

February 8, 2011

TO: Transportation Policy Committee

FROM: Eileen Yazzie, MAG Transportation Program Manager

SUBJECT: POLICY GUIDANCE FOR PROGRAMMING FEDERAL TRANSIT FUNDS

Last year, MAG assumed the responsibility for programming federal transit funds in the MAG region. Since then, MAG has established a Transit Committee and has worked to develop programming process for the regional allocation of federal funds that is open, well-documented and transparent. In the course of this work, a number of gaps and inconsistencies between the MAG Regional Transportation Plan and the status of the regional transit system and current funding needs were identified.

Since 2003, when MAG developed the Regional Transportation Plan, and 2004, when the voters approved the extension of the one-half cent sales tax for transportation in the MAG region, a number of issues have arisen about the specifics of the Transit Program as it relates to the allocation of federal and regional funds and what types of transit services are eligible under the policies established by the RTP. These issues can best be summarized by the following three policy questions:

- Should *Regional Funds*, including both the one-half cent sales tax and federal transit funds, be used for local fixed route and local circulators and for non-ADA paratransit capital needs? When the RTP was developed not all transit services were included in the funding mix for use of regional funds, for example, local fixed route bus and neighborhood circulator service were not included. Also non-ADA paratransit service (dial-a-ride) was not eligible for regional funding since it is not a required service.
- How should Preventive Maintenance funding using federal transit 5307 formula funds be integrated into the RTP policy directives? The RTP did not explicitly include Preventive Maintenance funding, and, therefore did not include funding levels or an allocation methodology.
- Once the needs of the Transit Life Cycle Program (which is funded by regional funds) are satisfied, what is the policy for programming remaining federal transit funds? Due to the substantial reductions in the transit capital program and the reduction of regional transit services due to the economic downturn, unallocated federal transit funds may be available for other eligible transit projects in the region.

BACKGROUND

In 2003, MAG developed the Regional Transportation Plan (RTP) that formed the basis for the Proposition 400 vote in November 2004 to extend the one half cent sales tax for transportation in the MAG region. To implement Proposition 400, three life cycle programs were established to serve as the accounting framework for the revenues and expenditures over the life of the sales tax. The three programs included life cycle programs for freeways, transit, and arterial streets. The Arizona Department of Transportation, in cooperation with MAG, manages the Freeway Program and MAG manages the Arterial Street Program. The Regional Public Transportation Authority (RPTA) has the responsibility for managing the Transit Program. Regional funds, as defined in the RTP, were intended to be dedicated entirely to these three life cycle programs.

In 2010, MAG assumed its responsibility under federal transportation regulations to program federal transit funds in cooperation with the transit operators in the region. Prior to this, RPTA had been programming federal transit funds. Transit roles and responsibilities were further clarified in Senate Bill 1063, which was enacted in April 2010, and a new Memorandum of Understanding (MOU) among MAG, RPTA, Valley Metro Rail (METRO), and the designated grant recipient (City of Phoenix). The Bill and MOU explain the structure for cooperative planning and decision making regarding transit planning and programming and defines responsibilities of RPTA and MAG for implementing the MAG RTP.

The over-arching consideration in developing a new transit planning and programming process is the transit customer and having quality transit service in the region. To this end, the programming process must be an open and transparent process for transit planning and the programming of federal transit funds. The MAG Transit Committee was formed with representatives from throughout the region, and the development of the regional process to program transit funds was started.

REGIONAL FUNDED TRANSIT SERVICES

The RTP Public Transit Chapter describes the regional transit system that serves the MAG region and includes a number of federal and regional funding sources for capital projects, equipment and operations. Funds include one-third of the one-half cent sales transportation sales tax for the region which is dedicated to the transit program. Also included in *Regional Funds* are four sources of federal funds. These include federal transit program section 5307 formula funds, section 5309 – Rail and Fixed Guideway Modernization (FGM) funds, section 5309 New Starts/Small Starts funds, and a portion of the federal Congestion Mitigation and Air Quality (CMAQ) funds. These *Regional Funds* are the five primary revenue streams that fund the Transit Life Cycle Program (TLCP), which is managed by the RPTA. The TLCP as a financial document is approved annually by the RPTA Board and integrated into the MAG RTP, with Regional Council approval, as it is updated.

The Public Transit chapter of the MAG RTP also explains the different components of the regional transit. Transit service in the MAG region comprises multiple transit operators that are funded from both local and regional sources. The table below shows the different types of transit services provided in the region and which types of service were identified as being funded with *Regional Funds* in the RTP.

Transit Components and Funding Sources		
Type of Transit Service	Regional Funded	Locally Funded
Supergrid	X	
Freeway Bus Rapid Transit (BRT) and Express Bus	X	
Arterial BRT	X	
Local Fixed Route Service		X
Local Circulators		X
Regional Support Services	X	
Paratransit: ADA (required with fixed route service)	X	
Paratransit: Non-ADA (ex.: senior transportation)		X
Light Rail/Street Car Transit *	X (capital)	X (ops)
High Capacity Transit	X	
Rural/Non-Fixed Route Transit	X	
Vanpool	X	
Planning	X	
Travel Demand Management	X	

*Note that a portion of the funding for light rail/high capacity transit capital expenditures is provided by local sources.

Should *Regional Funds*, including both the one-half cent sales tax and federal transit funds, be used for local fixed route and local circulators and for non-ADA paratransit capital needs? When the RTP was developed not all transit services were included in the funding mix for use of regional funds, for example, local fixed route bus and neighborhood circulator service were not included. Also non-ADA paratransit service (dial-a-ride) was not eligible for regional funding since it is not a required service.

PREVENTIVE MAINTENANCE

When the RTP was developed in 2003, Preventive Maintenance was not included explicitly as one of the uses of the federal transit 5307 formula funds. For the purposes of the federal transit funding, Preventive Maintenance is defined as:

Preventive Maintenance: All maintenance costs related to vehicles and non-vehicles including all activities, supplies, materials, labor, services and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner.

Since 2001, approximately \$5 - \$6 million (plus an annual adjustment for inflation) has been programmed annually for preventive maintenance to transit operating agencies with the funds allocated to transit operators using a distribution formula that was not documented. Since 2001, other transit agencies have started operating transit service, others have stopped, while most other transit operators have increased transit service by increasing revenue miles, hours of operation and coverage area. Even though the composition of transit services has changed substantially over the last 10 years, the distribution formula has not changed.

Part of the MAG Regional Council's motion for the approval of the MAG FY 2011 to FY 2015 Transportation Improvement Program (TIP) included a provision that the programming of transit preventive maintenance be reviewed for potential amendments/modifications no later than December 2010. The Transit Committee has been working on revising the preventive maintenance distribution methods and a phase out plan for the previous preventive maintenance allocations. The FY 2011 to FY 2015 TIP includes \$34 million of FTA 5307 funds for Preventive Maintenance. In addition, another \$29.7 million of 5307 funds were programmed for preventive maintenance as a placeholder in the TIP.

How should Preventive Maintenance funding using federal transit 5307 formula funds be integrated into the RTP and should this funding be a set percentage of the 5307 funds allocated to the region? The RTP did not explicitly include Preventive Maintenance funding, and, therefore did not include funding levels or an allocation methodology. The MAG Transit Committee is working on a recommended revised allocation methodology that will come through the MAG process for approval in the near future. Guidance from the TPC on the level of funding for Preventive Maintenance would be helpful. The current funding level for Preventive Maintenance represents approximately 13 percent per year of the 5307 formula funds coming to the region.

ALLOCATION OF UNPROGRAMMED REGIONAL FUNDS

Using the RTP's policy directives, the Transit Life Cycle Program (TLCP) programs the identified regional projects with *Regional Funds*. When the RTP was initially adopted in 2003, the TLCP fully utilized the *Regional Funds* by focusing on capital purchases related to service expansion and infrastructure needs. With the downturn in the economy, transit services have been cut and many service and facility expansion projects have been deleted or delayed. This has resulted with unprogrammed *Regional Funds* for transit over the next five years and over the life of the RTP.

Currently, there is a lack of policy direction on how to program these unprogrammed *Regional Funds*, which are mainly the federal transit 5307 and 5309 funds that can only be used for transit capital projects and Preventive Maintenance. The MAG region needs to develop policy guidelines on how to proceed with programming the unprogrammed *Regional Funds*, and other federal funds that are MAG's responsibility to program.

Once the needs of the Transit Program are satisfied, what is the policy for programming the remaining federal transit funds? One option is to issue a call for transit capital projects that would be evaluated and ranked through a MAG process. Another option would be to provide additional federal funds for Preventive Maintenance or, alternatively, increase Preventive Maintenance funding to use a portion of the unprogrammed funds and issue a call for projects for the remaining funds. This could also be decided annually, bi-annually, when developing a new TIP, etc.

NEXT STEPS

Continue working with the TPC for establishing policy guidance for transit programming and policy that can be developed into a set of programming guidelines. The MAG Transit Committee would be consulted for technical support. Additionally, any necessary modifications to the FY 2011-2015 MAG TIP and RTP 2010 Update would be made.

INFORMATION AND DISCUSSION

MAG staff is seeking policy direction from the Transportation Policy Committee (TPC) in three areas:

1. Clarification on using regional federal funds to support different levels of transit service
2. How funding for preventive maintenance is integrated into the RTP, and
3. Establishing a process to program any unallocated federal funds.

APPENDIX A - Types of Transit Funds

5307 - Available to large urban areas to fund bus purchases, transit capital projects, preventive maintenance, and ADA/Paratransit operations (up to 10 percent of the sub-allocation). At least one percent of the funding apportioned to each area must be used for transit enhancement activities such as historic preservation, landscaping, public art, pedestrian access, and enhanced access for persons with disabilities. Purchases made under this program must include a 20 percent local match. These funds are programmed through a coordinated process between the MAG Committee Process, beginning with the MAG Transit Committee, and the development of the Transit Life Cycle Program.

Please note: in the 5307 federal allocated amount, one percent has to be spent on transit enhancements. The normal programming of these funds go to bus stop improvements in the City of Phoenix. In the past, this one percent was programmed to other cities, but the cities did not fulfill the reporting requirements. There are additional reporting requirements for the 5307 transit enhancements. Please note, this is approximately \$460,000. With the current funding prioritization, funding for regional park and rides is a higher priority than bus stop improvements. I believe that this one percent funding is looked at as fulfilling this priority and no additional funds are programmed.

Federal Transit 5309 – New Starts

Available through discretionary grants from the Federal Transit Administration (FTA), and applications are on a competitive basis. They include grants for light rail, rapid/heavy rail, commuter rail, monorail, automated fixed guideway system (like a people mover), busway/high occupancy vehicle (HOV) facility, or an extension of any of these. To become a candidate for this program, candidates have to be successful completing the appropriate steps in the federal required major project development process. These funds are programmed through a collaborative process between MAG and Valley Metro Rail/METRO. The METRO Light Rail starter line received these funds. The statutory match for New Starts funding is 80 percent Federal, 20 percent local, yet FTA encourages applicants to request federal funding at the highest rate possible.

Federal Transit 5309 – Rail and Fixed Guideway Modernization

These funds are allocated by a federal statutory formula to urbanized areas with rail systems that have been in operation for at least seven years. A 'fixed guideway' includes: heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plan, cable car, automated guideway transit, ferryboats, and high-occupancy vehicles (HOV) lanes.

These funds can be used for capital projects aimed at improving the existing facility, including purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operations support equipment (including computer hardware and software), system extensions, and preventive maintenance.

These funds are programmed through a collaborative process through the Transit Life Cycle Program (TLCP) and the MAG Committee Process. The statutory match for New Starts funding is 80 percent Federal, 20 percent local.

Federal Transit 5309, 5318 – Bus and Bus Facilities

The U. S. Transportation Secretary has the discretion to allocate funds, yet Congress fully earmarks the available funding. Funding can be used for the purchasing of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, bus rebuilds, bus preventive maintenance,

passenger amenities such as passenger shelters and bus stop signs, accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers and shop and garage equipment.

Section 5318 is the Bus Testing Facility program. Under this program, one facility is used for testing a new bus model for maintainability, reliability, safety, performance (including braking performance), structural integrity, fuel economy, emissions, and noise. The program is administered under the Section 5309 Bus and Bus Related Facilities program. Operators in the region request these funds through their appropriate federal delegation. In most cases, RPTA is notified of the requests. If funding is received, the funds are programmed through MAG.

Federal Transit 5310 – Transportation for Elderly Person and Persons with Disabilities

This program provides formula funding to the state for the purpose of assisting private nonprofit groups in meeting the transportation needs of the elderly and persons with disabilities. These funds provide capital assistance through the State to organizations that provide specialized transportation services to elderly persons and persons with disabilities. Eligible subrecipients are private non-profit organizations, governmental authorities where no non-profit organizations are available to provide service and governmental authorities approve to coordinate service. The federal match is 80 percent.

These funds are currently programmed annually through the Arizona Department of Transportation (ADOT) with a regional coordination effort led by MAG and the MAG Elderly & Persons with Disabilities Transportation Committee. This committee consists of representatives from MAG member agencies and regional transportation agencies. The committee develops recommendations for ADOT regarding the prioritization of applicants to receive FTA Section 5310 capital assistance awards in the form of vehicles and related equipment to transport elderly individuals and persons with disabilities. Please see Section 5 of the Guidebook for more information.

Federal Transit 5311 – Rural and Small Urban Areas

The Rural and Small Urban Area program provides funds for capital and operating expenses in non-urbanized (rural) areas. The areas eligible for these funds in the MAG region are those found in the Avondale Urbanized Area, and outside the Phoenix Urbanized Area, for example, Wickenburg and Gila Bend. The federal match varies, depending on the use of funds; operating assistance is 50 percent of the net operating costs, projects meeting the requirements of Americans with Disabilities Act (ADA), the Clean Air Act or bicycle access projects may be funded at 90 percent.

Federal Transit 5316 – Job Access and Reverse Commute (JARC) Program

The purpose of the JARC grant program is to assist states and localities in developing new or expanded transportation services that connect welfare recipients and other low income persons to jobs and other employment related services. Job Access projects are targeted at developing new or expanded transportation services such as shuttles, vanpools, new bus routes, connector services to mass transit, and guaranteed ride home programs for welfare recipients and low income persons who are unemployed or underemployed. These grants are designed to serve persons at or below 150 percent of the federally-defined poverty level. Reverse Commute projects are generally not constrained by end-user income level and provide transportation services to suburban employment centers from urban, rural and other suburban locations for all populations.

States and public bodies are eligible designated recipients; subrecipients can be private non-profit organizations, state or local governments, and operators of public transportation services. Capital planning and operating expenses are eligible expenses.

These funds are programmed on an annual basis at a federal 80 percent match for capital expenses and at a 50/50 match for operations. As designated by the Governor of the State of Arizona, the City of Phoenix Public Transit Department (PTD) administers JARC/New Freedom program funds for large urbanized areas (population greater than 200,000) within the Maricopa County region of the state which currently consists of the Phoenix/Mesa Urbanized Area. The PTD's goals and objectives for the JARC/NF programs will directly reflect the purpose of the grants and the goals and strategies outlined in the regional Maricopa Association of Governments (MAG) Human Services Coordination Transportation Plan (HSCTP).¹

Federal Transit 5317 – New Freedom Program

The purpose of the New Freedom (NF) grant program is to provide funds to support the capital and operating costs of "new" (post August 2005 initiated) public transportation service focused on persons with disabilities, and to encourage public transportation alternatives which provide services and facility improvements to address needs that go *beyond* those required by the Americans with Disabilities Act (ADA). New Freedom projects may include activities permitting a transit operation to extend service beyond the ADA "complementary paratransit" service requirement of "3/4 mile either side of a fixed route" – or other constraints that many public transportation systems historically have had to adhere to or were otherwise financially constrained to improve upon.²

States and public bodies are eligible designated recipients; subrecipients can be private non-profit organizations, state or local governments, and operators of public transportation services. Capital and operating expenses for new public transportation services and new public transportation alternatives beyond those required by the ADA that are designed to assist individuals with disabilities.

These funds are programmed on an annual basis at a federal 80 percent match for capital expenses and at a 50/50 match for operations. As designated by the Governor of the State of Arizona, the City of Phoenix Public Transit Department (PTD) administers JARC/NF program funds for large urbanized areas (population greater than 200,000) within the Maricopa County region of the state which currently consists of the Phoenix/Mesa Urbanized Area. The PTD's goals and objectives for the JARC/NF programs will directly reflect the purpose of the grants and the goals and strategies outlined in the regional MAG Human Services Coordination Transportation Plan.³

Federal Highway – Congestion Mitigation Air Quality (CMAQ)

Congestion Mitigation Air Quality (CMAQ) funds are available for transportation projects or programs that will contribute to nonattainment or maintenance of the federal air quality standards. Projects may include a wide variety of highway, transit and alternate mode projects that contribute to improved air quality. While they are allocated to the state, Arizona's funds have been dedicated entirely to the MAG region, due to the high congestion levels and major air quality issues in the region.

The MAG CMAQ funds are allocated to different modal categories and are noted in Table I. The arterial/ITS, bicycle, pedestrian, and air quality make up part of the MAG federal funded program and each mode has an established competitive project selection process that occurs when adding a new year to the MAG TIP. The

¹ Program Management Plan, Sections 5316 & 5317 Job Access Reverse Commute and New Freedom Grant Programs, City of Phoenix Public Transit Department.

² Program Management Plan, Sections 5316 & 5317 Job Access Reverse Commute and New Freedom Grant Programs, City of Phoenix Public Transit Department.

³ Program Management Plan, Sections 5316 & 5317 Job Access Reverse Commute and New Freedom Grant Programs, City of Phoenix Public Transit Department.

federal match is 94.3 percent, unless noted otherwise. The MAG RTP adopted a minimum local cost share of 30 percent for CMAQ funded arterial ITS and bicycle and pedestrian projects, implying that the federal share is not greater than 70 percent.

MAG prepares a CMAQ assessment that includes the estimated emission reduction benefits and cost-effectiveness of the projects submitted by member agencies. This assessment is used by the Transportation Review Committee and modal committees in evaluating and prioritizing projects. MAG is currently in the process of developing its Congestion Management Process (CMP) that will be integrated into the CMAQ competitive process. The CMP will be complete by the summer 2010. MAG relies on a competitive application process to program CMAQ funds.

The following activities are generally eligible for CMAQ:

- transportation activities in an approved State Implementation Plan;
- transportation control measures to assist areas designated as nonattainment;
- pedestrian/bicycle off-road or on-road facilities;
- traffic management/monitoring/congestion relief strategies;
- transit projects, including the purchase of transit vehicles;
- alternative fuel projects;
- intermodal freight;
- alternative fuel projects (including vehicle refueling infrastructure);
- alternative fuels (including clean fuel fleet programs and conversions);
- telecommunications;
- travel demand management;
- rideshare programs;
- inspection and maintenance programs, with some notable restrictions;
- public education and outreach activities;
- project development activities for new services and programs with air quality benefits;
- establishing/contracting with transportation management associations;
- fare/fee subsidy programs;
- experimental pilot projects/innovative financing; and
- other transportation projects with air quality benefits.
- transportation projects and programs that reduce transportation related particulate matter emissions such as: paving dirt roads and PM-10 certified street sweeping equipment. Also, paving unpaved shoulders and alleys are CMAQ eligible.

Federal Highway – MAG Surface Transportation Program (STP)

Surface Transportation Program (STP) funds are the most flexible federal transportation funds and may be used for highways, transit or streets. Currently, all of the MAG STP funds are allocated to the Arterial Life Cycle Program (ALCP) and the Freeway Life Cycle Program (FLCP). Through FY 2014, MAG has committed \$34.1 million per year in MAG federal funds for completion of regional freeway system and the retirement of federal grant anticipation notes associated with this system. This commitment is to be met by first using STP-MAG funding and then by using CMAQ funding if there is not enough STP-MAG available. In addition, MAG has committed up to \$3 million per year for regional transportation planning and air quality studies and contingencies.

Half-Cent Sales Tax/Public Transportation Fund (PTF)

The current half-cent sales tax extension approved through Proposition 400 went into effect on January 1, 2006. The revenues collected from the half-cent sales tax are deposited into the Regional Area Road Fund (RARF), and allocated between the Regional Transportation Plan Freeway Program and the Arterial Life Cycle Program (ALCP); and into the Public Transportation Fund (PTF) for the Transit Life Cycle Program (TLCP). As specified in ARS 42-6105.E, 56.2 percent of all sales tax collections will be distributed to freeways and highways (RARF); 10.5 percent will be distributed to arterial street improvements (RARF); and 33.3 percent of all collections will be distributed to transit (PTF).

Local Funds

Local resources: taxes, bonds, general fund, Highway User Revenue Fund (HURF), state funds, and impact fees, allow member agencies to locally fund transportation projects, operations and maintenance, pavement preservation, and meet various match requirements for capital projects.

Fare Box Revenue

Value of cash, tickets, tokens, and pass receipts given by passengers as payment for transit rides.

Local Transportation Assistance Funds II (LTAF II)

On March 16, 2010, the Arizona State Legislature retroactively swept and permanently eliminated all lottery funds allocated to local transportation assistance; it was subsequently signed by the Governor.

APPENDIX B: GLOSSARY

American's with Disabilities Act of 1990 (ADA) – the law passed by Congress in 1990 which makes it illegal to discriminate against people with disabilities in employment, services provided by state and local governments, public and private transportation, public accommodations and telecommunications.

Bus Rapid Transit (BRT) – Combines the quality of rail transit and the flexibility of buses. It can operate on exclusive transitways, HOV lanes, expressways, or ordinary streets. A BRT system combines intelligent transportation systems technology, priority for transit, cleaner and quieter vehicles, rapid and convenient fare collection, and integration with land use policy.

Capital Assistance – Financial assistance granted to an agency by the Federal Transit Administration for the purchase or construction of facilities, rolling stock or equipment required to provide public transportation services. In addition, maintenance, capital cost of contracting, and complementary service for persons with disabilities are eligible capital costs.

Capital Costs – costs of long-term assets of a public transit system such as property, buildings, vehicles, etc.

Demand Response – a transportation service with flexible routing and scheduling, usually in small vehicles, to provide door-to-door or point-to-point transportation at the user's request.

Designated Recipient – An entity designated by the Governor to receive Federal transit funds from FTA.

Discretionary funds – any funds that do not have automatic distribution. Decisions on the distribution of discretionary funds are made by an agency or person based on that agency or person's choice or judgment and in accordance with criteria set out in laws or regulations.

Express bus service – scheduled bus service operating on a fixed route that provides higher speeds and fewer stops than found on other portions of the bus system or on the same route in local service. Pick ups are made at or near an express route's point of origin and the bus does not stop to pick up or discharge passengers until it reaches its scheduled destination. Express bus service usually uses freeways or busways where they are available.

Fare – payment in the form of coins, bills, tickets, or tokens collected for transit riders.

Fixed Guideway Transit – a transportation system composed of vehicles that can operate only on their own guideways, which were constructed for that purpose. Examples are rapid rail, light rail, and monorail.

Fixed Route – a system in which transit vehicles follow a schedule over one or more prescribed routes. It is different from modes of transportation such as demand-responsive transportation in which each trip may differ in its origin and destination.

Fleet – A transit system's vehicles. Fleet usually refers to highway or street vehicles.

High Occupancy Vehicle – Vehicles that can carry more than two persons. Examples of high occupancy vehicles are a bus, vanpool, carpool, etc.

High Occupancy Vehicle Lane (HOV) – a highway or street lane reserved (generally during specified hours) for one or more specified categories of vehicles such as buses, carpools, and vanpools.

High-Capacity Transit – transit that typically makes fewer stops, travels at higher speeds, has more frequent service, and carries more people than the local bus service.

Light Rail Transit (LRT) – A type of electric rail system with a total passenger carrying capacity that is relatively “light” compared to heavy rail transit. Light rail may be on exclusive or shared right-of-way, high or low platform, multi-car trains or single cars, automated or manually operated. In generic usage light rail includes streetcars, trolley cars, and trams; in contemporary usage light rail refers to very modern and more sophisticated developments of these older rail modes.

Local Bus Service – 1. Scheduled bus service operating on a fixed route that involves frequent stops and consequent low average speeds, the purpose is to deliver and pick up transit passengers close to their destinations or origins. 2. Transit service in a city or its immediate vicinity, distinguished from regional transit service or interurban lines.

Operating cost – the total cost to operate and maintain a transit system including labor, fuel, and maintenance. Operating costs usually exclude such fixed costs as depreciation on plant and equipment; interest paid for loans on capital equipment, and property taxes on capital items.

Operator – 1. An employee of a transit system whose workday is spent in the operation of a transit vehicle; for example a bus driver. 2. The organization that runs a transportation system on a day-to-day basis. It is also known as an operation, property, or system.

Paratransit – flexible forms of public transportation services that are not provided over a fixed route. The vehicles are usually low- or medium-capacity highway vehicles, and the service offered is adjustable in varying degrees to individual users' desires.

Park-and-Ride – a location where passengers drive their vehicles to designated parking areas and then board transit vehicles from these locations.

Regional Connector – two-way service that provides access between rural and urbanized areas in the MAG region. Generally terminates at urban transit centers allowing riders from rural areas to access a variety of Valley Metro transit routes.

Regional Route – public transportation routes that cross into other cities in Maricopa County. Any route that provides service to a regional destination.

Revenue – receipts derived from or for the operation of transit service including fare box revenue, revenue from other commercial sources, and operating assistance from governments. Fare box revenue includes all fares paid by transit passengers.

Revenue Miles – miles operated by vehicles available for passenger service.

Ridership – the number of people making one-way trips on a public transportation system in a given time period.

Route – a specified path taken by a transit vehicle usually designated by a number or a name, along which passengers are picked up or discharged.

Supergrid – known in the MAG region as the two-way service that provides both local and regional access to transit riders on the arterial street network, also known as regional fixed route bus.

Transit Center – a facility where transit vehicles converge, enabling passengers to transfer among routes and services. Transit centers are generally located off the street and provide passengers with shaded or enclosed waiting area, seats, drinking fountains, and transit information.

Transit Station – an off-street facility where passengers wait for, board, alight, or transfer between transit vehicles. A station usually provides information and a waiting area and may have boarding and alighting platform, ticket sales, fare collection, and other related facilities.

Transit Stop – an area where passengers wait for, board, alight, and transfer between transit vehicles. It is usually indicated by distinctive signs and by curb or pavement markings and may provide service information, shelter, seating or any combination of these.

Trolley bus – an electric, rubber-tire bus propelled by a direct-current motor that draws power through a trolley from overhead electric wires through a mechanism (trolley poles or pantograph), designed to allow the bus to maneuver in mixed traffic over several lanes, and pick up and drop off passengers at the street curb.

Vanpool – an organized ridesharing arrangement in which a number of people travel together on a regular basis in a van. The van may be company owned, individually owned, leased, or owned by a third party. Expenses are shared, and there is usually a regular volunteer driver.