

# Metropolitan Transportation Commission Programming and Allocations Committee

May 8, 2013

Item Number 2f

## Resolution No. 3685, Revised

**Subject:** Allocation of \$780,000 in Regional Measure 2 (RM2) Capital funds to the Transit Commuter Benefits Program

**Background:** **Transit Commuter Benefits Promotion:** MTC is requesting an allocation of \$780,000 in RM2 Capital funds towards implementation support for the Regional Commuter Benefits Program. Legislation (Senate Bill 1339) signed by the Governor in fall 2012 authorizes the Air District and MTC to jointly adopt a regional commuter benefits program that will require employers with 50 or more full-time employees in the Bay Area to offer one of the following benefits:

- Pre-Tax Option: allow employees to pay for their transit or vanpooling or bicycling expenses with pre-tax dollars, as permitted by federal law;
- Employer-Provided Subsidy: provide a transit or vanpool subsidy to cover the employee's monthly commute cost (up to \$75 per employee per month);
- Employer-Provided Transit: provide a free or low-cost bus, shuttle or vanpool service (operated by or for the employer); or
- Alternative Commuter Benefit: provide an alternative commuter benefit that would be as effective in reducing single-occupancy commute trips as the three options outlined above.

The RM2 funds will be used for the following activities:

- 1) Update regional employer database to include all employers with 50 or more full-time employees in the Bay Area;
- 2) Develop employer registration/self-verification processes and tools;
- 3) Create online tools to assist employers in offering commuter benefits to their employees; and
- 4) Coordinate with the Air District on final development of the commuter benefits program, including evaluation, reporting, and communications.

A report on the implementation and results of this program due to the Transportation Policy Committees of each house of the Legislature on or before July 1, 2016. The RM2 expenditure plan includes funds specifically for the purpose of implementing a commuter benefits program.

**Issues:** This allocation is conditioned upon the approval of the Initial Project Report Package by the MTC Operations Committee on May 10, 2013.

**Recommendation:** Refer Resolution No. 3685, Revised, to the Commission for approval.

**Attachments:** Resolution No. 3685, Revised.

Date: March 23, 2005  
W.I.: 1255  
Referred by: PAC  
Revised: 03/22/06-DA 01/23/08-DA  
05/27/09-DA 09/23/09-C  
07/27/11-DA 05/22/13-C

ABSTRACT

MTC Resolution No. 3685, Revised

This resolution approves the allocation of Regional Measure 2 funds for the Transit Commuter Benefit Promotion project sponsored and implemented by the Metropolitan Transportation Commission (MTC).

This resolution includes the following attachments:

- Attachment A - Allocation Summary Sheet
- Attachment B - Project Specific Conditions for Allocation Approval
- Attachment C - MTC staff's review of MTC's Initial Project Report (IPR) for this project
- Attachment D - RM2 Deliverable/Useable Segment Cash Flow Plan

This resolution was revised through Delegated Authority on March 22, 2006 to allocate an additional \$25,000 to complete the long-range marketing plan.

This resolution was revised through Delegated Authority on January 23, 2008, to allocate an additional \$300,000 for development of functionality to allow ordering of TransLink® cards through employee transit benefits programs.

This resolution was revised through Delegated Authority on May 27, 2009, to allocate an additional \$410,000 towards website development, coordination with the TransLink® backend, and consultant support for overall development, resulting in a basic web-based transit benefit program that allows both employers and employees to manage their transit benefit accounts online.

This resolution was revised through Commission action on September 23, 2009, to allocate an additional \$2,410,000 towards major improvements to the first-generation employer program website for this project.

ABSTRACT

MTC Resolution No. 3685, Revised

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This resolution was revised via Delegated Authority on July 27, 2011, to allocate an additional \$1,000,000 towards additional improvements to the existing employer program website and marketing initiatives to expand both general participation in pre-tax transit benefit programs and automated delivery of pre-tax benefits to Clipper<sup>®</sup> cards.

This resolution was revised through Commission Action on May 22, 2013 to allocate \$780,000 towards implementation support for the Regional Commuter Benefits Program.

Additional discussion of this allocation is contained in the Executive Director's memorandum to the MTC Programming and Allocations Committee dated March 2, 2005, January 9, 2008, September 9, 2009 and May 8, 2013.

Date: March 23, 2005  
W.I.: 1255  
Referred by: PAC

Re: Approval of Allocation of Regional Measure 2 funds for the Transit Commuter Benefit Promotion

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION No. 3685

WHEREAS, pursuant to Government Code Section 66500 et seq., the Metropolitan Transportation Commission (“MTC”) is the regional transportation planning agency for the San Francisco Bay Area; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on March 2, 2004, voters approved Regional Measure 2, increasing the toll for all vehicles on the seven state-owned toll bridges in the San Francisco Bay Area by \$1.00, with this extra dollar funding various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004), commonly referred as Regional Measure 2 (“RM2”); and

WHEREAS, RM2 establishes the Regional Traffic Relief Plan and lists specific capital projects and programs and transit operating assistance eligible to receive RM2 funding as identified in Streets and Highways Code Sections 30914(c) & (d); and

WHEREAS, RM2 assigns administrative duties and responsibilities for the implementation of the Regional Traffic Relief Plan to MTC; and

WHEREAS, BATA shall fund the projects of the Regional Traffic Relief Plan by transferring RM2 authorized funds to MTC; and

WHEREAS, MTC adopted policies and procedures for the implementation of the Regional Measure 2 Regional Traffic Relief Plan, which specifies the allocation criteria and project compliance requirements for RM 2 funding (MTC Resolution No. 3636); and

WHEREAS, the Metropolitan Transportation Commission (MTC) has submitted a request for the allocation of RM 2 funds for the Transit Commuter Benefit Promotion project; and

WHEREAS, Transit Commuter Benefit Promotion is identified as capital project number 35 under RM 2 and is eligible to receive RM 2 funding as identified in Streets and Highways Code Sections 30914(c); and

WHEREAS, MTC has submitted an Initial Project Report (“IPR”), as required pursuant to Streets and Highway Code Section 30914(e), to MTC for review and approval; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the project and phase for which the MTC is requesting RM2 funding and the reimbursement schedule and amount recommended for allocation by MTC staff; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, lists the required project specific conditions which must be met prior to execution of the allocation and any reimbursement of RM2 funds; and

WHEREAS, Attachment C to this resolution, attached hereto and incorporated herein as though set forth at length, includes MTC staff’s review of MTC’s Initial Project Report (IPR) for this project; and

WHEREAS, Attachment D attached hereto and incorporated herein as though set forth at length, lists the cash flow of RM2 funds and complementary funding for the deliverable/useable RM2 project segment; and

WHEREAS, the claimants to which funds are allocated under this resolution have certified that the projects and purposes listed and recorded in Attachment A are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.); now, therefore, be it

RESOLVED, that MTC approves MTC staff's review of MTC's IPR for this project as set forth in Attachment C; and be it further

RESOLVED, that MTC approves the allocation and reimbursement of RM2 funds in accordance with the amount and reimbursement schedule for the phase, and activities as set forth in Attachment A; and, be it further

RESOLVED, that the allocation and reimbursement of RM2 funds as set forth in Attachment A are conditioned upon MTC complying with the provisions of the Regional Measure 2 Regional Traffic Relief Plan Policy and Procedures as set forth in length in MTC Resolution 3636; and be it further

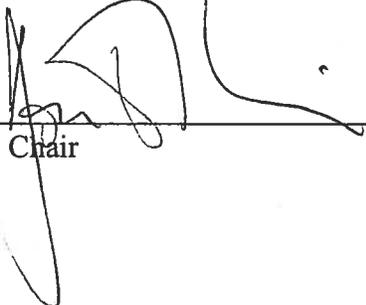
RESOLVED, that the allocation and reimbursement of RM2 funds are further conditioned upon the project specific conditions as set forth in Attachment B; and, be it further

RESOLVED, that the allocation and reimbursement of RM2 funds as set forth in Attachment A are conditioned upon the availability and expenditure of the complementary funding as set forth in Attachment D; and be it further

RESOLVED, that reimbursement of RM2 funds as set forth in Attachment A is subject to the availability of RM2 funding; and be it further

RESOLVED, that a certified copy of this resolution, shall be forwarded to the project sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

  
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Jon Rubin, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in Oakland, California, on March 23, 2005.

## REGIONAL MEASURE 2 PROGRAM Allocation of Funds

Project Title: Transit Commuter Benefit Promotion Program  
Sponsor: Metropolitan Transportation Commission  
Project Number: 35.1

<b>Allocation No. 35.1-1</b>						
Activities to be funded with Allocation #1:						
<p>1) Long-range plan. Create a new task order in a current contract to assist MTC in the development of a long-range marketing plan for the commuter benefits funds. The scope of the work is to develop a detailed plan that will utilize employers to market transit, through the promotion of TransLink, to their employers. The Consultant will propose specific tactics to aid MTC in this effort. The total cost of the plan is \$25,000.</p> <p>2) Marketing Promotion. The promotion will have two major features: 1) an awareness campaign to educate employees about the availability of this valuable benefit and convenient fare instrument and 2) an incentive program to encourage employers to set-up such a program and employees to participate. The total cost of activities is \$50,000.</p>						
Funding Information for Allocation #1:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	Cumulative Total To Date	
05368501	23-Mar-05	\$ 25,000	ENV	FY 2004-05	\$	25,000
05368502	23-Mar-05	\$ 50,000	CON	FY 2004-05	\$	75,000

<b>Allocation No. 35.1-2</b>						
Activities to be funded with Allocation #2:						
<p>1) Long-range plan. The estimated cost to develop the long-range marketing plan increased by \$25,000. MTC is requesting an additional \$25,000 to complete the plan.</p>						
Funding Information for Allocation #2:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	Cumulative Total To Date	
06368503	22-Mar-06	\$ 25,000	ENV	FY 2005-06	\$	100,000

## REGIONAL MEASURE 2 PROGRAM Allocation of Funds

Project Title: Transit Commuter Benefit Promotion Program  
Sponsor: Metropolitan Transportation Commission  
Project Number: 35.1

<b>Allocation No. 35.1-3</b>						
Activities to be funded with Allocation #3:						
1) Online functionality: Development of an online mechanism for obtaining TransLink® cards through employee transit benefits programs. The estimated cost for a consultant to develop the additional functionality is \$300,000. MTC is requesting \$300,000 to complete this activity.						
Funding Information for Allocation #3:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	Cumulative Total To Date	
08368504	23-Jan-08	\$ 300,000	CON	FY07-08	\$	400,000

<b>Allocation No. 35.1-4</b>						
Activities to be funded with Allocation #4:						
This allocation is towards the development of a basic web-based transit benefit program that allows both employers and employees to manage their transit benefit accounts online. Activities involved are:						
1) HTML coding, other programming;						
2) Coordination with the TransLink® back end;						
3) Consultant support for overall development of the program, including a) oversight of the TransLink® contractor's work; b) coordination with other transit benefit program and transit providers; and c) graphics support for visual enhancements to the website from the TransLink® marketing contractor.						
Funding Information for Allocation #4:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	Cumulative Total To Date	
09368505	27-May-09	\$ 410,000	CON	FY08-09	\$	810,000

## REGIONAL MEASURE 2 PROGRAM Allocation of Funds

Project Title: Transit Commuter Benefit Promotion Program  
Sponsor: Metropolitan Transportation Commission  
Project Number: 35.1

<b>Allocation No. 35.1-5</b>						
Activities to be funded with Allocation #5:						
This allocation will be used to make improvements to the employer program website. These improvements include:						
<ol style="list-style-type: none"> <li>1. Multiple funding source capability - allowing employees to supplement employee benefit program funds with their own personal funding source, such as a credit card.</li> <li>2. Website customer interface improvements - such as reducing the number of screens customers have to navigate to order a card or add value and generally making it easier to go through this process.</li> <li>3. Online balance checking and transaction history - allowing customers to immediately access their account balances and to generate a transaction history for the previous 30-60 days.</li> <li>4. Email notification - creating the capability for the TransLink contractor to automatically generate email notifications for important changes that customers make to their accounts or to notify them of upcoming actions.</li> </ol>						
Funding Information for Allocation #5:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	\$	Cumulative Total To Date
10368506	23-Sep-09	\$ 2,410,000	CON	FY09-10	\$	3,220,000

<b>Allocation No. 35.1-6</b>						
Activities to be funded with Allocation #6:						
This allocation will be used towards additional improvements to the existing employer program website and marketing initiatives to expand both general participation in pre-tax transit benefit programs and automated delivery of pre-tax benefits to Clipper® cards. These improvements include:						
<ul style="list-style-type: none"> <li>• Activities that directly target employers, e.g. meetings with transportation managers at large employers, development of printed materials, on-site Clipper® information sessions for employees, transit benefit enrollment drives, and/or financial incentives to encourage enrollment in pre-tax transit benefit programs that allow customers to link Clipper® cards to pre-tax benefits;</li> <li>• Research to better understand customers' preferences and experiences with respect to use of pre-tax transit benefits with Clipper®;</li> <li>• Technical improvements that enable pre-tax transit customers to make Clipper® purchases at retail locations;</li> <li>• Activities that target employees, e.g. development of printed materials, advertising in transit vehicles/facilities or other media that effectively reach transit riders, sponsorship and/or participation in events that encourage enrollment in pre-tax transit benefit programs and linking of transit benefits with Clipper® cards, and/or financial incentives for transit riders that link pre-tax transit benefits to a Clipper® card.</li> </ul>						
Funding Information for Allocation #6:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	\$	Cumulative Total To Date
12368507	27-Jul-11	\$ 1,000,000	CON	FY11-12	\$	4,220,000

## REGIONAL MEASURE 2 PROGRAM Allocation of Funds

Project Title: Transit Commuter Benefit Promotion Program  
 Sponsor: Metropolitan Transportation Commission  
 Project Number: 35.1

<b>Allocation No. 35.1-7</b>						
Activities to be funded with Allocation #7:						
<p>This allocation will be used towards implementation of the Regional Commuter Benefits Program and will include but not be limited to the following activities:</p> <ol style="list-style-type: none"> <li>1) Update regional employer database to include all employers with 50 or more full-time employees in the Bay Area;</li> <li>2) Develop employer registration/self-verification processes and tools;</li> <li>3) Create online tools to assist employers as they transition to offer commuter benefits to their employees; and</li> <li>4) Coordinate with the Air District on final development of the commuter benefit program, including evaluation, reporting, and communications.</li> </ol>						
Funding Information for Allocation #7:						
Allocation Instruction No.	Approval Date	Amount	Phase	Reimbursement Year	\$	Cumulative Total To Date
13368508	22-May-13	\$ 780,000	CON	FY12-13	\$	5,000,000

## **REGIONAL MEASURE 2 PROGRAM Project Specific Conditions**

Project Title: Transit Commuter Benefit Promotion Project  
Sponsor: Metropolitan Transportation Commission  
Project Number: 35.1

The allocation and reimbursement of RM2 funds for the above project are conditioned upon the following:

1. Sponsor may invoice MTC as frequently as monthly.
2. The allocation and reimbursement of RM2 funds for allocation # 7 are conditioned upon the approval of the IPR package by the MTC Operations Committee.



# Regional Measure 2 Regional Traffic Relief Plan

March 23, 2005  
 Attachment C  
 MTC Resolution No. 3685  
 Revised: 03/22/06-DA  
 01/23/08-DA  
 05/27/09-DA  
 09/23/09-C  
 07/27/11-DA  
 05/22/13-C

## RM2 Project Number: 35.1 Transit Commuter Benefits Promotion

Lead Sponsor Metropolitan Transportation Commission	Other Sponsors( Implementing Agency (if applicable) N/A	N/A
Legislated Project Description Marketing to promote tax-saving opportunities for employers and employees as specified in Section 132(f)(3) of the Internal Revenue Code. Goal is to increase the participation rate of employers offering employees a tax-free benefit to commute to work by transit.		
RM2 Legislated Funding (in \$1,000) <b>35.1 Transit Commuter Benefits Promotion (\$5,000)</b>		
Project Purpose and Description As the availability of Clipper increases, employer benefit programs can begin offering employees the choice of either continuing to receive vouchers or receiving a registered Clipper card to which a specific value will be loaded each month. Both administrators and users of employer benefit programs will benefit from Clipper: employers will enjoy significantly streamlined administration; employees will be able to forego voucher reimbursement, as well as enjoy all of the standard features of a smart card. We expect the promotion will have two major features: 1) an awareness campaign to educate employees about the availability of this valuable benefit and convenient fare instrument and 2) an incentive program to encourage employers to set-up such a program and employees to participate. The Air District and MTC are currently developing (will be implemented by Fall 2017) a Regional Commuter Benefits Program that will require employers with 50 or more full-time employees in the Bay Area to offer transit commuter benefits.		
Funding Description Committed Funds: The RM2 funding completely funds this project. Uncommitted Funds: None Operating Capacity: N/A		

### Overall Project Cost and Schedule

Phase	Scope	End	Cost (in \$1,000)
1	Final Environmental Document	07/2008	\$50
2	Plans, Specifications and Estimates		
3	Right-of-Way		
4	Construction	10/2017	\$4,950
<b>Total:</b>			<b>\$5,000</b>

## Total Project Funding Plan: Committed and Uncommitted Sources

(Amounts in Thousands)

<b>Project Title</b>	Transit Commuter Benefits Promotion	<b>Project No.</b>	35.1
<b>Lead Sponsor</b>	Metropolitan Transportation Commission		

Fund Source	Phase	Prior	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Future	Total
<b>Committed</b>										
RM2	Environmental	50								50
RM2	Construction	50	300	410	2,410		1,000	780		4,950
										-
										-
										-
										-
										-
<b>Total:</b>		100	300	410	2,410	-	1,000	780	-	5,000
<b>Uncommitted</b>										
										0
										0
<b>Total:</b>		0	0	0	0	0	0	0	0	0
<b>Total Project Committed and Uncommitted</b>										
		<b>Prior</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>		<b>Future</b>	<b>Total</b>
<b>Total:</b>		100	300	410	2,410	-	1,000	780	-	5,000

# REGIONAL MEASURE 2 PROGRAM

## Project Cash Flow Plan

Attachment D  
MTC Resolution No. 3685  
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05/22/13-C

Project Title: Transit Commuter Benefits Promotion Program  
Sponsor: Metropolitan Transportation Commission  
RM2 Project Number: 35.1

RM2 Project # 35.1	PRIOR	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	TOTAL
<b>RM2 Funds Total</b>	<b>100,000</b>	<b>300,000</b>	<b>410,000</b>	<b>2,410,000</b>	<b>-</b>	<b>1,000,000</b>	<b>780,000</b>	<b>5,000,000</b>
<b>Environmental (ENV)</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
RM2	50,000							50,000
								0
								0
								0
<b>Final Design (PS&amp;E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
								0
								0
								0
								0
<b>Right of Way</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
								0
								0
								0
								0
<b>Construction</b>	<b>50,000</b>	<b>300,000</b>	<b>410,000</b>	<b>2,410,000</b>	<b>0</b>	<b>1,000,000</b>	<b>780,000</b>	<b>4,170,000</b>
RM2	50,000	300,000	410,000	2,410,000		1,000,000	780,000	4,170,000
								0
								0
								0
<b>TOTAL FUNDING</b>								
Environmental	50,000	0	0	0	0	0	0	50,000
Final Design (PS&E)	0	0	0	0	0	0	0	0
Right of Way	0	0	0	0	0	0	0	0
Construction	50,000	300,000	410,000	2,410,000	0	1,000,000	780,000	4,950,000
<b>PROJECT TOTAL</b>	<b>100,000</b>	<b>300,000</b>	<b>410,000</b>	<b>2,410,000</b>	<b>0</b>	<b>1,000,000</b>	<b>780,000</b>	<b>5,000,000</b>