

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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**Agenda
Number:**

Prepared on: December 14, 2005
Department: General Services
Budget Unit:
Agenda Date: January 3, 2006 for
January 17, 2006
Placement: Departmental
Estimate Time: 45 minutes
Continued Item: NO
**If Yes, date
from:**

TO: Board of Supervisors

FROM: Supervisor Carbajal and Supervisor Rose

**STAFF
CONTACT:** Jeremy Tittle, Executive Assistant, 568-2186

SUBJECT: Highway 101 Operational Improvements / Transportation Demand
Management (TDM) Strategies
1st and 2nd Supervisorial Districts

Recommendations:

It is recommended that the Board of Supervisors set a hearing for January 17, 2006 for 45 minutes to consider the following:

- A. Receive the results of a survey conducted by Traffic Solutions on commuting patterns and incentives to consider alternative forms of transportation for County employees.
- B. Approve the implementation of Phase I Transportation Demand Management (TDM) strategies as discussed in this report and direct staff to study the viability of implementing Phase II strategies.
- C. Approve a budget revision to provide the necessary funding to implement the measures.

Alignment with Board Strategic Plan:

The recommendations are primarily aligned with Goal No. 3: A strong, professionally managed county organization, and Goal No. 4: A community that is economically vital and sustainable.

Executive Summary and Discussion:

In 2007, Caltrans will embark on a series of operation improvements to Highway 101 between Milpas and Hot Springs Road. These improvements are estimated to cost \$50 million and will be constructed in four phases over a 5-year period. Although these improvements are intended to have some positive affect on relieving traffic congestion after they are completed, it is anticipated that they will have a negative impact on congestion during the construction period.

To mitigate the traffic congestion during construction, CalTans and SBCAG Traffic Solutions will be launching several TDM programs serving commuters along the Highway 101 corridor. The TDM programs are designed to target private employers that will be impacted by the construction project. Additionally, more serious long-term traffic relief on this corridor is the subject of a study called the 101 In Motion Project. This study proposes alternatives that include widening the freeway to six lanes, establishing commuter rail service between Camarillo and Goleta, and a host of TDM solutions. These alternatives may not be put in place for many years and the concern today,--and the subject of this report-- is:

How can the County assist in mitigating the increased traffic congestion during construction of the 101 operational improvements, and specifically, what policies can the Board of Supervisors consider in order to provide additional transportation options and solutions for County employees?

The answers to this question coincide with a broader community discussion regarding potential TDM measures that public and private employers in Santa Barbara County could implement in order to relieve congestion on Highway 101 and increase the quality of life of their employees. The Santa Barbara Regional Chamber of Commerce has convened an informal group which includes representatives from SBCAG, the County, the City of Santa Barbara and other public and private employers that is currently discussing these issues and strategies. As this effort continues the County has an opportunity serve as an example and show leadership in considering and potentially implementing a range of TDM strategies.

In order to prepare this report, Traffic Solutions was asked to conduct a survey of County employees' commuting habits. This survey was extremely successful with 1,366 people responding (33% response rate). A summary of the results are attached and they will be explained further during the presentation. In general, the recommendations contained in this report are aligned with the results of this survey.

Simply stated, Transportation Demand Management (TDM) is an endeavor whereby measures are taken to control the demand for driving a single occupancy vehicle, or any vehicle for that matter. As an example, widening a freeway addresses the *supply side* of transportation management; encouraging someone to carpool or ride a bike to work addresses the *demand side* and would be considered a *TDM measure*. What follows are three lists of TDM measures organized by the following categories:

- 1) TDM measures the County currently provides;
- 2) TDM measures that are provided by other entities;
- 3) TDM measures the Board should consider adding as standard County policy.

Existing County TDM Measures

1. Earn up to 2 days of additional vacation each year if the employee uses alternative transportation at least 80% of the days worked in a pay period.
2. If a County employee vanpools or carpools with other County employees, the "pool" vehicle is eligible to receive a free parking pass good for the County Administration Building lot or the Garden Street lot.
 - the driver must be a regular employee with at least 1 year of service with the County;
 - no drop offs; you must have your other passengers in the vehicle when you park (prevents fraud).
 - currently there are 35 van/car pools in the program.
 - because of the dynamics of the parking lots (e.g. not everyone shows up every day to claim a space) there is room in these 2 parking lots for additional van/car pools.
3. At the discretion of each department AND at the discretion of managers and supervisors within each department, some employees may have access to:
 - Flex schedules
 - Telecommuting
4. Access to TDM programs offered by Traffic Solutions (vanpool subsidy, carpool matching, emergency ride home, rideshare events, flexwork, bike safety, etc...)

TDM Measures Provided by Others

1. Free MTD 10 ride pass (employees in downtown S.B. only).
2. Clean Air Express provides bus service between Santa Maria, Lompoc and Santa Barbara (approximate fare cost is \$3.37 one-way)
3. Vista Service Coastal Express provides bus service between Ventura and Santa Barbara (approximate fare cost is \$2.00 one-way)
4. Caltrans and SBCAG Traffic Solutions will be offering several TDM programs as required under the Traffic Management Plan for the Highway 101 Milpas to Hotspings project. The TDM programs are scheduled to begin in FY06-07 and include the following:
 - a. Employer commuter benefit program designed to encourage private businesses along the Highway 101 corridor to provide commuter benefits to their employees, such as transit, carpool and vanpool incentives.
 - b. Expansion of the FlexWork Santa Barbara program designed to assist employers in developing telecommuting and flexible work arrangements for their employees.

- c. A free month of transit on the VISTA Coastal Express designed to increase bus ridership in the Highway 101 corridor.

Additional TDM Measures Recommended for Board Consideration

The following recommendations have been grouped into two phases. Phase I recommendations are fairly easy to implement and are of no cost, or low cost. Phase II recommendations require some additional analysis regarding their feasibility, and/or require an expenditure that cannot simply be absorbed in current operating budgets.

Phase I Recommendations:

1. Initiate a new and creative marketing campaign. Traffic Solutions is willing to design and run this campaign for the County at no charge. However, there may be some incidental costs or reimbursable costs above and beyond what Traffic Solutions can commit to in order to assure the campaign is successful.

The campaign should emphasize and re-affirm the current County policy to promote flex-scheduling and telecommuting wherever possible. This message really needs to be delivered to the managers of the departments so they can in turn champion and make available opportunities with their employees where they might exist. (In reality, Traffic Solution has already initiated this campaign by conducting the survey.) **(estimated cost \$5,000)**

2. Commuter Choice Tax Benefit: The Internal Revenue Service allows employers and/or employees to pay up to \$105 per month, tax-free, for transit fares or vanpool fees. The following options are allowable by the IRS:
 - Employee paid pre-tax payroll deduction – Employee saves on income taxes and employer saves on payroll taxes.
 - Employer paid subsidy - Employer gets a tax deduction and saves over providing same value in gross income.
 - Combination – Part of the \$105 is paid by employer and part is paid by the employee as a pre-tax payroll deduction.

(Estimated cost is \$30,000 annually for outsourcing administration of the program. Assuming a strong participation rate, approximately half of this cost would be offset by employer FICA tax savings due to the employee-paid deduction being pre-tax.)

3. Casual Carpooling: Provide a venue, such as an intranet site, bulletin board or email list for employees to form groups of casual carpoolers. Participants can contact each other and meet at pre-determined locations for on-the-fly carpooling. This could be especially useful for the Board meetings that occur in Santa Maria twice per month. **(This measure could be administered with existing staff levels)**

4. Purchase bikes to be available for personal use for employees who use an alternative form of transportation to get to work. **(Estimated cost: 5 bikes @ \$800 per bike = \$4,000)**
5. Increase the TDM vacation benefit from two days to three days. According to the commuter survey, 46% of the county employees rate this measure as a "Most Effective" incentive to encourage alternative transportation use by employees. **(The cost associated with this measure is an opportunity cost, or a "soft cost". In other words there is no actual expenditure involved, but simply the value lost of those employees not working one day. The value of this opportunity cost is estimated as follows: \$50,000/260 x 500 employees = \$96,000)**

Phase II recommendations:

6. Hire a TDM Coordinator. For the County to realistically proceed with any measures that require administration, a new position should be created and filled to perform this function and assure program success. This person would coordinate all marketing efforts, would be the County's point of contact with Traffic Solutions and other transportation-related groups and organizations, would coordinate and authorize the appropriate employee use of all TDM programs, and would work with departments to apply for, and administer any applicable transportation grants. **(Estimated cost \$75,000 annually)**
7. Allow a limited number of fleet vehicles be available for personal use such as doctor appointments and child care for employees who use an alternative form of transportation to get to work. According to the commuter survey, 26% of county employees report having to drive to work because of a need to do errands or deal with medical emergencies during the day. 19% of the county employees rate this measure as a "Most Effective" incentive to encourage alternative transportation use by employees. **(Cost is difficult to estimate but assumed to be minimal. Per mile, it would be logical to equate the cost to the IRS approved rate for mileage reimbursement, currently \$0.485.)**
8. Offer employees a \$20 monthly transit and vanpool commuter benefit. The \$20 transit/vanpool benefit would take the form of a voucher to be used towards the cost of a monthly transit pass or ten-ride ticket for any Santa Barbara County transit service (local or commuter bus) or towards a monthly vanpool fee for the purpose of commuting to work. The \$20 monthly benefit would provide a discount from 15% to 100% depending on the transit service or vanpool used by the commuter. According to the commuter survey, 19% of the county employees rate this measure as a "Most Effective" incentive to encourage alternative transportation use by employees. **(Estimated annual cost ranges from \$58,000 - \$82,000 depending on the availability of free downtown Santa Barbara 10-Ride MTD passes currently being provided by City of Santa Barbara).**

9. Purchase, construct, and/or lease a small satellite office building in western Ventura so that employees can perform the routine functions of their jobs such as voice communication, data communication, and computer work during peak commuting hours. It is also possible that a partnership arrangement could be set up with the County of Ventura such that their employees are allowed to use County space in Santa Barbara, and County employees are allowed to use their space at their government center in Ventura. This item assists the concept of flexible work schedules which is discussed under the marketing item above. According to the commuter survey, 13% of the county employees stated that they would be interested in using a satellite office in Ventura County one or more days a week. **(Cost unknown and dependent on the size and scope of the work space.)**

Mandates and Service Levels:

The Board is under no mandate to provide TDM subsidies. The Caltrans provided measures are a requirement of their environmental document and permit for the operational improvements.

Fiscal and Facilities Impacts:

The Phase I measures are estimated to cost \$24,000 for the remainder of this fiscal year as follows:

Marketing Campaign	\$ 5,000
Purchase Bikes	\$ 4,000
Tax Benefit Administration	\$ 15,000
Total	\$ 24,000

Attachments:

Santa Barbara County Commuter Survey Results