



Pinellas Suncoast Transit Authority Generally Is Performing Well; No Major Advantages to Changing the System for Providing Countywide Services

at a glance

The Pinellas Suncoast Transit Authority has the foundation for a strong performance accountability system and generally is performing well in providing transportation services. However, it needs to develop measurable objectives for assessing its progress in achieving strategic goals, benchmark its performance against other similar transit systems, and better report its performance to key stakeholders.

While there are alternative ways to deliver countywide transit services in Pinellas County, including expanding services to all areas of the county and having services provided by a department of the county government, these options do not offer strong advantages over the current system.

Scope

This project was conducted in response to a legislative request to examine the Pinellas Suncoast Transit Authority's performance accountability system and options for providing countywide transit services in Pinellas County.

Background

The Pinellas Suncoast Transit Authority (PSTA) was created by a special act of the Florida Legislature in 1982 to provide transit services to Pinellas County.¹ The PSTA is governed by an 11-member board that represents 24 municipalities and the unincorporated areas of the county.

The PSTA currently provides bus service to nearly all of Pinellas County and operates 163 buses and 20 trolleys which serve 36 regular and 6 commuter routes. In addition, the transit authority has two express buses that travel between Pinellas County and the City of Tampa. The PSTA reports having an annual ridership of 9.9 million.

The PSTA is an independent special taxing district with the authority to levy ad valorem taxes on taxable real property in its transit area.² However, the ad valorem tax cannot be levied unless it has been approved in a public referendum by a majority vote of the qualified electors of a municipality or the unincorporated county.³ To date, 5 of the 24 municipalities

¹ Chapter 82-386, *Laws of Florida*.

² The PSTA's current ad valorem millage rate is 0.6377 mills.

³ When the referendum has been approved, the local government becomes part of the transit area and the special district.

and 2 unincorporated areas in Pinellas County have not voted by referendum to join the authority's transit area. These municipalities are Belleair Beach, Belleair Shores, Kenneth City, Treasure Island, and St. Pete Beach; and the unincorporated areas are Tierra Verde and the South Pasadena Fire District.⁴ However, Treasure Island and St. Pete Beach receive bus service through a service contract with the PSTA.⁵

In Fiscal Year 2003-04, the PSTA had total revenues of \$41 million, operating expenses of \$40 million, and received capital grants of \$18.5 million. Exhibit 1 shows the sources of the PSTA's revenues in that year.

**Exhibit 1
Pinellas Suncoast Transit Authority Had
\$41 Million in Revenue in Fiscal Year 2003-04**

Source	Amount	Percentage
Ad valorem taxes	\$25,546,737	62.3%
Passenger fares	8,185,231	20.0%
State and federal grants	6,004,336	14.6%
Other income ¹	1,283,817	3.1%
Total	\$41,020,121	100.0%

¹ Other income includes interest income, advertising revenue, fuel tax refunds, and other miscellaneous income.

Source: Pinellas Suncoast Transit Authority.

Findings

The PSTA can enhance its performance accountability system

Publicly funded entities, such as the PSTA, should be accountable to taxpayers on the performance and cost of their major programs. To do this, the PSTA needs a performance accountability system that provides information on its progress in achieving strategic goals and objectives for its transit services. Such a system should include

- clearly stated goals and measurable objectives linked to the authority's mission

⁴ These cities are represented by the PSTA board.

⁵ In Fiscal Year 2004-05, the PSTA received \$363,811 from Treasure Island and St. Pete Beach under the contract to provide bus services.

statement that provide expectations for the performance of transit services and programs;

- performance measures for assessing the progress made in meeting the goals and objectives;
- standards or targets indicating the expected level of performance for each measure; and
- mechanisms for reporting performance information to policymakers, the public, and other stakeholders.

The PSTA has implemented the foundation for a good performance accountability system, but it should strengthen the system to better assess and report its performance to key stakeholders.

The PSTA has implemented the foundation for a good performance accountability system. The PSTA has developed processes for internally assessing the performance of its transit routes. It evaluates the performance of routes based on three measures: passengers per hour, which measures the number of passengers being carried in each hour of service on a route; the number of passengers per mile, which measures the number of passengers being carried per mile of each transit route; and the fare box recovery ratio, which measures the amount of a route's cost that is covered by patron fares. Specific transit routes that fall below 75% of the overall system's average performance on any of these three performance measures for two consecutive quarters are targeted for improvement.

Also, the PSTA reports data for various measures of operational efficiency and effectiveness to key stakeholders. It provides specified performance data to the Federal Transit Administration. The PSTA also publishes information on several measures, such as passenger trips, revenue miles, operating expenses, operating revenue, and operating expenses per passenger trip, in local newspapers on an annual basis. PSTA staff provide the authority's board with a report that contains monthly, current fiscal year, and prior fiscal year data on various performance

measures, including the average fare per fixed route passenger, farebox recovery ratios, on-time performance, complaints per 100,000 passengers, accidents per 100,000 miles, and passengers per revenue miles. Finally, the PSTA's Five-Year Transit Development Plan, which was approved by the authority's board and is available to the public on the PSTA's website, includes data on some performance measures, including passengers per revenue hour, passengers per revenue mile, and service headway, which measures the frequency of service on individual routes.⁶

However, the PSTA could improve its performance accountability system in two ways. First, although the PSTA has a mission statement and has developed strategic goals that relate to its mission, it has not developed measurable objectives that are specifically linked to its strategic goals.⁷ Measurable objectives would include quantified targets for improving performance and timeframes for when they are to be accomplished. Without such measurable objectives, it is difficult to determine if the authority is achieving its expected level of progress in achieving its goals and improving its efficiency and effectiveness.

Second, the PSTA is not evaluating or benchmarking its performance against similar or peer bus systems. Such comparisons would help the PSTA identify areas in which it is performing well relative to other units providing similar services and programs, as well as in identifying potential areas for improvement. As an example, the PSTA does not have a specific measurable objective for assessing the progress made in achieving its strategic goal of providing frequent transit services to optimize capacity. However, it does have data on route headway times that could be used to create a measurable objective, such as to reduce the average headway time from its

current level to a targeted level by the next fiscal year. The PSTA could establish the target based on its historical performance and the performance of other peer transit systems.

Information on the PSTA's performance in meeting measurable objectives and comparisons with other public transportation systems should be reported to the PSTA board, other government units, including participating cities and the county, and taxpayers. This would give these participating cities, the county, and taxpayers more information on what return they are getting for their investment in the PSTA.

The PSTA generally is performing well in providing transit services

The data the PSTA does collect indicates that it generally is performing well in providing transit services. For example, the authority's statistical report to its board for the month ending June 30, 2005, indicated the PSTA experienced a higher number of fixed route riders and a lower percentage of complaints per 100,000 riders during the first nine months of Fiscal Year 2005 than during the same time-period in the prior year.⁸ Also, its on-time performance in the first nine months of Fiscal Year 2005 was slightly lower, but close to its performance in the prior year (95.3% versus 95.9%, respectively).

Further, compared to other similar Florida transit systems, the PSTA appears to be providing relatively efficient services. Exhibit 2 shows the performance of the PSTA and four similarly sized bus transit systems (the Jacksonville Transportation Authority or JTA; the Central Florida Regional Transportation Authority or LYNX; the Hillsborough Area Regional Transit Authority or HART; and Palm Tran, which serves Palm Beach County) on six

⁶ The following is a link to the PSTA's Five-Year Transit Development Plan on its website: www.psta.net/PDF/TDP.pdf

⁷ A program objective is an action statement which defines how program goals will be achieved. Objectives should support the program's goals; be challenging but achievable; and be measurable and quantifiable.

⁸ The PSTA report having 7,315,977 fixed route passengers in the first nine months of Fiscal Year 2005 compared to 7,245,737, passengers in the comparable period in Fiscal Year 2004. It also reported receiving 3.5 complaints per 100,000 riders in the first nine months of Fiscal Year 2005 compared to 3.9 complaints in the first nine months of Fiscal Year 2004.

measures.⁹ Public transit systems report data on these performance measures to the Federal Transit Administration. As shown in Exhibit 2, the PSTA was more efficient than the majority of the other systems as assessed by four efficiency measures.^{10, 11}

**Exhibit 2
The PSTA Provides Relatively Efficient Services Compared With Four Florida Peer Transit Authorities**

Measures	PSTA	Palm Tran	HART	JTA	LYNX
Efficiency					
Operating Expense Per					
Revenue Mile	\$ 3.95	\$ 4.26	\$ 4.54	\$ 4.67	\$ 4.70
Revenue Hour	57.92	68.84	56.26	73.73	65.66
Passenger Trip	2.95	4.29	3.19	4.43	2.89
Passenger Mile	0.64	0.71	0.73	0.74	0.47
Service Effectiveness					
Passenger Trips Per					
Revenue Mile	1.34	0.99	1.42	1.06	1.64
Revenue Hour	19.60	16.03	17.66	16.66	22.93

Source: *Florida Transit Handbook, 2003*, by the Center for Urban Transportation Research, University of South Florida, for the Florida Department of Transportation.

Pinellas County has several options for providing countywide transit services

The Legislature directed us to examine options for providing countywide transit services in Pinellas County. We reviewed the following options:

- maintain the current system;
- have non-member cities and unincorporated areas in the county join the PSTA; and
- have Pinellas County government provide transit services.

⁹ Calculations for these measures were made by the University of South Florida’s Center for Urban Transportation Research for the Florida Department of Transportation.

¹⁰ Data presented are for Fiscal Year 2003, which is the most recent year validated data was available from the Federal Transit Administration.

¹¹ Comparisons with other transit authorities need to be interpreted with caution as differences among entities on specific measures could be affected by factors such as variations in socio-economic characteristics of riders, service area characteristics, and transit goals and priorities.

Option 1: Maintain the current system. This option would continue PSTA’s current membership. As noted previously, five cities and two unincorporated areas have not joined the PSTA’s transit area and are not paying ad valorem taxes to support the authority’s operations. However, almost all of Pinellas County would continue to receive transit services from the authority. Currently, only two small cities and one unincorporated area do not have access to PSTA bus services.¹²

Option 2: Have non-member cities and unincorporated areas in the county join the PSTA. Under the special act creating the PSTA (Ch. 82-386, *Laws of Florida*), a majority vote of the electorate in each city and unincorporated area in Pinellas County would have to approve a referendum before the city or area could join the PSTA transit area. Neither the PSTA nor any other local government entity can force the cities and unincorporated areas not already in the PSTA’s transit area to join the PSTA.

Representatives of the Pinellas County Metropolitan Planning Organization told us they would like these cities and unincorporated areas to join the PSTA because they believe it would be more equitable for all parts of the county to support transit services and that it would facilitate efforts to plan for future transit technologies. However, representatives of three of the five cities that we interviewed said they would not support efforts to get their cities to join the PSTA’s transit area. They opposed joining the PSTA for several reasons, including little demand by city residents for bus services and concerns that the PSTA would not use additional ad valorem tax revenues from the cities to provide services in these areas. They also told us that they were not aware of how joining the PSTA’s transit area would benefit their cities or the PSTA’s plans for enhancing transit services.

¹² The cities of Belleair Beach, Belleair Shores, and the unincorporated area of Tierra Verde do not have access to PSTA bus services.

The PSTA currently is not seeking to have these cities and unincorporated areas join its transit area. In March 2005, the PSTA's board adopted a resolution providing for a five-year moratorium on requesting cities that are not part of the authority's transit area to become PSTA members.

Option 3: Have countywide transit service provided by a department of Pinellas County government. Under this option, countywide transit services would be provided by a Pinellas County government department rather than the PSTA. In order to implement this option, the Legislature would have to pass a special act to dissolve the PSTA, and a referendum would have to be passed by the residents of each municipality that had previously voted to become part of the PSTA transit area supporting the authority's dissolution.¹³ Finally, the Pinellas County charter would need to be amended to authorize the Pinellas County government to provide transit services. The PSTA's assets would then be transferred to the Pinellas County government.

Pinellas County government staff said that the county is concerned that it would need to increase the county's ad valorem tax millage rate if it assumed responsibility for providing transit services on a countywide basis. The county's ad valorem millage rate is 6.801 mills, which is below the limit of 10 mills specified in Article VII of the Florida Constitution. The PSTA's current millage rate is 0.6377 mills.

We did not identify major advantages that would result from changing the current system for providing countywide services. Non-member cities and the unincorporated area do not see any benefit to joining PSTA at this time and the PSTA's moratorium on requesting cities that are not part of the

authority to become members makes clear that the authority is not seeking additional membership. Finally, disbanding the PSTA to replace it with a county government-run transit system would require several legal actions and result in an increase in the county's tax millage rate.

Conclusions and Recommendations

The Pinellas Suncoast Transit Authority has implemented the foundation for a good performance accountability system and generally is performing well in providing transit services. However, it has not developed measurable objectives for assessing its progress in achieving strategic goals or targets that specify its expected level of performance. It also does not compare its performance to that of similar transit systems.

The PSTA should develop measurable objectives that include quantified targets for improving performance and timeframes for when they are to be accomplished. The PSTA should report information on its performance in meeting these measurable objectives to the PSTA board, other government units, including participating cities and the county, and taxpayers. This would give these participating cities, the county, and taxpayers more information on what return they are getting for their investment in the PSTA.

We examined three options for providing countywide transit services, including maintaining the current system, expanding the PSTA to cover all of Pinellas County, and having countywide transit service provided by a department of Pinellas County government. We did not identify major advantages that would result from changing the current system for providing countywide services.

¹³ Section 189.4042(2), *F.S.*, specifies that the merger or dissolution of an independent special district or a dependent district created and operating pursuant to a special act may only be effectuated by the Legislature unless otherwise provided by general law. It also specifies that for any independent district that has ad valorem taxation powers, the same procedure required to grant the independent district ad valorem taxation powers also shall be required to merge or dissolve the district.

Agency Response

PINELLAS SUNCOAST



TRANSIT AUTHORITY

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August 26, 2006

Mr. Gary R. VanLandingham
Director
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and Government Accountability
111 W Madison St - Suite 312
Tallahassee FL 32399-1475

Dear Mr. VanLandingham:

The staff and Board of Directors of the Pinellas Suncoast Transit Authority have reviewed a draft OPPAGA report. We feel that given the specific issues that had to be addressed, the report, along with the findings, were accurate and appropriate. We feel that no changes to the draft report are necessary.

Sincerely,

PINELLAS SUNCOAST TRANSIT AUTHORITY

/s/

Roger Sweeney
Executive Director

RS:mn

cc: PSTA Board of Directors

The Florida Legislature

Office of Program Policy Analysis and Government Accountability



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