



SACOG Board of Directors

September 10, 2008

Funding of Transit Projects with Proposition 1B Bond Funds

Issue: What action should the SACOG Board take regarding the opportunity to fund transit projects with Proposition 1B state bond funds?

Recommendation: The Transportation Committee recommends that the Board set a policy, which could apply through the entire transit bond program, to assign current bond funds to operators and projects ready to use them imminently and provide the necessary scope, schedule and budget for use of the funds, and reserve remaining bond funding (from future years) for others that would remain in the queue until ready, using the ten-year plans as a guide. Under this policy, the Board should approve funding of Bond Act projects submitted by the Yolo County Transportation District (YCTD), Unitrans and Yuba Sutter Transit (YST) and defer the previously-approved Regional Transit Urban Transportation Development Corporation (UTDC) rail car mid-life rebuild project until the winter 2008/09 funding cycle. A copy of these projects is attached in Exhibit A.

Committee Action/Discussion: A portion of Proposition 1B state bond funds come to the region for programming to transit projects (under the program acronym PMITSEA). SACOG requires each transit operator receiving funds to provide a ten-year capital investment plan and submit a completed state application. The state released bond funds for 2008, with a SACOG regional share amounting to \$13.925 million, and applications due in April. SACOG's Transit Coordinating Committee (TCC) evaluated proposed projects and recommended a list of 15 projects totaling \$11.65 million, reserving \$2.3 million for other operators not yet ready to file at that time; the SACOG Board approved that list at its April meeting. SACOG forwarded 13 completed applications to the state for \$4.11 million of funding, but had not received the required ten-year plan nor completed applications from Sacramento Regional Transit for the other two projects totaling \$7.5 million, until September 2, 2008.

Three operators have now submitted ten-year plans to SACOG that have been reviewed, along with applications for four more projects totaling \$4.6 million. The Sacramento Regional Transit District (SRTD) has also submitted a draft ten-year plan that is being reviewed by staff. The Transportation Committee discussed the options for funding projects under the Bond Act program, including funding only two of these four projects with the reserved funds from 2008, funding all four projects when the state enacts a budget and provides additional bond funds for 2009, or funding all four projects by reprogramming 2008 funds which operators are not yet ready to use. In their review of the projects and process in August, the TCC recommended funding the YCTD and YST projects to the amount of unprogrammed FY 2007-08 funds. In subsequent meetings with operators, alternatives were discussed to move all of the pending projects forward immediately.

The committee recommends that the Board approve funding all four projects submitted by Unitrans, YCTD, and YST and also recommends that the Board adopt a policy which could apply through the entire transit bond program, to assign current bond funds to operators and projects ready to use them imminently and provide the necessary scope, schedule and budget for use of the funds, and reserve remaining bond funding (from future years) for others that would remain in the queue until ready, using the ten-year plans as a guide.

SACOG staff reviewed these recommendations with Mike Wiley, RT General Manager and Chief Executive Officer, and he is supportive of the recommended policy and project funding. The funding plan submitted by SRTD for the \$3.5 million UTDC rail car mid-life rebuild project, approved by the Board at its April 2008 meeting does not require regional bond funding until July 1, 2008. SRTD does not need these funds immediately and is willing to defer its request for this funding until the next Bond Act funding cycle.

Approved by:

Mike McKeever
Executive Director

MM:PH:JEB:gg
Attachment

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Exhibit A
 Proposition 1 B Transit Bond Act Funding Program
 Public Transportation Modernization Improvement and Service Enhancement Act
 (PTMISEA)

Transportation Committee recommendations:

		<u>Recommended</u>	<u>Available</u>
FY 2007-08 Funding			\$13,985,311
Previously Approved Projects		\$11,656,742	\$2,328,569
Yuba Sutter Transit	Op, Mte, Admin Facility Exp	\$2,061,569	\$267,000
YCTD	Repl Commuter Buses Upgrade	\$267,000	\$0
SRTD UTDC Project funds – Deferred To Next Round			\$3,527,903
Unitrans	Four Repl CNG Buses	\$1,860,000	\$1,667,903
YCTD	Repl Commuter Buses Upgrade	\$421,572	\$1,246,331

The SRTD UTDC LRT Mid-Life Rebuild Project is still approved for funding and will be at the front of the funding queue for the next round of funding.