

**Attachment A: Transit Capital Priorities Policy and Program Revisions FYs 2015-16 through 2018-2019, FY 2020-21, and FYs 2021-22 through 2023-24 Detail**

This supplemental memo provides additional detail and background on the changes to the TCP Process and Criteria, and the programming of \$15.0 million in FTA Formula Revenues and reprogramming of \$11.1 million in AB 664 and BATA Project Savings bridge toll funds.

**Policy Update – Americans with Disabilities Act (ADA) Set-aside:**

The TCP Process and Criteria (The Policy, MTC Resolution No. 4444) governs the TCP program of projects to fund basic capital requirements and maintain reasonable fairness to all operators, both through incorporation of federal requirements and MTC-specific rules. Due to the UZA transition in FY 2023-24 (Concord-Walnut Creek and Livermore-Pleasanton-Dublin changes), as well as the availability of more recent data, staff proposes the following policy update.

**10% ADA Operating Set-Aside Formula - FYs 24 and Later**

Operator	Large UZAs						Small UZAs					
	San Francisco-Oakland	San Jose	Concord-Walnut Creek	Antioch	Santa Rosa	Livermore-Pleasanton-Dublin	Vallejo	Fairfield	Vacaville	Napa	Gilroy-Morgan Hill	Petaluma
AC Transit	37.8%											
BART	5.9%		23.3%	14.0%		19.5%						
CCCTA			76.7%									
FAST								100.0%				
GGBHTD	1.7%											
LAVTA						80.5%						
Marin County Transit	5.3%											
Napa VINE							26.6%			100.0%		
Petaluma Transit												61.7%
SFMTA	26.8%											
SamTrans	19.1%											
VTA		100.0%									100.0%	
SolTrans							73.4%					
SR City Bus					43.7%							
Sonoma Cty Transit					56.3%							38.3%
Tri-Delta				86.0%								
Union City	1.5%											
Vacaville									100.0%			
WestCat	1.9%											
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

GIS analysis was performed utilizing 511 data on transit stops to update the percentages of operation within each UZA for operators across multiple UZAs to reflect new UZA boundaries and updated routes. The formula utilized above is described in the Policy – based on 2022 NTD data for Annual Demand Response (DR) Operating Expenses (45%), Annual Demand Response (DR) Ridership (45%), and Annual Overall Ridership (10%). The updated numbers reflect some major shifts from the prior ADA percentages, as 2022’s NTD data reflects significantly different demand response and overall ridership numbers than pre-pandemic data.

**TCP FYs 2021-22 through 2023-24 Programming Updates**

In March 2024, the Commission approved an interim bus/van pricelist policy that allows operators up to 20% more TCP funding per bus where funds are available, and both County Connection (CCCTA) and LAVTA have requested the 20% increase for bus purchases in the current program, as detailed in the following tables.

CCCTA 20% Funding Increase:

<b>Fiscal Year</b>	<b>Bus Type</b>	<b>#</b>	<b>Cost per Bus (Current Pricelist)</b>	<b>Total TCP Funding (Current Pricelist)</b>	<b>20% Increase to TCP</b>	<b>Total TCP Funding (New)</b>	<b>Possible Cost per Bus (Total)</b>
2024	40ft Buses - Diesel	10	\$586,000	\$4,688,800	\$937,600	\$5,625,600	\$703,200

LAVTA 20% Funding Increase:

<b>Fiscal Year</b>	<b>Bus Type</b>	<b>#</b>	<b>Cost per Bus (Current Pricelist)</b>	<b>Total TCP Funding (Current Pricelist)</b>	<b>20% Increase to TCP</b>	<b>Total TCP Funding (New)</b>	<b>Possible Cost per Bus (Total)</b>
2022	40ft Buses - FCEB	4	\$1,264,000	\$4,044,800	\$808,960	\$4,853,760	\$1,516,800
2022	40ft Buses - Hybrid	8	\$879,000	\$5,626,600	\$1,125,120	\$6,750,720	\$1,054,800
				<b>\$9,671,400</b>	<b>\$1,934,080</b>	<b>\$11,604,480</b>	

SamTrans’ technology change from Battery Electric Bus (BEB) to Fuel Cell Electric Bus (FCEB) is also included in this item. Sufficient capacity in the SF-O UZA exists to accommodate this change to the more expensive FCEB technology at current pricelist levels, a net increase of \$12.2 million, as detailed in the following table:

SamTrans BEB to FCEB Technology Change:

<b>Fiscal Year</b>	<b>Current Bus Type</b>	<b>Proposed Bus Type</b>	<b>#</b>	<b>Total TCP Funding, BEBs (Current Pricelist)</b>	<b>Increase to TCP for BEB → FCEB</b>	<b>Total TCP Funding, FCEBs (Current Pricelist)</b>
2023	40ft Buses - BEB	40ft Buses - FCEB	40	\$36,160,000	\$4,288,000	\$40,448,000
2024	40ft Buses – BEB	40ft Buses - FCEB	60	\$55,248,000	\$6,576,000	\$61,824,000
2024	35 ft Buses - BEB	40ft Buses - FCEB	5	\$3,860,000	\$1,292,000	\$5,152,000
			<b>105</b>	<b>\$95,268,000</b>	<b>\$12,156,000</b>	<b>\$107,424,000</b>

While there is capacity to accommodate the change in technology shown above at current pricelist levels, there is not enough TCP capacity to increase funding for all 105 SamTrans FCEBs at the 20% higher rate per bus. Instead, keeping within the same \$107.4 million programming total, SamTrans will be able to attribute an increased TCP contribution per bus for 80% of the order (84 of the 105 buses), and return to request funding for the remaining 20% (21 buses) later on.

SamTrans Per-Bus Funding Increase within Current Programming Amount:

<b>Year</b>	<b>Bus Type</b>	<b>#</b>	<b>TCP Contribution Per Bus (Current Pricelist)</b>	<b>Total TCP Funding (Current Pricelist)</b>	<b>80% of yearly bus amount</b>	<b>20% of yearly bus amount</b>	<b>TCP Per-bus Contribution toward 80% of yearly bus amount (Interim Policy)</b>	<b>Total Possible Cost per Bus for 84 buses</b>
2023	40ft Buses – FCEB	40	\$1,011,200	\$40,448,000	32	8	\$1,264,000	\$1,580,000
2024	40ft Buses - FCEB	65	\$1,030,400	\$66,976,000	52	13	\$1,288,000	\$1,610,000
		<b>105</b>		<b>\$107,424,000</b>	<b>84</b>	<b>21</b>		

AC Transit, due to receipt of a discretionary Low or No Emission grant from FTA supporting their FCEB purchase, requests updates to their programming of AB 664 and BATA Project Savings funds (MTC Resolution Nos. 4513 and 4169, respectively) to reflect the purchase of FCEBs rather than BEBs. The original programming was for 17 BEBs and 25 FCEBs; the update is now 42 FCEBs.

Finally, the ADA changes to the Policy discussed above have been carried through the FY 2023-24 programming. When final FY 2023-24 apportionments are released, those amounts will be updated again to conform to actual apportionments.

### **Updates to FYs 2016-17, 2018-19, and 2020-21 Programming**

Programming updates are proposed for the FYs 2016-17 and 2018-19 TCP (MTC Resolution No. 4272) and for the FY 2020-21 TCP (MTC Resolution No. 4456). The updates to the FYs 2016-17 and 2018-19 TCP are limited to Golden Gate Bridge, Highway, and Transportation District (GGBHTD)'s funding. Due to project savings and delays, GGBHTD has requested the reprogramming of \$6.5 million from the GGBHTD Facilities project to the San Rafael Transit Center (SRTC) Replacement project. Because the original FYs 2016-17 and 2018-19 funding was initially part of compensation for project savings, it is permitted as a below score-16 project. This item would reprogram \$1.0 million in FY 2016-17 and \$5.5 million in 2018-19.

The update for the FY 2020-21 program reflects the removal of a \$3.6 million balance previously held for the Lifeline program from the TCP (due to the funding source for that program shifting out of the TCP). Balances are now shown in the FY 2020-21 program, and rolled forward to apply to the FYs 2021-22 through 2023-24 program. In general, this creates a new unprogrammed balance in FY2021-22 through FY2023-24 of a like amount that will be programmed according to TCP Policy in future actions.

### **Next Steps**

Staff plan to return to the Commission with programming principles, proposed programming of remaining balances, and, if needed, amendments to the TCP Policy in the coming months. Amendments to the FYs 2015-16 – 2018-2019, FY 2020-21, and FYs 2021-22 – 2023-24 programs will be brought to the Commission for consideration as appropriate.