



# VANPOOL SECTION 5307 PROGRAM

## PRELIMINARY RECOMMENDATIONS

FY 2020

APRIL, 2018

# Introduction

## Vanpool Section 5307 Funds

- In 2013, GWRC, PTRC, and NVTC entered a Memorandum of Understanding (MOU) to form the Vanpool Alliance, to generate Section 5307 funds from the Federal Transit Administration (FTA) by reporting vanpool data to FTA.
- The Alliance Program now generates between \$5-6 million annually in Section 5307 funds.
- GWRC receives about \$1.25 million in these funds. Funds do not require a local match and can only be drawn down from FTA by PRTC on GWRC's behalf.
- Section 5307 funds may be used for multi-modal planning, transit capital improvements and transit preventive maintenance.

# Introduction

## 5307 Funds

- This presentation will show the regulatory guidance, observations and recommendations on how these new funds from Section 5307 may be used going forward.



# Ineligible Uses of Funds

## How Funds Can Not Be Used

General Operations Expenses of Transit Systems

Highways, intersections, bike paths, park and ride lots, and sidewalks

EXCEPTION: Projects specifically shown to benefit a public transit system

Administration of GWRideConnect  
Transportation Demand Management  
Program



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★ Vanpool to Washington, DC or NoVa in HOV Lanes

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[www.GWRideConnect.org](http://www.GWRideConnect.org) ★ 540.373.POOL (7665)



# Eligible Uses of Funds

## How Funds Can Be Used

### Direct Transit Capital Improvements

- Purchase of expansion/replacement buses, passenger rail rolling stock and other improvements
- Bicycle, pedestrian, & highway facilities that benefit a transit service

### Preventative Maintenance

- All maintenance costs undertaken to maximize useful lifespan of transit capital assets

### Multi-modal Planning

- As a supplement to PL, Rural, Section 5303 funds, and/or replacement for some RSTP Funds that are used to fund FAMPO's annual UPWP

# Observations

## 5307 Funds

- This funding is a new undertaking for GWRC that involves a new level of regulatory oversight from the FTA, enforced by PRTC.
  - It is prudent and logical to keep this program as simple and straight forward as possible, mainly at the outset.
  - All five local governments are full members of GWRC, so it seems advisable that these funds be used in a way so as to benefit as much of the George Washington Region as possible.
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- New funds will total \$1.25 million per year, with a “shelf-life” of 5 years before they lapse.

# Observations

## 5307 Funds

- Investing in comparatively large, more complex, and expensive projects would be risky due to lapsing of funds while there are funding sources available for these purposes.
- FREDericksburg Regional Transit has experience with using 5307 funds and has a relationship with PRTC. FRED has many capital needs such as buses for new service, a transfer station, preventative maintenance and more. Any of these funds allocated to FRED will result in a savings to local governments and will reduce local contributions.
- Transit service is extremely expensive for FRED to provide in rural areas. It would appear advisable, then, to find a way to utilize a portion of these funds to supplement existing resources for these purposes.



# Observations

## 5307 Funds

- 5307 funds currently cannot be used to administer GWRideConnect (GWRC), even though GWRC is responsible for forming and maintaining 400 vanpools in the region, that generate the funds.
- It may be in the Region's best interest to pursue a change in FTA ruling so that TDM Programs may use Section 5307 funds to administer their programs.
- Using a portion of the 5307 funds to help FAMPO's UPWP in trade for an equal fund amount to help administer the GWRideConnect Program would help both FAMPO and GWRC.
- FAMPO would gain funding to supplement UPWP and/or free up RSTP funds that are currently financing UPWP in order to help fund highway capital improvements. GWRC will also gain by being able to supplement the highly cost-effective GWRideConnect program.

# Recommendations

## Staff has four recommendations for the first years of these new funds

- Provide a to be determined amount of funds to FRED for preventive maintenance, buses for new services, shelters and other capital needs, as determined by GWRC. Part of these funds can be used to free up existing local funds and reduce the cost of rural services.
- Pursue a change in FTA policy in order to allow the administration of TDM Programs, like GWRideConnect, to be paid for with Section 5307 funds.
- Revisit the above recommendations after the first year, with the goal of setting a long term allocation policy.
- Beginning in FY2021, provide a negotiated amount of funds to FAMPO for planning, to be swapped for an equal amount of CMAQ funds to help support GWRideConnect.

# Discussion and Next Steps

## 5307 Funds

- GWRC reviews and considers general recommendations
- Staff works with FRED and Healthy Generations Area Agency on Aging (HGAAA) to obtain specific recommended funding levels for preventive maintenance, buses, shelters and other capital improvements and reports back to GWRC
- GWRC reviews and considers specific recommendations
- Staff works with PRTC to develop an MOU for expenditure of funds
- GWRC adopts MOU
- PRTC draws down new Section 5307 funds for expenditure by GWRC and FRED

# Schedule

## 5307 Funds

- **April:** Current GWRC discussion
- **May:** Follow-up GWRC discussion; staff works with FRED, HGAAA, and other agencies as directed
- **June:** Staff presents specific recommendations for consideration
- **August:** GWRC considers specific recommendations; staff presents draft MOU with PRTC for consideration by GWRC
- **September:** GWRC considers/executes MOU; staff develops detailed list of projects for PRTC submittal to FTA
- **February 2019:** GWRC considers detailed list of projects; staff provides list to PRTC
- **Fall 2019:** PRTC draws down funds for FY20 project funding