies.
- Twelve stakeholder interviews with representatives from social service agencies, government agencies, tribal transit and the private sector. Several elected officials were also interviewed.
- Focus groups of students from Eastern Arizona College, clients from the Department of Economic Security and Workforce Connections, WIC Clients through County Public Health and seniors at the SEACUS Senior Center.
- Three public workshops in the City of Safford, Town of Thatcher, and Town of Pima.

Existing and Planned Transportation Services

The San Carlos Apache Nnee Bich'oo Nii Transit provides the only general public transit service within Graham County. They operate intercity routes that are open to the general public but that are designed to meet the needs of tribal members. Buses operate Monday through Friday on three routes: San Carlos-Safford, San Carlos-Globe, and Bylas-San Carlos.

The San Carlos to Safford route provides public transportation within the study area. Three round trips per day serve Pima, Thatcher and Safford. The route includes stops at key destinations within the study area including Pima, Eastern Arizona College, Walmart and Mount Graham Medical Center. It provides service to San Carlos and the Apache Gold Casino, with connecting service to Globe. While some Safford residents routinely use the San Carlos service, many stakeholders reported to the consulting team that their constituents believe that the service is only available to tribe members. The Tribe is taking steps to remedy this incorrect perception.

The SouthEastern Arizona Community Action Program (SEACAP) provides transportation services in the Safford, Pima and Thatcher area. SEACAP provides dial-a-ride service to meet the needs of the elderly and disabled, but will serve the general public on a space available basis. The services are utilized for trips to congregate meal sites, doctor visits, dialysis, grocery shopping and Department of Economic Security (DES) visits. SEACAP is able to serve about 15-16 one-way passenger trips a day.

In Graham County, the Easter Seals Blake Foundation's SAGE Division provides residential, employment and day program services for individuals with developmental disabilities. SAGE provides transportation to and from day programs, residential programs, individual homes and for a variety of recreational purposes. SAGE also provides seniors with the opportunity to travel to and from the Apache Gold Casino in San Carlos, AZ the fourth Friday of the month. This service is paid for by the Blake Foundation. In collaboration with SEACAP, SAGE provides back-up transportation to SEACAP when they cannot provide transportation to clients due to vehicle availability, or vacation or illness of SEACAP drivers.

There are at least three existing providers of private transportation service including a local taxi service, a limousine service, and a provider of non-emergency medical transportation.

Greyhound has submitted a Section 5311 application to the state DOT to provide intercity service that would serve Graham County. The proposed route would provide one daily round trip between Phoenix and El Paso, Texas with intermediate stops in Mesa, Superior, Miami, Globe, Peridot, Bylas, Safford, Duncan, Lordsburg and Las Cruces. This proposed service would serve rural residents in the communities identified in the schedule and connect with public transit service provided by Cobre Valley Transit in Globe, by the San Carlos Apache Transit in Bylas and Peridot, and by Valley Metro in Phoenix. Not only would the service connect with existing transit, but would also provide daily service to many Arizona communities that do not have access to the national intercity bus network.

Transportation Needs

Is there community support and adequate potential ridership for a viable public transit system in Graham County?

The 2007 Transit Feasibility Study found that there was significant need for public transportation in Graham County. The outreach conducted during Phase One of the current study strongly supports that finding. Interviews with stakeholders and focus groups with potential users indicate that there are four key market segments with a need for public transportation:

Low income persons without a driver's license or without access to an automobile to get to training, jobs and other needs. According to the Census, 22.3% of Graham County residents live below the poverty level - almost 1 in 4 or 8,300 Graham County residents. Several of the stakeholders we talked to work with these residents on a regular basis to provide services:

- The Arizona Supplemental Nutrition Program for Women, Infants, and Children (WIC) program has a caseload of 1,120 with 985 participating in the program currently in Graham County. Staff at the WIC program and the department of health believe that a public transportation system would provide significant benefit to their clients not only for trips to the program, but for general health care, grocery shopping and other travel.
- The Workforce Connection is based in Safford and is a One Stop service for unemployed and underemployed persons. In April 2015, there were 1,038 visits by clients to Workforce Connections. Most of these clients would benefit from a public transportation system that provided circulation among Pima, Thatcher, Safford, and Solomon.
- At the Canyonlands Health clinic, approximately 60% of clients qualify for Access, Arizona's Medicaid program. The cost for a local trip by the Access transportation vendor is \$12 and \$200 for a trip to a specialist in Tucson.
- The Department of Economic Security is currently serving 5,000 clients in Graham County. This does include some double counting for clients who are enrolled in multiple DES programs. However, with 8,300 residents in Graham County living below poverty, the current caseload is not surprising. Due to the housing costs, many of their clients live in outlying areas and do not own automobiles. A large majority of DES clients would benefit from a local public transportation service.

College students living on campus at Eastern Arizona College without an automobile. Eastern Arizona College has approximately 3,500 students (1500 full time and 2000 part-time). While many students have vehicles and can provide their own transportation, others rely on getting rides or walking to get around the local area. Of the student population, 420 live on campus and 80% of these don't have automobiles. Students particularly need public transportation for trips to Walmart, the grocery store and for evening service. There is no taxi service after midnight, and it's problematic for students to get back to campus if they get out of the emergency room in the late evening.

Growing senior population, which will likely outstrip the available capacity of the SEACAP transportation program. Older adults (65 years of age or older) make up 12.2% of the Graham County population. This represents 4,500 seniors, from Pima to Solomon, with the percentage

consistently very close to 12% in each jurisdiction. The number of older adults 75 years old and above is 5.1% or about 1,900 individuals. These older adults 75+ are the ones with a higher propensity to need specialized transportation service like what is currently provided by SEACAP.

Persons with disabilities, including behavioral health clients. The number of disabled individuals below 65 years of age is 7.3% in Graham County, slightly below the statewide average of 8.1%. While data is not available for Graham County, the number of seniors 65+ who have a disability statewide is 33.8%. Assuming a similar percentage for Graham County, there are approximately 4,700 Graham County residents with a disability. A representative from Southeastern Arizona Behavioral Health Services (SEABHS) says that with a recent rule change, Behavioral Health can only provide transportation for medical trips that are “clinically justifiable.” In the past, they used to provide transportation services for daily living such as trips to the grocery store. Such trips are now quite difficult for many clients who do not own an automobile. Clients are forced to walk and for many their medications and heat do not mix well. From Pima to Solomon, SEABHS has approximately 300 clients and approximately 50% are transit dependent without an automobile or driver’s license.

Based on both qualitative and quantitative input, there is a need for additional public transportation in Graham County. The qualitative input from key stakeholders was unanimous on the need for public transportation. The quantitative information provided by social service agencies on their caseloads, census data, and estimates of transit needs based on national research all corroborate the need for local public transportation in Graham County

Based on national research from an arm of the National Academy of Sciences, transportation needs for Graham County were quantified based on an estimation model for rural public transportation needs. The estimation of transit need from Pima to Solomon is 256,800 annual transit trips. The transit need could be served by a combination of human service agency transportation and public transportation services.

Public Transportation Service Delivery Options

The working paper and discussions with the Technical Advisory Committee explored five service delivery options for meeting the identified needs within Graham County:

1. Expand the Dial-A-Ride capability to make it available to the general public, Monday to Friday from 7:00 am to 6:00 pm.
2. Expand Dial-a-Ride to the general public, plus offer a user-side taxi subsidy program for trips that start before 7:00 am or after 6:00 pm on weekdays and weekends and holidays.
3. Implement a checkpoint Dial-a-Ride service as was recommended in the 2007 Graham County Transit Feasibility Study.
4. Implement a local flex route service that is open to the general public and would deviate up to $\frac{3}{4}$ miles from the route to pick up passengers.
5. Implement a community service route plus dial-a-ride service, both open to the general public.

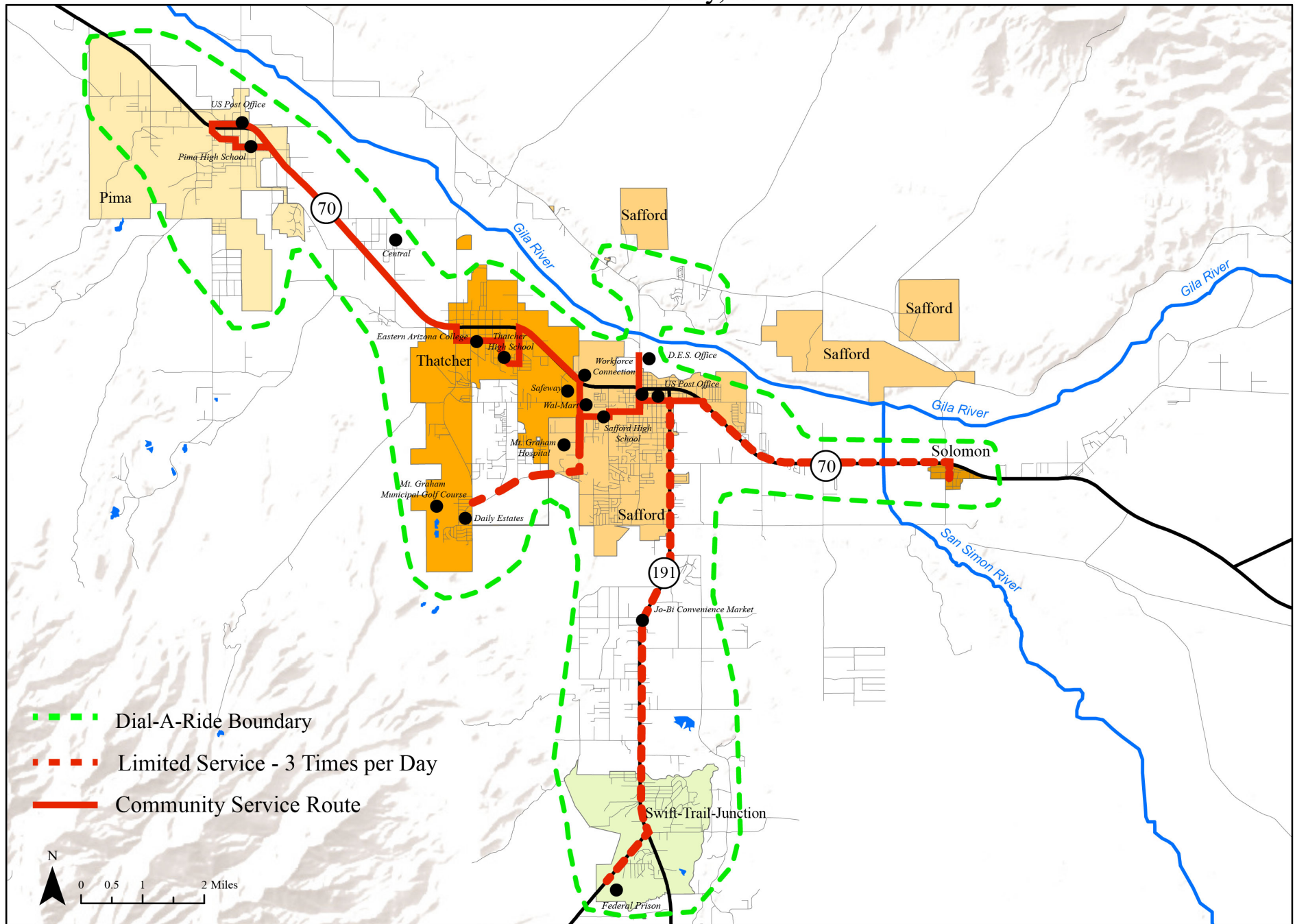
Recommended Service Delivery Option

The clear consensus of the TAC was for option five, a community service route between Pima, Thatcher, Safford and Solomon, plus expansion of Dial-a-Ride service to the general public. This concept was strongly supported by input from stakeholders and focus group participants throughout the outreach process. On July 7, the TAC voted to recommend this service option which would include the following characteristics.

- A fixed bus route would be established and operated with a single bus on weekdays (except holidays), from 7:00 am to 6:00 pm.
 - The core route would serve the Pima, Thatcher and Safford area throughout the day, with seven to nine round trips. Extensions of the route to Daley Estates, Solomon and the 191 Corridor (from Safford south) would be served with three round trips each day. (A preliminary route is shown on the Service Concept Map below).
 - The community service route would combine curbside stops with stops within major activity centers (such as medical center and grocery store) to limit the amount of walking required to reach key destinations.
- A second bus would be used to provide general public Dial-a-Ride service within a defined area (shown on the Service Concept Map). The General Public Dial-A-Ride service would operate weekdays from 7:00 am to 6:00 pm. Advanced reservation trips would receive priority over same day requests.
 - This service would both satisfy the Americans with Disabilities Act requirement for complementary paratransit for persons unable to use the fixed route and would offer service to areas outside the reach of the fixed route.
 - If possible, the Dial-A-Ride service would be coordinated with the current SEACAP Dial-A-Ride service that is funded by the Area Agency on Aging and is primarily limited to seniors and persons with disabilities. Under this coordination approach, the governing entity would enter into a MOU with SEACAP to provide the expanded Dial-a-Ride service (SEACAP's existing one-bus operation, plus an additional bus funded by FTA 5311), making the \$30,000 that SEACAP receives in Area Agency on Aging funding eligible for in-kind match.
- A generalized concept map of the community service route and Dial-a-Ride service area boundary is shown on the map on the following page. A more refined service design and map would be developed in the second phase of the Transit Feasibility Study.

Fixed Route and Dial-A-Ride Boundary Concept

Graham County, AZ



Estimated Ridership

The best estimate of ridership for the recommended Graham County transit service is approximately 31,000 annual trips, likely at the end of the second full year of implementation. This is based on national statistics and the experience of comparable Arizona communities.

- National research methodology indicates that the ridership for a two bus public transportation system can be expected to be in the range of 21,700 to 45,641 annual transit trips.
- FY 2012/13, Benson Transit provided an estimated 20,000 annual trips, and the more extensive Douglas transit service with a greater service supply and service levels had ridership of 51,572.

A five-year goal of 45,000 to 50,000 annual transit trips would be a reasonable and realistic objective for a local public transportation service in Graham County, between Pima and Solomon.

Governance Structure

Does a viable governance structure exist or can one be created in Graham County to govern, manage and comply with federal funding regulations? This is a critical question that must be answered by the Graham County Board of Supervisors, and City of Safford, Town Thatcher, and Town of Pima City Councils.

There are three primary governance options:

1. Governance by an existing public entity such as Graham County or the City of Safford. Under this governance alternative, an existing city or county would take responsibility for the public transportation function; public transportation would be added as a program of the City of Safford or Graham County. Due to bus maintenance requirements, it is not unusual for public transportation to be a program of the Public Works or Maintenance Departments. Other typical departments are Community Development or Planning. In this alternative, public transportation would become a distinct budgeted program of the designated department. Like any other public program, the Board of Supervisors would be the governing body in the case of Graham County, or the City Council in the case of the City of Safford.
2. Governance by an existing private non-profit. FTA 5311 guidelines allow for a non-profit agency to be the governing agency for administration of public transportation services. In this governance model, an existing agency that is currently providing transportation would be the public transportation governing and management agency responsible for public transportation services. SEACAP or the Blake Foundation are the most likely private non-profit candidates in Graham County.
3. Governance by a shared governance structure, an Intergovernmental Public Transportation Authority (IPTA). In Arizona, shared governance of public transportation is authorized by Arizona law, and the type of governing agency depends on the size of the county. In Arizona, counties with less than 200,000 population are organized as an Intergovernmental Public Transportation Authority. The members of an intergovernmental public transportation authority can include one or more county entities, incorporated cities or towns, community college districts, and any Indian nation that has a boundary within a county in which an authority is established.

One important factor in selecting a governance structure is the financial capability of the governing entity. They must be able to sustain the cash flow required to operate the transit service under the ADOT's cost reimbursement system. With the exception of buses purchased through the state contract, all expenses must be paid in full by the governing agency and then be submitted for reimbursement by ADOT.

Representatives from the Town of Pima, Town of Thatcher, City of Safford, and Graham County generally believed that the public transportation service "needs to be a combined effort." The concept of shared funding and governance was a common theme among other stakeholder interviews as well. An Intergovernmental Public Transportation Authority, "has the best chance to survive over the long-term." according to one key stakeholder.

Any combination of potential members can petition the County Board of Supervisors to establish an Intergovernmental Public Transportation Authority consisting of their combined areas in the county. The County Board of Supervisors would hold a public hearing on the petition to determine public support for the authority and whether establishing the authority would be in the public interest. If successful, the County Board of Supervisors would approve a resolution that includes the boundaries of the authority. Additional members can be added over time by the same petitioning process. The Intergovernmental Public Transportation Authority gives the members all the rights and immunities of municipal corporations granted by the Arizona constitution and statutes, including the immunity of its property from taxation.

In each of the above governance options, the governing entity would hire or contract for a Transit Manager to manage the day-to-day operations of a public transportation service.

It is the consensus of the TAC that an IPTA would be the most viable governance structure to govern, manage and comply with federal funding regulations for a Graham County public transportation service. The TAC has recommended that an Intergovernmental Public Transportation Authority be established with potential members including Graham County, City of Safford, Town of Thatcher, Town of Pima and Eastern Arizona College.

Financial Feasibility

The Phase One Working Paper includes an extensive financial feasibility analysis to help decision-makers in Graham County answer two key questions:

Does sufficient local or other financial support exist to provide necessary matching funds for federal funding to financially sustain transit services over time?

Is there the potential to leverage existing funding for transportation in Graham County, and coordinate and add value to existing social service agency transportation services with a public transit service?

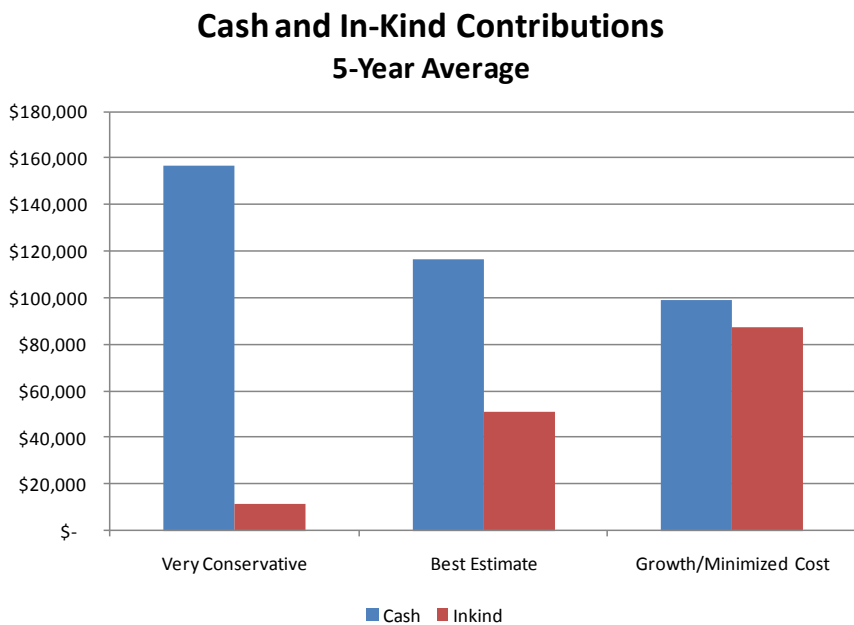
This section will briefly summarize the key findings of that analysis. Please note that the budget information provided here uses generalized budget assumptions in order to provide decision-makers a reasonable estimated range of local resources required to implement a Section 5311 funded rural transit program in Graham County over a five-year period. The generalized budget assumes that a

community service route and general public dial-a-ride service (as described on page 6) is implemented with 5,566 vehicle service hours during the first year of operation.

This information is intended to assist potential members and partners of the Intergovernmental Public Transportation Authority to determine whether the financial participation of their agency is something they are willing to potentially commit to over a five-year period. Only a preliminary and non-binding commitment is required during Phase One of the Transit Feasibility Study. The Towns of Pima and Thatcher, City of Safford, and Graham County governing bodies will be asked to vote on a resolution stating that, subject to approval of a final operating and capital financial plan, the entity is a willing and able partner in providing the necessary local match funding to support a public transportation system in Graham County. A more detailed and specific 5-year operations and capital budget would be prepared for final consideration and commitment in Phase Two of the Graham County Transit Feasibility Study.

Three Financial Scenarios

There are many cost and revenue variables that will need to be addressed in the second phase of the Graham County Transit Feasibility Study. To allow for different outcomes, the Phase One report analyzed three financial scenarios, each with different assumptions about costs, use of in-kind contributions and growth of services. These provide a bracket of potential costs and revenues that would be required to match available FTA 5311 funding. The chart



at the right illustrates the range of local cash and in-kind contributions that would be required to sustain the system over five years, under different scenarios.

The “Best Estimate” scenario is based on known cost information and a moderate level of in-kind contributions. Costs are calculated based on the average of actual 2012/13 costs from three southeastern Arizona rural agencies (inflated to 2015 dollars). This provides the most realistic estimate of local match requirements and will be used as the basis of estimates throughout the remainder of this section.

Cost/Revenue Categories

Implementation of a public transit service will involve three types of costs and revenues – administrative, operating and capital. The financial analysis considers all of these as follows.

Administrative costs include the salary and fringe benefit costs for the project director and Transit Manager. It also includes secretarial services, insurance costs, facilities to house the administration of the transit program, as well as office supplies and rental equipment necessary for administration. Administrative costs can be no more than 30% of the budget. Section 5311 covers 80% of administrative costs.

Operating expenses are those costs directly related to system operations. At a minimum, this includes: salaries and fringe benefits for drivers, dispatchers and transit supervisors; fuel, oil and parts; vehicle maintenance; and licenses. Net operating costs are the total of these operating costs minus fare revenues. Section 5311 covers 58% of net operating costs.

Capital expenses include the acquisition and improvement of public transit equipment and facilities needed for an efficient public transit system. FTA Section 5311 covers 80% of capital costs.

The major capital expense for a Graham County transit service will be procurement of three buses. Two buses would be in operation, and one bus would be utilized as a spare, for use when one of the operating buses needs repairs or preventative maintenance. Other capital costs include bus stops, bus shelters, accessibility improvements and other equipment.

Best Estimate Cost Summary

The table at top of the next page is a summary of the administrative, operating and capital costs for the first five years of a public transportation program in Graham County. It is based on the Best Estimate scenario and includes the following assumptions:

- Year One would be devoted to handling start-up tasks. The three buses would be ordered early in the year and delivered later in the same year. Service would begin operation in Year Two.
- The increase in *vehicle service hours* shown in the third and fourth years are based on an assumed increase in the span of coverage in Year Three and initiation of Saturday service in Year Four. This is a normal progression in public transportation service development.
- Fares are assumed to be low: \$1.00 for the general public, \$0.50 for the elderly and disabled, and free fare for children.
- The \$30,000 of local in-kind match for operations would potentially result from a memorandum of understanding with SEACAP by the governing entity for providing dial-a-ride services as part of a coordinated approach to public transportation service delivery. SEACAP currently receive \$30,000 annually in Area Agency of Aging funding from SEAGO. This could be used to match the 5311 funding.

The table shows how each category of costs will be funded through a combination of FTA funding, local cash contributions and local in-kind contributions.

Best Estimate Scenario Preliminary Estimate

	First Year	Second Year	Third Year	Fourth Year	Fifth Year
Administrative Costs and Revenues					
Total Administrative Cost	\$ 120,000	\$125,000	\$128,750	\$132,613	\$136,591
FTA 5311 Share (80%)	\$ 96,000	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273
Local Share (20%)	\$ 24,000	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,318
Cash	\$ 11,000	\$ 11,610	\$ 7,958	\$ 7,317	\$ 6,687
In-Kind	\$ 13,000	\$ 13,390	\$ 17,792	\$ 19,205	\$ 20,632
Operating Costs					
Estimated Vehicle Hours		5,566	6,072	7,394	7,394
Total Operating Costs		\$ 294,998	\$ 331,470	\$ 369,866	\$ 380,962
Fare Revenue		\$17,174	\$19,297	\$24,204	\$24,930
Net Operating Costs		\$277,824	\$312,173	\$345,662	\$356,032
FTA 5311 Share (58%)		\$161,138	\$181,060	\$200,484	\$206,499
Local Share (42%)		\$116,686	\$131,113	\$145,178	\$149,533
Cash		\$86,686	\$101,113	\$115,178	\$119,533
In-Kind		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Capital Costs					
Buses	\$ 240,000				
Bus shelters/access	\$ 110,000	\$ 30,000			
Signage and panels	\$ 30,000	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927
Equipment and Other	\$ 45,000	\$ 15,000		\$ 15,000	
Total Capital Costs	\$ 425,000	\$ 55,000	\$ 10,300	\$ 25,609	\$ 10,927
FTA 5311 Share (80%)	\$ 340,000	\$ 44,000	\$ 8,240	\$ 20,487	\$ 8,742
Local Share (20%)	\$ 85,000	\$ 11,000	\$ 2,060	\$ 5,122	\$ 2,185
Cash	\$ 42,500	\$ 5,500	\$ 2,060	\$ 5,122	\$ 2,185
In-Kind	\$ 42,500	\$ 5,500			
Total Costs	\$ 545,000	\$ 474,998	\$ 470,520	\$ 528,087	\$ 528,480
Total Local Share Required	\$ 109,000	\$ 152,686	\$ 158,923	\$ 176,822	\$ 179,037

Under the best estimate scenario, total costs average just over \$500,000 per year over a five-year period. The required total local match ranges from \$109,000 to approximately \$179,000 over the five-year period. It is assumed that this local match will be met using a combination of cash and in-kind contributions as shown in the table.

Cost Allocation

The consensus of the TAC was that total population within the transit service area should be the basis for cost allocation of costs to the IPTA members. The chart at the right shows the estimated “population” for each of the proposed IPTA partners and the preliminary cost share.

	Population	Illustrative Percentage
Safford	9,556	40%
Thatcher	4,848	20%
Graham County	5,000	20%
Pima	2,387	10%
Eastern Arizona College	3,500	10%

The local cash contributions required to support the proposed transit service are the total local share minus the projected in-kind contributions. In Year Two (the first full year of operation), the best estimate scenario estimates a need for \$152,686 in total local share. This is projected to include \$48,890 of in-kind services and \$103,796 in cash contributions allocated among the IPTA partners. Another \$5,152 of cash is anticipated to be contributed by other social service agency partners by purchasing transit passes. The result is a total of \$108,948 in cash contributions.

The allocation of local contributions by potential members of the IPTA is shown below. The chart shows total contributions for each partners, for each of the first five years of the program. The contributions would potentially include a mix of cash and in-kind contributions.

Primary Partner Shares Based on Population

	First Year	Second Year	Third Year	Fourth Year	Fifth Year
Safford (40%)	\$ 43,600	\$ 61,074	\$ 63,569	\$ 70,729	\$ 71,615
Graham County (20%)	\$ 21,800	\$ 30,537	\$ 31,785	\$ 35,364	\$ 35,807
Thatcher (20%)	\$ 21,800	\$ 30,537	\$ 31,785	\$ 35,364	\$ 35,807
Pima (10%)	\$ 10,900	\$ 15,269	\$ 15,892	\$ 17,682	\$ 17,904
Eastern Arizona College (10%)	\$ 10,900	\$ 15,269	\$ 15,892	\$ 17,682	\$ 17,904
Total Local Share	\$ 109,000	\$ 152,686	\$ 158,923	\$ 176,822	\$ 179,037

Economic Benefits of Rural Public Transportation

Do the benefits of providing a public transit system outweigh the costs of service delivery?

Following are four major findings from 268 rural areas studied by a Transit Cooperative Research Program (TCRP) Study of counties with public transportation and counties without public transportation. TCRP is an arm of the National Academy of Sciences.

- The average growth differential between rural communities with transit and rural counties without transit systems was 11 percent.
- The average annual economic impact in counties where transit was implemented was \$1,092,293 in 1998 dollars. Adjusted to 2015 dollars based on the CPI, this is \$1,594,000 in 2015 dollars.
- A study of the cost/benefit ratio of funding rural public transportation through the FTA 5311 program found that implementing a FTA 5311 program had a benefit/cost ratio of 3.35 to 1.
- Rural transit systems that were able to offer significant levels of employment benefits to their riders scored quite highly, as did those systems that made important contributions to the ability of local residents to live independently and to access critical medical services (including dialysis treatment). These two factors should be seen as keys to success in generating economic impacts in the locations served by rural transit systems.
- Access to higher education is often an important benefit of rural transit. In Douglas, Arizona, Douglas Rides provides about 1000 trips per month on their Cochise College route during the school year.

Next Steps

The Technical Advisory Committee will present the findings of Phase One of the Graham County Transit Feasibility Study and the TAC's recommendation regarding governance and funding to the governing bodies for the potential Intergovernmental Public Transportation Authority members. These bodies will be asked to take an advisory vote regarding their willingness to financially support a local public transportation service with their fair share of local cash contributions allocated based on population shares. Please note that estimated costs will be refined during Phase Two of the Transit Feasibility Study. Final cash and in-kind contribution shares will be presented to each group for formal approval prior to initiation of the program.