

**Metropolitan Transportation Commission
Programming and Allocations Committee****June 10, 2020****Agenda Item 2i - 20-0754****MTC Resolution No. 4419**

Subject: Adoption of the FY2020-21 State Transit Assistance (STA) Regional Coordination Program

Background: As the Regional Transportation Planning Agency for the nine county Bay Area, MTC is responsible for the programming and allocation of STA funds. STA funds are derived from a sales tax on diesel and split evenly at the state level into a population-based account and a revenue-based account. MTC has discretion over the programming of population-based funds and [MTC Resolution No. 4321](#) establishes the framework (70% by County Block Grant formula, 30% to a Regional Program, and a small off the top set aside for a Transit Emergency Service Contingency Fund) for the apportionment of these funds. This item presents the proposed program for the 30 percent of these funds apportioned to support regional programs. Staff annually presents a program of projects to the Commission for the use of these funds.

The Governor's May Budget revision reduced the estimated STA revenue for FY 2020-21 by 40 percent. As a result, only \$12.1 million in revenue is now estimated instead of \$20 million. STA revenue has always been volatile since it is tied to the price of diesel fuel, so staff has traditionally taken a conservative approach to programming funds and has maintained healthy reserves. The program is expected to have approximately \$10 million in reserve to start FY 2020-21. However, with \$15.2 million in programming proposed, \$3.1 million of reserve will be needed leaving only \$6.5 million in reserve.

On a positive note, federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding directed to MTC, has made it possible to fund the STA Regional Coordination Program despite the 40 percent reduction in STA funding anticipated for FY 2020-21. CARES Act funding of \$7.8 million is expected to help fund Clipper operations, the Means-based Fare Discount Pilot, modernization of the Regional Transit Connection Senior/Disabled Card Program, and COVID-19 recovery planning efforts.

The proposed STA Regional Coordination Program of projects for FY 2020-21 includes:

- Clipper® operations for \$5.8 million;
- Regional Means-based Fare Discount Pilot Program for \$8 million; and
- Other regional transit efforts such as 511 Transit, Transit Hub Signage, and the Coordinated Plan project for \$1.4 million.

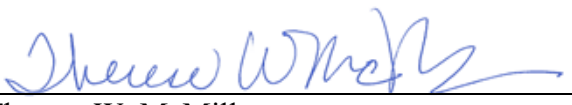
Attachment A to MTC Resolution No. 4419 summarizes the program of projects proposed for FY 2020-21. Attachment B provides more detailed information about each of these projects.

Issues: Should STA revenue stay suppressed, there will be insufficient funds to sustain the projected funding needs for the regional program, namely the funding needed for Clipper operations and the Means-based Fare Program after FY 2021-22.

Recommendation: Refer MTC Resolution No. 4419 to the Commission for approval.

Attachments: MTC Resolution No. 4419

- Attachment A, STA Regional Coordination Program Summary
- Attachment B, STA Regional Coordination Program: Project Descriptions



Therese W. McMillan

Date: June 24, 2020
W.I.: 1221, 1224, 1229, 2655
2700
Referred by: PAC

ABSTRACT

Resolution No. 4419

This resolution establishes the FY 2020-2021 program for the MTC State Transit Assistance (STA) Regional Coordination Program funds.

The resolution includes the following attachments:

- Attachment A, STA Regional Coordination Program Summary
- Attachment B, STA Regional Coordination Program: Project Descriptions

Further discussion is contained in the MTC Programming and Allocations Committee Summary Sheet dated June 10, 2020.

Date: June 24, 2020
W.I.: 1221, 1224, 1229, 2655
2700
Referred by: PAC

RE: FY 2020-21 MTC Regional Coordination Program for State Transit Assistance (STA) Funds

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4419

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

WHEREAS, the State Transit Assistance (STA) fund is created pursuant to Public Utilities Code § 99310 et seq., and

WHEREAS, Public Utilities Code § 99313 provides for the allocation by the Controller of State Transit Assistance (STA) funds to MTC based on the ratio of the population of the area under MTC's jurisdiction to the total population of the State of California; and

WHEREAS, in accordance with Public Utilities Code § 99316(a) MTC has created the State Transit Assistance fund with Alameda County for deposit of STA funds received from the State Controller; and

WHEREAS, Public Utilities Code § 99313.6(d) provides that MTC is an eligible claimant for such population-based STA funds for projects to achieve regional transit coordination objectives; and

WHEREAS, MTC has adopted a Transit Coordination Implementation Plan pursuant to Government Code Section 66516.5 which identifies a number of projects to be implemented by MTC and the region's transit agencies to improve coordination of services; and

WHEREAS, the projects listed in Attachment A to this resolution, attached hereto, and incorporated herein as though set forth at length, are consistent with the STA Population-Based Consolidated policy established in MTC Resolution No. 4321; and

WHEREAS, MTC has provided information about the programming of STA funds for projects in FY 2020-21 as shown in Attachment B to this resolution, attached hereto, and incorporated herein as though set forth at length; and

WHEREAS, the implementation of the projects and purposes listed in Attachment B comply with the requirements of the California Environmental Quality Act, Public Resources Code § 21000 et seq., and the State EIR Guidelines (14 Cal. Code of Regs. § 15000 et seq.); and

WHEREAS, MTC has complied with the applicable rules and regulations for an allocation of STA funds under 21 Cal. Code of Regs. § 6730 et seq.; now, therefore, be it

RESOLVED, that STA funds are programmed by MTC in the amounts and for the purposes that are specified in Attachment A and described in Attachment B to this resolution, attached hereto and made a part of this resolution.

RESOLVED, that the Executive Director is authorized to make programming changes to Attachment A, up to \$200,000 for each project, in consultation with the affected sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations, on June 24, 2020.

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Attachment A
MTC Resolution No. 4419
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STA Regional Coordination Program Summary FY 2020-21

Estimate New Revenue for FY 2020-21 ¹		\$ 12,096,930
Carryover Balance ²		\$ 14,148,244
Remaining Commitments from previous programs		\$ (3,800,000)
Additional Programming in FY 2019-20 after Fund Estimate		\$ (675,000)
Project Name	Claimant	Amount
Clipper [®]	MTC	\$ 5,800,000
Clipper [®]	GGBHTD	\$ 10,000
Means-based Fare Pilot Program ³	MTC	\$ 8,000,000
Transit Hub Signage	AC Transit	\$ 281,000
Transit Hub Signage	MTC	\$ 25,000
511 Transit	MTC	\$ 120,000
Regional Paratransit Program	CCCTA	\$ 75,000
Intelligent Transportation System Architecture	MTC	\$ 100,000
Transit Project Support	MTC	\$ 350,000
Coordinated Plan	MTC	\$ 200,000
Financial Reports	MTC	\$ 25,000
Transit Projects Contingency	MTC	\$ 200,000
	Total	\$ 15,186,000
Estimated Funds Remaining		\$ 6,584,174
Notes:		
1. This amount is based on the Governor's May revised budget and is \$8 M less than estimated in the February FY 2020-21 Fund Estimate, Resolution No. 4402.		
2. The carryover amount is based on information from the February FY 2020-21 Fund Estimate and includes a -\$515,000 adjustment to the the FY2019-20 estimated revenue based on the Governor's May 2020 Revised budget.		
3. After funds are programmed to the Means-based Fare Pilot Program, they are transferred to a separate account. That account is estimated to have a total of \$27,041,723 after this transfer.		

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Attachment B
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STA Regional Coordination Program: Project Descriptions FY 2020-21

The State Transit Assistance (STA) Regional Coordination Program funds have historically supported MTC's regional operations projects as well as other planning and operational efforts to improve coordination of, and access to, transit services in the Bay Area. The proposed FY 2020-21 STA Regional Coordination Program is approximately \$15.2 million and generally focuses on operating Clipper® (\$6 million), with \$1.4 million programmed to implement other MTC regional transit projects such as 511 Transit, and Regional Wayfinding consistent with the Commission's Plan Bay Area and other regional planning documents. Of the total program, \$8 million is for the Means-based Transit Fare Pilot Project. Use of the STA funds by MTC is further subject to MTC's budget and project approval processes. More detail about the specific projects and the amount of STA funds programmed to each follows.

Clipper®

Programmed to MTC: \$5,800,000

Programmed to GGBHTD: \$ 10,000

Clipper® allows transit riders to pay transit fares with a reloadable Clipper® smart card. Clipper® may be used on most transit systems in the San Francisco Bay Area. MTC's Clipper® responsibilities include oversight of a contract with Cubic Transportation Systems, Inc. to design, build, operate and maintain the Clipper® system and a number of other contracts related to the implementation and operation of the Clipper® system. In FY 2020-21, \$5.8 million of STA will support the estimated \$36 million total operating budget. GGBHTD is programmed \$10,000 for their assistance in the administration of Federal Transit Administration funds. Any unspent STA funds will be returned to the STA Program to reallocate in future years.

Regional Means-based Fare Discount Pilot Program

Programmed to MTC: \$8,000,000

In accordance with MTC Resolution 4321, Revised, approximately \$8 million per year is programmed for the administrative costs as well as to help offset transit fare revenue loss of the Means-based Fare Program. Unspent funds are transferred to a separate account and held in reserve to be used toward future costs of the program.

Transit Hub Signage

Programmed to AC Transit: \$281,000

Programmed to MTC: \$ 25,000

MTC is committed to maintaining the information in transit information displays (TIDs) at 24 regional transit hubs. MTC has an agreement with AC Transit for them to maintain these displays on behalf of the region. The agreement with AC Transit documents the scope of work

in exchange for the direct allocation of STA funds. The agreement extends through FY 2021-22 and identifies the anticipated amounts of STA funds that will be made available to AC Transit, subject to Commission programming and allocation actions.

MTC will use STA funds for ongoing operations, maintenance of other hub signage, and transit connectivity projects.

511 Transit

Programmed to MTC: \$120,000

STA funds will be used to supplement the funds for the 511 Transit program. 511 Transit collects, maintains, updates, and distributes region-wide transit service information for the benefit of the traveling public and MTC's transit partners.

Regional Paratransit Program

Programmed to CCCTA: \$75,000

STA funds will support the 'lead agency' for the Regional Paratransit Program. This approach is consistent with the goals of the Transit Coordination and Implementation Plan, which endorses the concept of reimbursement for services provided by a lead agency - currently CCCTA, on behalf of other operators. CCCTA will coordinate paratransit operational activities such as:

- Oversight of the Paratransit Eligibility Program and Regional Eligibility Database, and delivery of the Paratransit Technical Assistance Program through a consultant; and
- Liaison between the Paratransit Technical Coordination Council (PTCC) and MTC, including reporting on the status of activities.

The lead agency will provide progress reports summarizing work performed.

Intelligent Transportation System (ITS) Architecture

Programmed to MTC: \$100,000

The Bay Area ITS Architecture is a blueprint for integrating and coordinating various technologies, known as ITS. The purpose of the architecture is to accurately represent the region's existing and future use of information, technology, and automated systems to improve the safety and efficiency for travelers and agencies providing transportation services across all modes. MTC plans to update the ITS Architecture and STA funds will help support that effort.

Transit Project Support

Programmed to MTC: \$350,000

Funds will be used to support transit projects including the Transit Recovery Blue Ribbon Task Force, the Fare Integration Study or other transit-related efforts.

Coordinated Plan

Programmed to MTC: ***\$200,000***

The (Coordinated Public Transit-Human Services Transportation Plan) Coordinated Plan is a federal requirement. The plan aims to improve coordination among transit agencies and other transportation providers to better meet the needs of seniors, people with disabilities, and low-income residents. The Coordinated Plan identifies transportation gaps faced by transportation-disadvantaged populations, establishes priorities for funding decisions, and focuses on a broad range of mobility services to improve coordination among public transit agencies and human services transportation providers. The most recent plan was adopted in 2018 and the plan should be updated every four years.

Financial Reports

Programmed to MTC: ***\$25,000***

The migration of financial information to an updated version of the software and new user interface provides the opportunity to create and send reports that transit partners have been requesting. This funding will help support development of these reports.

Transit Project Contingency

Programmed to MTC: ***\$200,000***

These funds would be used in the event of unforeseen project needs or operating shortfalls with respect to MTC's regional transit projects such as Clipper®, 511 Transit, Regional Transit Mapping, and transit planning. These funds would also allow MTC to respond to unexpected regional or sub-regional transit planning needs or requests as they arise. Unspent contingency funds will be returned to the STA Program.

Regional Transit Mapping

Programmed to MTC: ***\$0***

The Regional Transit Mapping and Wayfinding project is an effort to develop signage standards and prototypes to make it easier for travelers to navigate and explore the Bay Area using public transit. Staff continues to work on options to advance the project and expects to present those ideas to the Commission in early 2021. The project has carryover programming built-up of \$840,000 from the last three years since it has also received RM2 marketing funds. Should these funds not be needed, they will be returned to the regional program.