

**Metropolitan Transportation Commission
Programming and Allocations Committee**

May 8, 2024

Agenda Item 2b-24-0469

MTC Resolution Nos. 4570, Revised and 4571, Revised

Subject:

Allocation of \$92.4 million in FY2023-24 Transportation Development Act (TDA) and State Transit Assistance (STA) funds to Petaluma Transit, the San Mateo County Transit District (SamTrans), Sonoma-Marín Area Rail Transit (SMART), and Western Contra Costa Transit Authority (WestCAT) to support transit operations and capital projects in the region.

Background:

This month's proposed action continues the allocation process of these funds for FY2023-24. Four entities are requesting TDA and STA allocations that exceed the \$1 million Delegated Authority limit. Allocation requests that are less than \$1 million are approved separately through the Executive Director's Delegated Authority process.

The proposed allocation amount is based on the programming levels identified in the FY2023-24 Fund Estimate (MTC Resolution 4556). The proposed allocations are summarized in the following table:

Allocation Amounts by Entity¹ (amounts in millions)

Entity	TDA (Res. 4570)	STA (Res. 4571)	Grand Total
Petaluma Transit	\$3.5	\$1.0	\$4.5
SamTrans	\$56.4	\$25.2	\$81.6
SMART		\$3.2	\$3.2
WestCAT	\$3.1		\$3.1
Total	\$63.0	\$29.4	\$92.4

Note that amounts may not sum due to rounding

Please see the Summary Sheet dated October 11, 2023 for information regarding WestCAT's FY2023-24 budget and operating highlights.

¹Includes all allocations to be approved in the resolutions listed above, the details of which are provided in Attachment A, including allocations for transit capital or planning and administration. Not inclusive of allocations approved by Executive Director's Delegated Authority as allowed by MTC Resolution No. 3620, Revised.

Issues:

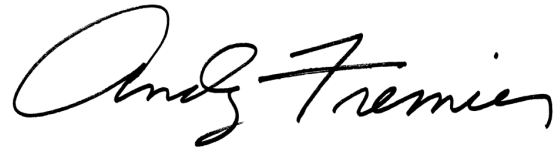
None identified.

Recommendations:

Refer MTC Resolution Nos. 4570, Revised and 4571, Revised to the Commission for approval.

Attachments:

- Attachment A –Transit Operator Budget Summary
- MTC Resolution No. 4570, Revised
 - Attachment A
- MTC Resolution No. 4571, Revised
 - Attachment A



Andrew B. Fremier

Attachment A - Transit Operator Budget Summary

Petaluma Transit

Adopted Operating Budget	\$4.2 million
FY2022-23 Operating Budget	\$3.8 million
Increase in Budget Compared to FY2022-23	10%
Projected Ridership (Estimated FY2023-24 as a Percentage of FY 2018-19 actual)	80%
Total Proposed FY2023-24 Operating Allocation ¹	\$3.4 million
Proportion of Operating Budget Funded with Allocations	73%

Budget and Operating Highlights

Petaluma Transit provides fixed-route and paratransit bus service for the city of Petaluma. Fixed-route service is comprised of six alignments supported by a fleet of 14 low-floor transit motorbuses. On-demand paratransit service is supported by a fleet of 11 cut-a-way buses. Petaluma Transit serves a market of suburban citywide travel, and coordinates with regional services provided by Golden Gate Transit, Santa Rosa City Bus, Sonoma County Transportation Authority (SCTA), and Sonoma Marin Area Rail Transit (SMART). The service area covers the 14 square miles that make up the city limits of Petaluma. Of the 140 Petaluma Transit bus stops, over 40% are shared with the aforementioned operators, promoting greater regional connectivity. Aside from service adjustments to accommodate student riders returning to the classroom, no major service changes were made nor are anticipated for FY2023-24. All services are contracted to MV Transportation, a third-party contractor.

Petaluma Transit's projected ridership recovery is strong in the region at 80% of pre-Covid ridership in FY2023-24. TDA and STA funds make up a large portion of operating revenue at

¹ Includes all allocations to be approved in the resolutions listed above, the details of which are provided in Attachment A, including allocations for transit capital or planning and administration. Not inclusive of allocations approved by Executive Director's Delegated Authority as allowed by MTC Resolution No. 3620, Revised.

over 75%. Another significant source of revenue is the Measure M ¼ cent sales tax which contributes over 10% of operating revenue. Overall, the operating budget has increased by 7% due to cost escalation and inflationary impacts. As a result, Petaluma Transit will continue to explore cost-efficiency measures to reduce operations costs for the remainder of FY2023-24.

New developments in service include the K-12 Free Fare Program. In June 2023, Petaluma Transit in conjunction with Sonoma County Transit and Santa Rosa City launched K-12 Free Fare program in partnership with SCTA via funding provided by the Sonoma County Climate Resiliency Fund. This program will run for a two-year period and started on June 1, 2023. Petaluma Transit will explore a potential fare-free pilot program in FY2024-25. If the pilot program is approved by the board, the operator intends to recover fare collection revenue with funding from Sonoma County's Measure M sales tax and the City of Petaluma's general fund.

Lastly, the procurement of four electric buses was approved by Petaluma City Council in February 2024 using TDA capital and LCTOP funds. These buses represent the first electric buses in operation for Petaluma Transit and are anticipated to begin service in March 2025, replacing existing diesel buses.

San Mateo County Transit District (SamTrans)

Adopted Operating Budget	\$240.7 million
FY2022-23 Operating Budget	\$209.5 million
Increase in Budget Compared to FY2022-23	15%
Projected Ridership (Estimated FY2023-24 as a Percentage of FY 2018-19 actual)	87%
Total Proposed FY2023-24 Operating Allocation ¹	\$81.6 million ²

¹ Includes all allocations to be approved in the resolutions listed above, the details of which are provided in Attachment A, including allocations for transit capital or planning and administration. Not inclusive of allocations approved by Executive Director's Delegated Authority as allowed by MTC Resolution No. 3620, Revised.

² Includes passthrough allocation to Caltrain

Proportion of Operating Budget Funded with Allocations	34%
--	-----

Budget and Operating Highlights

SamTrans offers mobility services to the residents of San Mateo County select areas of San Francisco and Palo Alto through three operating modes: Motor Bus Operations, Paratransit Services, and Multi Modal Programs. Paratransit Services provides accessible transportation with fixed routes through Redi-Wheels and RediCoast services. Multi-Modal provides local transportation services and includes SamTrans’ shuttle services and the Dumbarton Inter-County Corridor.

SamTrans has been focused on delivering “Reimagine SamTrans”. In support of this project the operating budget for FY2024-25 calls for more bus service, more service on weekends and evenings, new routes to community colleges, and the implementation of the new on-demand Microtransit service that will use app-based technology or simply calling-in to request rides.

This fiscal year SamTrans adopted its first biennial budget covering FY2023-24, and FY2024-25. The operating budget for this fiscal year assumes a 4.5% growth in TDA and STA revenues and assumes a 9.6% increase in fare revenue from the “Reimagine SamTrans” project which will address post-COVID-19 ridership changes and is anticipated to spur ridership recovery quickly. The operating budget also shows an increase in Motor Bus operations of 18.5% (\$28.4 million) and includes promotion and training classes for new Bus Operators and the cost to launch the new Microtransit service. SamTrans also anticipates operating cost increases of 7.9% (\$1.5 million) for Paratransit and a 12.8% (\$0.7 million) in Multi-Modal service.

Given changes in federal pandemic relief, SamTrans will continue to seek new funding opportunities for the new operating activities under “Reimagine SamTrans”.

Sonoma Marin Area Rail Transit (SMART)

Adopted Operating Budget	\$44.9 million
FY2022-23 Operating Budget	\$32.3 million

Increase in Budget Compared to FY2022-23	39%
Projected Ridership (Estimated FY2023-24 as a Percentage of FY 2018-19 actual)	141%
Total Proposed FY2023-24 Operating Allocation ¹	\$3.1 million
Proportion of Operating Budget Funded with Allocations	7%

Budget and Operating Highlights

Sonoma-Marin-Area Rail Transit (SMART) is a two-way passenger and freight rail system that services Marin and Sonoma County. SMART serves a market of regional rail between North Bay cities and inter-county level travel as well as providing connection to ferry service at Larkspur Station, within walking distance of the Larkspur Ferry Terminal. The service is comprised of 45 miles of rail and 12 passenger stations beginning at the Sonoma County Airport and ending in Larkspur.

SMART is continuing service expansion with construction on an infill station for a Petaluma North Station and a 3-mile northern rail and pathway extension for a Windsor station that are underway. Both the Petaluma North Station and the new pathway extension to Windsor are expected to be open to the public by December 2024. SMART's extension to Windsor has secured \$106 million to date allowing for the project to complete project development and begin constructions next fiscal year with an anticipated opening for passenger rail service by March 2025.

Fare revenue and STA funding make up a small portion of total revenue for SMART at 4% and 8.5% respectively. A significant portion of SMART's revenue comes from Measure Q, a sales and use tax of ¼ cent that makes up 60% of estimated revenue for service. Measure Q will expire at the close of FY2028-29, presenting a significant risk to SMART's solvency should

¹ Includes all allocations to be approved in the resolutions listed above, the details of which are provided in Attachment A, including allocations for transit capital or planning and administration. Not inclusive of allocations approved by Executive Director's Delegated Authority as allowed by MTC Resolution No. 3620, Revised.

replacement funds not be identified either through a voter-approved reauthorization or other funding source.

Overall, SMART's budget shows an increase of 39% which is attributed to service hour increases, increase in full time staff, and costs related to the 3-mile rail and pathway extension to the new station in Windsor.

Despite challenges in recent years such as forest fires and the COVID-19 pandemic, SMART shows growth in pre-pandemic ridership and is operating more rail service than prior to the pandemic.

Date:	June 28, 2023	
W.I.:	1514	
Referred by:	PAC	
Revised:	07/26/23-C	01/24/24-C
	09/27/23-C	02/28/24-C
	10/25/23-C	03/27/24-C
	11/15/23-C	05/22/24-C

ABSTRACT

Resolution No. 4570, Revised

This resolution approves the allocation of fiscal year 2023-2024 Transportation Development Act Article 4, Article 4.5 and Article 8 funds to claimants in the MTC region.

This resolution allocates funds to Alameda-Contra Costa Transit District (AC Transit), Central Contra Costa Transit Authority (CCCTA), Livermore Amador Valley Transit Authority (LAVTA), Napa Valley Transportation Authority (NVTa), and Santa Clara Valley Transportation Authority (VTA).

Attachment A was revised on July 26, 2023 to allocate funds to City of Santa Rosa and Sonoma County Transit.

Attachment A was revised on September 27, 2023 to allocate funds to Eastern Contra Costa Transit Authority (ECCTA), Golden Gate Bridge, Highway, and Transportation District (GGBHTD), Marin Transit, and Solano County Transit (SolTrans).

Attachment A was revised on October 25, 2023 to allocate funds to Western Contra Costa County Transit Authority (WestCAT).

Attachment A was revised on November 22, 2023 to allocate funds to the City of Vacaville.

Attachment A was revised on January 24, 2024 to allocate funds to the City of Fairfield.

Attachment A was revised on February 28, 2024 to allocate funds to the San Francisco Municipal Transportation Agency.

Attachment A was revised on March 27, 2024 to allocate funds to Union City.

Attachment A was revised on May 22, 2024 to allocate funds to Petaluma Transit, the San Mateo County Transit District (SamTrans), and Western Contra Costa Transit Authority (WestCAT).

Discussion of the allocations made under this resolution is contained in the MTC Programming and Allocations Committee Summary Sheets dated June 14, 2023, July 12, 2023, September 13, 2023, October 11, 2023, November 8, 2023, January 10, 2024, February 14, 2024, March 13, 2024, and May 8, 2024.

Date: June 28, 2023
W.I.: 1514
Referred by: PAC

Re: Allocation of Fiscal Year 2023-24 Transportation Development Act Article 4, Article 4.5 and Article 8 Funds to Claimants in the MTC Region

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4570

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, the Mills-Alquist-Deddeh Act (“Transportation Development Act” or “TDA”), Public Utilities Code Section 99200 et seq., makes certain retail sales tax revenues available to eligible claimants for public transportation projects and purposes; and

WHEREAS, MTC is responsible for the allocation of TDA funds to eligible claimants within the MTC region; and

WHEREAS, claimants in the MTC region have submitted claims for the allocation of fiscal year 2021-22 TDA funds; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the amounts of and purposes for the fiscal year 2023-24 allocations requested by claimants, and is from time-to-time revised; and

WHEREAS, this resolution, including the revisions to Attachment A and the sum of all allocations made under this resolution, are recorded and maintained electronically by MTC; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, lists the required findings MTC must make, as the case may be, pertaining to the various claimants to which funds are allocated; 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 the findings set forth in Attachment B to this resolution; and, be it further

RESOLVED, that MTC approves the allocation of fiscal year 2023-24 TDA funds to the claimants, in the amounts, for the purposes, and subject to the conditions, as listed and recorded on Attachment A to this resolution; and, be it further

RESOLVED, that pursuant to 21 California Code of Regulations Sections 6621 and 6659, a certified copy of this resolution, along with written allocation instructions for the disbursement of TDA funds as allocated herein, shall be forwarded to the county auditor of the county in which each claimant is located; and, be it further

RESOLVED, that all TDA allocations are subject to continued compliance with MTC Resolution No. 3866, Revised, the Transit Coordination Implementation Plan.

METROPOLITAN TRANSPORTATION COMMISSION

Alfredo Pedroza, Chair

The above resolution was approved by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, and at other remote locations, on June 28, 2023.

Date: June 28, 2023

Referred by: PAC

Revised: 07/26/23-C	09/27/23-C
10/25/23-C	11/15/23-C
01/24/24-C	02/28/24-C
03/27/24-C	05/22/24-C

Attachment A

ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT ARTICLE 4, 4.5 and 8 FUNDS
DURING FISCAL YEAR 2023-24

All TDA allocations are subject to continued compliance with MTC Resolution 3866,
the Transit Coordination Implementation Plan.

Claimant	Project Description	Allocation Amount	Alloc. Code	Approval Date	Apportionment Area	Note
5801 - PUC 99233.7, 99275 Community Transit Service - Operations						
AC Transit	Paratransit Operations	5,450,068	01	06/28/23	AC Transit - Alameda	
CCCTA	Paratransit Operations	1,161,778	02	06/28/23	CCCTA	
VTA	Community Transit	7,001,645	03	06/28/23	Santa Clara County	
	Subtotal	13,613,491				
5802 - PUC 99260A Transit - Operations						
AC Transit	Transit Operations	9,371,107	04	06/28/23	AC Transit - Contra Costa D1	
AC Transit	Transit Operations	19,238,420	05	06/28/23	AC Transit - Alameda D2	
AC Transit	Transit Operations	72,905,948	06	06/28/23	AC Transit - Alameda D1	
CCCTA	Transit Operations	20,770,583	07	06/28/23	CCCTA	
LAVTA	Transit Operations	8,533,007	08	06/28/23	LAVTA	
NVTA	Transit Operations	4,116,200	09	06/28/23	NVTA	
VTA	Transit Operations	133,031,253	10	06/28/23	VTA	
Santa Rosa Sonoma County	Transit Operations	4,980,094	16	07/26/23	Santa Rosa	
Transit	Transit Operations	6,698,880	17	07/26/23	Sonoma County	
SolTrans	Transit Operations	4,847,471	21	09/27/23	Vallejo/Benicia	
ECCTA	Transit Operations	16,915,273	22	09/27/23	ECCTA	
Marin Transit	Transit Operations	7,881,923	23	09/27/23	Marin Transit	
GGBHTD	Transit Operations	4,770,059	24	09/27/23	GGBHTD - Marin	
GGBHTD	Transit Operations	7,738,737	25	09/27/23	GGBHTD - Sonoma	
WestCAT	Transit Operations	4,659,860	27	10/25/23	WCCTA	
Fairfield	Transit Operations	4,061,644	30	01/24/24	Fairfield	
SFMTA	Transit Operations	47,654,467	32	02/28/24	SFMTA	
SFMTA	Transit Operations	4,781,338	33	02/28/24	San Francisco County	
Union City	Transit Operations	4,234,825	35	03/27/24	Union City	

Petaluma	Transit Operations	2,299,889	36	05/22/24	Petaluma
SamTrans	Transit Operations	53,593,748	37	05/22/24	SamTrans
SamTrans	Transit Operations	2,820,723	38	05/22/24	San Mateo County
Subtotal		445,905,449			

5803 - PUC 99260A Transit - Capital

CCCTA	Transit Capital	7,633,286	11	06/28/23	CCCTA
LAVTA	Transit Capital	3,000,000	12	06/28/23	LAVTA
NVTA	Transit Capital	2,000,000	13	06/28/23	NVTA
Santa Rosa	Transit Capital	2,500,000	18	07/26/23	Santa Rosa
Sonoma County					
Transit	Transit Capital	2,177,318	19	07/26/23	Sonoma County
SolTrans	Transit Capital	4,780,360	26	09/27/23	Vallejo/Benicia
Fairfield	Transit Capital	2,000,000	34	02/28/24	Fairfield
Petaluma	Transit Capital	1,185,713	39	05/22/24	Petaluma
WestCAT	Transit Capital	3,100,000	40	05/22/24	WCCTA
Subtotal		28,376,677			

5807 - PUC 99400C Transit - Operations

NVTA	Transit Operations	1,022,200	14	06/28/23	NVTA
Sonoma County					
Transit	Transit Operations	2,498,322	20	07/26/23	Sonoma County
Vacaville	Transit Operations	2,533,357	28	11/15/23	Vacaville
Fairfield	Transit Operations	3,661,421	31	01/24/24	Fairfield
Subtotal		9,715,300			

5808 - PUC 99400C Transit - Capital

Vacaville	Transit Capital	6,610,000	29	11/15/23	Vacaville
Subtotal		6,610,000			

5812 - PUC 99400D Planning and Administration - Operations

NVTA	Planning & Administration	3,035,500	15	06/28/23	NVTA
Subtotal		3,035,500			

Total 507,256,417

Date: June 28, 2023
Referred by: PAC

Attachment B
Resolution No. 4570, Revised
Page 1 of 3

ALLOCATION OF FISCAL YEAR 2023-24
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 4, ARTICLE 4.5 AND ARTICLE 8
FUNDS TO CLAIMANTS IN THE MTC REGION

FINDINGS

The following findings pertain, as the case may be, to claimants to which Transportation Development Act funds are allocated under this resolution.

Transportation Development Act Article 4 Funds

Public Utilities Code § 99268 et seq.

1. That each claimant has submitted, or shall have submitted prior to the disbursement of funds, copies, to MTC and to appropriate agencies, of all required State Controller's reports and fiscal audit reports prepared in accordance with Public Utilities Code §§ 99243 and 99245; and
2. That the projects and purposes for which each claimant has submitted an application for TDA Article 4 funds to MTC are in conformance with MTC's Regional Transportation Plan (21 California. Code of Regulations § 6651), and with the applicable state regulations (21 California Code of Regulations § 6600 et seq.), and with the applicable MTC rules and regulations; and
3. That each claimant has submitted to MTC as part of its application for TDA Article 4 funds a budget indicating compliance with the 50% expenditure limitation of Public Utilities Code § 99268, or with the applicable fare or fares-plus-local-support recovery ratio requirement (Public Utilities Code §§ 99268.2, 99268.3, 99268.4, 99268.12, or 99270.5) as attested to by the claimant's chief financial officer; and

4. That the sum of each claimant's total allocation of Transportation Development Act and State Transit Assistance funds does not exceed the amount that the claimant is eligible to receive, in accordance with the calculations prescribed by 21 California Code of Regulations § 6633.1, or § 6634; and

Transportation Development Act Article 4.5 Funds

Public Utilities Code § 99275

1. That each claimant has submitted, or shall have submitted prior to the disbursement of funds, copies, to MTC and to appropriate agencies, of all required State Controller's reports and fiscal audit reports prepared in accordance with Public Utilities Code §§ 99243 and 99245; and
2. That the projects and purposes for which each claimant has submitted an application for TDA Article 4.5 funds to MTC are in conformance with MTC's Regional Transportation Plan (21 California Code of Regulations § 6651), and with the applicable state regulations (21 California Code of Regulations § 6600 et seq.), and with the applicable MTC rules and regulations, including MTC Resolution No. 1209, Revised; and
3. That in accordance with Public Utilities Code § 99275.5(c), MTC finds that the projects and purposes for which each claimant has submitted an application for TDA Article 4.5 funds to MTC, responds to a transportation need not otherwise met in the community of the claimant; that the services of the claimant are integrated with existing transit services, as warranted; that the claimant has prepared and submitted to MTC an estimate of revenues, operating costs and patronage for the fiscal year in which TDA Article 4.5 funds are allocated; and that the claimant is exempt from applicable fare or fares-plus-local-match recovery ratio requirement (as set forth, respectively, in Public Utilities Code § 99268.5 or MTC Resolution No. 1209, Revised) as provided by PUC § 99268.9; and
4. That the sum of each claimant's total allocation of Transportation Development Act and State Transit Assistance funds does not exceed the amount that the claimant is eligible to receive, in accordance with the calculations prescribed by 21 California Code of Regulations § 6634; and

5. That each claimant is in compliance with Public Utilities Code §§ 99155 and 99155.5, regarding user identification cards.
6. That pursuant to Public Utilities Code § 99233.7 certain funds identified in Attachment A and available for purposes stated in TDA Article 4.5 can be used to better advantage by a claimant for purposes stated in Article 4 in the development of a balanced transportation system.

Transportation Development Act Article 8 Transit Funds

Public Utilities Code §§ 99400(c), 99400(d) and 99400(e)

1. That each claimant has submitted, or shall have submitted prior to the disbursement of funds, copies, to MTC and to appropriate agencies, of all required State Controller's reports and fiscal audit reports prepared in accordance with Public Utilities Code §§ 99243 and 99245; and
2. That the projects and purposes for which each claimant has submitted an application for TDA Article 8 funds to MTC are in conformance with MTC's Regional Transportation Plan (21 California Code of Regulations § 6651), and with the applicable state regulations (21 California Code of Regulations § 6600 et seq.), and with the applicable MTC rules and regulations, including MTC Resolution No. 1209, Revised; and
3. That each claimant has submitted to MTC as part of its application for TDA Article 8 funds a budget indicating compliance with the applicable fare or fares-plus-local-match recovery ratio requirement (as set forth, respectively, in Public Utilities Code §§ 99268.5, 99268.12, or MTC Resolution No. 1209, Revised) as so attested to by the claimant's chief financial officer; and
4. That the sum of each claimant's total allocation of Transportation Development Act and State Transit Assistance funds does not exceed the amount that the claimant is eligible to receive, in accordance with the calculations prescribed by 21 California Code of Regulations § 6634.