

If we can break out of the mold and look at innovative models, even look at geese as a model for organizational change, we will have accomplished a great deal. After all, I have never known a flock of geese to get lost. Our challenge today is to keep breaking out of the box, keep stretching the envelope. If we do this together, we will develop real strategies for innovation in transit.

### INSIGHTS FROM LAS VEGAS

*Kurt Weinrich  
Regional Transportation Commission  
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I would like to offer some perspectives on the changing environment. Certainly a lot of changes are taking place today, but if you look back in history, there's always been changes in the environment for any public service, including public transit.

#### The RTC System

The RTC in Clark County, which is headquartered in Las Vegas, Nevada, serves three roles and has been serving these three roles for almost thirty years. RTC predated the Intermodal Surface Transportation Efficiency Act (ISTEA) model, showing the way before 1991. We are the metropolitan planning organization for the urbanized Las Vegas area, which has now reached one million in population. We are also the public transit agency for Clark County. We actually operate the public transit service that we plan as the MPO. We are also a road building funding agency with a county-option motor fuel tax that comes directly to the RTC. Our budget split is roughly one-third transit and two-thirds highway funding, so that gives you an impression we're multimodal, but, at the same time, most of our funds go into the highway construction area.

By way of organizational background we have four employees managing that highway building program of about \$90 million a year and we have, inside the RTC, about 100 employees managing that one-third transit program. In the start-up of the first public transit system in Clark County, the Citizens' Area Transit System (CATS), the Commission adopted a policy of contracting out all of its transit services. That is why we only have 100 employees dealing with the transit arm. These are employees of the RTC. We actually have in excess of 650, now reaching 700, new jobs created in the transit sector,

but they are all employees of private contractors. Weigh that against the four employees that deal with our \$90 million road building program. We contract with the local entities, the cities, the county, and the state Department of Transportation. They then actually go out and acquire and build the arterial roads with our money, so we have a hidden work force there in the other agencies.

#### The RTC and Organizational Change

Change has defined our organization, certainly in the last five years, and I think all the way back to its beginning in 1965. Las Vegas is the fastest growing community in the country today. It has been for the last ten years, consistently, both in terms of job growth and in residential growth. It is likely to continue in that category for the foreseeable future.

With an initial fleet of about 108 vehicles and 18 routes, the CATS start-up in December 1992 was the largest single bus new start in North America in twenty years. We have since grown to 161 vehicles and are constantly on the run to catch up with the growth of the community demands for new transit services. We have some very unique situations in Las Vegas. One is with the resort corridor in the central part of the community. We have a ridership base that is not duplicated anywhere else in the world with up to 400,000 tourists and about a quarter of a million employees in that corridor on any given day. We have contracted out all of that transit service. It has been contracted out on a competitive basis. It has been a model not only in Nevada, but also in the rest of the country for the privatization and the use of entrepreneurial services in providing a government service.

#### Customers and Change

Whether they are the fare payers who ride our vehicles, or the automobile occupants who pay their gas tax that helps us build the roads, or the taxpayers who support the tax subsidies to either of these services, the voters are saying they want governmental services to be efficient and responsive. They have to be delivered on time or they are going to look for an alternative, not modally, but in terms of service delivery. Costs are very important to the fare payers as well as the taxpayers, and they are very sensitive to those costs or to decisions by their elected or appointed officials that affect those costs. We see increasingly among the electorate, if it cannot

be done for less money by the existing organization, whether it is government or private, let someone else do it or don't do it at all.

We have been very fortunate in southern Nevada in that the local electorate — which does not include the tourist — is very concerned about traffic congestion and being able to keep up with the mobility in the area that is impinged upon by the constant growth. At the same time, there is a lot of understanding of what the problem is among our electorate, partly due to some very sage elected officials who took some time four or five years ago to inform the electorate of just what it takes to keep mobility in pace with our growth. We now have an electorate that is willing to tax itself to address congestion needs, in both the transit and highway construction area.

We are finding — and this may be the old western spirit that some people say has died out, although in southern Nevada we still see evidence of it every so often — that government is here to provide a service, not to provide full-time employment to anybody. Public transit is not an entitlement, but just one of many services, one of the many diverse public services that the community sees government is in the best position to provide. Therefore it has to be provided, but it is under constant scrutiny for cost efficiency and relevance and responsiveness to the local voters. If, in fact, the public service has been provided for a period of time because it was needed at one time but is no longer relevant to the local community, increasingly we are seeing our electorate telling us, "Don't keep doing that. Just because you have a bureaucracy in place to provide this and you have an infrastructure in place and you have employee groups in place, that doesn't mean it needs to continue to be provided, because we don't need it anymore."

### **The Transit Industry and Change**

The recent vote in Congress on repealing Section 13c and eliminating existing agreements adopted under that provision saw a lot of miscommunication, misinformation, and an unwillingness by many parties, on both sides, to deal with change. Proponents of change argue that the provision in the 1964 Urban Mass Transportation Act that protects the collective bargaining rights of employees from private sector companies is no longer the condition under which collective bargaining is applied under state and federal laws today. It is certainly not the

situation in which we find ourselves in southern Nevada, being 100 percent reliant on contracting out with the private sector for these services.

We are finding that our public, our electorate, has a real problem hearing that there are certain things we have to do and certain things we cannot do simply because there is this particular provision in place to protect, not the collective bargaining rights, but to protect the job and the employment conditions of an individual employee for six years. It is basically an unemployment compensation act for six years.

This strikes a chord in our particular community. We have all heard the horror stories of people getting laid off in the defense industry, many of them in southern California. Many are not finding work in their chosen or trained fields and are coming to Las Vegas for employment because jobs are being created there. And when they hear that our system cannot grow as fast as we want it to or it needs to because we have to set aside and make decisions based on protecting six years of employment for employees who operate buses, we get a very vocal reaction. We have a very high unionized work force in the Las Vegas resort industry, from the culinary employees to stage hands, but they do not like the idea that somehow one group of organized employees has a much higher level of benefit protection than others. That is the message that Congress did not hear in the appropriations debate. I can assure you that they will hear it in the future debate on this issue.

### **The Challenge of Preserving ISTEA**

In the world of public transportation and the world of transportation in general, we are coming up to the reauthorization of the ISTEA. Everyone is going to be looking at the report cards that different interest groups are keeping on the performance of different parties under the ISTEA. We know in our particular region that there are people who are preparing today for the authorization hearings, with the intent of indicating that the MPOs have failed to meet the mobility and congestion relief needs of this country because there are too many people at the table. Of course, we all know that the whole point of the change of the planning process the ISTEA brought us was to make a place at the table for everyone.

There have been many successes around the country. I feel that in southern Nevada we can be counted as one of the successes, partly because we did not have

to spend any time developing that round table for everyone to have a voice at. We were already sitting around the table doing the same things anyway. But, there are going to be people who, for very limited-scope reasons, are going to be coming back at that whole issue during the reauthorization hearings, saying, "This didn't work." I would only suggest that you keep your ears open today, and not wait until next year's hearings for who those groups are and what their arguments are. I would not be surprised that some of their arguments are based on misinformation.

### CHALLENGES IN SALT LAKE CITY

*John C. Pingree  
Utah Transit Authority  
Salt Lake City, UT*

#### Introduction

I look at myself as a general manager, as a person who tries to keep up with the great people of our organization that make the difference in our community. I had come through the traditional idea that managers are in the business of planning, motivating, and directing. So much time is blocked off here, another block is here, and it is all very organized.

Then I thought of my own managerial life, and it was not that way at all. I would go into work and someone would walk in and lay a problem on my desk. Then I would quickly try to get the monkey off my back and put it on theirs. I would ask them what they would do about solving the problem. Then someone else would come in with an entirely different thing and then I would get a call from a board member. I found out my days were really almost totally out of my control. The only way I could get anything done was to tell my secretary to shut the door and do not let anybody come in. That was hard because the phone would ring, and my curiosity would get to me about who could be on the other end of the phone and what I might have to deal with them about.

#### Insights from UTA Experiences

I would like to present seven areas that offer a challenge to us as an industry. More particularly, I will refer to the Utah Transit Authority (UTA) for examples.

*The Changing Political Environment:* During my 18 year tenure at UTA, I do not think we have ever

operated at a time when people have not said, "This is going to be the toughest year. This is the year when there's just no money. This is the year when everybody is going to be coming at you and you have to do more for less." They say those things, yet nothing had changed. It has always been that way.

Now, things coming from Washington indicate that transit really is going to be working in a different environment. As an industry, we previously put all of our political investment in the Democrats in Congress, and now the Republicans are running the show and they are not very friendly. In fact, their agenda is a lot different than what our present agenda is. If their actions hurt people in urban centers, that is not a big deal to them because that is not where their votes come from. The way I see it, if they hurt public transit and put money into highways, which is basically what happened with House Resolution 2002, that does not hurt their support. Having been a traditional Republican, I am now converted, but it is tough to face the fact that, to a large extent, the friends of the transit industry are no longer in influential positions in Congress.

*Funding:* One of the biggest challenges facing our organization is funding. At the UTA, we have three sources for funding: the farebox, federally funded operating assistance, and locally generated sales tax.

I came from the private sector where we had a lot of tools in our box, so to speak, that we could use to raise revenues. In transit I do not have any tools. I have three funding components, and two of them are out of my control. The sales tax comes in whether you do a great or lousy job, and the federal operating assistance looks like will be cut by at least 40 percent.

So, what do you do to keep your organization viable? Our challenge today is to provide stable employment to our employees. We do not want to be going through reductions in force (RIFs). Our management/labor contract has always been such that we will not go through RIFs. We may not pay highest wages, but we will give stability. Can we really continue we will guarantee to keep that contract as an organization? That is a question we currently face.

In 1992 UTA lost a sales tax election to expand our system with light rail transit (LRT). The scenario then was 50-50 federal and local funding, but we could not provide the local share without a sales tax increase. We got a resounding, "No," from our community.