

# FREDERICKSBURG AREA METROPOLITAN PLANNING ORGANIZATION (FAMPO)

Fredericksburg City  
Spotsylvania County  
Stafford County

Hap Connors  
Chairperson

Lloyd Robinson  
FAMPO Administrator

## FAMPO RESOLUTION 09-39

### **A RESOLUTION OF THE FREDERICKSBURG AREA METROPOLITAN PLANNING ORGANIZATION AMENDING THE FY09-FY12 TRANSPORTATION IMPROVEMENT PROGRAM (TIP) TO PROVIDE \$100,000 IN CMAQ FUNDS TO HELP DESIGN A PROGRAM TO ENROLL REGIONAL VANPOOL IN THE NATIONAL TRANSIT DATABASE (NTD) PROGRAM AND AUTHORIZING STAFF TO ISSUE AN RFP TO OBTAIN CONSULTANT SUPPORT FOR THIS PROGRAM DESIGN.**

**WHEREAS**, the FAMPO Region currently contains at least 350 vanpools which provide daily transportation to Regional residents employed in Northern Virginia and Washington, D.C., and

**WHEREAS**, the none of these vanpools are currently enrolled in the NTP Program operated by the Federal Transit Administration, and

**WHEREAS**, enrollment in the NTD Program could yield an average of \$15,000 annually, before expenses, in FTA Section 5307 Program funds for each vanpool or over \$5 million annually for the entire fleet, and

**WHEREAS**, successful enrollment of vanpools in the NTD Program is now being accomplished routinely throughout the country, and

**WHEREAS**, staff from NVTC, WMATA, PRTC, NVTA, local governments in the FAMPO Region, DRPT, VDOT and other organizations have come together to discuss this opportunity and to agree on a scope of work and timetable for the design and implementation of the project (see attachments to this Resolution), and

**WHEREAS**, NVTC, working with its Northern Virginia partners, has agreed to fund one half of the \$200,000 design project cost.

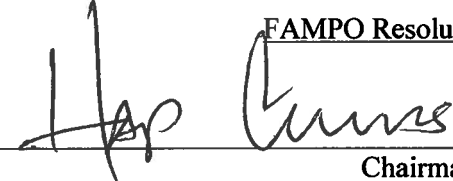
**NOW THEREFORE BE IT RESOLVED BY THE FREDERICKSBURG AREA METROPOLITAN PLANNING ORGANIZATION THAT \$100,000 FROM THE FAMPO CMAQ RESERVE IS TO BE APPLIED TO THE COST OF DESIGNING THE REGIONAL VANPOOL NTD PROGRAM, AND**

**BE IT FURTHER RESOLVED THAT, FOLLOWING REVIEW OF COMPETITIVE PROPOSALS BY THE PROJECT SELECTION COMMITTEE, STAFF IS AUTHORIZED TO JOINTLY EXECUTE A CONTRACT, ALONG WITH THE**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION (NVTC), WITH THE SUCCESSFUL PROPOSER FOR THE FAMPO SHARE OF THE PROJECT COSTS, NOT TO EXCEED \$100,000.**

**Adopted by the FAMPO Policy Committee at its meeting on October 26, 2009.**

FAMPO Resolution 09-39

  
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Chairman  
Fredericksburg Area Metropolitan Planning Organization

Date: 10/26/2009

## VANPOOL INCENTIVE PROGRAM DESIGN PROJECT SCHEDULE

<u>Activity</u>	<u>Date</u>
Final revision of scope for RFP, approval of project schedule and creation of consultant selection committee by Technical Advisory Committee (TAC)	October 13, 2009
Comments on final scope of work due	October 16
Initiate process to include design project in TPB and FAMPO TIP's and seek approval of scope for FAMPO by VDOT/FHWA	October 19
Approval by FAMPO of CMAQ funds for project and for issuing RFP. Separately the Selection Committee agrees on selection criteria	October 26
Recommendation for approval of transfer of FY 2010 CMAQ funds for project by NVTA's JACC	October 29
Approval by NVTA of FY 2010 CMAQ funds for design and of FY 2011 CMAQ funds to restore funds used for design	November 12
FAMPO issues RFP	November 13
Pre-proposal conference	November 30
Responses to RFP due	December 14
Consultant interviews by TAC Selection Committee. Separately FAMPO authorizes execution of consulting contract and agreement with DRPT to serve as project manager	December 21
Recommendation of consulting team by TAC selection committee	December 28
Deadline for completion of process to include design project in TPB and FAMPO TIP's and of FAMPO and NVTC to have access to CMAQ funds	December 31
NVTC authorizes award of contract to recommended consulting team and agreement with DRPT to serve as project manager. NVTC and FAMPO execute consulting contract and issue notice to proceed	January 7, 2010
Technical Advisory Committee initial meeting with consulting team	January 11, 2010
Design project complete	June 30, 2010



**SCOPE OF WORK**

**DESIGN OF A VANPOOL INCENTIVE PROGRAM TO ENHANCE THE NORTHERN  
VIRGINIA / FREDERICKSBURG REGIONS' SECTION 5307  
FEDERAL TRANSIT FORMULA ASSISTANCE EARNINGS AND INCREASE THE  
NUMBER OF VANPOOLS**

**SCOPE OF WORK FOR CONSULTING ASSISTANCE TO DESIGN THE PROGRAM**

**--October 14, 2009--**

## **Introduction**

Throughout the United States, Metropolitan Planning Organizations (MPO's), state Departments of Transportation (DOT's) and transit agencies are collecting and reporting vanpool statistics to the National Transit Database (NTD) in order to increase their Section 5307 earnings from the Federal Transit Administration (FTA). To be eligible, vanpools must be publicly operated or a public transit system must own or lease the vans directly or through a contractor, although the Federal Transit Administration is currently considering a revised policy that would define how private vanpools could submit data to NTD to generate Section 5307 earnings through an eligible FTA grant recipient.

In Virginia, the Greater Richmond Transportation Company (GRTC) and Hampton Roads Transit (HRT) receive Section 5307 funds on a total of about 100 vanpools, but no entity in the DC metropolitan region or the FAMPO region reports vanpool activity to the NTD. This represents a net opportunity loss of millions of dollars of Section 5307 earnings annually in Northern Virginia and Fredericksburg (assuming survey-determined totals of 600 to 800 active vanpools). These estimates are provided in a NVTC staff report titled "Section 5307 Earnings Potential from Vanpools in the D.C. Metropolitan Area" dated August, 2009 and available on NVTC's website at [www.thinkoutsidethecar.org](http://www.thinkoutsidethecar.org).

A previous effort to use Virginia Department of Transportation (VDOT) funding and Washington Metropolitan Area Transit Authority (WMATA) administration concluded about five years ago without producing an acceptable program of vanpool subsidies to generate Section 5307 earnings, although substantial progress was made. This current project builds on that earlier work in an effort to create a program to subsidize the use of vanpools.

In addition to increasing earnings of Section 5307 formula funds, newly formed vanpools would make significant contributions to clean air, reduced greenhouse gas emissions, energy conservation and relief of traffic congestion.

This scope of work details the tasks required to design a program for inclusion of Fredericksburg and Northern Virginia vanpools in the NTD, including estimating the number of vanpools that might participate, definition of data collection and reporting requirements, development of draft agreements, design of an administrative structure and assignment of responsibilities, verification of expected formula earnings and assignment of those earnings to the various participants, assistance in resolving issues that are identified as obstacles to a successful vanpool subsidy program, obtaining FTA approvals and sign-offs on agreements (assuming a program design agreeable to the stakeholders can be fashioned) and (as options) help with procurement of additional consulting expertise to assist in the implementation of various aspects of the program and expanding it to Maryland and the District of Columbia.

The duration of this contract will be up to nine months from notice to proceed, with a target completion date of six months for Tasks 1-6. This will permit the program to begin compiling NTD data for FY 2011 by July 1, 2010 (or as soon thereafter as possible), if a source of implementation funds is available then. Submission of the FY 2011 and subsequent NTD reports would permit Section 5307 earnings to begin in FY 2013 (October, 2012).

A staff-level technical advisory committee (TAC) has been convened from state and regional agencies, local governments and private vanpool leasing firms choosing to participate. These agencies/governments include, but are not limited to, the following:

Northern Virginia Transportation Commission (NVTC)  
Potomac and Rappahannock Transportation Commission (PRTC)  
Washington Metropolitan Area Transit Authority (WMATA)  
Department of Rail and Public Transportation (DRPT)  
Virginia Department of Transportation (VDOT)  
Virginia Railway Express (VRE)  
Fredericksburg Area Metropolitan Planning Organization/ George Washington Regional  
Commission (FAMPO/GWRC)  
Metropolitan Washington Council of Governments/Transportation Planning Board  
(MWCOG/TPB)  
Alexandria  
Arlington County  
Falls Church  
Fairfax (city)  
Fairfax County  
Loudoun County  
Fredericksburg  
Manassas  
Manassas Park  
Prince William County  
Stafford County  
Spotsylvania County  
Caroline County  
King George County  
Richmond Ridefinders  
VPAI, Inc.  
ABS Vans

Maryland and D.C. agencies may also be invited to participate.

The TAC reserves the right to discontinue the project if it appears that a workable program cannot be achieved.

### **Task 1: Research Best Practices.**

Review research materials containing background and assumptions. Research and determine the FTA requirements for a vanpool NTD program. Examine national examples of best practices. Report findings.

The consequences of proposed changes in FTA policies and federal legislation should also be examined (e.g., allowing private vanpools to submit NTD data, allowing vanpool fares to count as local match for Section 5307 and other federal grants and the possible roll-back of the maximum allowable tax-free commuter benefit). Emphasis should be placed on identifying best practices that would be applicable in this region and would lead to including existing vanpools as well as creating new vanpools.

### **Task 2: Recommend program goals and objectives and analyze significant issues.**

Recommend program goals and objectives. Identify, analyze and recommend solutions to program hurdles and uncertainties including such issues as match monies, the 2010 Census, leasing agreements (including purchase options and FTA's capital cost of contracting regulations), liability and indemnification, data collection technology (even beyond best practices), and legal/regulatory hurdles to providing incentives to drivers. Develop and recommend a structure of roles and activities in the NOVA and FAMPO regions to implement a vanpool NTD program consistent with FTA requirements and national best practices.

Several issues have been identified as obstacles to the success of the proposed project or of potential importance. For each of the issues listed below, and others that may be identified by the consulting team and the TAC, the consulting team will propose cost-effective remedies and assist the region in negotiating agreements as to how to proceed, based on successful experiences in other regions and on tentative agreements reached in this region's earlier efforts. Having resolved these issues, the consultant will work with the TAC to obtain agreement on the goals and objectives of the program.

#### **Incentives for Vanpool Formation and NTD Participation:**

- A. What factors will influence vanpool participation in the program including: levels of subsidization, operating costs, financial support for van purchases, availability and affordability of insurance, the extent to which paperwork is required to comply with NTD data collection mandates, and whether the van is owner-operated or a part of a larger fleet?
- B. What are the pros and cons (including legal and regulatory hurdles) to providing incentives to drivers so they will be willing to form vanpools and to provide NTD data?

#### **Impact of SmartBenefits:**

- C. What level of vanpool subsidy, if any, is required by FTA to allow NTD data to contribute to Section 5307 earnings? Can receipt of SmartBenefits by vanpoolers count toward that required level of subsidy?
- D. Given the eligibility of many vanpoolers to receive up to \$230 monthly in SmartBenefits (at least until the end of 2010) to cover fares, how would an additional government Vanpool Incentive Program operating subsidy induce more vanpoolers (including non-federal employees) or a willingness of existing vanpoolers to submit NTD Data?

#### Insurance/Indemnification Risks:

- E. How can all participating agencies best be fully indemnified?
- F. Are there insurance issues for vanpool operators which cannot be addressed through the Advantage Insurance Program?
- G. What are other potential risks of the program and how can they be mitigated?

#### Effect of 2010 Census:

- H. Following the 2010 census, the FAMPO region may qualify as a TMA based on urbanized area population. If that happens, would net earnings be greater for the region as a whole if a new designated recipient in the FAMPO region were to file a portion of the NTD data? How could a current governing structure and allocation agreement reflect such a future change?

#### Technologies:

- I. Document specific technologies that will facilitate low cost, accurate collection of NTD data.
- J. If vans are provided, what are the most appropriate makes and models?

#### Structure of Roles and Activities:

- K. Who decides? With so many agencies involved, which ones will actually administer project funds, make go/no go decisions, administer the program and provide oversight to any consultants?
- L. Should Maryland and D.C. be invited to participate, at some point in the future, perhaps through a regional program at MWCOG? How does the presence or absence of Maryland and D.C. affect Section 5307 funding allocations and what would need to happen to ensure that if Maryland and D.C. were absent, Virginia would realize the full benefit of the increased Section 5307 earnings? [Note: optional Task 9 would enlist the consultant's help in implementing expansion to include Maryland and D.C. if stakeholders agree.]

- M. How can the existing vanpool and TDM agencies best participate in the new Vanpool Incentive Program? How can their expertise be incorporated into the program? What agency or agencies should have a lead role in managing the program? How can undue burdens on these agencies be avoided?
- N. Should vans be purchased and leased for vanpool operations? Should one or more contractors be selected competitively to provide subsidized leases of vans to new vanpools in cooperation with vanpool/TDM agencies, or should any van lessors who may have existing leases or who may wish to lease subsidized or unsubsidized vans to new vanpools be encouraged to participate? How would such a new program mesh with existing public and private programs? What are the implications for public acceptance, including implications for vans purchased/leased without public subsidy?

**Task 3: Resolve significant issues and develop administrative structure.**

After assessing the issues above in Task 2, the consulting team will facilitate discussions required to achieve a consensus on their resolution. If successful, the consulting team will then develop an administrative structure, with rules, regulations, policies and procedures. The extent to which existing agencies and/or outside contractors should be used for the various administrative functions should be determined. This task should, at a minimum, describe how to accomplish the following:

- A. Complete a detailed program of subsidization;
- B. Publicize and build support for the program;
- C. Work with existing TDM agencies and vanpool agencies to educate existing vanpool operators about the subsidy program and encourage them to join the program;
- D. Work with existing TDM agencies and vanpool agencies to establish new vanpools and encourage the new vanpool operators to participate in the subsidy program;
- E. Complete a program to obtain and file required NTD data, using the latest technology;
- F. Ensure compliance with all applicable federal, state and local regulations with appropriate documentation, controls and independent audits;
- G. With the goal of encouraging widespread participation, what should the “eligibility” criteria” for vanpool participation be? FTA and state requirements are compulsory criteria, and others may or may not be advisable – the bulleted list below is presented simply for the purpose of consideration: , including, but not limited to:
  - Drivers age and other qualifications
  - Vehicle ownership
  - Acceptable driving records
  - Minimum and maximum passengers

- Lease terms
- Gas, maintenance included?
- Spare/loaner vans?
- ADA equipped vans?
- Vanpool reporting forms
- Origins of vanpools
- Maximum number of riders pulled from existing vanpools (to discourage diversion)
- Fare policies
- Insurance/Indemnification
- Free miles for personal use by driver
- Special incentives for drivers and/or bookkeepers
- Training programs
- Support staff for questions, promotion, assistance and marketing
- Dispute resolution
- Recruiting

There will need to be a compelling reason for adding criteria beyond FTA and state dictates, inasmuch as there is an overarching aim of encouraging greater vanpool formation.

- H. For the above rules, regulations, policies and procedures, as well as the items listed here, conduct sensitivity analyses to demonstrate whether each item is likely to exert a positive net benefit for the program:
- Branding
  - Discounts with transit systems for mid-day trips
  - Passenger recruitment bonuses
  - Bike racks on vans
  - Vanpool transfer policies
- I. Clearly distinguish vanpool driver/passenger responsibilities versus vanpool program administrator responsibilities and identify appropriate contract and NTD data collection forms and procedures that will facilitate compliance.

Information from other regions with successful vanpool subsidization and NTD reporting programs should be presented to establish appropriate baselines for comparison of performance.

**Task 4: Working with TDM agencies and vanpool operators, affirm the number of current and future vanpools in both regions for the next decade.**

Through examination of existing surveys and databases, working with TDM professionals, and using other data sources such as conducting new surveys, the consulting team will affirm the numbers of current vanpool operators and participants in both regions and to the extent possible their patterns of origins and destinations.

Working with TDM agencies and vanpool operators, and based on various assumed levels of subsidies for operations and van purchases, paperwork requirements and scenarios for gas prices, employment, traffic congestion and insurance availability, the consulting team will estimate levels of participation for the proposed program for the next decade.

**Task 5: Provide estimates of the costs.**

Provide an estimate of the total annual cost for each van enrolled in the Vanpool Incentive Program. This total cost will include the cost of data collection for each van, a subsidy amount for each van and the shared cost of program-wide data consolidation and verification, prior to its NTD submittal. Develop total cost estimates for data collection, data consolidation/verification, NTD reporting and audits. Quantify non-monetary benefits (air quality, energy savings, greenhouse gas emissions, safety improvements, congestion relief).

In this cost estimating task, various scenarios should be considered to allow the TAC to determine the most cost-effective program while also considering non-monetary benefits. Diversion of customers from public and private transit systems and existing vanpools should also be quantified.

**Task 6: Estimate the total 5307 revenues to be obtained from the program and sharing formulas.**

Estimate the total 5307 revenues to be obtained from the program given alternative numbers of enrolled vans by region, and estimate the net program revenues, after data collection, data consolidation and verification and vanpool subsidy costs are paid. Propose formula options for inter- and sub-regional allocation formulas for net program revenues.

Assist stakeholders in deciding how earnings will be shared. Currently Section 5307 earnings go to WMATA but some are shared under specified circumstances with other entities (e.g. MTA, VRE, PRTC, FRED). To provide the assistance to stakeholders described here, sharing arrangements elsewhere in the U.S., an allocation proposal developed for this area in 2003, WMATA's Board policy, and this region's current procedures for agreeing on "split letters" for Section 5307 funds will all require examination. How can jurisdictions not accepting federal transit capital funds be included if they so desire? How can adequate local match for Section 5307 funds be obtained each year, whether or not Congress adopts legislation allowing vanpool fares to count as local match?

For each of the prospective sharing formula options, the consulting team will calculate expected Section 5307 gross and net earnings at various levels of vanpool participation. These earnings will be shown for each future year with a theoretical allocation of formula earnings, at both the regional and sub-regional levels.. The gross and net earnings will be shown for each region and will be determined using the cost information from Task 5 with revenue information from this task.

**Task 7: Prepare Detailed Budgets, Business Plans and Performance Objectives.**

Pro forma administrative and program budgets should be prepared for the first five years of operation.

Also, a five-year business plan should define techniques to ensure a successful program. Participant feedback should be an important component.

Performance objectives should be established to enable objective measurement of the program's success at various stages of development. Describe how implementing agencies could involve the public. Also, consider the benefits of a uniform marketing campaign, perhaps developed by DRPT with stakeholder input.

**Optional Task 8: Assist in implementation procurements.**

As an option, the consultant may be asked to assist in procurement of continuing services, such as consolidation and verification of data provided by vanpool operators.

**Optional Task 9: Assist in extending the Vanpool Incentive Program to Maryland and D.C.**

As mentioned in Task 2L, if stakeholders determine that the program should be extended, the consultants may be asked to assist in modifying the program design for that purpose.