



U.S. Department
of Transportation

Federal Transit
Administration

Private Transportation Operators at the Table: A Guide to Participating in the Transportation Planning Process



Executive Summary *January, 2011*

Available Online

[\[http://www.fta.dot.gov/planning_environment.html\]](http://www.fta.dot.gov/planning_environment.html)

Introduction

The transportation planning process provides the foundation for a community to assess existing conditions, identify current and future transportation needs, and analyze potential strategies to address these needs. Private transportation operators can—and should—play an important role in the transportation planning process by providing their expertise and offering their ideas and suggestions to a community’s vision for mobility.

Unfortunately, in many communities private transportation providers are not involved in the transportation planning process. A variety of reasons contribute to this reality. For some, the various transportation planning processes may seem complicated and difficult to interpret. Various organizations may lead planning efforts in the community, and the planning documents produced through these efforts typically include numerous projects and studies, making it difficult for private transportation providers to determine exactly where they fit in. In addition, private transportation operators already have plenty on their plates, so getting involved and going to lots of meetings may not be high on their list.

The goal of this guidebook is to provide private transportation operators with an appropriate understanding and working knowledge of the transportation planning processes and planning organizations so that they can ask the pertinent questions and make more informed decisions regarding their level of involvement. The “planning table” is simply a metaphor for the overall process, and the objective of this guidebook is to provide private transportation operators with the knowledge to find the “table”, to know what to expect at the “table”, to know how to best spend their time at the “table”, and to know how to get the most from being at the “table”. This Executive Summary provides an overview of the various components of the guidebook. Much more information on the planning process and opportunities for private transportation operators, along with various resources, is included in the full version.

Why Private Transportation Operators Should Be Involved

Involvement in the transportation planning process needs to make business sense. It can, by providing private transportation operators with the opportunity to:

- Gain access to local decision-makers and public transit and other transportation providers, and join them where they meet and use that venue to network.
- Form partnerships and learn about opportunities to expand services.
- Provide their perspective, including offering ways to provide more efficient and effective services in the community.
- Sell themselves and their company.

Business Opportunities through the Transportation Planning Process

Participation in the transportation planning process can help lead to a wide spectrum of opportunities for private operators to provide service. These typically involve:

- **Premium Taxi Service in Urban Areas** – A number of cities have instituted premium taxi service over and above the complementary paratransit requirements of the Americans with Disabilities Act (ADA).
- **Contracting for ADA Paratransit and Other Services** – Many transit systems have forged lasting and mutually beneficial relationships with private transportation operators in the contracting of ADA paratransit services.
- **After Hours Service** – Some urban and rural transit systems are contracting with taxi companies to provide service in the evening after the traditional fixed-route bus service stops running. This is becoming increasingly popular with Job Access and Reverse Commute (JARC) funded services (detailed on Page 5).
- **Human Service Transportation** – Opportunities include contracts with human service agencies, provision of accessible taxi services, partnerships with taxi voucher programs, and involvement with Medicaid-funded transportation.
- **Coordinated Transportation Services** – Many communities are improving coordination of the various programs that fund transportation services. Private transportation operators can use involvement with coordination efforts to connect with agencies and organizations that could use their services.
- **Mobility Management** – An evolving concept to improve transportation options through a “family of services”, mobility management can offer access to a wide range of providers through a single point of access. Obviously, private transportation providers should be a major component of this transportation delivery system.
- **Emergency Preparedness and Response** – Especially since Hurricane Katrina, communities, states and the federal government are reassessing plans and responses to emergency events. Private transportation services should be included in emergency response plans, and can play a critical role in providing services if they do occur.
- **Bus Services** – Involvement in the transportation planning process can lead to opportunities for private operators of bus services, in the transportation planning process. These include contracts to provide public transit services, intercity bus services, or express commuter bus services.

- **Guaranteed Ride Home Programs** – Services that complement transit and ridesharing programs that ensure customers a ride home in case of emergencies or after work hours or overtime requirement when no alternative transportation exists.

Linking the Transportation Planning Process to a Company's Mission

It is important to connect participation in the transportation planning process to a company's mission and business plan. Involvement in this process can provide private transportation operators with the opportunity to reflect upon the changes that may be necessary for their company to meet the current and future needs of their customers. Before becoming involved in the transportation planning process, private operators may want to assess their potential objectives that could include:

- Advocating for private sector involvement in general.
- Representing a coalition of local private companies.
- Establishing your company's value - to have your inventory and infrastructure considered a resource in future transit planning.
- Networking to find out which organizations in your community are purchasers of private sector transportation and which participants in the planning process are the providers.
- Educating others on your services and benefits to the community.
- Providing comments on plans and programs for providing new or more efficient services based on your insights.
- Forming new relationships and partnerships.
- Identifying new business opportunities.
- Building upon a positive image of your company, or begin reshaping a new one.

Key Funding Programs and Opportunities for Private Transportation Operators

So, where are there business opportunities for private transportation operator involvement? For starters, the FTA has several funding programs where private operators are involved in many communities across the country:

Section 5310 - Elderly Individuals and Individuals with Disabilities Program provides assistance for purchasing capital equipment to be used to transport older adults and persons with disabilities. Funds are typically administered by a State DOT. Some opportunities for private operators include:

- Participate in coordinated planning process (see Page 10).

- While private operators cannot be direct recipients, purchase of services is an eligible expense (check with your state), therefore non-profits can contract for service with a private transportation operator instead of acquiring a vehicle.
- Partner with a non-profit agency whereby that agency acquires a wheelchair accessible vehicle that it then leases to your company under an agreement about use and availability.

Job Access and Reverse Commute (JARC) / Section 5316 Program provides funding to develop new or expanded transportation services that connect welfare recipients and other low income persons to jobs and other employment related services. In communities with population less than 200,000, the State is the designated recipient for JARC funds, and in communities greater than 200,000 in population, there is a designated public entity (typically the local MPO or the local transit agency) for the JARC funds. Some opportunities for private operators include:

- Participate in coordinated transportation planning process.
- Operate vanpools between cities and suburban job sites.
- Provide late-night and weekend service.
- Provide guaranteed ride home service.
- Operate demand-response transportation service.
- Accept vouchers from low-income individuals to purchase taxi trips.
- Participate in mobility management programs.

New Freedom / Section 5317 Program provides funding to provide new public transportation service and alternatives to public transportation that go beyond the requirements of the ADA. It helps individuals with disabilities to become fully integrated into the community, particularly the workforce. Like the JARC Program, for communities with population less than 200,000 the State is the designated funding recipient. In communities greater than 200,000 in population, there is a designated public entity – which may be the local MPO. Some opportunities for private operators include:

- Participate in coordinated transportation planning process.
- Provide expanded paratransit services beyond ¾ mile ADA requirement.
- Provide expanded paratransit service hours beyond ADA requirement.
- Operate same day service for ADA paratransit riders.
- Provide door-through-door paratransit service.
- Acquire accessible vehicles for use in taxi, ridesharing, and vanpool programs.
- Accept vouchers provided to individuals with disabilities to purchase taxi trips.
- Participate in mobility management programs.

In addition to these three key FTA programs, there are other FTA and federal funding sources with which private transportation operators should be familiar:

- Section 5307 Program

- Section 5311 Program
- Section 5311(f) Program
- Congestion Mitigation and Air Quality (CMAQ) Improvement Program
- Surface Transportation Program (STP)

Private transportation operators should be aware that the vast majority of federal programs that support transportation services fall outside FTA oversight. The U. S. Department of Health and Human Services (HHS) administers several funding programs that are vital sources for transportation in many communities. Two of the most important are the Medicaid program under the Centers for Medicare & Medicaid Services (CMS) and the Title III Grants for State and Community Programs on Aging, The Administration on Aging's (AoA's). In addition, the Department of Veterans Affairs (VA) administers a program that funds transportation services.

The “Nuts And Bolts” of the Transportation Planning Process

It is helpful to venture into transportation planning with a basic knowledge of the process, and therefore with the ability to more quickly determine where time and energy would be well spent. The following provides an overview of the various processes and plans:

Metropolitan Planning Process Structure and Process

A Metropolitan Planning Organization (MPO) is required by law in urbanized areas with a population greater than 50,000, and is the required forum for cooperative transportation decision making in the metropolitan area. MPOs have a variety of organizational arrangements. If you operate services in an urbanized area, the MPO in your community may be an independent organization or could be hosted by another agency, i.e. a Regional Planning Organization (RPO) or Council of Government (COG). Often a regional organization or other existing agency is designated as the MPO. Depending on the size of the community, the MPO administration can vary, with some MPOs having a large staff while others have only a few. In addition to the MPO role, the agency may have additional regional or State-level responsibilities.

Core functions of an MPO:

- Establish and manage a fair and impartial setting.
- Identify and evaluate alternative transportation improvement options.
- Prepare and maintain a Metropolitan Transportation Plan (MTP) or Long-Range Transportation Plan (LRTP).
- Develop a Transportation Improvement Program (TIP).
- Involve the public and stakeholders.

Not sure of the MPO in your community? Find it by going to the MPO Database: <http://www.planning.dot.gov/overview.asp>

Policy Board

Each MPO is required to have a Policy Board that serves as the required decision making policy body. The Policy Board consists of:

- Local elected officials and decision-makers
- Officials of public agencies that administer or operate major modes of transportation services
- Appropriate State officials

Technical Committee

The MPO structure also includes a Technical Committee (commonly referred to as just the “tech committee”). This committee includes staff level representatives from local and state planning and transportation agencies, and provides recommendations to the Policy Board on specific strategies or projects. This committee meets on a regular basis.

Citizens Advisory Committee or Task Force

This committee serves in advisory capacity to the Policy Board. The Citizens Advisory Committee includes members of the public, usually appointed by the MPO Policy Board, and local jurisdictions. This committee may be formally designated by the MPO for the purpose of reviewing proposed plans and providing comments, as well as input on the MPO’s public participation plan and effectiveness. Alternatively, the MPO may rely upon an informal “task force” to provide community and stakeholder input. Both forms represent important opportunities for private transportation operators to access the planning process.

Other Possible Subcommittees, Work Groups, or Task Forces

In addition to these committees, MPOs often have other subcommittees. While rare, some MPOs even have specially-formed subcommittees related to private transportation operators. For instance, the National Capital Region Transportation Planning Board, the MPO for the Washington, D.C. region, has both a Private Providers and Regional Taxicab Regulators Task Forces.

Key MPO Documents

An MPO is responsible for both short-term and long-range plans. Here’s an overview of each:

Metropolitan Transportation Plan (MTP)

- Prepared by MPO at least every 4-5 years.
- 20-year planning horizon.
- Includes both short- and long-range strategies/actions.
- Also known as a Long-Range Transportation Plan (LRTP).

- Locally, may have different name (i.e. in Washington, D.C. region = Constrained Long-Range Transportation Plan or CLRP).
- Developed based on future funding reasonably expected to be available for transportation uses.
- Typical LRTP or MTP projects include highway improvements and transit projects (may include hundreds of projects – from simple ones to billion dollar highway or transit projects) – which must be included in the Transportation Improvement Program (TIP), per below, to be eligible for FTA funding.

Transportation Improvement Program (TIP)

- Covers minimum 4-year period.
- Includes projects from, or consistent with, the LRTP or MTP for which FTA will be requested.
- Updated at least every 4 years, though typically amended several times a year to add or change projects – a “fluid” document.
- Realistic in regard to terms of available funding – fiscally constrained, high priority projects.
- Approved by MPO and Governor.
- Incorporated without change into the Statewide TIP.
- FTA funded projects need to be in approved TIP.
- Immediate spending priorities for a community are drawn from this document.

Unified Planning Working Program (UPWP)

- The “plan for planning”.
- Lists transportation studies and tasks to be completed by MPO in next 1-2 years. These can include studies to collect data and to forecast future needs, methods to ensure public participation, and the preparation of plans and programs.
- Includes schedule of activities and responsible agency for each task/study.

Public Participation Plan

- MPO must develop and document, in consultation with interested parties (i.e. Citizens Advisory Committee), and publicize for a 45-day comment period.
- Details strategies for engaging the public and responding to public input.
- Should include that information is available in various formats, meetings will be held at convenient locations and times, etc.

State-level Transportation Planning

Like MPOs, State DOTs have specific planning responsibilities that include:

- Prepare and Maintain a Long-Range Statewide Transportation Plan (LRSTP).
- Develop a Statewide Transportation Improvement Program (STIP).

- Involve the public and stakeholders.

Long-Range Statewide Transportation Plan (LRSTP)

- Twenty-year planning horizon; includes both short- and long-range strategies/actions.
- Includes non-urbanized areas.
- May be project specific or more of a policy document.

Statewide Transportation Improvement Program (STIP)

- Similar to TIP, but for the state.
- Covers 4-year period; like TIP is typically amended several times a year.
- Updated at least every 4 years.
- Fiscally constrained, high priority projects.
- Projects consistent with LRSTP.
- Joint approval by FTA/FHWA.

Key Planning Document Recap

Here is an overview of the various plans:

	Who Develops?	Who Approves?	Time Horizon	Content	Update Requirements
UPWP	MPO	MPO	1 or 2 Years	Planning Studies and Tasks	Every 1-2 Years
MTP	MPO	MPO	20 Years	Future Goals, Strategies, and Projects	Every 5 Years 4 years for nonattainment and maintenance areas
TIP	MPO	MPO and State DOT	4 Years	Transportation Investments	Every 4 Years*
LRSTP	State DOT	State DOT	20 Years	Future Goals, Strategies, and Projects	Not Specified
STIP	State DOT	State DOT and US DOT (FTA/FHWA jointly)	4 Years	Transportation Investments	Every 4 Years*

Source: A Transportation Planning Process: Key Issues (updated for guidebook)

*While an update is required every four years, these plans are typically amended several times a year to add or change projects

Rural Transportation Planning

Transportation planning in rural areas (also called non-urbanized areas) typically takes place through county and regional agencies, involving local officials. Transportation planning is typically only one of the responsibilities of these organizations. Some states have established regional planning structures that encompass rural areas. For instance, in Connecticut there are Regional Planning Organizations (RPO) that have been established by statute, and in Virginia there are Planning District Commissions (PDC) established by code. Like MPOs, information on structure, meetings, and planning process should be available through their Website.

Coordinated Public Transit-Human Services Transportation Plans

As noted earlier, the FTA's Section 5310, JARC, and New Freedom Programs offer opportunities for private transportation provider participation. FTA requires that projects funded through these be derived from a locally developed coordinated public transit-human services transportation plan, and this process must include representatives of public, private, and non-profit transportation and human service providers, and participation by members of the public.

Coordinated transportation planning is often a key entry point for getting involved in the planning process. Services offered by private transportation operators should be documented in the plan, and input from private transportation providers considered in the assessment of local transportation needs. Private transportation operators can provide their input on the strategies identified in the plan and possible projects funded through the Section 5310, JARC and New Freedom Programs that may include:

- Voucher programs to subsidize the cost of a taxi trip.
- Acquisition of accessible vehicles for provision of taxi services.
- Targeted shuttle services that provide access to job locations.
- Transportation services for unscheduled and last minute transportation needs that arise and require same-day transportation services.
- Mobility managers that coordinates services between various providers and serve as a central point of access for customers.
- Expansion of intercity bus services to fill gaps and connect communities.

Local Transit Service Planning

As part of the assessment of local services, many transit providers develop specific transit plans. Depending on the transit system's service area, these plans may be within an MPO region, but often are county-based or for services provided in rural areas. The typical transit service planning process includes an inventory of available transportation services

(including private transportation providers), an assessment of unmet transportation needs, and recommendations of service alternatives and improvements.

Transportation Planning Checklist

Understanding the various organizations that lead transportation planning, and the variety of plans that result from this process, can be overwhelming. Here are some key actions to help you through the process:

- ✓ Find out the organization responsible for the coordinated transportation planning process in your community. It could be a MPO or other planning agency, the local transit provider, or even the state government.
- ✓ Get to know the planners who are responsible for the planning process.
- ✓ Ask about the status of the coordinated transportation plan in your community.
- ✓ Ask questions about the planning process – When do committees meet? When are plans updated?
- ✓ Attend appropriate meetings or join a coordinated transportation committee to add input on the plan and form new partnerships.
- ✓ Provide possible solutions to mobility issues in your community, particularly ones that can be funded through the Section 5310, JARC, and New Freedom Programs.

Taking Advantage of the Opportunity for Private Sector Participation

With a basic understanding of the transportation planning process and various funding sources, private transportation operators are more prepared to participate. Building on this knowledge, it may be the perfect time for a private transportation company to reflect on the role of their company in the community, and how they can take full advantage of the time and energy needed to invest in the transportation planning process. This assessment can include:

- Determining who's who at the planning table.
- Establishing the value of your company to the community.
- Knowing the right questions to ask.
- Discovering the facts and figures related to the local transit system.
- Selling your company to the public and designated recipients.

An “Action Plan” that provides a self-assessment checklist is included in the full guidebook.

Aligning Your Company to New Business Opportunities

Building upon this assessment, a private transportation operator can align their company to new opportunities through the transportation planning process. This may involve forming stronger partnerships with your local public transit provider, developing new business models to meet human service and coordinated transportation opportunities, and assessing community needs to better compete in both urban and rural areas. It may involve the need to change since traditional business models may not work in today’s environment.

A change in a company’s business model may be needed for:

- Responding to new business opportunities – in some case the traditional taxi model may not work.
- Providing the dedicated service that is the norm in many coordination efforts with transit systems and human service agencies.
- Exhibiting the professional image, with educated drivers and strong management, that new business partners will require.
- Scheduling groups of customers to maximize productivity – often more complex than dispatching in taxi mode.
- Adapting to new paradigms. Paratransit has undergone a transformation since the advent of the ADA.
- Responding to new service needs that are often not compatible with traditional taxi service.
- Meeting the demands of operating transportation for ADA paratransit, Medicaid and other human service agencies that require strong management and accountability.
- Recognizing that demographics, technology, and communication have made our world very different from just ten years ago.
- The reality that if we do not adapt and change, then we run the risk of being irrelevant to our community.

New Business Models

When considering new business models, keep these critical thoughts in mind:

- You don’t operate a taxi cab company or a limo company – it’s a “transportation firm”.
- Transportation firms are flexible and can offer a variety of services:
 - Taxi service

- Dedicated taxi service
- Dedicated/scheduled bus service
- Fixed-route and paratransit service
- Transportation firms are forming new business units.
- Drivers are employees – paid by the hour.
- Dispatchers schedule trips in advance – often groups.
- Contractual payments are typically by the hour or by the trip.
- Human service and other coordinated agencies require a different kind of service.
- ADA complementary paratransit, as noted in Section 1, can be very demanding.

What is Involved

- Attending many more meetings (but now you will be more informed about the transportation planning process, and can be selective of the ones that offer the best opportunity for partnerships and business opportunities).
- There will probably be more regulation – but this can ultimately be a selling point if your company can successfully meet regulations such as FTA Drug and alcohol testing or human service agency background check requirements.
- Greater community involvement is correlated with finding new business opportunities. This means getting out more in the community, and get involved in community organizations to listen for opportunities.
- The ability to identify issues and needs and to develop an appropriate response that your company can provide.

Considerations for Competing for New Business Opportunities

- Focus on quality service.
- Consider hiring drivers as employees.
- Provide sufficient training.
- Take the steps to maintain a low turnover rate for drivers.
- Focus on safety and security.
- Ensure vehicles that meet all safety requirements
- Recognize that service is closely monitored by customers, guardians, human service agencies/advocates, and the local transit system.

Acknowledgements

In October 2007, the Federal Transit Administration (FTA) entered into a cooperative agreement with the Taxicab, Limousine & Paratransit Association (TLPA) to assist private for-hire vehicle operators in understanding and becoming involved in their local Metropolitan Planning Organization (MPO) and statewide planning processes – and in identifying the opportunities for business that may follow. A key component of this technical assistance program is training seminars to help equip private operators with the knowledge, skills, and abilities to more fully participate in these planning processes, to understand the benefits of getting involved, and ultimately to identify opportunities to tap into additional revenue opportunities and expand services. TLPA contracted with the KFH Group, Inc. and J.M. Rubino Consulting to conduct 11 one-day *Planning Ahead: Enhanced Contracting Opportunities by Participating in the Transportation Planning Process* seminars throughout the country between September, 2008 and October, 2009. A key part of the seminars was a manual that was used in the development of this guidebook.

The development of the *Planning Ahead: Enhanced Contracting Opportunities by Participating in the Transportation Planning Process* seminar agenda and manual was guided by a TLPA Technical Working Group (TWG) that included the FTA Project Manager. This group also reviewed and provided valuable input into this guidebook.

Continued Support

For additional assistance, contact TLPA through their toll free hot line, 1-866-928-6550. Assistance can be provided in various areas including:

- How to get involved in the transportation planning process.
- How to overcome problems you may face in getting involved.
- How to develop transportation services that your company would like to offer in the community in response to the transportation plans that are developed.
- Any other questions you may have about getting involved and being at the table.