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WASHINGTON COUNTY, ARKANSAS  
County Courthouse

November 15, 2013

MEETING OF THE  
WASHINGTON COUNTY QUORUM COURT  
FINANCE AND BUDGET COMMITTEE

Monday, November 18, 2013  
5:30 p.m.  
Washington County Quorum Court Room

AGENDA

1. Call to Order.
2. Adoption of Agenda.
3. Transportation Funding Request from Ozark Regional Transit. This item was tabled at the Finance and Budget Committee meeting on October 8. (3.1,3.2)
4. Next Meeting: November 19 – Information Systems Budget, reserves, and budget finalization.
5. Other Business.
6. Public Comment.
7. Adjournment.

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## Washington County: Update and Responses to the specific questions asked on October 8<sup>th</sup>.

### Update

Since the October 8<sup>th</sup> meeting, ORT staff has worked with the cities in Washington County to determine their level of public transportation that may be needed, provided communities with an opportunity to participate in the “20 for Transit” program, and has updated these communities with information requested.

The communities in Washington County (besides Fayetteville and Springdale) that the staff has had direct communication with were:

Elkins  
Farmington  
Greenland  
Johnson  
Lincoln  
Prairie Grove  
West Fork

The communication levels have been from an initial discussion presented informally to the mayor or city manager, to formal presentations in front of the entire city council at a public meeting. ORT staff has been requested in all areas to provide information on past services (if applicable) and to say what future services would look like.

### Responses

**Q: How will buses be dispatched?**

A: ORT currently dispatches vehicles to areas based upon ADA qualifying needs first, then space and availability. In Washington County, ORT utilizes three ADA accessible vehicles to perform its ADA Para-Transit (PT) and Rural Demand Response (DR) services. The limitations to these dispatched services comes from a lack of assets (drivers) to keep all of the vehicles on the road ready for service during our entire service time. At this time, ORT has two PT/DR vehicles that operate from 6AM to 2PM and one PT/DR vehicle that operates from 11AM to 7PM. There are potentially 45 service hours in each day that ORT could be providing services. However, due to the shortage in funding and operators, ORT can only staff 24 service hours, therefore leaving 47% of our daily time without service. With additional funding, ORT will dispatch its PT/DR services throughout Washington County as needed.

**Q: What are the costs to the County for the specific services?**

A: In the 2014 budget, ORT staff has determined that the estimated costs of operating its fleet is as follows:

Fixed Route - \$108,183 per vehicle. This includes; wages, fringe, fuel, maintenance and oversight. Fixed Route buses are estimated to be in service 13 hours per day.

PT/DR - \$86,529 per vehicle. This includes: wages, fringe, fuel, maintenance and oversight.

**Q: What zip codes or areas are the DR trips originated from?**

A: The following list is a compilation of trip origin cities for the past 3 months:

Farmington	Fayetteville	Greenland
Johnson	Lincoln	Prairie Grove
Springdale	West Fork	Washington County Unincorporated

**Q: How would a rider transition from County to City Services?**

A: In addition to the excellent service provided in many parts of Fayetteville by Razorback Transit, ORT is the public transportation provider for both rural and urban services in Washington County. Therefore, there is no difference between county and city services. ORT, when scheduling correctly, can arrange pickup in a rural incorporated or unincorporated area, could meet a fixed route bus or deliver the rider to a fixed route transfer point, and the rider then can utilize the fixed route services to complete their journey. On the return trip, the DR/PT vehicle can either be scheduled to pick up the rider at the end point of the first trip, or it can be scheduled to meet the rider at a fixed route transfer point for final delivery to their point of trip origination.

**Q: What would be the frequency of County services?**

A: When ORT is fully staffed and vehicles are dispatched to their fullest capacity, the frequency of County services will be daily. The short-term plan (< 5 years) would be to grow the system to a 15/6 service. This is 15 service hours per day, 6 days per week. The long-term plan (> 5 years) would be to grow the system to an 18/7 service. This would be 18 service hours per day, 7 days per week. The frequency of the County services will match the daily service provided to the communities we serve.

**Q: Can ORT provide information on services provided on an incremental investment basis?**

A: The following information is provided as a general guideline of suggested services for Washington County on an incremental investment of turn-back funding:

**20% \$245,940** ORT could begin the creation of two fixed routes that provide dedicated services to the rural communities in Washington County. The first route would traverse from Lincoln to Elkins with connections to park and ride locations in Prairie Grove and Farmington. This route also could provide connections to the rest of the ORT fixed route system via University of Arkansas Lot 56 transfer point or the Hillcrest Towers transfer point. The second fixed route could traverse from West Fork to NWA Mall with stops in Greenland and Lot 56. With both of these fixed routes comes the ADA Para-Transit services within a ¼ mile barrier of the fixed route. ORT also would be able to start filling the gap of demand response assets previously stated above. The balance of funding also could be used to supplement the much needed frequency of services increase in both Springdale and Fayetteville.

**10% \$122,970** ORT could focus on the route stated above that provides commuter services between Lincoln and Elkins with the associated stops in Prairie Grove, Farmington and Fayetteville. As stated above, the associated ADA Para-Transit services would be provided. The balance of the funding could be dedicated toward filling some of the gap of demand response assets or be dedicated toward increases in frequency of services in Fayetteville and/or Springdale.

**7% \$86,079** ORT could either dedicate this funding amount toward a portion of the commuter services mentioned, or utilize these funds for fulfilling the demand response asset gap.

**Q: What is the ORT 10-year service expansion plan?**

A: The current ORT 10-year service expansion plan is based upon the concept that Northwest Arkansas needs a higher level of public transit services. Commuter services to work and school will be one of many focus group discussions over the next couple of years. These commuter services could originate from areas such as Elkins, West Fork, Lincoln and points between them. Public transportation to points of interest, community events or community services will be another point of discussion for focus groups within each of the communities we serve. ORT routes could be designed through and to the communities it serves with an emphasis on establishing routes that positively impact the communities. ORT staff, with the guidance of its stakeholders, will grow the system incrementally, at a pace that can be managed. Expansion of the system could be; establishing routes in new areas, increasing the frequency of existing routes, or even utilizing non-traditional services to fulfill the transportation needs of Washington County.

The 5-year goal will be to have service provided to the communities that encompasses 15 hours per day, 6 days per week. The 10-year goal will be to have service provided to the communities that encompasses 18 hours per day, 7 days per week. How the demand response and fixed route services will look and what specific areas that are served will be determined by the stakeholders. ORT staff will carry out the directives to accomplish these service levels with the assets provided to them.

## Washington County "20 for Transit"

Current Allocation:     \$24,000 annually  
Turnback Request:     \$245,940 annually

Current Services: ORT provides fixed route services in Districts 1,2,3,4,5,6,8,9,11 and 12. These fixed route services are also supported by para-transit, and demand-response services. ORT provides limited services to District 10 through demand-response two days per week.

**Note: Describe the differences between fixed route/para-transit/demand response.**

Service Shortfalls: ORT has received multiple requests for services from the following areas:

- Lincoln
- Prairie Grove
- Farmington
- Elkins
- Greenland

2013 Service Enhancements: In 2013, ORT staff was able to make minor changes to its dispatching of assets to the community to significantly increase the level of services provided to Washington County. Prior to the realignment of assets, ORT was recording 20 to 25 rural demand response denied trips on a daily basis. After the realignment of assets, ORT now records 7 to 9 rural demand response denials on a weekly basis.

The schedule below indicates the number of non-ADA denials that have occurred by month since November 2012. In February of 2013, ORT began the realignment of assets. By August of 2013, the denials have begun to increase due to new demand for services.

November 2012	114	April 2013	39
December 2012	119	May 2013	38
January 2013	154	June 2013	18
February 2013	113	July 2013	32
March 2013	66	August 2013	44

ORT is receiving increasing requests for services from the areas not covered by fixed route or para-transit services within Washington County. Service enhancements to areas within Washington County could include:

- Fixed rural route from Lincoln to Elkins with connections to both ORT and Razorback services in Fayetteville. Frequency would be bi-hourly service leaving from Lincoln and Elkins.
- Fixed rural route service from Winslow and Greenland to Fayetteville. Frequency would be hourly.
- Fixed route service on Hwy 265.
- With fixed route services comes para-transit.
- ORT is also working to establish a viable van-share (car-pool) program...

# 20 For Transit

## A Concept for Growing Regional Transit

### The Request

Ozark Regional Transit has inadequate funding to meet the increasing rural and urban public transportation needs in a fast-growing region. While Ozark Regional Transit and Razorback Transit are now working in concert to provide these services, Ozark Regional Transit's local funding is far less than necessary to expand service.

**If our region's four largest cities and the two largest counties provide 20 percent of new turnback revenues anticipated due to last year's passage of Issue No. 1, Ozark Regional Transit's overall local funding would increase from \$800,000 to near \$1.5 million.**

The 20 percent contributions would replace current ORT contributions and would not be in addition to those annual budgetary commitments.

To be clear, this isn't being viewed as one-year funding. Rather, it should be viewed as a regular part of the county's annual budget so long as funding from Issue No. 1 is received (10 years).

The counties' contributions are an important part of reaching the goal.

### Background

Northwest Arkansas has a regional transit system (Ozark Regional Transit) and a University of Arkansas transit system that also operates within Fayetteville (Razorback Transit).

ORT carried approximately 300,000 passengers last year and about 90 percent of the riders were on scheduled, fixed-route services. The rest were dial-a-ride passengers who contacted ORT to provide one-time service between two locations. The annual operating budget is about \$2.7 million with nearly \$800,000 of that being contributed by cities and counties. The ORT Board consists of representatives from four counties (Benton, Carroll, Madison and Washington) and four cities (Bentonville, Fayetteville, Rogers and Springdale).

Razorback Transit carried approximately 2 million passengers last year. The budget is provided from federal funds and student fees with little to no contribution from local jurisdictions. The city of Fayetteville does provide a small contribution to Razorback each year.

In 2011, previous ORT management facilitated a Transit Development Plan (TDP) process with a stated goal of identifying the desired future for transit in Northwest Arkansas. The planning process was viewed as “self serving” by some and didn’t result in a consensus regional strategy for growing transit.

A sales tax was requested in May 2012 by ORT to fund the strategy. The goal of transit advocates was to raise an additional \$15 million annually if voters approved a ¼ cent sales tax in Benton and Washington counties. It would have been a 500 percent budget increase. Benton County declined to put it on the ballot at all and Washington County voters rejected the proposal put on the ballot by the Washington County Quorum Court. One of the major difficulties with the Washington County ballot issue was that the sales tax would have been perpetual with no established ending date.

At \$15 million in annual local funds, data in the National Transit Database 2011 (available online) shows the local revenue raised would have far exceeded how much local money is provided to transit systems in Central Arkansas (\$10.1 million), Oklahoma City (\$9.5 million) and Tulsa (\$6 million).

### **Current Status**

ORT management changed immediately following the failed referendum and the new ORT management is now actively working with Razorback Transit to eliminate duplication and inefficiencies from the two systems. The systems are cooperating.

Among the major, unpublicized changes was ORT’s efforts to deny fewer rides to people requesting dial-a-ride service. By utilizing its current employees and buses better for the past six months, ORT now denies 40 rides each month. Denials exceeded 105 a month throughout 2012 and until February 2013.

We at ORT know “word spread” about the improved efficiency and that success has caused more people to request dial-a-ride service. ORT management believes it will take more equipment and more drivers to keep denials to a minimum.

Additionally, the ORT Board of Directors in July this year voted unanimously not to renew its contract with its management company, First Transit. The board plans to hire its own management rather than to rely on a management company, and that’s expected to create significant annual savings.

Although voters and governing bodies rejected the large increase in funding for regional transit services in 2012, there continues to be a large need for additional transit funding in Northwest Arkansas. The Greater Northwest Arkansas Development Strategy highlighted the need in 2011, and the needs have increased since that time.

### **Individual City and County Contributions**

It’s fully recognized that Benton and Washington counties are being asked to make larger increases in funding than cities. For most cities being asked to be a partner in this request, 20 percent is near their current contribution levels.

For that reason, if the county does agree to provide 20 percent of the new revenue to ORT, it will be important for county government representatives to work closely with ORT to match what the county believes are necessary, appropriate expansions.

The following table outlines the existing city/county contribution levels, the calculation of what each jurisdiction would provide to get to a contribution level equivalent to 20 percent of new revenues, and what the total new contribution levels would be if they agree to the concept:

Jurisdiction	Total Annual Estimated New Turnback by Jurisdiction	Calculation of 20% of New Transportation Tax Funds	FY2013 Contributions to ORT from Member Jurisdictions	Increase in Contribution if Cities/ Counties Pledge 20% of Turnback	Total Annual City/County Contributions if all Agree to at least 20% of Turnback
<b>Board Member Jurisdictions:</b>					
Bentonville	\$628,784	\$125,757	\$123,000	\$2,757	\$125,757
*Fayetteville	\$1,310,613	\$262,123	\$296,000	\$0	\$296,000
Rogers	\$996,835	\$199,367	\$123,000	\$76,367	\$199,367
Springdale	\$1,243,230	\$248,646	\$211,000	\$37,646	\$248,646
Benton County	\$1,288,884	\$257,777	\$15,000	\$242,777	\$257,777
Carroll County	\$403,613	\$80,723	\$7,000	\$73,723	\$80,723
Madison County	\$379,854	\$75,971	\$3,000	\$72,971	\$75,971
Washington County	\$1,229,701	\$245,940	\$24,000	\$221,940	\$245,940
<b>TOTALS</b>	<b>\$7,481,514</b>	<b>\$1,496,303</b>	<b>\$802,000</b>	<b>\$728,180</b>	<b>\$1,530,180</b>
*Fayetteville already contributes more than 20 percent so it is assumed the city will continue to contribute at its current level.					

Under this concept, cities and counties that are members of ORT would be agreeing to provide \$728,180 in new funding. When combined with existing federal and state sources of funding, the overall ORT budget would grow from near \$2.7 million to around \$3.4 million annually.

A comparison to Metropolitan Statistical Areas with similar or somewhat smaller populations than Northwest Arkansas shows our region lags in what it contributes to transit. Consider these contributions in regions similar in population to Northwest Arkansas.

Location	MSA population (2012)	Local contribution (2011)
Northwest Arkansas	482,200	\$826,203
Lafayette, La.	474,415	\$2,029,402
Springfield, Mo.	444,617	\$4,458,731
Huntsville, Ala.	430,734	\$1,352,019
Fort Wayne, Ind.	421,406	\$1,337,506
Alexandria, La.	154,421	\$873,923

SOURCE: U.S. Census Bureau, National Transit Database 2011



## 10 Reasons to support 20 for Transit

1. **Limited Expansion:** It creates a mechanism for cities and counties to test how Ozark Regional Transit handles an expansion without committing millions of dollars to conduct that test. The additional revenue for ORT is not a huge increase, but it is a significant one.
2. **Doesn't Require Cuts Elsewhere:** It provides a funding boost to ORT without reducing existing county or city funding that's used for current programs. It relies fully on new revenue.
3. **Budget Consistency:** It provides ORT with a consistent revenue stream, eliminating the need for ORT to make new, annual requests to each government for funding. It provides consistency in budgeting for both ORT and its partners (the cities and the counties). Additionally, for some local governments, giving Issue No. 1 money to ORT frees up general fund money that can be used for other purposes.
4. **Defined Services:** It would be possible for county officials to work closely with ORT to define what services should be provided and to ensure that the additional funding is spent in a way acceptable to the county. The additional \$700,000 or so would be adequate funding to support about seven new, 12-hour fixed routes, or a number of fixed routes plus dial-a-ride services.
5. **Regional Cooperation:** It creates a regional partnership between counties and the region's largest cities. Regional approaches to such things as public transit can be challenging with so many partners involved, but a single solution for the region will be far less expensive than each community defining its own unique way of addressing transit. Some of Northwest Arkansas' most important successes (Beaver Water District and XNA) were regional ones.
6. **No Cap:** Communities that want to provide more than 20 percent can do so. It's possible some communities will choose to pursue higher amounts. Fayetteville is already doing significantly more than the 20 percent, and it has expressed its intent to continue doing so.
7. **Job Creation:** Regional transit systems such as Ozark Regional Transit are important to economic development and job creation. Employers will be able to rely on a comprehensive system to enable employees from the entire region to dependably get to job sites. More routes and the availability of more "dial-a-ride" services increase that dependability.
8. **People Expect Transit:** People who move here from larger communities are used to using public transit systems, and a more viable transit system is a more usable transit system. Anything we can do to boost public transit in Northwest Arkansas makes the region more attractive to those who are considering jobs here.
9. **Keeping Current Services:** ORT management has expressed a strong interest in transitioning ORT into a system that provides rides to employment centers and entertainment venues while maintaining its history of providing service to senior centers, shopping centers, medical facilities, and government facilities (the courthouse, city hall, etc.).
10. **Quality of Life Enhanced:** Northwest Arkansas can claim major quality-of-life enhancements in the past few years or on the horizon, including Crystal Bridges Museum of American Art, Arvest Ballpark, an expanded terminal at the Northwest Arkansas Regional Airport, and the Razorback Regional Greenway. Expanding public transportation is a quality-of-life enhancement that's no less important than the high-profile projects.