

TPB SR5-2012
July 8, 2011

**NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD
777 North Capitol Street, N.E.
Washington, D.C. 20002**

**RESOLUTION APPROVING AN AMENDMENT TO
THE FY 2012 COMMUTER CONNECTIONS WORK PROGRAM (CCWP) TO
INCLUDE VANPOOLS IN THE POOLS REWARDS PROGRAM**

WHEREAS, the National Capital Region Transportation Planning Board (TPB) has been designated by the Governors of Maryland and Virginia and the Mayor of the District of Columbia as the Metropolitan Planning Organization (MPO) for the Washington Metropolitan Area; and

WHEREAS, on March 16, 2011, the TPB approved the FY 2012 Commuter Connections Work Program (CCWP); and

WHEREAS, the Pool Rewards program was established in FY 2009 after a demonstration pilot program, and it offers a \$130 carpool incentive over a 90-day period for commuters that were previously driving alone to and from work, and

WHEREAS, successful vanpool incentive programs are in operation in other major metropolitan areas such as San Diego, Houston, Seattle, Los Angeles, and Phoenix; and

WHEREAS, the Commuter Connections State TDM Work Group and state funding agencies have agreed to expand the Pool Rewards program as described in the attached memorandum to encourage newly formed vanpools with destinations in the Washington DC non-attainment region eligible to participate; and

WHEREAS, the proposed change in Pool Rewards work activity narrative to include vanpools is shown in the attached page from the FY 2012 CCWP;

NOW, THEREFORE, BE IT RESOLVED THAT the Steering Committee of the National Capital Region Transportation Planning Board amends the FY 2012 Commuter Connections Work Program to include vanpools as described in the attached materials.

MEMORANDUM

July 8, 2011

To: TPB Steering Committee

From: Nicholas Ramfos
Director, Alternative Commute Programs

Subject: FY 2012 CCWP 'Pool Rewards Program Expansion

The purpose of this memorandum is to outline the expansion of the Commuter Connections 'Pool Rewards Program to include Vanpools. The Commuter Connections State TDM Work Group met and discussed the 'Pool Rewards program expansion to vanpools on May 10, and June 14, 2011. The state funding agencies agreed that the FY 2012 CCWP be amended to expand the program.

Background on Program Expansion

The current Commuter Connections 'Pool Rewards program was established in FY 2009 after a demonstration pilot program was initiated and then continued in FY 2010. The program is geared towards offering a \$130 carpool incentive over a 90-day period for commuters that were previously driving alone to and from work. The \$130 is the maximum each carpooler can receive. Survey results from those that participated in the pilot program showed over a 90% retention rate for carpoolers and led to the continuation of the program during FY 2011.

This program expansion will be based on other experiences that have been in operation in other major metropolitan areas such as San Diego, Houston, Seattle, Los Angeles, and Phoenix.

The purpose of expanding the 'Pool Rewards program to include vanpools would be to help start new vanpools throughout the region which will help reduce congestion and improve air quality. Vanpooling is generally defined as 5 to 15 people commuting to and from work together in a van. As part of the program expansion to vanpools, it is recommended that a flat rate monthly incentive payment of \$200 would be provided to each vanpool through contracted providers not to exceed 35% of the total vanpool costs. This incentive amount will also allow for the formation of at least 50 vanpools and would reduce the monthly fare for the vanpool passengers. In return, each vanpool would need to enter data into the 'Pool Rewards system that would help track vanpool occupancy and travel patterns and then be translated to the National Transit Database (NTD) working through WMATA. The reporting of the vanpool miles will allow for WMATA to realize additional Section 5307 funds for the region that can be used for capital expenditures that will directly benefit the region's commuters. COG/TPB staff

will work with WMATA's NTD Reporting staff to ensure that the correct data would be collected for reporting purposes.

Information on National Transit Database and Federal Requirements

The National Transit Database (NTD)¹ is the system through which the Federal Transit Administration (FTA) collects uniform data needed by the Secretary of Transportation to administer department programs, including § 5307. The database consists of selected financial and operating data that describe mass transportation characteristics. Recipients of § 5307 Urbanized Area Formula Program grants must submit a NTD report through the life of the grant and/or capital equipment obtained through the grant. The reports are submitted using web-based forms available at <http://204.68.195.57/NTD/ntdprogram>.

The most important data for vanpools to collect and report are revenue miles and passenger miles because these are direct inputs into the grant formula. FTA specifies two options to collect this data: a 100% count that measures each passenger mile, or a random sample of trips that will achieve 95% confidence and 10% precision levels. Traditionally, bus/transit agencies place ride checkers on-board sampled bus routes in order to log each individual passenger trip. The random sample option would be onerous to a vanpool agency because of the large number of vanpools with unique routes. Best practices have been developed by existing vanpool programs to collect 100% counts. All vanpool programs that submit NTD data provide each vanpool group with variations of three forms to complete: a form to record daily odometer readings and number of passengers; a form to record fuel transactions; and a form to record the names of passengers, and what dates they rode in the vanpool. The last form is used strictly for auditing purposes to verify ridership. The recording of each vanpool's daily financial and ridership data is normally handled by one of the vanpool's regular riders who volunteers as the vanpool's "bookkeeper". Each month, the bookkeeper transmits this data (by mail, fax, e-mail, or on-line) to the vanpool program manager, who totals up the data on all vanpools and enters these totals into the NTD On-Line Reporting Tool (see <http://204.68.195.57/NTD/checkBrowser.do>).

In the 'Pool Rewards program, the information would be collected on-line minimizing costs with sending out three forms each month. COG/TPB staff would also work with WMATA to ensure that the proper data was being collected and submitted, including the portion of the trips that needed to be reported between UZA's²

¹ Excerpts from the Northern Virginia Transportation Commission's FTA § 5307 Formula Earnings Potential from Vanpools Report in the DC Metropolitan Region Report, August 7, 2009

² Publicly sponsored vanpools are eligible for § 5307 formula funding. Many vanpools operate over long distances and frequently travel between or through more than one FTA designated urbanized area (UZA) In these cases, the formula funding allocation is:

1. All vehicle trips that start and end within a UZA are allocated to that UZA.
2. All vehicle trips that are between a UZA and a non-UZA may be allocated to the UZA.
3. All vehicle trips that are between a UZA with population > 200,000 and another UZA with

The following section is information supplied by Mr. John Giorgis, NTD Manager at FTA (in a telephone interview conducted on July 17, 2009 with NVTC). Private transit, private shuttles, and private vanpools are not eligible to count towards § 5307 formula earning. "Private" refers to services that are exclusive to a particular institution or group and not open to the general public. For vanpools to be counted towards § 5307 formula earning, a governmental entity must sponsor the vanpool, and set terms or rules of vanpool operations. FTA does not specify how a governmental entity sponsors a vanpool. As a practical matter, at the minimum, sponsorship means that vanpool participants have signed an agreement with the vanpool sponsor promising to follow federal rules (see below). FTA does not require a governmental entity to subsidize vanpools. As a practical matter, however, publicly operated vanpools are subsidized to compensate for the time and effort of NTD data collection and reporting, and to encourage vanpool use and growth as an alternative to single-occupant vehicle travel.

References:

1. FTA Circular 9030.1C, dated 10-01-98: The terms "transit" and "mass transportation" are used interchangeably in transit law. The term "mass transportation" is defined as "transportation by a conveyance that provides regular and continuing general or special transportation **to the public**, but does not include school bus, charter, or sightseeing transportation." (Sections 5302 (a) (7) and (a) (14)). Source: http://www.fta.dot.gov/laws/circulars/leg_reg_4125.html

Vanpools must operate within federal rules

All vanpools that participate in FTA § 5307 formula funding programs (both vanpool fleets and owner operated) must follow these rules:

1. Vanpools must be open to the public
2. Vanpools must advertise their services to the general public
3. Vanpools must be non-discriminatory with regards to race, nationality, religion, age, sex, etc.
4. ADA-equipped vans must be available when needed. The ADA rules for vanpools are markedly different than ADA rules for fixed-route transit service. An ADA-equipped vehicle does not need to be available at all times for all origin-destination pairs. FTA requires that whenever an individual who needs an ADA-equipped vehicle subscribes to become a vanpool passenger, the agency must provide an ADA-equipped vehicle. This provides the vanpool agency ample time to relocate an ADA –equipped vehicle to where it is needed. Most agencies get by with one ADA-equipped vehicle. In practice, vanpool agencies seldom get requests for ADA-equipped vehicles. According to APTA's

population < 200,000 may be allocated to the larger UZA.

4. All vehicle trips between two UZAs with population > 200,000 must be allocated to either UZA, or divided between them.

Reference: FTA 2008 NTD Annual Reporting Manual, page254.

2009 Public Transportation Factbook, just 4.4% of the nation’s vanpool fleet is accessible.

Reference: American Public Transportation Association (APTA) Vanpool Definition: “Vanpool service is not required to be accessible by law, as are other modes, since the passengers are voluntary participants. Rather, a vanpool would be assigned an accessible van if a person in need of such a van became a vanpool participant.” Source: <http://www.apta.com/research/stats/vanpool/definitions.cfm>

Incentive Table for Vanpool Rewards:

Incentive Cost	Annual Cost Per Van	Number of Potential Vans
\$50/month	\$600	200
\$75/month	\$900	133
\$100/month	\$1,200	100
\$125/month	\$1,500	80
\$150/month	\$1,800	66
\$175/month	\$2,100	57
\$200/month	\$2,400	50
\$225/month	\$2,700	44
\$250/month	\$3,000	40
\$275/month	\$3,300	36
\$300/month	\$3,600	33
\$325/month	\$3,900	30
\$350/month	\$4,200	28
\$375/month	\$4,500	26

The ‘Pool Rewards Vanpool services would be contracted out to vanpool providers who would compete for customers and business. Subsidy for capital costs is limited to the lower of actual depreciation or a fixed percentage of the total contract cost (not to exceed 35% for vanpool services). Vanpools would be accepted into the program as long as they were newly formed and they would need to be commuting into the Washington DC non-attainment region. Marketing for the program would be conducted through “Pool Rewards and any additional “value-added” marketing that could be realized through the Mass Marketing TERM. COG/TPB staff will also work with WMATA to explore additional marketing opportunities for the program.

D. POOL REWARDS

During FY 2009 COG/TPB staff issued a report on the feasibility of conducting a carpool incentive demonstration project called 'Pool Rewards during FY 2010. The carpool incentive demonstration project was launched in FY 2010 and was evaluated. The purpose of the carpool incentive demonstration project was to recruit and retain commuters in a carpool through cash or other incentives. Similar programs are in operation in major metropolitan areas such as Los Angeles and Atlanta. Research has shown that commuters who are paid to carpool tend to stay in a carpooling arrangement longer than those carpoolers who are not paid. Commuters who currently take transit or a vanpool to work are eligible to receive \$230 per month under the IRS Qualified Transportation Fringe benefit provisions. Carpoolers are not eligible to participate. This type of a program has been used in a limited fashion in the Washington metropolitan region during large-scale construction projects such as the Wilson Bridge where the program was named "Bridge Bucks." The program proved to be extremely successful in convincing commuters to use an alternative form of transportation other than driving alone during the construction period.

During FY 2009, COG/TPB staff and a volunteer committee of Commuter Connections network members reviewed the top ten congested areas in the MSA with the goal of choosing corridors for implementing a carpool incentive and recommending the feasibility of implementing a demonstration program. The following final recommendations were made to the Subcommittee regarding the three corridors where the demonstration program would operate: 1) The I-495 corridor from Bethesda to Tyson's Corner, 2) the I-495 corridor from MD-295 (BW Parkway) to I-270; and 3) I-395 from Washington DC into Northern Virginia. The program guidelines and implementation plans for each of these corridors were developed by a work group in FY 2009 and were deployed as part of the pilot project. The duration of the financial incentive for the three recommended corridors was for three months for participating commuters. During the course of the demonstration project in FY 2010, the corridor restrictions were lifted in March 2010 due to low participation rates. At that point there were only 12 participants and once the restrictions were lifted there were approximately 185 new participants that joined the program. There were 102 participants that completed logging their trips, had supervisor verification, and completed an on-line survey.

An evaluation report was developed under the guidance of the State TDM Work Group and the TDM Evaluation Group. Based on the demonstration project results, the STDW Work Group determined the program's continuation during FY 2011 along with changes to program guidelines and the 'Pool Rewards software module. After measuring the benefits produced from the carpool financial incentive program, comparisons were made from the expected outcomes to the actual outcomes in terms of auto occupancy

and vehicle miles of travel, vehicle trips reduced and emission impacts. A follow-up survey conducted in FY 2011 of the original demonstration project participants showed a 93% carpool retention rate of all participants. Continued evaluation will be conducted in order to adjust program guidelines and documentation of program participation from the user's end.

In FY 2012 the 'Pool Rewards program will be expanded to include vanpools. Newly formed vanpools with destinations in the Washington DC non-attainment region will be eligible to participate. Third-party vanpool providers on contract with COG/TPB will provide the vanpool service. COG/TPB staff will work with WMATA to develop a monthly mileage reporting system for the National Transit Database.

In FY 2012, advertising materials will be updated along with on-line advertising as a way to entice additional project participants.

Cost Estimate: \$192,210

Consultant/Incentive Costs as Part of Estimate:

<i>(Advertising and Marketing Contractor)</i>	\$ 10,000
<i>(Media Buy)</i>	\$ 20,000
<i>('Pool Rewards Incentive Payments)</i>	\$130,000

Products: Marketing materials. *(COG/TPB staff in conjunction with consultant)*

Services: Operation of 'Pool Rewards program which includes registering and verifying participants, monitoring trip logs, supervisor verification, and payments to program participants. *(COG/TPB staff)*

Media Placements. *(Consultant)*

Process media placement invoices.
(COG/TPB staff)

Management and oversight of marketing contract. *(COG/TPB staff)*

Schedule: July 1, 2011 - June 30, 2012

Oversight: Commuter Connections Subcommittee