

# Planning Rural Systems: How and Why Should You Start?

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A general overview of major factors that should be taken into consideration when local officials and interest groups begin planning for rural transit systems is presented. Before planning is initiated, a number of key issues must be addressed; these are included in a table titled "the preliminary rural transit survival test". After the test has been taken, a score can be calculated to assess the chances of successfully planning for and implementing a rural transit system. Certain steps that should be taken before planning commences are suggested, and the need to focus attention on establishing procedures for evaluating transit operating and financial performance is emphasized.

Since the federal Section 18 operating assistance program (Urban Mass Transportation Act of 1964, as amended) is scheduled to terminate September 30, 1982, the discussion of the question how and why you should start planning for rural public transit could, for some persons, be ended here. This paper presents some thoughts and observations for others who do not view the federal funding cutbacks as insurmountable obstacles to developing rural transit systems and in general are more optimistic about the future of public transportation.

As in any other type of investment, whether it be time or money, careful consideration must be given to determining whether the right conditions and circumstances exist to pursue rural public transit. Any one of a number of factors could mean the difference between spinning your wheels and getting a good start and, ultimately, the success or failure of the transit system.

In my opinion, seven basic questions must be addressed prior to initiating rural transit planning:

1. Is there a clearly defined transportation problem or need that can only be solved through government intervention? Or is the need for rural transit action elusive, ill-defined, or subject to change, depending on what agency or individual is contacted? It is challenging enough to promote and develop public transit even with clearly defined problems and objectives. Careful attention must be given to initially presenting the case for transit in a convincing and logical manner.

2. Is there good public understanding and broad-based support for the need to improve transit services in the rural area? Or is the interest limited to a few private taxi operators or a single, relatively small senior citizens' organization? Unless a good cross section of the population and diverse interest groups condone public transit, the chances of a successful effort are diminished.

3. Do the community leaders have realistic expectations of what can be achieved within reasonable financial limits? It is important not to oversell the merits of public transit or to suggest that high quality and large quantity can be offered at bargain basement prices. Consider, if you will, the consequences of not performing as promised!

4. Are the real motives for transit action in the spirit of improving rural transit or is the effort directed toward achieving some other end result? For instance, is promoting the need for public transit a means by which some human service agency can reduce its transportation budget? And would this new or modified "public" transit service truly serve the general public?

5. Are there good working relations among the parties involved in the rural transit issues? If intergovernmental relations are strained, if strong political differences exist, or if similar types of

cooperative agreements have failed to materialize in the past, it is likely that public transit developments would be doomed from the start. One factor that might counter these problems would be a strong and concerted call for action by the general public.

6. Have key local elected officials taken an objective interest in public transit and are they willing to consider political and direct funding support? Without this endorsement and commitment, progress will be slow and difficult, if not impossible. Absence of support in this area is an almost certain guarantee of failure.

7. Is the timing right to pursue transit issues? For example, it would be very bad judgment to press for transit support decisions when (a) other controversial issues dominate the local area (especially those dealing with local tax revenues or expenditures), (b) there exist serious funding issues between the local and state governments (if state aid is sought), or (c) cutbacks in transit assistance are being considered at the federal level.

For those interested in assessing what the chances are for surviving the initial challenge for rural transit in their area, this paper includes a "preliminary rural transit survival test" (see Table 1). If the test is passed, the next step in the development of rural transit can commence. Typically, this phase involves planning at two levels: (a) general and (b) operations.

## GENERAL PLANNING

The general planning phase provides the basic demographic and economic information necessary to better assess the need for rural transit services and inventories existing transportation demand and services. After this information is obtained, detailed operating and financial plans can be formulated.

The specific procedures and techniques used in these planning activities are not discussed in this paper. However, I suggest that there are three basic steps that should be taken by planners and transit advocates before the actual planning phase is initiated.

Table 1. Preliminary rural transit survival test.

Question	Circle One		Total Points
	Yes	No	
Is the transportation problem or need clearly defined?	+10	-5	
Does the public understand and support transit issues?	+12	-4	
Are transit promoters creating realistic expectations?	+10	-2	
Are the transit motives genuine?	+6	-2	
Do good working relations exist among agencies involved?	+10	-3	
Are local elected officials willing to provide local funding support?	+16	-8	
Is the timing right?	+11	-6	
Total	+75	-30	

Note:	Rating	Total Points	Rating	Total Points
	Excellent	60-75	Poor	0-24
	Good	40-59	Impossible	Minus points
	Fair	25-39		

## DEFINITION OF PURPOSE

The purpose of the planning activity must be clearly defined. Too often, rural transit plans are conceived and implemented with little consideration of the specific needs, problems, and constraints of a given area. Regardless of these conditions, the classical approach to planning is implemented and the main issues are ignored.

But what are the known issues and important questions that need to be addressed? Is the study to identify more clearly the present and potential demand for such services? Who would particularly benefit from rural public transit services: the elderly? employees of certain companies? persons who either do not own or do not have access to automobiles?

As part of this effort, three things should be done:

1. Outline the financial requirements of the rural service. In some cases, local officials are more concerned about the costs that might affect the local tax base than what service might actually be rendered.
2. Explore the feasibility of merging human service transportation with the common-carrier type of public transit services. Depending on the importance of this issue, the entire planning effort could be devoted to this subject. However, one should be leery of suggestions that broad-based public transit services can be developed by expanding the transportation services of a single large human service agency. The result may be human service transportation with a broader funding base that includes public transit funding sources.
3. Develop operating plans to adjust existing services, and prepare alternative schemes for new or expanded operations. Unless the purpose of the planning is clearly defined and work programs carefully drawn to reflect these priorities, the results will likely prove to be worthless.

Input

The design and conduct of the planning cannot be performed in a vacuum. Turning over the planning responsibility to a county planning agency or a private consultant with only vague, general direction is a sure way to waste time and effort.

All affected groups, organizations, and local governments should be made directly part of the planning process. Their concerns and requests, whenever practical, should be incorporated in the work program. Citizen and rider input must also be sought.

Results

Finally, the end product should clearly reflect the basic objectives of the study and input from all interested parties. If the final report does not contain concise findings and conclusions and recommendations that address the key issues previously defined, then the best case for rural transit service cannot be made.

## PERFORMANCE EVALUATION

I would urge transit planners and managers to focus more attention on the evaluation of transit system performance. Because public subsidies for rural transit are not unlimited and the demand for subsidies will continue to grow, rural transit systems must develop the capability to adjust service levels and fares so that budgets can be balanced.

In Pennsylvania, we have established laws and procedures to distribute transit operating assistance grants on the basis of constrained financial need and system performance. Constrained financial need is calculated by limiting the increase of operating expenses from one year to the next by some predetermined percentage, referred to as the maximum expense factor. To this constrained expense a statewide cost recovery factor for a particular fiscal year is applied.

In rural and urbanized areas of Pennsylvania, basic state grants to transit systems are determined by using this method and the state then funds two-thirds of the nonfederal share of the constrained deficit. For urbanized transit systems, state aid may be increased to three-fourths of the nonfederal share of operating deficits if the transit system shows annual positive improvement according to the following measures: (a) revenue per hour, (b) ridership per hour, (c) expense per hour, and (d) revenue/expense ratio (declining at no more than 2 percent/year). By using this funding method, transit systems are encouraged to develop their own procedures for evaluating operating and financial performance.

One approach to this type of evaluation has been developed for Pennsylvania by Simpson and Curtin transportation consultants. As called for in our request for proposals, Simpson and Curtin has prepared a Transit System Performance Evaluation and Service Change Manual. The essential steps in this evaluation procedure can be briefly described as follows:

1. Formulate system objectives. System objectives are basic to the entire evaluation process. Anytime a performance measure is used, it should be related to a clearly stated objective. Vague, overly general goals and objectives fail to provide a basis for sound, effective decision making. On the other hand, overly specific and rigid goals and objectives can be unrealistic and unresponsive to changing conditions. In order for the objectives to be useful, some means should be used to measure system effectiveness in meeting the objectives.

2. Set criteria and performance level guidelines to measure progress toward meeting the objectives. The approach toward quantifying and measuring how well a system meets its objectives might consist of three steps: (a) identification of criteria that address each objective, (b) determination of transit system practices and/or operating statistics that relate to the criteria, and (c) development of performance level guidelines based on the results of step b. Through this process, rural transit system priorities can be established and then one can attempt to quantify or measure progress toward the objectives.

3. Establish an evaluation methodology. After the establishment of desired performance levels that meet system objectives, a methodology must be established to check system performance. Essential in this evaluation is having the necessary data and analytical tools. Transit managers need to become more skilled in this difficult area of identifying situations where changes or corrective actions are needed and determining what kinds of actions would be most effective. Translating these actions into service and fare changes is then undertaken as well as estimating the costs and benefits of each specific action.

Although the procedure outlined above can become somewhat complex and time consuming, sometime during the planning, development, and operation phases of a rural transit system the framework for performing

such evaluations should be established.

The principles, procedures, and ideas contained in this manual could--and, in my opinion, should--be adopted for rural and small urban transit services. I would encourage federal and state agencies to seriously consider such an effort. If professional transit planners and operations consultants are called on to assist in the development of rural transit systems, consideration should be given to developing a performance evaluation procedure at that time.

Planning for planning's sake will not contribute to the development of rural transit. However, when

the real needs of an area are considered and incorporated in the planning process, progress can be made. More important, the planning effort can serve as a means of establishing a framework for the measurement and evaluation of operating and financial performance.

The results can yield major benefits to transit riders, funding agencies, and transit system managers. It is hoped that, through these efforts, rural transit services will be established and operated long after federal transit aid is terminated.

## Organizational Planning for Contracted Rural Public Transit Services

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**A framework for organizing a transit authority to contract with the private sector for service delivery is presented. It is based on a case study of the Franklin County, Massachusetts, Regional Transit Authority. Public pressure is mounting for a reduction in the size of government and the return of many functions to the private sector. Transit authorities in rural and small urban communities can meet this challenge by contracting with private-sector organizations for the delivery of transit services. Use of contracted services will change the focus of the authority's management. Based on a clear division of functional responsibilities between the authority and the contractor, planners must construct an organizational framework to reflect the authority's functions and to provide the managerial skills required to direct the contractor and evaluate performance. Overemphasizing any single area of skill will diminish the effectiveness of the authority in meeting local transportation needs.**

Organizers of new rural and small urban transit systems have as major tasks in the planning process the evaluation and selection of a service-delivery mechanism and the definition of an organization to manage the service. Since the enactment of the Urban Mass Transportation Act of 1964, transit service has increasingly been delivered by public transportation authorities. These authorities, under the direction of appointed governing bodies, have not only established overall operating policies and service goals and objectives but have also assumed responsibility for the operation of the transit system. Consequently, private operators have been reduced in number and now primarily provide intercity and highly specialized transportation services.

A large number of rural communities have extended this precedent to their service areas, where they have assumed the responsibility for delivering transit service under the aegis of an existing unit of government (e.g., municipality or county) or a special-purpose agency such as a regional transit authority (RTA). As a result, the number of privately owned and/or operated rural transit systems is limited. For example, a 1981 directory of the U.S. Department of Transportation (1) reports 91 private operators, which represents only 26.8 percent of all transit operators.

However, implementing transit service by using private operators under contract to a transit au-

thority should not be discounted as a viable option by organizers and planners of new systems since it affords a number of benefits:

1. The size of the organization responsible for transit within the governmental structure of the service area is minimized.
2. Private operators may already be providing service, and their experiences can be tapped to improve the quality of transit.
3. Private operators may be more sensitive to the need for efficient and reliable service since the health of their business rests on providing a quality product.
4. A major source of funding for rural systems, the Section 18 funding program (Urban Mass Transportation Act of 1964, as amended), encourages the use of private operators in rural and small urban areas.

The use of private operators under contract to an RTA, however, affects many of the functions performed by the authority's staff. These changes in the functional organization of the authority should be addressed in the planning stage to enhance the likelihood of meeting the system's goals and objectives. Specifically, the transit authority must be organized and staffed to monitor and manage the contract(s) with the private operator(s). The authority must also be capable of translating transit needs into specific contractual terms. Finally, the transit authority must ensure that the private operator's organizational structure is responsive to the authority and transit users.

The purpose of this paper is to define some of the issues inherent in the organizational planning of a public transit authority that desires to provide service via contracts with private operators. Its contents are based on a case study of the Franklin County, Massachusetts, RTA (FRTA). Under the laws of the Commonwealth of Massachusetts, RTAs, with the exception of the Massachusetts Bay Transportation Authority, are prohibited from operating transit service. Therefore, each RTA must contract with a private operator to deliver transportation to