



Considerations in Evaluating the
Future of GEORGE Bus Service
in Falls Church, Virginia

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ISSUE

With unprecedented pressures on local budgets, the Falls Church City Council is evaluating whether to alter or eliminate the GEORGE bus service. This briefing paper prepared by NVTC staff reviews the information the Council should consider in reaching a decision.

CHRONOLOGY

1996:	City begins to review proposals for contract bus service.
1997:	Working group formed to explore electric bus service.
2002:	After two failed attempts to procure hybrid electric buses, NVTC obtains the last of \$2.6 million of funding. Four buses are purchased at \$236,151 each, plus emission filters at \$20,000 each. Free service begins on December 15, 2002.
January 11, 2003:	Revenue service begins on two routes with 25-cent fares. Initial WMATA contract operating cost was \$62.77 per platform hour. January monthly ridership totaled 3,000 passenger trips and peaked in June at 8,000. Ridership for FY 2003 was 26,600.
FY 2004 (July, 2003-June, 2004)	Formal operating agreement signed by Falls Church, WMATA and NVTC. Ridership totaled 74,376. WMATA cost= \$63.98 per platform hour.
FY 2005	Effective in FY 2005, weekend and late evening service is discontinued and fares increased to 50-cents. Falls Church takes over full funding in April, 2005. The opening of expanded parking at West Falls Church Metrorail in December, 2004 hurt GEORGE ridership. Ridership= 68,135. WMATA cost= \$69.47.
FY 2006	Ridership= 78,511. WMATA cost= \$71.14.
FY 2007	Ridership= 67,770. WMATA cost= \$76.52.
FY 2008	Ridership= 69,983. WMATA cost= \$79.96.
FY 2009	Ridership= _____. WMATA cost= \$102.41.

Note: Annual ridership totals are from WMATA based on monthly reports. Falls Church staff has somewhat different totals, varying by 2% from FY 2004 through FY 2008.

OBJECTIVES FOR THE GEORGE SYSTEM

For the initial demonstration funded primarily by sources other than the city, testing new technology was the primary concern. See NVTC's Final Project Evaluation: Falls Church Bus Project (September 2, 2005) at <http://www.thinkoutsidethecar.org/pdfs/Final%20History%20of%20GEORGE.pdf> .

Although there were two failed attempts to procure effective hybrid-electric buses, ultimately this aspect of the demonstration was successful. Four Thomas Built SLF buses are equipped with Cummins ISB diesel engines, Engelhard STT Emtec DNOx emission reduction systems and Clever Devices IVN-2 automatic vehicle monitoring systems. NVTC's final report showed that exhaust emissions are some of the lowest in WMATA's fleet and are comparable to the emissions from natural gas fueled buses. The filters were tested and determined to reduce CO by 94%, HC by 100%, PM by 94% and NOx by 26% compared to a conventional diesel powered bus. Reliability is on par with similar buses in WMATA's fleet.

The advanced vehicle maintenance system installed on the buses has proven to be very effective, although WMATA does not currently rely on this system to determine its maintenance practices.

Other objectives included improved mobility for Falls Church residents, with emphasis on connecting to the regional Metro system. Chronological average weekday ridership is shown in the chart below.

A survey described in NVTC's final report showed that a higher than average percentage of GEORGE bus riders are discretionary (e.g. own automobiles). For GEORGE the share is 49%, while the Northern Virginia average is 37% (as of 2001 NVTC survey). Virtually all GEORGE users transfer to Metrorail (87%) or Metrobus (12.1%).

Improved air quality results from the use of cleaner bus technology as well as diverting riders from their automobiles. With about 300 one-way weekday GEORGE passenger trips, if all 150 persons instead would drive, it would add about 1.5 tons of CO₂ to this region's Greenhouse Gas Emissions each day (using the APTA factor of 20 pounds per diverted auto driver per day) .

Finally, the image of Falls Church is enhanced with the presence of such a resource, and GEORGE was designed to benefit the long-term development and life-style objectives of the city.

PERFORMANCE

Ridership has not been strong. However, for its size, ridership per vehicle in revenue service is not out of line with many of its peers.

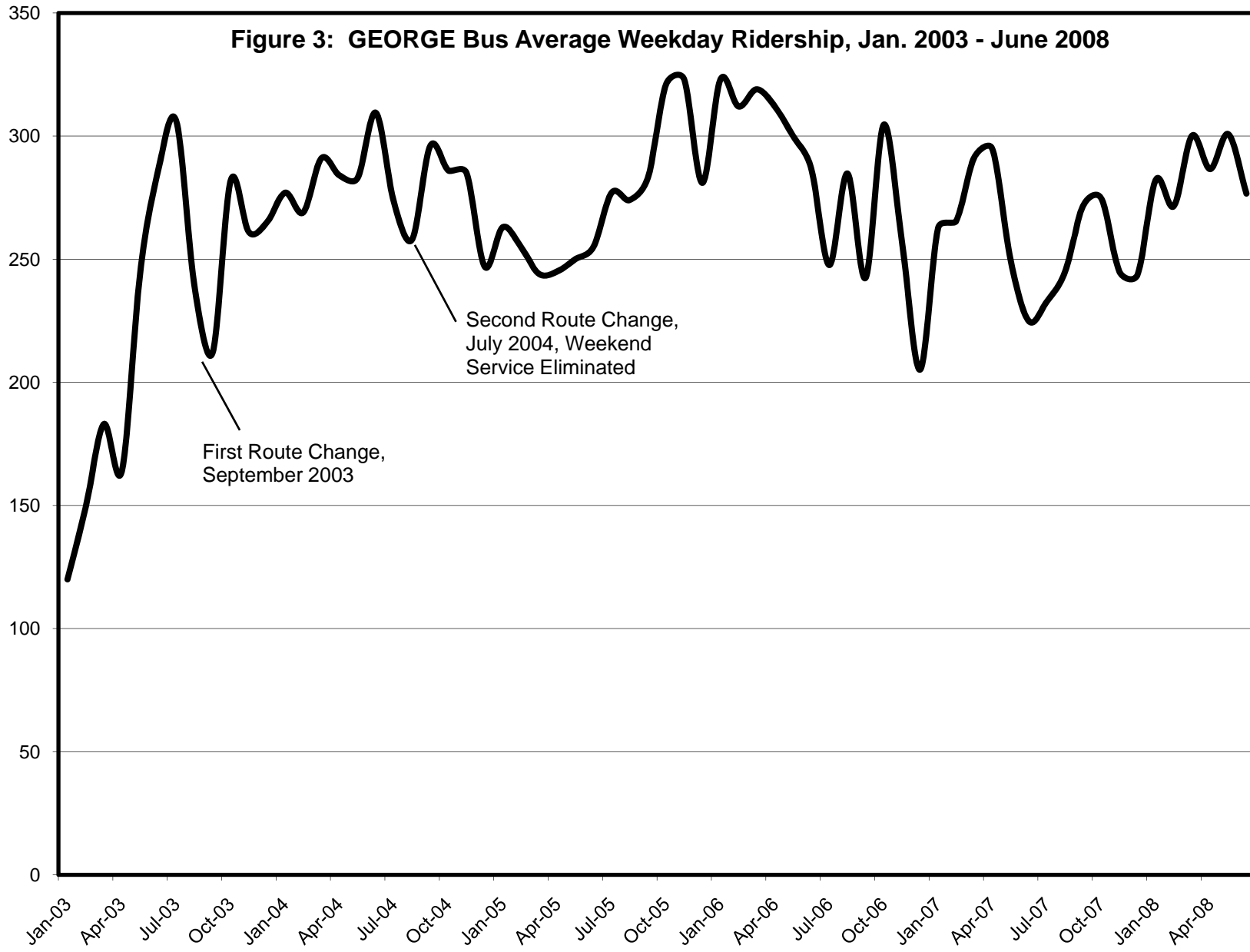
FY 2007 Performance Comparisons

	ART	Connector	CUE	DASH	LCT	GEORGE
Ridership	1,060,441	9,717,392	1,135,758	3,743,449	652,347	68,031
Vehicles	29	202	12	61	31	2
Pass./Vehicle	36,567	48,106	94,647	61,368	21,043	34,016

FY 2004 Performance Comparisons

	ART	Connector	CUE	DASH	LCT	GEORGE
Ridership	674,806	7,990,825	985,500	3,131,284	392,901	74,000
Vehicles	17	163	8	37	17	2
Pass./Vehicle	39,694	49,023	123,188	84,629	23,112	37,000

Figure 3: GEORGE Bus Average Weekday Ridership, Jan. 2003 - June 2008



FINANCIAL CONSIDERATIONS

Falls Church currently pays WMATA \$102.41 per platform hour each quarter, an increase of 28% from the previous year. This is the same rate assessed by WMATA for all of its non-regional routes. For FY 2008, with a platform hour rate of \$79.96, the annual bill was \$472,875. This rate is approved each year by the WMATA Board and charged to all such routes operated by WMATA. The FY 2010 operating agreement must be executed by July 1, 2009 and may include a price increase. Revenues are credited to Falls Church, but are modest, totaling \$18,282 for FY 2008.

However, Falls Church benefits from these subsidies through NVTC's subsidy allocation model. The city shares in all state aid received by NVTC based on its relative share of subsidies and in FY 2009 the amount attributable to GEORGE subsidies totals \$250,000 annually. Thus, the net cost to the city has been under \$3.00 per passenger trip.

Falls Church has obtained a \$1.7 million federal earmark for an intermodal transportation center which NVTC is prepared to obtain on behalf of the city. With no GEORGE service, the impact on that project is uncertain.

The city has negotiated proffers for GEORGE service with some developers. Each proffer is \$50,000, payable over five years. For FY 2009, \$20,000 is anticipated, up from \$10,000 in FY 2008. It is uncertain if these will remain in force if GEORGE is discontinued.

Although the four buses are titled to WMATA, NVTC retains the right to reclaim ownership for \$1 because NVTC is in turn obligated to the Federal Transit Administration. At the end of the useful life of the buses, if service is discontinued and the buses are sold, NVTC must pay to FTA a proportionate share (80%) of any sales proceeds over \$5,000 per bus. Since the useful life of these heavy-duty buses is 10 years or 350,000 miles, even if WMATA is unwilling to retain ownership and use the buses elsewhere in its system or if no other buyer is found, NVTC will still owe FTA for its share of the remaining four years of useful life based on straight-line depreciation (40% of \$240,000 times 80%=\$77,000 per bus still due to FTA). Currently the four buses are all below 105,000 miles.

Similarly, DRPT will expect to be reimbursed for its depreciated share of the original bus purchase price (close to 20%).

If no buyer can be found, NVTC also will face considerable disposal and/or storage fees. These costs as well as those due to FTA and DRPT would be recovered from Falls Church.

WMATA staff reports that no major overhaul of the buses is required because of their light duty cycle. A cosmetic overhaul was performed June of 2005. The GEORGE

buses are maintained by WMATA with the same procedures as apply to the remainder of WMATA's fleet at no extra cost to the city.

ALTERNATIVES

Short of discontinuing all GEORGE service, several modifications could be considered to reduce Falls Church's subsidies:

Metrobus Route #3B might be realigned, perhaps to connect East Falls Church Metrorail with Seven Corners shopping centers while avoiding duplicating service provided by GEORGE. This might boost GEORGE ridership but degrade overall service quality on Washington and Broad streets.

A trolley replica might be operated along Broad Street (similar to Alexandria's successful free King Street shuttle), perhaps fueled with vegetable oil (as in Leesburg).

With the availability of tax-free SmartBenefits increasing to \$230 monthly and most federal employees eligible for these benefits, a substantial fare increase might not affect ridership much because many Falls Church residents currently might be unable to use the full amount for their Metro commute trips.

If a new operator is selected for GEORGE, savings may occur in platform hour costs but WMATA's current high-quality maintenance (as measured with reliability data) may not be provided. Perhaps WMATA would agree to maintain the vehicles even if a non-WMATA operator is selected (as is true of the D.C. Circulator).

Arlington's ART might be contracted to restructure its routes to serve parts of Falls Church.

MARKETING AND OUTREACH

Enhanced marketing may be useful in building ridership and informing Falls Church's residents of the life style and clean air benefits of the service. NVTC staff is available to assist Falls Church if requested.

All of the following suggestions can be integrated into a seamless approach to strengthening GEORGE's brand, building a strong ridership base, creating economic stability through cooperation with local businesses and giving residents cost effective and environmentally friendly commuting options.

Partner with businesses to develop a guide that links transit service to businesses and the services and products they provide. City of Fairfax CUE developed the ON CUE Directory with the help of George Mason University. The directory guide matches services with transit routes. The directory, a print and web

based publication, works as a creative marketing strategy to increase CUE bus ridership and awareness among City residents and the GMU community. The directory includes businesses by category, bus route, and stop number. The companion web site includes a searchable database complete with maps and directions. Distribution included direct mailing, and display racks in businesses, hotels, and government buildings.

In addition, by working with businesses GEORGE can expand its marketing base and reach more potential customers.

The city of Falls Church web site has some great links to recreation and culture (see: <http://www.fallschurchva.gov/Content/CultureRecreation/GEORGEmain.aspx?&cnlid=1181>). These locations and events could be linked to GEORGE so that it's easier for people to use the system.

Develop and implement a marketing campaign that will create awareness about the benefits of transit in terms of cost, convenience and environmental preservation. Out of sight is out of mind for most residents. People need to be continually reminded about services like GEORGE if the city of Falls Church is to capture new market share and hold onto it. A minimum of seven impressions are needed to even register in the mind of a potential customer. Simple ads or even a direct mail piece could be effective when combined with social media (see below) and incentives to ride.

Make local media work for you. Ask a local reporter to consider riding George for a month (or longer) for free and ask them to write about their experiences on the system—where it takes them, benefits of riding, what they like (and maybe what they don't like – knowing that you can work to improve these in future). Ask them to essentially tell your story through the eyes of a regular commuter and hopefully draw in more potential customers and build readership for the local paper. Work out a deal for free advertising in exchange for the free bus pass for the reporter. If a reporter isn't willing or available then maybe getting a regular rider to do a guest column for the local paper would work as well.

Partner with Realtors to provide free GEORGE passes. Realtors are desperate to find ways to sell properties these days. Consider working with them to offer free bus rides for one year to new homeowners who live near routes. You can negotiate a price that covers your costs. By helping establish new commuting habits in a time of transition, like buying a new home or moving to a new neighborhood, you have a better chance of building longer term customers. You can also explore similar programs with managers of apartment complexes.

Work with local elementary schools to develop “warm fuzzies” for transit. Organize a field trip for youngsters to teach them how to ride the bus and send the

home with a free or “buy one get one free” pass for them and their parents/guardians to ride the bus together. This is the “warm fuzzy” approach because it’s educational for youngsters and parents feel good about that and want to play along.

Develop a Direct Mail piece to send to residents. To save costs partner with local utility companies to include in billing to customers or include it with any local government tax billings. Cost saving information and links to a commuting calculator (available on several local web sites) is also critical.

Be a presence at in-town events like parades, farmers markets, etc. It’s important for residents to see GEORGE and get to know it better and trust it to perform. That trust needs to be earned. Senior centers may wish to be served with a special limited Saturday public route to the Farmer’s Market and be willing to pay most of the cost.

Utilize social media. Create a Facebook page for GEORGE. Encourage riders to “friend” GEORGE. This way GEORGE can build its brand and can communicate with riders regularly about the system and keep them informed.

Provide additional customer amenities that will enhance service quality. For example, NVTC’s bus stop real-time arrival software that was developed and tested on GEORGE is available to the city, with NVTC staff prepared to operate it at very low cost. Being the first transit system to implement this system in revenue service would also generate media coverage and enhance the brand image.