

**Metropolitan Transportation Commission
Programming and Allocations Committee**

October 14, 2009

Item Number 2d

Resolution No. 3900, Revised

Subject: Allocation of Transportation Development Act (TDA) funds to support transit operations.

Background: This item continues the annual process for allocating TDA funds. Operators requesting Transportation Development Act (TDA) allocations this month that exceed the \$1 million delegated authority limit include Union City and the Santa Clara Valley Transportation Authority (VTA). Allocation requests less than \$1 million are handled separately by the Executive Director's Delegated Authority process. Total requests are summarized below:

Claimant	Resolution 3900	Delegated Authority	Total
Union City	2,503,190	784,717	3,287,907
VTA	67,877,497	3,563,212	71,440,709
Total	70,380,687	4,347,929	74,728,616

The loss of STA funds and the reductions in sales-tax based TDA funds continue to create a difficult operating environment for transit operators. The infusion of federal ARRA funding for transit provided some financial relief to operating budgets with roughly \$60 million put toward preventive maintenance during FY 2009-10.

Union City is requesting \$2.5 million in TDA funds to support the FY 2009-10 operating budget. Union City fares have not increased since July 2007, with the base fare being \$1.50. Union City's revenue vehicle hours will decrease 3% in FY 2009-10. VTA is requesting allocation of \$67.9 million to support their FY 2009-10 budget of \$321.4 million. The FY 2009-10 budget represents a 2% increase over FY 2008-09. However, labor and fringe expenses will increase 7%, from roughly \$205 million to \$219 million in FY 2009-10. Offsetting these increases are decreases in the purchased transportation, interest, insurance and other expense categories.

Resolution 3900 previously contained a footnote indicating that disbursement of funds to AC Transit, Golden Gate Transit and the San Francisco Muni was "conditioned upon submittal and approval of a plan that describes the schedule and strategy to replace pre-paid fare media with TransLink®." Since the plans have been submitted and approved the footnote has been removed from the Resolution.

Issues: A projection of FY 2009-10 TDA revenue, based on first quarter TDA payments from the State Board of Equalization, indicate that TDA funds are substantially below estimates contained in the adopted Fund Estimate. For the region as a whole, the first quarter projection indicates that TDA funds will come in, on average, 13% below the numbers contained in the Fund Estimate. If this trend continues, significant additional budget adjustments by the transit operators may be necessary.

Recommendation: Refer MTC Resolution Nos. 3900, Revised to the Commission for approval.

Attachments: Table A - Transit Operator Budget Summary
MTC Resolution Nos. 3900, Revised

Table A - Transit Operator Budget Summary

Operator	FY 2008-09 Operating Budget	FY 2009-10 Operating Budget	% Increase	Revenue Vehicle Hours % Increase	FY 2009-10 Operating Request	Allocation Request as a % of Operating Budget	Highlight of FY 2009-10 Budgets
Union City	3,188,083	3,642,000	14%	-3%	2,577,187	71%	<ul style="list-style-type: none"> • Union City's FY 2009-10 budget will increase from \$3.2 million to \$3.6 million, a 14% increase. • Purchased Transportation accounts for 83% of the overall budgetary increase for FY 2009-10. • Revenue Passengers are expected to increase 1% in FY 2009-10 • Revenue Vehicle Hours are budgeted to decrease 3%.
VTA	315,420,282	321,522,821	2%	1%	71,440,709	22%	<ul style="list-style-type: none"> • VTA's budget for FY 2009-10 will increase 2%, from \$315.4 million to \$321.5 million. • Labor and fringe expense will increase 7%, from \$204.9 million to \$219.6 million in FY 2009-10. • Operating budget decreases are budgeted in the purchased transportation, interest, insurance and other expense categories. • Revenue vehicle hours will increase 1%. • VTA plans a fare increase in October that will increase fare revenue by 6% for FY 2009-10. Fixed route cash fare will increase from \$1.75 to \$2 for an adult one way fare with proportional increases in the monthly and day pass prices.

Date: June 24, 2009
Referred by: PAC
Revised: 07/22/09-C
10/28/09-C

ABSTRACT

Resolution No. 3900, Revised

This resolution approves the allocation of fiscal year 2009-10 Transportation Development Act Article 4, Article 4.5 and Article 8 funds to claimants in the MTC region.

This resolution was revised on July 22, 2009 to allocate additional funds to various claimants for transit operating.

This resolution was revised on October 28, 2009 to allocate additional funds to various claimants for transit operating.

Discussion of the allocations made under this resolution is contained in the Summary Sheets and/or Executive Director Memoranda presented to the Programming and Allocations Committee on June 10, 2009, July 8, 2009 and October 14, 2009.

Date: June 24, 2009
 Referred by: PAC
 Revised: 07/22/09-C
 10/28/09-C

Attachment A
 MTC Resolution No. 3900
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ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT ARTICLE 4, 4.5 and 8 FUNDS
 DURING FISCAL YEAR 2009-10

Claimant	Project Description	Allocation Amount	Alloc. Code	Approval Date	Apportionment Area/Footnotes
5801 - 99233.7, 99275 Comm Transit Serv- Operations					
AC Transit	Community Transit	2,012,685	01	06/24/09	Alameda County
	Subtotal	2,012,685			
5802 - 99260A Transit - Operations					
AC Transit	Transit Operating	29,519,631	02	06/24/09	AC Transit Ala.Co. D1
AC Transit	Transit Operating	7,555,865	03	06/24/09	AC Transit Ala.Co. D2
AC Transit	Transit Operating	5,879,025	04	06/24/09	AC Transit C.C.Co. D1
CCCTA	Transit Operating	13,530,641	05	06/24/09	CCCTA
Golden Gate	Transit Operating	3,924,145	06	06/24/09	Golden Gate - Sonoma
Golden Gate	Transit Operating	8,920,706	07	06/24/09	Golden Gate - Marin
LAVTA	Transit Operating	7,035,792	08	06/24/09	LAVTA
Sonoma County Transit	Transit Operating	5,662,806	09	06/24/09	Sonoma County
WCCTA	Transit Operating	2,058,530	10	06/24/09	WCCTA
Tri Delta Transit	Transit Operating	7,948,521	11	06/24/09	ECCTA
Vallejo	Transit Operating	1,139,335	14	07/22/09	Vallejo
NCTPA	Transit Operating	3,215,613	15	07/22/09	NCTPA
SFMTA	Transit Operating	27,103,484	16	07/22/09	SFMTA
SFMTA	Transit Operating	1,428,435	16	07/22/09	SFMTA (See Note 1)
Union City	Transit Operating	2,503,190	19	10/28/09	Union City
VTA	Transit Operating	64,483,622	20	10/28/09	VTA
VTA	Transit Operating	3,393,875	20	10/28/09	VTA (Note 1)
	Subtotal	195,303,216			
5807 - 99400C General Public - Operating					
Petaluma	Transit Operating	1,253,100	12	06/24/09	Petaluma
Sonoma County Transit	Transit Operating	1,120,896	13	06/24/09	Sonoma County Transit
NCTPA	Transit Operating	1,516,127	17	07/22/09	NCTPA
	Subtotal	3,890,123			
5812 - 99400D Planning & Admin - Operating					
NCTPA	Planning & Admin	1,053,477	18	07/22/09	NCTPA
	Subtotal	1,053,477			
		TOTAL			202,259,501

Note:

(1) MTC finds that these Article 4.5 funds can be used to better advantage for Article 4 purposes.