

RURAL COUNTIES TASK FORCE

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AGENDA

July 16, 2004

12:30 pm

Room 2116

Caltrans HQ – 1120 N Street, Sacramento, CA

- | | | |
|--------------|--|---------------------|
| 12:30 | A Self Introductions | |
| | B Approve minutes of May 21 | K. Mathews |
| | C RCTF Fall Conference with CalACT | G. Dondero |
| | D Transit Updates –CalACT | P. Spaulding |
| | <input type="checkbox"/> CRRAFT Software | P. Couch |
| | <input type="checkbox"/> Legislation | |
| | E TDA Working Committee – report | J. Jelicich |
| | • Fairbox Subcommittee | D. Landon |
| | | N. Bennett |
| | F ARB Proposed Diesel Emissions rule | M. Pitto |
| | G State Budget | G. Dondero |
| | H 2004 STIP, GARVEE Bonds, Other
Commission Items | D. Brewer |
| | | S. Maller |
| | I California Performance Review | |
| | J Performance Measures | T. Downey |
| | K Master Fund Transfer Agreements | TBD |
| | L Co-Op Agreement Streamlining Effort | M. Robinson |
| | M RCTF Issues and Objectives | Various |
| | Other | |
| 3 :00 | Adjourn. | |

CALIFORNIA

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TO: TASK FORCE MEMBERS

FR: George Dondero, Chair

RE: AGENDA NOTES FOR July 16, 2004

- B. **Approval of Minutes.** Thanks to **Jeff Schwein** for documenting the last meeting.
- C. **RCTF Fall Conference.** On June 29th the Conference Planning Committee met to finalize the agenda for the conference. Secretary of Business Transportation and Housing **Sunne McPeak** has been invited as a luncheon speaker for Thursday, September 30 – the same day as the breakout sessions for the Task Force. These sessions include: 1) TDA, 2) Regional Transportation Plans, 3) Public Outreach and 4) Aviation Planning. The regular Task Force meeting will be held the following morning, Friday October 1st followed by a luncheon at the end of the conference. Another possible speaker is **Marty Wachs**, Director of the Institute of Transportation Studies at UC Berkeley.
- D. **Transit Updates.** **Pete Spaulding** will report on recent CalACT activities. **Pam Couch** will talk about the CRRAFT Software program being developed for Modoc County which may be of interest to other rural counties. **Lee Wilcox** from CalACT will report on recent legislation.
- E. **TDA Working Committee.** **John Jelcich** will provide an update of the last meeting of this group as well as the subcommittee on Fairbox ratios. Enclosed in your packet are meeting notes and outlines from this very active group. John will be asking for feedback from the Task Force members regarding various TDA issues now being discussed in the committee
- F. **ARB Proposed Diesel Emissions Rule.** **Mary Pitto** of RCRC, will give an update on this pending new ruling.
- G. **State Budget.** At this time no budget has been approved by the Governor in the Legislature. If there are significant developments by the day of the meeting, we will have a representative from CTC or Caltrans to discuss the implications of the new budget.

DeAnne Baker from CSAC has provided the attached letter, explaining AB 687, the compact with the tribes, and what this means for transportation funding. A table,

showing county allocations for streets and roads, will be provided at the meeting. There is some confusion over the deal and the bill. The state will issue a \$1.2 B bond, to be paid off from Indian gaming receipts at \$97 M/ year. The legislature did pass AB687. The agreement must be approved by the Secretary of Interior. Also, the two propositions on the November ballot regarding gaming must be defeated. DeAnne says the only possible impact at this point is the election. The Governor, labor and transportation community will be opposing the two propositions.

- H. **2004 STIP, GARVEE Bond and other CTC items.** On July 15th CTC staff is expected to release their recommendations for the 2004 STIP. David Brewer and/or Steven Maller will be on hand to answer your questions regarding the STIP Allocations.

Apparently the initiative to modify requirements for GARVEE Bonds has been set aside for the time being. However, rural counties should be aware of some of the proposals discussed. There will be a short discussion on recent events regarding GARVEE policy.

There are still two vacancies on the CTC. Kathy Lund from Placer County is a candidate you might consider supporting.

Adjustments to the ITIP are attached. These were issued 6/23

- I. **California Performance Review.** Recommendations from the CPR group are expected to be issued once the budget is passed. At this time no CPR recommendations are available. These will be provided as available.
- J. **Performance Measures.** An extensive group of Caltrans and local agency representatives have been hammering out a new policy to establish performance measures for use across the state. **Tremain Downey** will provide the latest update on this groups work.
- K. **Master Fund Transfer Agreements.** There has been some ongoing discourse regarding modifications to the MFTA which all RTPAs must sign with Caltrans. Some local agencies have already approved the document provided by Caltrans, however, since that time some additional changes were requested and apparently will be made. A staffperson from the Office of Regional Planning will provide an update on how to handle your MFTA
- L. **Co-Op Agreement Streamlining Effort.** Caltrans is working on a streamlining process to execute co-op agreements. Mark Robinson has been invited to report on progress to date
- M. **RCTF Issues and Objectives.**

Rural Counties Task Force Meeting Minutes
For
May 21, 2004

Minutes were approved from March Rural Counties Task Force meeting.

Item B-2: RCTF Fall Conference with Cal ACT- G. Dondero, K. Mathews, P. Spaulding
Two planning meetings were mentioned, May 11th and May 21st and Pete Spaulding of CalACT gave an overview of the conference planning progress. Pete distributed the conference planning calendar and explained the sessions for the RCTF. This fall, professional development will be a major session theme with rural counties sessions happening on Thursday, September 30th with a regular RCTF meeting scheduled for Friday morning, October 1st. RCTF sessions will include TDA, managing public outreach efforts, Regional Transportation Plan development, and aviation land use planning & airport accessibility. The RCTF will again offer scholarships for one person from each rural agency to cover registration cost. For those interested, Paratransit Inc. will host a crash test demo and technology tour on Wednesday, September 29th with transportation from the CalACT conference location

Item D: TDA Working Committee-Report-D. Landon, J. Jelicich, J. Smith
The committee provided a TDA fare box issues report that is a TDA historical overview, as well as a provision for issues and problems. The fare box issue is a common theme throughout the report. One argument is that fare box recovery should not be used to measure performance of a transit system. Suggestions for possible criteria of TDA accountability are adoption of alternative performance measures, creating more TDA flexibility, and amending definitions for “fare revenues” and “operating costs”. Public Works representatives are focusing on the security of TDA use on streets and roads. There have been numerous subcommittees developed through the process, one of them is focusing on updating and streamlining the TDA guidelines. The Division of Mass Transit has put the TDA manual online and is working on modifying it for usability. A suggestion was made to coordinate the TDA guideline modifications and streamlining with CEQA guidelines to create a more unified process. The RCTF group is requested to comment on the issue paper.

Item C: Transit Updates-P. Spaulding, P. Couch
There have been no meetings on 5311. 5311f for Modoc County, however has had two video conference workshops on non-emergency and medical transportation program. Their program has an extension for December of 2004. Also, Modoc’s rural trip planning tool is attempting to hook up with ODOC and MTA. There are 5 counties in the trip planner endeavor including, Lassen, Plumas, Modoc, Inyo, and Mono.

Pete Spaulding mentioned AB 1065, Longville is being pushed to leave the committee level. This bill will lower the voter threshold and give local counties ability to double sales tax. AB 813 Fare box recovery bill went into session in January and it may allow rural counties to lower fare box ratio by 1%. Nicole Bennett will distribute the CTA fact sheet and PowerPoint regarding this bill.

Item F: Air Quality Update- M. Pitto
Pitto reported the collective efforts of the air districts and transportation agencies of Nevada, Tuolumne, Mariposa, Amador, and Calaveras Counties, RCRC, and ARB were successful. The US EPA had proposed including these mountain counties in the Sacramento and San Joaquin

federal eight- hour ozone nonattainment areas. But due to the collective efforts, the US EPA designated Amador and Calaveras counties as the Central Mountain Counties nonattainment area, Tuolumne and Mariposa as the Southern Mountain Counties nonattainment area, and Western Nevada County as its own nonattainment area. This is a big victory for the boards, and the collective. These mountain counties are in nonattainment due to transport from the valleys. The US EPA also gave them each a “basic” classification, which provides the least restrictive and most flexibility for the air district requirements. Dan Landon and Gretchen Bennett were recognized for all their work and efforts into the cause. The RCRC was complemented for providing the forum.

Item G: Legislation and State Budget-Tom Cambell

Governor Schwartznegger made a deal with local authorities to borrow \$1.3 billion. This is a two year shift of funds in exchange for a constitutional amendment for security of local revenues for use in local areas. The details are not yet available, but the money that cities and counties lose will be from the VLF, and it will come back in the form of property taxes. There are also high hopes that the State budget will be on time this year.(!)

The May revise also repeals the suspension of Proposition 42 that was proposed in the January Mid-Year Proposal and replaces that with a temporary loan, with transfers to be repaid in 07/08. Estimates \$383 million in additional funds to be generated from Indian gaming revenues and will be utilized for transportation. \$184 million to the SHA, \$162 million to the TCRP, \$ 36 million to the PTA, and no money for street and road maintenance.

The May revise also proposes to modify the GARVEE bonding guidelines to permit bonding amounts over the current 15% ceiling, subject to approval by the CTC. The CTC decisions to GARVEE projects above the original amount would be subject to evaluation based on economic benefits and adherence to the vision of transportation by Caltrans and the CTC.

Item H: GARVEE Workshop and 2004 STIP-David Brewer, Stephen Maller

The “provocative proposal” was presented at the CTC GARVEE workshop on May 12. Basically the GARVEE bonding of STIP projects would change by taking the debt service for GARVEE bonds “off the top” of the next cycle of the STIP. In exchange for a collective payment of interest, regional county STIP shares would be increased in the first STIP cycle. Basically, the benefit to other counties is that a GARVEE county would get early project money and they will not have to pay the interest.

Past issuance of GARVEE’s was fairly simple, using equal annual interest payments, same interest rates throughout the different bonds, and the same bond term period. It was real easy to show which project had debt service. But in the future, bond sales could have variable interest rates and terms and deciding what costs go to what projects. The new process would alleviate complex accounting for managing the GARVEE/STIP system.

Rural concerns are that most rural counties will not be participating in the GARVEE process, yet will be paying for the interest on projects in other areas of the State. The long term, 5 STIP cycle impacts are that all agencies in California will lose a small amount of STIP shares.

Other Points...

- It is not anticipated that the entire STIP will be bonded.
- CTC Staff distributed a GARVEE scenario based on a \$100 million theoretical project.
- The SHOPP is expected to only use GARVEE bonding for very large projects.
- Pretty good chance that a special STIP programming cycle will be scheduled due to GARVEE bonding and the Federal transportation bill.

- There is a provision in a current bill that would require the CTC to go back to the legislature if GARVEE bonds were to exceed \$800 million.
- Next bond sale will be held in early 2005 and they only happen once a year.

2004 STIP

Southern STIP hearings will take place in Los Angeles on 6/17/04 and a staff recommendation for RTIP's will be available on July 15th. There may be a STIP Augmentation and CTC Staff will try to give regions enough time for local processes.

The CTC has 2 vacancies. One known applicant is Kathy Lund of Placer County. Contact Celia McAdam or Kathy Mathews for details.

Item E: ARB Proposed Diesel Emissions rule for all Transit Vehicles-K. Meade, M. Pitto

Kathleen Meade presented information regarding the Fleet Rule for Transit Agencies regulations proposed by the Air Resources Board. The effort is to reduce NOX and Particulate matter in a progressive method over the next 20 years on a chunk of vehicles. The regional agencies are encouraged to provide feedback on the proposed regulations by June 10th. This is very important because the ARB really doesn't have a good idea of how rural transit fleets will be affected. They want hard data showing exactly how many vehicles will be affected, the costs, and the regions available budget.

Please see the Fleet Rule for Transit Agencies proposed amendments and provide feedback to the ARB regarding the affects.

A worksheet is being developed by Pete Spaulding and will be distributed shortly.

Item I: Performance Improvement Initiative-J. Schwein

Jeff Schwein reported on the status of the Performance Improvement Initiative which is part of Governor Schwarzenegger's effort to improve effectiveness and efficiency of State government. The team of experts put together for this effort has developed a report based on stakeholder input and an expert review panel. The report has not yet been released to the public, but the recommendations cover three areas: 1) Project Delivery, 2) Financing options, and 3) Security in Transportation Funding. Currently, the team is defining the matrix and developing benchmarks and performance outcomes from the findings. The implementation is already taking place at some levels of Caltrans and other state departments.

**TDA Farebox Issues
Draft, 4/30/04
Updates May 25, 2004**

Introduction – The Changing Face of Transit

:

The services provided by transit operators have changed significantly since the Mills-Deddeh-Alquist Act was passed in 1971. Transit is no longer just 40' buses traveling fixed routes primarily to serve commuters. Customer service is prevalent in transit just as in any other industry. Transit operators must offer a myriad of services, from ADA paratransit, to specialized commuter service, neighborhood shuttles, mobility training, websites and in some cases ridesharing services.

Transit operators have become a key ingredient in the economic life of their communities. They are frequently called upon to serve and sponsor public events, from music festivals and marathons to conventions. Community relations or customer service departments are a necessity, and an operating cost.

There have been radical changes in energy availability, technological requirements, equipment and service requirements. Operators have to make significant investments in fueling and garage equipment, mechanic training. Buses must have functional lifts and securement equipment, communications equipment, electronic fare boxes. Computer based technology, including automatic vehicle locators working with GIS software on networked computer systems are minimum requirements.

All of these factors require increases in management, administrative and operating staff. In some cases they offer additional sources of revenue, such as advertising dollars and special grants.

The overall impact is that transit operators have a wide array of operating costs that are not solely related to putting service on the street. Operators have been inventive and creative in generating additional revenues to meet these costs. The concept of "farebox recovery" to determine if the services an operator provides are worthwhile in the community does not necessarily fit any more. There are many other criteria upon which operators are judged. Operating cost/hour, passengers/hour, revenue/hour and other criteria are widely used to measure productivity, efficiency and effectiveness.

For these reasons, as expressed in more detail below, the Farebox Recovery Workgroup of the TDA Advisory Committee believes that efforts should be made to alter the fare recovery ratios as set forth in Sections 99268 (and other

references) Chapter 4 of the Public Utilities Code. (I am not trying to limit, just give examples of what to cite. Could add everything in the "Is this Fair" table)

Background:

The concept behind TDA was to bolster revenue for transit. After the passage of Prop 13, farebox recovery requirements were put in place to insure that local support for transit would not be supplanted by TDA funds.

Elimination of fares would make transit a social service. That was not the legislative intent. PUC views transit as an enterprise, similar to water and sewer. The belief is that as much funding as possible should come from the users.

Farebox rules were an effort to insure that TDA was effectively spent and would not replace existing transit revenues. Is there a better way to assure the state Legislature that funds are being effectively spent?

State funding is also provided for highway, streets and roads projects. Those projects are selected through a comprehensive planning process. Once selected, these projects are not subject to ongoing measures of effectiveness.

Transit planning has evolved over the past 30 years in a similar fashion. Systems have short and long range plans, advisory councils work to identify and meet the transportation needs of human service programs, community planning efforts provide for citizen and organizational input. The planning process for transit has matured and parallels those efforts for highways, streets and roads.

Twenty-five years ago, concepts like congestion relief, Environmental Justice, urban infill, rural retirement communities and the aging of the baby boomers weren't even being mentioned.

Performance measures based on operating costs are not necessarily the best indicators of "efficiency". Rail systems tend to get "good" farebox recovery, because their average passenger has more disposable income than a bus passenger, whether that passenger is urban or rural. Long-distance commuters often have more disposable income also. Rail systems have much higher capital costs, which are not mentioned at all in farebox rules, and the "cost per passenger" subsidy for rail extensions can go easily to \$100 or more. Is this "efficiency"?

Also, what is the logic-and-benefit of including all kinds of "local support" revenues for the STA-revenue calculation while farebox rules look at a smaller subset of operating revenues? We have to think about this carefully before proposing wholesale changes, but we should think, at least. Expenses such as marketing, which if well-done can bring in ridership (and fares) over time, are charged to the immediate year, not spread over multiple "benefit periods." On the other hand, "depreciating" or averaging such expenses over multiple years could be an accounting nightmare as well.

Issue A:

Section 99268.2 holds systems that had a farebox recovery ratio greater than the minimums as of 1978-79 to a higher requirement discourages systems from providing additional service.

Example:

System expenses	\$500,000
System fare revenue	\$100,000
Recovery ratio	= 20%

If a recovery ratio of 10% were allowed, expenses could climb to \$1,000,000 and the 10% ratio could still be met. In all likelihood, extra service would result in higher fare revenue. This means service could double!

That is,	System expenses	\$1,000,000
	System fare revenue	\$100,000 (at least)
	Recovery ratio	= 10%

Issue B:

Local governments should determine what measures of effectiveness are to be used.

Example:

The decision to provide service, how much, at what cost, should be made locally. After all, it is a local tax. It is merely collected by the state and returned to the county of origin. Let the unmet needs process, involving SSTACs, CTAs transit operators, public works, and consumers determine the use of funds and whether they are being used effectively.

Issue C:

Farebox needs to be looked at statewide, not just in selected areas or based on system size. The current rules are a collection of exceptions, so there is no concept of equity in how they apply. As legitimate reasons for adjusting farebox recovery have been identified, exceptions have been made. So many have been made that one could question the usefulness of farebox recovery as a requirement. What other statistics are there that are good measures of efficiency that could replace or serve as an alternative to farebox recovery?

See attachment itemizing Farebox Recovery Exemptions.

Example:

TCRP Synthesis Report 6, The Role of Performance-Based Measures in Allotting Funding for Transit Operations, dated 1994, suggests that two movements seem to be occurring among state departments of transportation that include performance measures in their allocation formulas:

- Performance measurement is being used to provide an incentive level of funding rather than as a determinant of base allocations.
- Performance-based measures are being eliminated from their allocation systems entirely.

In addition some state departments of transportation and MPOs have considered performance measurement and performance based allocation of financial aid. But they recognize that developing appropriate measures and allocation mechanisms that are responsive is no small task. At a minimum, it requires the active participation of transit systems and local and state legislative bodies.

Issue D:

Do operators consistently follow the definitions of fare revenues (or expenses) when calculating fare recovery? There are operating expenses which generate non-farebox revenue. These operating expenses increase the farebox recovery requirement, yet the revenue generated can not be used in the calculation.

Example 1:

Advertising activities. Operators incur the cost for marketing, production and managing this activity. It is counted as an operating expense. But the revenue it generates is accounted for separately and is not counted as credit towards fare box revenue. This service is directly related to the everyday operations of a transit system.

Example 2:

An operator is an outlet for intercity bus tickets. They receive a commission on the sale of tickets. The sale of tickets requires office space, staff time, phone lines, and other operating expenses that cannot always be itemized. These expenses are included with all operating expenses, and increase the amount of farebox needed to maintain the matching requirement. Yet the commission earned on the sale of intercity tickets can not be counted as farebox revenue.

See attachment for definitions of fare revenue. Are systems including sub items 401.01 through 401.99, 402.01 through 402.06 in their fare revenue calculation? Are systems aware, and do auditors follow, the proper definitions of supplementing fare box revenue (99268.19)?

Can this issue be addressed simply by allowing local support (taxes) to be included as farebox revenue? Or should localities be permitted to operate services that have a lower farebox recovery if they chose to do so?

Issue E:

Farebox recovery is counter productive to Environmental Justice requirements.

Example:

TDA is set up in a way that discriminates against transportation dependant people in rural areas. Fare box recovery standards are so limiting that service cannot be provided to those who live outside of larger communities. In urban poor communities do not have the options that rural ones do, a lower fare recovery requirement. AC Transit recently completed an on-board survey that showed that more than 55% of adult respondents have a household income of under \$30K, in one of the highest cost-of-living areas in the country, yet gated communities in the same counties have no farebox requirement if they "coordinate" with BART. The ACE train passenger survey shows average household incomes over \$100K. We need better performance measures for transit throughout the

State – farebox is an artificial, and inequitable, metric, and should be a key topic for revision.

Issue F:

There is no statistic measure of accountability for TDA used for streets and roads projects

Example:

Funds are available to be used for streets and roads projects if there all transit needs that are reasonable to meet have been met. There is no measure of efficiency or effectiveness required. Should there be similar requirements/performance audits/standards for streets and roads projects?

Issue G:

Section 6632.2 a 1 of the California Code of Regulations provides that RTPAs or county transportation commissions may grant newly designated urbanized areas up to 5 years from the July 1 of the year following the year of the census to meet new farebox requirements. In several areas of the state, urbanized areas have been extended and now include areas that were formerly non-urbanized. Although these areas are now part of the urbanized area, they still contain much lower population densities. The inclusion of these areas threatens the ability of operators to continue to meet farebox requirements, even over a five year period.

Example:

Riverside County.

Issue H:

Some counties report farebox requirements for all claimants within their county. In some cases as many as 5 operators may have their operating data reported together. Should a large operator suddenly have difficulty in meeting farebox requirements, it could negatively impact the entire county. Is it possible to change farebox reporting under such circumstances?

Example:

Stanislaus County

Possible actions:

So, should Fare Box be the “best” or “only” standard:

1. **NO!** Fare box recovery is not an appropriate performance measure because:
 - a. Operating costs are significantly higher in rural areas due to longer distances between bus stops and/or communities.
 - b. The mountainous topography in some rural areas that must be driven increases wear on vehicles and reduces fuel mileage. Mountainous rural areas will always have fewer transit riders and higher operating costs.
 - c. Urban poor communities do not have the options of a lower fare recovery requirement. Their riders have far less disposable income and services are far less likely to meet the higher urban farebox recovery requirement.
 - d. The exceptions adopted over the years clearly indicate that the farebox rules are not equitable, and if a system is in trouble, all they need is a good lobbyist or consultant, and they can usually get things changed to their benefit, while the less powerful do not have this option as readily available.

Other Possible Criteria:

1. Allow RTPAs and LTCs to adopt alternative performance measures similar to the language for Article 8(c) for Article 4 transportation services. These may vary from area to area. One standard does not work for everyone because everyone’s service and operating conditions are different.
2. Amend the definition of “operating cost” to “net operating costs” and exclude insurance costs, fuel costs (or a portion of fuel costs based on a formula that takes into consideration unusually large amount of miles driven per passenger served)
3. TDA needs more flexibility. Allow alternative forms of transportation, such as volunteer driver programs (volunteers are reimbursed for mileage but do not charge for their time) for medical or other services by cities and counties under Article 4. Why limit transportation services to buses when that form of transportation is not cost effective in many rural areas resulting in findings of “no unmet needs” that are “reasonable to meet”.
4. Amend the definitions for “fare revenues” to allow other revenue sources than passenger fares. These could include advertising, parcel deliveries, or other services that are not included in revenue account classes 401, 402, and 403. If this is not acceptable, then allow this type of revenue to be deducted from operating costs in determining “net operating costs” and then calculate the fare box ratio.
5. Additional options can be found in TCRP Synthesis Report 6, The Role of Performance-Based Measures in Allotting Funding for Transit Operations.

Additional background on Environmental Justice:

The Environmental Justice Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (EO 12898)

addresses fair treatment of all people regardless of race, color, ethnicity or income with respect to the benefits and burdens of environmentally related programs, policies and activities. EO 12898 directs each Federal agency "to make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." The EO and accompanying Presidential Memorandum emphasize that agencies should utilize existing laws, such as the National Environmental Policy Act (NEPA) and Title VI of the Civil Rights Act of 1964, to achieve this mission.

EJ in transportation means that all people (particularly including low-income communities and people of color) have equitable access to the benefits of transportation decision-making, projects, and policies, and that they do not bear any disparate burden from such actions. EJ also requires the meaningful and timely involvement of all people in the decision-making process. Another term for EJ is social equity.

IS THIS FAIR?			
Summary of TDA provisions relating to "Farebox" Rules			
(all sections below are in Public Utilities Code)			
Section	Topic	Added/ Amended	Comments
99268	"50% Limitation"	added 172, amended 1973, 1974, 1979	Original rule for everyone
99268.1	Maintenance of Effort	added 1979, amended 1979, 1980	Maintain base year (1978/79) ratio
99268.2 through 99268.4	Basic Farebox Rules	added 1979, amended 1979, 1980	20% for urbanized, 10% for rural, or base year "whichever is greater"
99268.5	"Excusive" E&H service	amended 1982, 1989	
99268.8	Extensions of service can be excluded	amended 1981, 1986	2 years after first fiscal year of operation
99268.9	Penalties	amended 1986	
99268.1	San Bernardino	repealed 1982	No longer applicable, but also see provision for ADA below
99268.11	"2 Strikes & you're in" exemption	added 1984 urgency	Added for Samtrans (strike by own workers & Greyhound)
99268.12	15% "combo" rule	added 1986, amended 1987	
99268.16	Ridesharing costs excluded		
99268.17	Other costs excluded (ADA, insurance)	added 1986, amended 1989, 1996, 2003	
99268.18	"Non-exclusions"	added 1986	
99268.19	Can add local funds	added 1988	
99269	San Diego County "treat as one"	added 1981	
99270.1	Urbanized & non-urbanized	added 1979, amended 1984	
99270.2	Change in UZA due to Census	added 1982, amended 1984, 1986	Allows 5-year grace period
99270.5	Exemption for Bay Area small operators "coordinated with BART"	was section 99270, added 1979 as urgency, amended & renumbered 1986	BUT, see rules for "AB 842" (BART half-cent tax) -- requires 33% farebox for AC, BART, Muni
99271	Allocations require "fully funded" pension program	added 1974	

99275.5(c)(4)	Can substitute "regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios" for Article 4.5 programs	added 1982	
99405(c)	Can substitute "regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios" for Article 8 programs	added 1982	
99405(d)	Exemptions for "city or county with a population of less than 5,000"	?1989	Added for Alpine County
99314	STA allocations based on "total revenues"		See 6722(b) of regulations for "qualifying revenues"
			Working version Piras, 4/30/04

6.2 Definitions of Revenue Object Classes **(*Denotes Required Object Classes)**

***401. Passenger Fares for Transit Service**

These categories cover revenue earned from carrying passengers along regularly scheduled routes. Each revenue object class is to include the base fare, zone premiums, express service premiums, extra cost transfers and quantity purchase discounts applicable to the passenger's ride. Also included is a category which covers "park and ride" revenue.

401.01 Passenger Fares for Transit Service - Full Adult Fares

the revenue earned from carrying passengers who pay the full adult fare.

401.02 Passenger Fares for Transit Service - Senior Citizen Fares

the revenue earned from carrying passengers who pay a special, reduced fare because they are older than a prescribed age limit.

401.03 Passenger Fares for Transit Service - Student Fares

the revenue earned from carrying passengers who pay a special, reduced fare because they are enrolled in an educational institution.

401.04 Passenger Fares for Transit Service - Child Fares

the revenue earned from carrying passengers who pay a special, reduced fare because they are younger than a prescribed age limit.

401.05 Passenger Fares for Transit Service - Handicapped Rider Fares

the revenue earned from carrying passengers who pay a special, reduced fare because they are physically handicapped

401.06 Passenger Fares for Transit Service - Parking Lot Revenue

the revenue earned from parking fees paid by passengers who drive to "park and ride" parking lots operated by the transit company in order to utilize transit service. Revenue earned from the operation of parking lots which are not normally "park and ride" locations is collected in object class 407.05.

401.99 Passenger Fares for Transit Service - Other Primary Ride Fares

the revenue earned from carrying passengers who pay a special, reduced fare for some reason other than those specified in items 401.02 through 401.05.

***402. Special Transit Fares**

These categories cover revenues earned

- for rides given in regular transit service, but paid for by some organization rather than by the rider, and
- for rides given along special routes for which revenue may be guaranteed by a beneficiary of the service.

402.01 Special Transit Fares - Contract Fares for Postmen

the revenues earned by providing rides for postmen with periodic contractual payments (rather than fare box collections) being made directly from the U. S. Postal Service to the transit system.

402.02 Special Transit Fares - Contract Fares for Policemen

the revenue earned by providing rides for policemen with periodic contractual payments (rather than fare box collections) being made directly from the police authority to the transit system.

402.03 Special Transit Fares - Special Route Guarantees

the amounts paid by industrial firms, shopping centers, public and private universities, etc., to guarantee a minimum revenue on a line operated especially for the benefit of the payer.

402.04 Special Transit Fares - Other Special Contract Transit Fares - State and Local Government

the revenue earned under contractual arrangements with state or local governments for transit fares other than those arrangements specified in categories 402.01 through 402.03 above. Revenue earned from other contract sources is collected in object class 402.05.

402.05 Special Transit Fares - Other Special Contract Transit Fares - Other Sources

the revenue earned under contractual arrangements with non-government entities for transit fares other than those arrangements specified in categories 402.01 through 402.03 above. Revenue earned from other State and local government entities is collected in object class 402.04.

402.06 Special Transit Fares - Non-Contract Special Service Fares

the revenue earned by providing special service rides for sporting events, sightseeing, etc., where fares are not guaranteed on a contractual basis.

***403. School Bus Service Revenues**

This category covers revenues earned from operating vehicles under school bus contracts.

403.01 School Bus Service Revenues - Passenger Fares from School Bus Service

the amounts paid by schools for the operations of buses exclusively to carry children to and from their schools.

For Discussion of:

Updating the 2005 Transportation Development Act Manual

Timeframe

Deadline to release electronic and hard copies of the updated manual is early January 2005.

Step One

Locating the Changes to TDA

Jake's staff should check with Caltrans' Legislative Affairs Office for changes that occurred during calendar year 2004. Also, "touch base" with Josh Shaw of the California Transit Association.

Step Two

Contents of the Manual

- Include the Government Code and PUC Code as before. Include the changes to TDA using strikeouts and underlines as before.
- Include a new section for an elementary primer or comprehensive overview of the TDA Program.
- Double check any changes that may impact the FAQ section, Summary of Important TDA Report Dates, the Index to Statutes and Regulations, and any other pertinent sections. Also, consider expanding or improving the FAQ section.
- Work with the State Controller's Office (start with Sashi Lai if uncertain who to contact) and State Board of Equalization pages 229 through 235. These are the LTF Revenues by County by Fiscal Year, the STA Schedule of Allocations by County by Fiscal Year, and the STA Revised Allocation Estimate by County by Fiscal Year.

Step Three

Readability

Work with Caltrans Graphic Services Office to get ideas for reformatting and using a more-friendly font. Get them thinking about next year's update and how that could be improved from a readability standpoint. Save time by giving Graphic Services the electronic version. Also, they may contract this work out.

Tabs

We might want to consider having tabs to separate the various sections to make scrolling through it easier.

Step Four

Urbanized Area Maps

Do not include the Storm Water/Census maps located in the back. Do not include in any future updates of the manual. Have the maps available on the DMT's TDA web site as a resource. Work with California Department of Finance to get the latest census maps.

Step Five

Distribution: Hard and Electronic Copies

Check with each Caltrans District Office for the number of hard copies they need. The Districts will distribute them to the local agencies. TDA Advisory Committee members will receive copies from Jake Smith's office.

Include pdf-electronic version on DMT's TDA web site.

Article 4

Article 8

Pertinent Sections

99260 - 99273 (PUC)

99400 - 99408 (PUC)

1: An operator is a city, county or a transit district that owns and operates the transportation system.

1: Cities or Counties makes payments to operators under contract for transportation services.

2: Must adhere to the statute mandated fare box recovery ratios

2: RTPA has the flexibility to substitute their own fare box recovery ratios

3: System must provide services to the general public, not exclusively to elderly or disabled.

3: Operator under contract can provide services exclusively to elderly and disabled.

4: Triennial Performance audit required.

4: No Triennial Performance audit required.

5: May be funded by the LTF and/or STA

5: Funded only by the LTF and the population formula side of STA (99314.5(b))

6: Funding transit and public transportation only (no unmet needs process)

6: For unrestricted districts that conduct unmet needs processes and allow funding to streets and roads if certain criteria met

ITEM G

July 8, 2004

TO: Public Works Directors

FROM: DeAnn Baker
Legislative Representative

SUBJECT: Transportation Funding: State Budget

While the State Budget negotiations remain underway and focused on the local government funding and stability package, recent legislative action regarding Indian Gaming has resulted in some very positive news for Transportation Funding.

AB 687 (Chapter 91, Statutes of 2004), by Senate Pro-Tem John Burton, Assembly Speaker Fabian Nunez, and Assembly Member Kevin McCarthy ratifies five Tribal-State Compacts for the following tribes: United Auburn (Placer County), Rumsey Band (Yolo County) and three San Diego Tribes: Viejas, Pala, and Pauma all of which currently operate casinos. This bill among other positive steps to address Indian Gaming will provide a revenue stream for a \$1.214 billion bond for transportation purposes.

The bill requires actual payment of \$97 million annually from the five tribes to finance a \$1.214 billion bond for 2004-05 transportation projects to be repaid over 18 years and to be allocated as follows:

- \$457 million to the State Highway Account
- \$290 million to the 141 Traffic Congestion Relief Projects (TCRP) that have an economic impact.
- \$192 million to cities and counties for local street and road projects as advance payment for the loan due in the 2008-09 fiscal year from the Proposition 42 suspension for the 2003-04-budget year.
- \$275 million to the Public Transportation Account for project expenditures.
- Advanced funding of State Transit Assistance loans due for funding in the 2008-09 fiscal year.

It should be noted that AB 687 does also include a provision that would allow up to a \$1.5 billion bond for transportation purposes should additional revenues become available from future negotiations.

It is very important to understand that these bonds will not be sold unless Propositions 68 and 70 related to Indian Gaming and slated for the November ballot are defeated.

Attached is a spreadsheet explaining the allocation of the counties portion of \$96 million amongst the 58 counties prepared by Los Angeles County.

In addition to the bond monies, the Budget is expected to contain \$183 million from General Fund revenues, which will be allocated to the State Highway Account for State Transportation Improvement Program (STIP) projects and TCRP projects for loans previously made from those sources.

Interregional Transportation Improvement Program (ITIP) Adjustments

The following is a summary of adjustments to the departments programming proposal as submitted in the April 12, 2004 ITIP. These changes correct errors and omissions in the original submittal or reflect updated delivery commitments and priorities where consistent with programming capacity. CTC staff has accepted these adjustments as if they were included within the original April 12 submittal.

ITIP Non-TE Revisions				
Co.	Rte	PPNO	Project	Change
Butte	70	2262	Ophier Road (Stage 1)	Move \$500 RW Supt. from FY 07/08 to FY 05/06. Program \$664 RW in FY 05/06. Decrease CON in FY 07/08 from \$6,000 to \$5,336.
El Dorado	50	4400	Lawyer to Bedford	Advance construction to FY 05/06
Imperial	78	0021	Brawley Bypass	Advance construction to FY 06/07
Inyo	395	0191	Independence	Revise schedule & funding as follows: ENV(1,387), PSE(1,414) and RW supt (567) in prior, RW(793) in FY 04/05, CON(4,398) in FY 08/09. Fund Con supt. per 40/40/10/10 MOU.
Merced	99	5479	Atwater	Delay construction to FY 06/07
Merced	99	0528D	Mission Avenue	Advance construction to FY 05/06
Merced	99	0546D	Livingston Stage II	Advance construction to FY 04/05
Merced	152	5707	Los Banos Bypass	Reduce PAED by \$500K.
Orange	5	978T	HOV Lanes	Advance construction to FY 05/06.
Placer	80	0146D	I-80 Capacity/Operational Improvements	Change PS&E in Prior from \$0 to \$2,300. Decrease CON Supt in FY 05/06 from \$1,100 to \$0. Decrease CON in FY 05/06 from \$1,200 to \$0.
Riverside	60	0033	Riv-60 HOV Lanes	Decrease CON from \$9,785 to \$4,120 and increase CON supt. to \$5,665.
Riverside	91	0048W	Animal Crossing Study	Reduce PAED (Prior) from \$2204 to \$808
Riverside		0001L	Multiple Species Habitat Conservation Plan	Add new project for PAED(\$250), RW Supt (\$250) in FY 04/05.
Riverside			Multiple Species Habitat Conservation Plan	Add new AB3090 replacement project for \$5 million RW.
San Bernardino	210	0192K	Park & Ride Req'd. Mitigation	Revise schedule & funding as follows: ENV(75) & PSE(145) in FY 04/05. Con Supt (100) in FY 05/06.
San Bernardino	210	194T	Etiwanda wind break, req'd mitigation	Revise schedule & funding as follows: ENV(34), PSE(102), RW Supt(10) in FY 04/05. CON(400), CON Supt(94) in FY 05/06.
San Luis Obispo	46	0461	Corridor Improvements	Change PPNO to 0226A.
San Luis Obispo	46	0462	Corridor Improvements	Change PPNO to 0226B.
San Luis Obispo	46	0463	Corridor Improvements	Change PPNO to 0226C.
San Luis Obispo	46	0464	Corridor Improvements	Change PPNO to 0226D.
Santa Clara	152	0468D	Passing and Truck Climbing Lanes	Split into two projects (1) truck climbing lane FY 05/06 (2) Passing lane FY 08/09
Shasta	299	3116	Liberty-Rt 5	Advance construction to FY 06/07
Shasta	299	6650	Sacramento River Crossing	Advance construction to FY 06/07
Sonoma	101	0770B	Auxiliary Lane	Increase Con from \$2,400 to \$3,200
Sonoma	101	0789A	HOV Lanes - Rte 12 to Steele Lane	Decrease RW from \$800 to \$0
Sutter	70	0289B	Sutter/Yuba Route 70 Corridor Project	Increase CON Supt in FY 06/07 from \$2,582 to \$4,000. Decrease CON in FY 06/07 from \$30,908 to \$29,000.
Sutter	99	8361A	Sutter Route 99 Corridor Project	Increase CON Supt. in FY 05/06 from \$731 to \$1,031.

Sutter	99	8362A	Widen to 4 Lanes	Move \$966 RW from FY 06/07 to FY 05/06. Program \$2,164 CON S in FY 07/08. Advance CON from FY 08/09 to FY 07/08 and decrease from \$30,912 to \$28,685.
Sutter	99	8362A	Widen to 4 Lanes With a Median	Move \$966 RW from FY 06/07 to FY 05/06. Program \$2,164 CON Supt. in FY 08/09. Decrease CON in FY 08/09 from \$30,912 to \$28,685.
Tuolumne	108	021BX	E. Sonora Bypass Stage I Cost Increase	Change PPNO to 0021A.

ITIP TE Revisions				
Co.	Rte	PPNO	Project	Change
El Dorado	50	3261	Tree Planting along Route 50	Move \$100k from FY 05/06 to 04/05 and move \$610k from FY 06/07 to 05/06.
El Dorado	89	3547	Tree Planting along Route 89	Move \$100k from FY 06/07 to 05/06 and move \$610k from FY 07/08 to 06/07.
Inyo	395	0452	Bicycle Facility along Route 395	Add project.
Inyo	168	0451	Bicycle facility along Route 168	Add project.
Marin	101	1063	Golden Gate Botanical Management Area	Add project.
Placer	267	5705	Tree Planting along Route 267	Move \$100k from FY 05/06 to 06/07 and move \$610k from FY 06/07 to 07/08.
Sacramento	50	6210	Tree Planting along Route 50	Move \$100k from FY 04/05 to 05/06 and move \$610k from FY 05/06 to 06/07.
Yolo	80	8914	Tree Planting along Route 80	Move \$100k from FY 05/06 to 04/05 and move \$610k from FY 06/07 to 05/06.