VALLEY TRANSIT
STRATEGIC PLAN

Valley Transit
Connecting the Fox Cities

Valley Transit

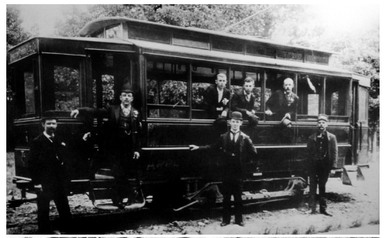
Valley Transit provides safe and reliable public transportation to the many communities that comprise the Fox Cities. Whether you're in Appleton, Buchanan, Grand Chute, Harrison, Kaukauna, Kimberly, Little Chute, City of Menasha, Town of Menasha, or Neenah, you can use Valley Transit to get where you need to go.

INTRODUCTION

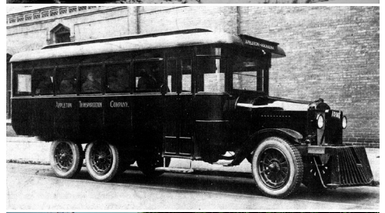
Valley Transit provides transit service to the Fox Cities area, including the City of Appleton, City of Kaukauna, City of Menasha, City of Neenah, Town of Buchanan, Town of Grand Chute, Town and Village of Harrison, Town of Menasha, Village of Kimberly, Village of Little Chute, Calumet County, Outagamie County, and Winnebago County. The service area covers 117 square miles on the north end of Lake Winnebago and serves a population of roughly 216,154.

Public transportation in the area originated with streetcar systems, which operated from 1886 to 1930, when they were completely replaced by buses operated by a company called Fox River Bus Lines. Toward the end of the 1960s, the city began to subsidize the company, until it bought and took over operations on New Year's Day 1978.

Today, Valley Transit provides fixed-route service, paratransit, and demand response services to a wide range of customers.



1886-1930

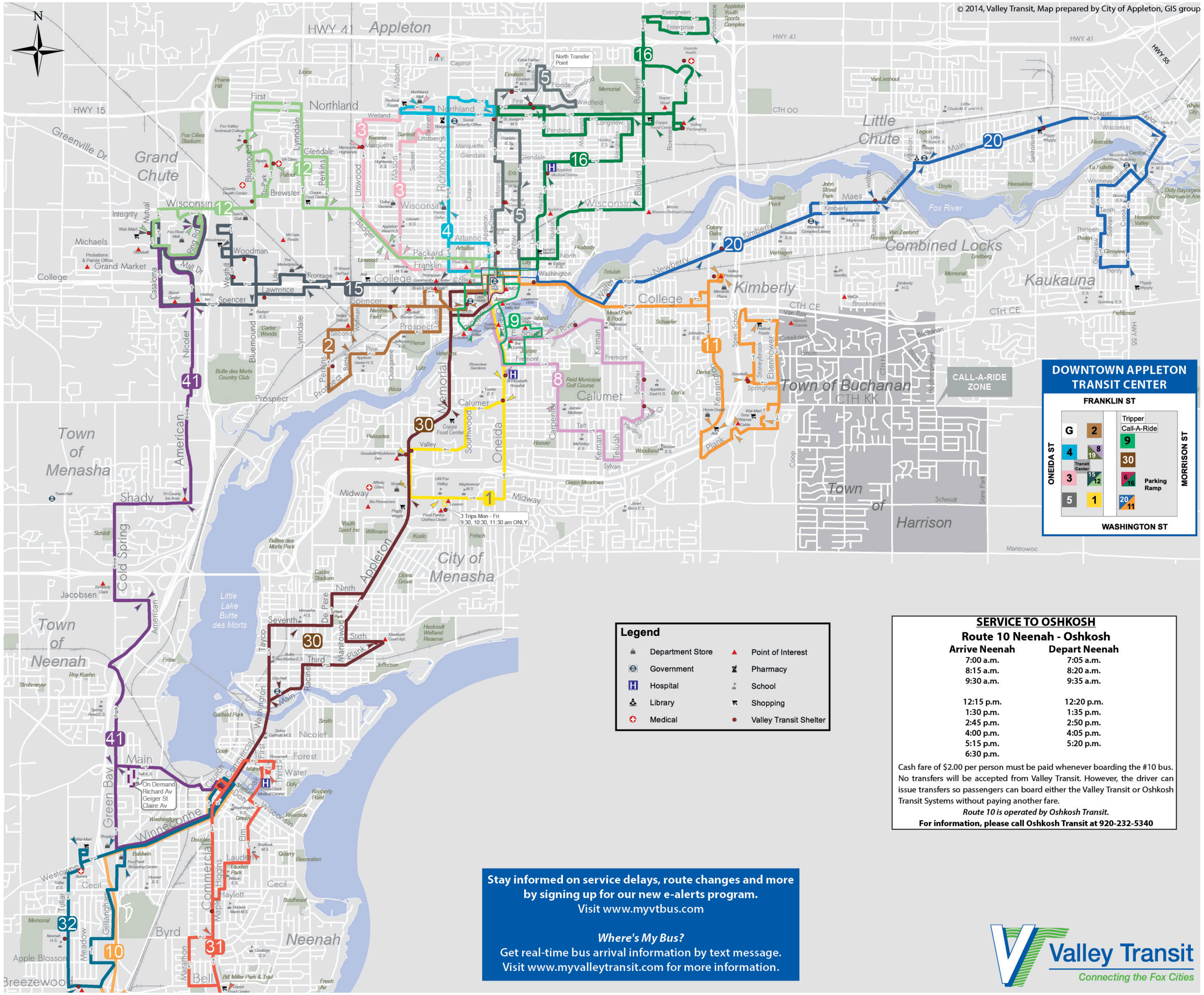


1930s

1960s

Current

EXISTING TRANSIT SYSTEM MAP



By the Numbers:

- Service area covers 117 square miles and serves a population of 216,154 people
- 3 counties and 10 communities served
- 1.3 million rides were provided by all Valley Transit services in 2013
- 2007-2012 saw a 15 percent growth in ridership
- 54 percent of trips are related to employment
- Annual operation cost are $8.5 Million
- 21 peak vehicles in service
- 4 private providers operate Valley Transit paratransit services

SERVICES

Fixed-route

Valley Transit's core service consists of 18 fixed bus routes with service from 5:45 a.m. to 10:30 p.m. on weekdays and 7:45 a.m. to 10:30 p.m. on Saturdays. Most routes operate every 30 minutes during peak periods and every 60 minutes during off-peak periods. No Sunday service is provided currently.

Valley Transit II

Valley Transit's paratransit service, complimentary to the fixed-route service per guidelines in the Americans with Disabilities Act (ADA), is known as Valley Transit II. The service is available to ADA certified customers within the Valley Transit service area who cannot use existing fixed-route service. Service is also provided to seniors, aged 60 and over, living in Outagamie or Calumet Counties.

Service for ADA passengers is available Monday through Friday from 5:30 a.m. to 10:30 p.m., Saturday from 7:30 a.m. to 10:30 p.m., and Sunday from 7:30 a.m. to 2:00 p.m. Service for seniors is available Monday through Friday from 9:00 a.m. to 5:00 p.m.

The Connector

The Connector is designed to provide safe, convenient, and affordable access to public transportation for Fox Cities residents who work second or third shift schedules or who need to travel throughout the community beyond Valley Transit's service area.

The Connector extends the regular bus routes beyond standard boundaries and hours. It connects passengers from a location outside of the bus route to one of six transfer points. It is available 20 hours a day, six days a week.

Call-A-Ride

Valley Transit's Call-A-Ride taxi service is available to the general public and provides direct public transportation to and from the Appleton Transit Center from the Town of Harrison and the Town of Buchanan.

Other Services

Valley Transit also provides and coordinates several additional specialized and rural transportation services to seniors and people with disabilities.

PURPOSE OF STRATEGIC PLAN

In 2014, Valley Transit embarked on an effort to develop a transit strategic plan. The process included a strong stakeholder outreach component to ensure that the development of the plan was based on input from the community.

The purpose of the Valley Transit Strategic Plan was to develop a mission, vision and strategies for providing public transportation services in the Fox Cities. The framework for developing the plan was focused on:

- Using transportation in the Fox Cities to attract and retain businesses and workforce
- Providing transportation to community members who rely on transit (seniors, disabled, low-income)
- Attracting choice riders
- Sustaining the financial state of the transit system

Stakeholders involved in the development of the Transit Strategic Plan included the general public, the Fox Cities Transit Commission, a Steering Committee, and Valley Transit staff. The Steering Committee included representatives and elected officials from municipalities in the Fox Cities, as well as representatives of various community stakeholder groups, including:

- Local advocacy organizations
- Appleton Area School District
- Various chambers of commerce, business improvement, and economic development associations
- East Central Wisconsin Regional Planning Commission
- Institutions of higher education (Lawrence University, Fox Valley Technical College, University of Wisconsin Fox Valley)
- Various human service agencies
- Major retailers and property owners

The first step in developing the Transit Strategic Plan was to understand the strengths, weaknesses, opportunities and threats (SWOT) of the transit system. During the month of May 2014, the consultant team conducted meetings with stakeholders to conduct a SWOT analysis. The key themes that emerged from these meetings are summarized in the following section.

The project team also conducted numerous surveys, open houses, and public meetings to engage a broad cross-section of the community. Many of the issues brought up in the SWOT sessions were echoed in survey and public comments. A summary of outreach activities is presented at the conclusion of this report.

SWOT

The strengths, weaknesses, opportunities, and threats identified by the various stakeholders were used as the foundation to develop the vision, mission, and values for the Transit Strategic Plan.

STRENGTHS

Positive perception of Valley Transit staff

Diversity of transit services offered

Community support for transit

Well operated service

Good use of technology with features like Google Transit

Strong partnerships with communities, schools, businesses, and non-profit organizations

WEAKNESSES

Service limitations: limited service frequency, no Sunday or holiday service, unserved destinations, spoke and hub system; travel times

Negative perceptions of transit

Inadequate/unstable funding

Limited ability to attract choice riders

Need to improve service provided for people with disabilities

Culture in Fox Cities is automobile-oriented

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OPPORTUNITIES

Service improvements to: provide more frequent service, provide service later and on Sundays and holidays, serve additional destinations, provide more integrated transportation options with bicycles, taxis, vans, and car-sharing

Enhance marketing efforts

Provide improved and more stable funding

Identify Valley Transit as a transportation provider,not just transit

Changing demographics and behavioral trends that suggest a greater interest in public transportation

Pursue more collaboration and partnerships

THREATS

Inadequate/unstable funding

Negative perceptions/ attitudes about transit

Low density sprawled community

Service limitations: limited service frequency, no Sunday or holiday service, unserved destinations, spoke and hub system; travel times

Through a robust stakeholder engagement process, the strategic direction for Valley Transit was developed.

VISION

Our vision statement reflects what we believe are the ideal conditions for the community and how things would work if the issues important to the community were completely realized. The vision for Valley Transit is:

People can get where they want to go in the Fox Cities.

MISSION

Our mission statement is our statement of purpose which identifies the target market for services, the core product, and how the service is meaningful to the community. The mission statement for Valley Transit is:

Valley Transit provides safe, customer-focused transportation options that connect our communities to enhance quality of life.

VALUES

Our values are the guiding principles at the core of our organization. When carrying out transit projects and building partnerships in the Fox Cities, Valley Transit refers to each of these in its decision making process. The intent of establishing organizational values is that they are core principles that are not to be compromised. Valley Transit holds the following six values up as guiding principles to achieve its vision:

Integrity

Customer Service

Convenience and Reliability

Transportation Choices

Efficiency

Resilience

Integrity

Valley Transit holds a position of respect among the communities it serves. Valley Transit has earned this position through its transparent processes, and the productive relationship it maintains with regional partners. Valley Transit is charged with the stewardship of public resources and provides a quality transportation service for those that rely on it for mobility. Additionally, Valley Transit's values are consistent with those in the Fox Cities region, promoting a good quality of life and supporting the regional economy. Valley Transit welcomes communication from all interested parties, and is respectful and professional in its communications and conduct.

Goal 1

Valley Transit is a fiscally responsible organization that is accessible and supports a high quality of life in the Fox Cities

Customer Service

Valley Transit provides a critical service to passengers, human service agencies, and businesses whose employees and customers rely on transit for mobility. Valley Transit pledges to carry out its operations while meeting or exceeding customer expectations. All front line staff will engage the customers of Valley Transit politely, and in a manner considerate of customers' needs. Customer service training is required for all staff associated with the agency.

Valley Transit will regularly measure customer satisfaction and assess the perception of its products from the view of the community. If Valley Transit is notified that customer expectations are not being met, or if poor customer service is observed, Valley Transit staff responds to these issues.

Goal 2

Excellence in customer service is a central value of Valley Transit, and the organization continuously monitors and exceeds customer expectations

Convenience and Reliability

All of the services provided by Valley Transit will be useful and convenient for the transit passenger. Valley Transit will minimize travel time and operate programs where there is demand for transit. Valley Transit will operate its scheduled services on-time. Valley Transit will use technology to its fullest potential to communicate information to transit users, and make the use of transit simple.

Goal 3

Transit Services in the Fox Cities will be direct, on-time, and easy-to-use

Transportation Choices

The fixed-route network operated by Valley Transit is the backbone of transit in the Fox Cities. This network is supplemented by other transportation modes that enhance the regional system. All transit trips begin or end with a pedestrian link, and Valley Transit customers benefit from investments in the pedestrian environment. Bicycle connections can extend a fixed bus route, and aide in providing a "last mile" connection to transit. The bicycle is an affordable mode of transportation that has a low impact on the environment. Automobile connections also offer benefits to transit through ridesharing, park-and-rides, and the management of parking pricing and travel demand. Roads can also be constructed to incorporate transit advantages.

Valley Transit also integrates its fixed-route service with other specialized transit modes, such as demand response, vanpools, taxis, and human service transportation providers.

Goal 4

Transportation infrastructure in the Fox Cities improves communities, and offers seamless connections for all people traveling to, from, or within the region

Efficiency

As a steward of public investments, Valley Transit operates in an efficient manner. Staffing levels will be maintained appropriately, and service will continually be evaluated to assure a meaningful return on investment. Valley Transit will measure, improve, and be accountable for environmental, financial and social results.

Transit agencies must constantly balance the need to provide geographic access to communities, while maintaining a transit service that is convenient for its users. This means that running times of routes should be reasonable, routes should be direct with minimal deviations, and travel times should be competitive with other modes. Not all environments can sustain public transit service, and the focus of Valley Transit's core operations should be in areas where a sustainable market can be built.

Efficiency goes beyond performance measures like subsidy per capita. Continuous market research should drive service development decisions. Valley Transit takes a balanced approach to serving the region by covering areas of high productivity, along with areas where people have critical mobility needs. Building on the value of multimodal connections, it is acknowledged that fixed-route transit is not necessarily the most appropriate resource for all markets, but all modes in the Fox Cities should coordinate with or connect to Valley Transit's fixed-route bus, as it presents a comparatively low cost per rider.

Goal 5 Transit needs in the Fox Cities will be met efficiently, and in a manner that is consistent with its mission

Resilience

Resilience is an organization's capacity to anticipate disruptions, adapt to events, and create lasting value. As Valley Transit develops it must do so in a manner that keeps resilience as a core principle. Currently Valley Transit's structure of funding is reliant on large blocks of funding from federal, state, and local sources. Volatility in any of these sources can lead to instability for the entire system. Valley Transit will evolve its funding plan to minimize reliance on any single funding source, and position itself for local control over transit service. Furthermore, as the Fox Cities grow and change, Valley Transit must adapt to a shifting market. As such, Valley Transit will have systems in place to continually evaluate existing conditions of the transit market and adjust its service to effectively meet those needs as they arise.

Goal 6 Valley Transit is funded in a manner that promotes stability and resilience, and is flexible to accommodate a growing region

FUTURE SYSTEM

Recommendations for the future transit system were developed after a stakeholder input process that included workshops, surveys, and public meetings, and collaboration with Valley Transit staff. The following sections outline the goals identified during the planning process and the strategies to be implemented over a 10-year time frame to achieve these goals. The strategies include service design changes to the transit system, changes to Valley Transit's organizational structure, and changes to Valley Transit's operational procedures. Funding opportunities are also identified, with ways to build the technical capacity of the transit system. Each recommendation is intended to build on the strengths of the system – public perception, diversity of transit services, regional partnerships – and address its perceived weaknesses – unstable funding, awareness, convenience – as identified in the SWOT analysis with the Steering Committee.

Actions to be taken by Valley Transit and partners are prioritized into four general groups:

- **Near-Term Scenario** – Actions that can be taken immediately, and at a relatively neutral cost. These recommendations will optimize existing resources of the transit system
- **3-Year Scenario** – Actions that should be taken in years 1-3, and represent a moderate increase in capital and/or operating investment
- **5-Year Scenario** – Actions that should be taken in years 5-10, and represent a more significant increase in capital and/or operating investment
- **10-Year Scenario** – Actions that represent a fully developed, multimodal transportation system. This option will require significant, stable funding

These actions are cumulative– carried out in sequential order. The 5-Year Scenario assumes that the actions in the 3-Year Scenario have been completed. Some initiatives can be pursued concurrently; however, longer term strategies will be more successful if the foundations set in the earlier phases of implementation succeed.

Additionally, the recommendations are presented with the assumption that Valley Transit will lead most of the initiatives. Costs and the order of implementation can be adjusted if a partner agency is willing to lead or invest in a particular strategy.

Many of the improvements recommended require additional financial investment. Current funding levels and funding sources will allow maintenance of current transit service, but cannot satisfy current levels of unmet need or the increasing costs of providing additional transportation services.

There are various sources of funding that support Valley Transit. Operation funds are typically sourced from local governments, sponsors of service, Wisconsin Department of Transportation (WisDOT), and Federal Transit Administration (FTA). The contribution from local government and partners is approximately 22 percent of the total costs. Fares make up approximately 15 percent of operating costs.

Capital funds are most commonly sourced from FTA formula and discretionary funding. A local match ranging from 17 to 20 percent is required for FTA capital funding.

The costs of each of the future scenarios are presented in each respective section. They fall into three general categories: operation, capital, and planning costs.

Operating costs are ongoing cost centers that are part of Valley Transit's annual budget of labor and administrative expenses. Capital costs are accrued less frequently and are used for the purchase for vehicles, facilities, and equipment.

Near-Term Scenario

Recommendations for the Near-Term Scenario are focused on internal management and performance tracking practices, not expansion or modification of the Valley Transit network. Before any large scale changes are made, Valley Transit's existing services must function as effectively and efficiently as possible. The agency will build on existing strengths, and dedicate staff resources accordingly. The intent is to lay the groundwork for future changes. Items from the SWOT exercise highlighted here include building on the strengths of existing management practices, and addressing the weaknesses associated with limited service.

Service Description

- Overall, bus route network is similar to current network but with minor adjustments to ensure buses are running on time
- No changes in ADA paratransit service
- No changes in Connector service

Management and Operations

- On-time performance and reliability becomes the primary focus of all operations. Before commencing expansion programs designed to attract new ridership to the transit system, the existing transit service should function as well as possible.
- Develop on-time performance workgroup or process (including supervisory and front line operations staff) that can address the following regularly:
  - Identify schedule adherence issues
  - Identify causes and remedies for poor on-time performance
  - Rapidly implement and monitor solutions
- Monitor subcontractor performance for Valley Transit II, Connector, and human service transportation to ensure compliance in federal and state policy areas.
- Develop marketing and outreach working groups that are focused on the business community to address regional workforce transportation needs. Include mobility managers, workforce development agency representatives, and human resource professionals.

Infrastructure and Capital Investment

- Develop an asset management plan for vehicles, facilities, and equipment
- Form a capital planning workgroup to focus on managing assets

Staffing

- No immediate changes in staffing

Customer Benefits

- Improved reliability and customer service

Near-Term Scenario Costs

The cost to implement the recommended strategies in the Near-Term Scenario are $146,000-$196,000. The local share required is $43,800 - $53,800.

RECOMMENDATION	OPERATING COST	CAPITAL COST	PLANNING COST
Operational Adjustments	$146,000	$0	$0
Asset Management Planning	$0	$0	$0 - $50,000
TOTAL	**$146,000**	**$0**	**$0 - $50,000**

3-Year Scenario

The 3-Year Scenario moves Valley Transit toward a more private sector approach to provide transit service while maintaining the essential qualities of municipal services. The approach will focus on moderate, controlled growth of the organization similar to the manner of many private sector businesses.

The elements of improved quality service delivery and infrastructure in the Near-Term Scenario will be incorporated into this scenario. In addition, the current network will be "right-sized" to place transit service where it is most needed and best used. Strategic investment decisions in new services will be made where a reasonable return on the investment can be expected.

Market research and data driven decisions will be key elements of service development. Survey research and collected data will complement input from regular meetings with business representatives. Valley Transit will gradually expand involvement with other modes, depending on the partnerships developed and resources available. Experimental services will be tested at a rate of approximately one or two per year, consistent with municipal budgeting practices.

Reflecting on the SWOT work sessions, the 3-year scenario begins to take advantage of some of the opportunities related to strengthening regional partnerships, and developing convenient service to address some of the existing weaknesses.

Service Description

- The portfolio of Valley Transit services will initially be similar to what is currently offered and will expand from there
- Geographic expansion is contingent upon meeting service development guidelines, and the availability of funding
- Buses will be added to peak service to improve schedule reliability
- Services will be adjusted to reduce or eliminate low-performing segments of fixed-routes. If they are in areas of critical need (people with disabilities, transit dependent, etc.), but do not generate substantial fixed-route ridership, coordinating with other agencies or offering a more flexible transit mode will be explored
- High return areas that have transit supportive densities and strong ridership will be expanded (Routes 12, 15, 20, 30). High frequency network of routes in highest use areas will be established
- Staggered transfer times at hubs will be established
- ADA complementary paratransit will be expanded in a manner consistent with the expansion of fixed-routes
- Tripper services to serve niche markets or areas of inconsistent demand will be added. The 2010 Comprehensive Operations Analysis will be used as a reference point

Management and Operations

- No structural changes to the organization
- Goal of 95 percent schedule adherence
- Expand technology training
- Customer-friendly approach to service delivery by offering:
  - Easy to use fare media
  - Guaranteed transfers
- A flexible, private-sector approach to service delivery will be adopted. Unproductive services will be reduced and service will be added in areas of likely success. The market in the Fox Cities should drive expansion decisions.

Infrastructure and Capital Investment

- Additional vehicles should be purchased to maintain reliable peak service
- Technology should be improved, purchase software and equipment as necessary
- The Neenah Transit Center should be upgraded

Staffing Requirements

- Full-time staffing should be maintained at current levels
- Part-time staff should be added in the following capacities:
  - Drivers to cover fill routes during peak times, handle late buses and provide guaranteed transfers
  - Grant-writer or planner to seek new funding opportunities
  - Mechanics and supervisors should be added at a rate that keeps pace with service expansion
- Service delivery and personnel productivity should be improved to optimize staffing levels

Customer Benefits

- High performing service will make transit use easier to plan and understand
- Guaranteed transfers will ease anxiety about missed connections

3-Year Scenario Costs

The cost to implement the 3-Year Scenario ranges between $2,900,000 - $4,500,000. The service, management, and staffing changes all have varying levels of investment and they are shown in the table below. Additionally, there are associated vehicle and equipment purchases that are required to support service changes. The estimates are based on current year Valley Transit operating costs and comparisons to peer systems.

RECOMMENDATION	OPERATING COST	CAPITAL COST	PLANNING COST
Increased Frequency	$671,900	$1.6 Million - $2.0 Million	$0
Technology	$15,000 - $20,000	$0	$0
Paratransit Software Upgrade	$0	$80,000 - $100,000	$0
ITS Improvements	$0	$15,000 - $25,000	$0
New Staff	$60,000	$0	$0
Neenah Transfer Center	$0	$400,000 - $1,500,000	$0
Marketing/Outreach	$80,000 - $100,000		
TOTAL	**$826,000 - $851,000**	**$2,095,000 - $3,625,000**	**$0**

5-Year Scenario

The 5-Year Scenario is focused on continuing the recommendations and the foundation set in previous years. This scenario is focused on securing stable funding and making strategic investments in capital assets and personnel.

The 5-year scenario begins to address the threats identified in the SWOT sessions related to the volatility of capital funding, and the perception of Valley Transit. Additionally, a balanced approach to service expansion embraces opportunities and continues to work through the current weaknesses of the service.

Service Description

- Service expansion should be focused on:
  - Establish a high-frequency network on the most productive bus routes
  - Geographic expansion is contingent upon meeting service development guidelines
  - Connector service should be implemented in areas where fixed-route performance thresholds are not met; however, funding for this should be identified
  - Consistent with private sector practices, low ridership segments of routes should be eliminated. No passenger will be left behind, as taxi vouchers, Connector service, or paratransit can be used to serve current customers who lose fixed-route service
- Valley Transit will coordinate, advocate for, or sponsor ridesharing and other multimodal services like bike sharing, car sharing, and investment in transit supportive infrastructure

Management and Operations

Management and operations should continue the practices identified in the 3-Year Scenario. This includes:

- An internal goal of 100 percent schedule adherence, and developing an understanding of why on-time performance issues occur
- Continued technology and customer service training
- Successful deployment of new technology
- Guaranteed transfers, mobile dispatching

Infrastructure and Capital Investment

- A plan for addressing long-term facility replacement, rehabilitation, and expansion needs should be developed
- Procedures should be modified to include best practices that extend the useful life of vehicles and facilities
- Investment should be made in facilities and amenities that increase levels of passenger comfort, convenience, and safety
- Use of transit technology should be expanded

Staffing Requirements

- A full time clerk and grants coordinator should be hired
- A staff person that dedicates time to planning and seeking new markets and services should be hired. A staff person that specializes in intelligent transportation systems and their transit applications should be hired As the system expands, additional part-time "fill" or extra drivers must be added to support service expansion

Customer Benefits

- Valley Transit staff will be able to respond immediately to address system disruptions and on-time performance
- High frequency network will encourage existing users to take transit more often
- Improved passenger facilities
- Funding for marketing and outreach will improve two-way communication between Valley Transit and riders

5-Year Scenario Costs

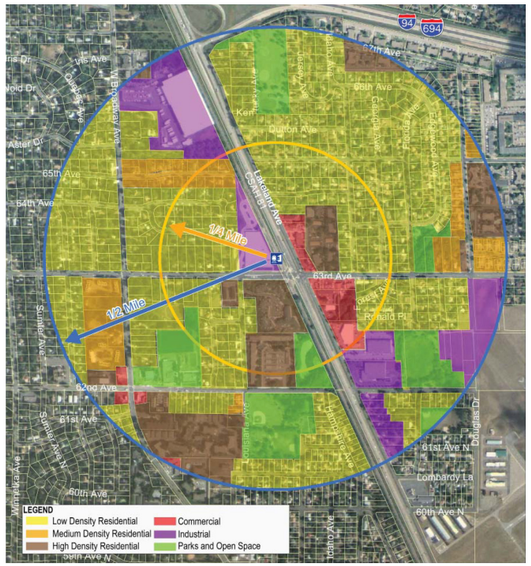
The cost to implement the 5-Year Scenario is approximately $280,000 - $310,000. The local share required is $74,000 - $83,000. This cost includes completing a Transit Development Plan to identify route improvements, and to hire additional staff to support the growth of the system.

RECOMMENDATION	OPERATING COST	CAPITAL COST	PLANNING COST
Transit Development Plan	$0	$0	$100,000
Additional Staff	$180,000 - $210,000	$0	$0
TOTAL	**$180,000 - $210,000**	**$0**	**$100,000**

10-Year Scenario

The 10-Year Scenario is an aggressive approach to transportation services. A combination of public and private strengths will provide the most cost-effective service to meet a wider range of transit needs.

Transit will be operated from a business model that focuses on growth of transit market segments while protecting the current customer base. It will strengthen the long term growth and stability of the Valley Transit network by capitalizing on the system strengths identified in the SWOT work sessions (excellence in building multi-agency partnerships, a diverse set of transit services, proven management practices), and deploy a variety of transportation strategies. The 10-year scenario will embrace the opportunities that exist in the region, and offer flexible transportation options tailored meet a variety of needs.



Service Description

- Services will be expanded geographically to accommodate new development only if it meets density thresholds. Examples include Town of Greenville and Kaukauna Circulator routes, and intercity bus service. Private contractor will be used when feasible.
- Connector service will be expanded as needs increase
- Coordinate Fox Cities regional rideshare program, or co-promote with State of Wisconsin rideshare and vanpool programs
- Broad portfolio of transportation services should be deployed, including:
  - Fixed-route commuter buses
  - Guaranteed ride home program
  - Travel demand management
  - Bicycle commuting infrastructure, outreach programs, and services
- Service frequencies should increase as markets develop

Management and Operations

- Services will be adjusted and aligned based on strong performance standards while maintaining core services for those who rely on transit.
- Valley Transit should have influence on local land use planning and development decisions among funding partners; communicate the greatest return on transit investment comes from transit supportive site planning and densities
- Different types of contracted service should be pursued to maintain flexibility and control costs

Infrastructure and Capital Investment

- Facility and vehicle maintenance and replacement plans should be developed and implemented as needed
- A capital funding program should be established independent from FTA bus capital programs

Staffing Requirements

- Drivers and other operations personnel should be hired to match the needs of service expansion
- A full time position responsible for managing rideshare, multimodal planning, and travel demand management programs should be added

Customer Benefits

- Mobility across entire Fox Cities region through frequent, geographically expansive service
- A broad portfolio of available transit services
- Dense, walkable built environment

10-Year Scenario Costs

The cost to implement the 10-Year Scenario is approximately $2,014,000. This cost includes expanded service, and hiring additional staff to support the growth of the system. The local share required is $524,000.

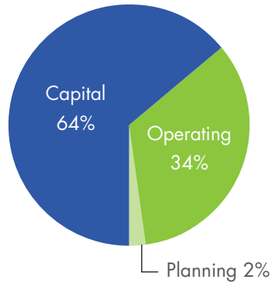
RECOMMENDATION	OPERATING COST	CAPITAL COST	PLANNING COST
Suburban Circulator	$547,000	$800,000	$0
Regional Bus Route	$667,000	$0	$0
Additional Staff	$60,000	$0	$0
TOTAL	**$1,214,000**	**$800,000**	**$0**

FUNDING

To develop a transit system that performs consistently with the goals and objectives that were set by community members in the Fox Cities, increased investment will be required. Over the next ten years, an additional $5-7 Million will required to fully develop Valley Transit into an agency that can excel at connecting people throughout the region, and meet the needs brought on by continued growth and change in the Fox Cities.

TIME PERIOD	TOTAL INCREASED INVESTMENT
Near Term Scenario	$146,000 - $196,000
3-Year Scenario	$2,900,000 - $4,500,000
5-Year Scenario	$280,000 - $310,000
10-Year Scenario	$2,014,000
Total Investment into Expanded System	**$5,281,900 - $6,896,900**

There are already a variety of funding mechanisms in place, and the new funding required is not completely the burden of local and regional partners. About 64 percent of the additional investment will be for vehicles, equipment, and facilities that will improve system performance and enable Valley Transit to expand its products and services. If federally funded, capital aids are usually reimbursable at an 80 percent share. The same is true of WisDOT sponsored planning funds. In terms of increased operating expenses (about 34 percent of new expenses), local share is typically around 30 percent of the total budget. The projected local share budget increases to capital, operating, and planning are shown in the table below.



NEW EXPENSES BY FUNDING CATEGORY			
	Operating Cost	Capital Cost	Planning Cost
Near Term	$146,000	$0	$0 - $50,000
3-Year	$826,000 - $851,000	$2,095,000 - $3,625,000	$0
5-Year	$180,000 - $210,000	$0	$100,000
10-Year	$1,214,000	$800,000	$0

INCREASED LOCAL INVESTMENT

- Capitol $676,100 - $802,800
- Operating $563,000 - $734,000
- Planning $21,100 - $27,600

Like many urban bus systems throughout the country, federal funding sources that support capital replacement and operating assistance have become unstable and unreliable. To weather the uncertainty and decline in federal aid, many transit systems have pursued increased funding at the local, regional, and state levels.

Valley Transit has exhausted most of the nationally proven methods of equitably addressing transit funding shortfalls. It has strong levels of State funding; it has maximized the use of social service dollars; and it has rigorously pursued the right to establish a Regional Transit Authority.

During the Transit Development Plan process, three different funding alternatives as well as the existing funding structure were explored to determine if they could provide the additional funds needed to maintain and grow the transit system. The following table outlines some of the major factors of each of the four funding approaches.

While the current funding structure works, there are challenges related to the control, stability and flexibility under the current funding system. These issues suggest that keeping the existing funding structure limits the ability of Valley Transit to grow or improve the system. In addition, the inability to generate additional investment through property taxes would make implementation of any significant expansion of service challenging and unlikely.

Regional Transit Authority (RTA)

Valley Transit, with the City of Appleton and a number of key State Legislators, has worked hard over the last several years to obtain the right to create a Regional Transit Authority (RTA) in the Fox Cities. An RTA would put governing and financing authority for the system in the hands of a separate regional entity that would have the power to institute taxes to finance the system and to govern its operations and policies.

An RTA would provide the optimal structure for the Fox Cities. It would provide the most potential for additional funding. An RTA serves two objectives in addressing funding challenges. First, an RTA offers the opportunity to govern Valley Transit through a regionally operated decision-making body. This eliminates constantly negotiating multiple intergovernmental agreements for transit service in which fluctuations among a few funding partners have a ripple effect throughout the system. Second, an RTA enables taxing authority. A stable, locally controlled funding source will help Valley Transit be resilient, and better contend with volatile state and federal funding sources. An RTA will also help meet long-term unmet needs identified in this report.

Regional Transit Commission (RTC)

Barring any significant changes in statewide political leadership, an RTC might offer an interim solution to provide more stability and flexibility and a modest level of increased investment for the system. An RTC meets many of the same governance objectives as an RTA as it moves the decision making to a separate regional entity. Under this system, Valley Transit would move away from a contracted service model with municipalities. Instead of a direct fee for hours of transit service, member municipalities would contribute a fixed amount for membership in the Valley Transit System and representation on the RTC. RTC members will also contribute to a capital fund as they currently do. Each partner community would have the choice to join or not join the RTC when the parameters are originally established.

While the RTC does not completely resolve the issues of structure and control, it does shift control toward the transit commission. All partners, including Appleton, will have control by adopting a shared vision and committing to a budget that supports that vision. The elected officials in each community will then have to support that vision by agreeing to the level of local tax support needed. Knowing the proposed commitment levels in advance can help the communities plan better for those commitments, so that services can be maintained to their residents. The biggest limitation of this approach is the difficulty in generating additional revenue, because funding still comes from the property tax. An RTC will also serve as an interim measure that will make the Fox Cities ready to go with structures in place that will enable an RTA.

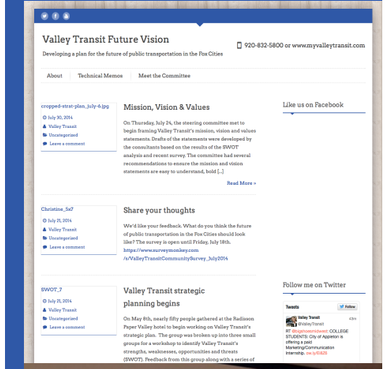
Transit Municipal Utility

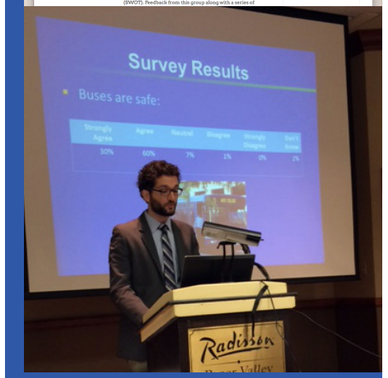
The concept of a Transit Municipal Utility merits further exploration within the community. In this concept a local municipality can establish a utility to govern the transit system much like they would for power, water, and wastewater services. While it is a unique idea for transit, there is understanding in the community on how it works for water and other commodities. The process of setting initial rates and equitably relating them to service levels in the various communities will generate considerable discussion. This alternative would also require a local referendum.

The main advantages of this approach are that it would not require enabling legislation from the State and that it has the potential to generate revenue that is not subject to property tax limitations. Ultimately; however, a municipal utility is still a creation of the State and all powers that it has are bestowed legislatively. Cooperation with WisDOT and local State legislators would be very important for this approach to be successful.

Major factors for funding approaches

OPTION	OPERATING FACTORS				IMPLEMENTATION	
	STRUCTURE AND CONTROL	STABILITY	FLEXIBILITY	REVENUE GENERATION	ENABLING LEGISLATION	REFERENDUM
Status Quo- Existing Funding Structure	Commission sets policy, but Appleton controls budget and financial decisions	Withdrawal of any partner threatens the system	Difficult to change service levels and routes	Little potential for additional revenue	Not Required	Not Required
Regional Transit Commission	Group representing all partners makes decisions on service and budget, but system structure is still as a Department of the City of Appleton	Moving away from a fee for service model; advance agreement upon investment levels and reserve fund help maintain stability	Service levels and routes based on mutually accepted plan – changes can be made by group	Advance agreement upon investment levels and reserve fund may allow modest increases, but still property tax based	Not Required	Not Required
Transit Municipal Utility	Group representing entire service area makes decisions on service and budget. Authority to establish flows through Appleton	Very Stable	Good	Unfamiliar structure for transit - may be difficult to get agreement on structure and rates. Long-term ability to generate revenue is good.	Not Required	Referendum Required
Regional Transit Authority	Independent entity. Group representing entire service area makes decisions on service and budget	Very Stable	Good	Will be based on what is adopted in enabling legislation, but generally good	Required but unlikely in current political climate	Enabling legislation would most likely require a referendum





OUTREACH

Input from over 450 individuals helped craft the Valley Transit Strategic Plan

The Valley Transit Strategic Plan incorporated a variety of outreach programs and exercises. The objective of each part of the process was to be inclusive of all regional partners in the Fox Cities. As such, stakeholders were involved in each part of the strategic planning process. Each recommendation and strategy in this plan originated from broad community input.

Steering Committee Work Sessions

Valley Transit held two work sessions with the strategic planning steering committee, which included representatives of local business and community organizations, social service agencies, advocacy groups, and elected officials. In these work sessions participants worked together to assess the existing and future conditions of transit in the Fox Cities, and defined a vision, mission, and values for Valley Transit.

Transit System Field Observations

The consultant team conducted several observations of Valley Transit's operations in the field, met with front line staff, and took an inventory of agency practices.

Interviews with Community Leaders

For those that were not able to attend the Steering Committee Work Sessions, outreach was conducted via telephone at multiple points during the project to obtain input on the SWOT analysis, and to aid in refining the system vision.

Public Open House

Valley Transit held an open house at the Appleton Library where members of the general public could participate in planning exercises and take the community survey.

Community Presence

Valley Transit and the consultant team met with community members at farm markets, local events, and at major Valley Transit transfer points. Participants responded to survey and interview questions.

Website

Valley Transit managed a website to keep the general public posted with each step of the strategic plan process, and distribute plan making materials. Valley Transit also used various social media accounts to keep the public up-to-date with strategic plan events.

Surveys

Valley Transit conducted three online surveys and distributed paper surveys on transit vehicles and at community events

Peer Transit System Outreach

Valley Transit looked to national peer transit systems in NY, PA, and IA for strategic direction and insight on industry best practices. Additionally, outreach was conducted to the American Public Transit Association on similar topics.

NEXT STEPS

The table below outlines some of the immediate next steps for strategic plan implementation, and the agencies that need to be involved in decision making processes.

NEAR TERM NEXT STEPS	VALLEY TRANSIT	CITY OF APPLETON	REGIONAL COMMUNITIES	PRIVATE–EMPLOYER/ORGANIZATION
Form Valley Transit On-Time Performance/Operations Working Group	✔			
Establish workgroup with business community	✔	✔	✔	✔
Explore rebranding of Valley Transit	✔	✔	✔	✔
Complete Transit Development Plan	✔	✔	✔	
Deploy process for resolving short-term operational issues	✔			
Make performance-based service adjustments	✔			
Deploy technology training program	✔			
Explore alternate governance structures	✔	✔	✔	✔
Continue to pursue and advocate for state transit and federal program assistance	✔	✔	✔	✔
Continue to pursue private sector funding partners	✔			✔
Continue market research	✔			
Develop asset management plan, and form capital planning workgroup to assess ways to meet capital needs and advocate for state, federal, and local capital aid	✔			
Partner with MPO and municipal planning departments so that transit informs land use planning and development decisions	✔		✔	
Advocate for transit supportive infrastructure (sidewalks, shelters, facilities, bicycle facilities)	✔	✔	✔	
Continue to pursue and advocate for additional federal capital funding for buses and bus facilities	✔	✔	✔	✔
Monitor subcontractor performance	✔			
Streamline paratransit service	✔			

Steering Committee Member	Agency
Amy Barker	Future Neenah, Inc.
Bob Pederson	Goodwill Industries of North Central Wisconsin
Bobbie Beckman	Heart of the Valley Chamber of Commerce
Candace Kriner	Century 21 First Realty
Chris Lashock	Homeless Connections
Connemara McDonough	Valley Transit rider
Dan Flannery	Goodwill Industries of North Central Wisconsin
Don Hietpas	Appleton Area School District
Holly Keenan	Making the Ride Happen
Jake Woodford	Lawrence University
Jeff Kuepper	UW-Fox Valley
Jennifer Stephany	Appleton Downtown, Inc.
Joe Martin	City of Appleton - Alderperson
John Burgland	Fox River Mall
Jon Stellmacher	Community volunteer
Josh Dukelow	Fox Cities Chamber of Commerce
Lo Lee	Hmong American Partnership
Marti Hemwall	Community Foundation for the Fox Valley Region
Mary Harp-Jirschele	JJ Keller Foundation
Mayra Pasayes	Fox Valley Technical College
Nick Musson	East Central Wisconsin Regional Planning Commission
Pastor Alvin Dupree	Family First Ministries
Patti Jorgensen	Fox Valley Technical College
Pia Bautista	Valley Transit bus rider
Sonia Barham	SOAR Fox Cities
Stephanie Gyldenvand	ESTHER
Tony Gonzalez	United Way Fox Cities

Valley Transit

Connecting the Fox Cities