

**Metropolitan Transportation Commission  
Programming and Allocations Committee**

March 10, 2010

Item Number 2c

**Resolution No. 3935**

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**Subject:** FY 2009-10 FTA Section 5311 Program of Projects

**Background:** The Federal Transit Administration (FTA) Nonurbanized Area Formula Program (Section 5311) makes funding available to each state for public transportation projects in nonurbanized areas. Eligible applicants include public agencies, non-profit agencies, and American Indian tribes.

MTC annually develops a regional Program of Projects for submittal to Caltrans. Caltrans then submits a statewide program to FTA for approval. MTC's objective is to program operating and capital funds to maintain needed transit services in the rural areas of the MTC region.

**Funding Availability**

Caltrans has estimated that the amount of Nonurbanized Area funds available for the MTC region during FY 2010 will be \$1.2 million. Caltrans has indicated that this estimate is for planning purposes only, and that the actual amount of funding available for individual programs is subject to the annual appropriations process.

**Fund Programming**

MTC requested applications from eligible project sponsors, and received 15 applications totaling \$4.1 million in requests, or roughly \$3 million over the estimated funding available.

Staff proposes adoption of the program in Attachment A, which is consistent with the priorities outlined in MTC's FTA Section 5311 Funding Objectives and Criteria. In order of priority, these criteria include: (1) Sustain existing capital through replacement or rehabilitation; (2) Maintain existing transit services through operating assistance; (3) Provide preventive maintenance for existing transit equipment; (4) Provide capital and/or operating assistance for service expansions; and (5) Enhance existing service.

In recognition of the cuts to transit operating funds and the additional capital funds that were provided by the American Recovery and Reinvestment Act of 2009 (ARRA), MTC offered to give additional consideration to funding operating needs for existing transit services, if warranted depending on the applications received. Therefore, Project Sponsors with both a Priority 1 (Basic Capital) request and a Priority 2 (Operating Assistance for Existing Services) request were contacted and could choose to defer their basic capital request, with the understanding that any money they did not take would instead be made available to all transit operators for operating assistance.

The following is a summary of the proposed program:

- Priority 1 capital replacement/rehabilitation projects were either funded, partially-funded, or deferred until next year according to the preference of the project sponsor.
- All Priority 2 operating assistance projects received partial funding. In order to distribute the Priority 2 funds equitably, a cap was applied to each agency's Priority 2 award amounts. The cap is equal to the amount of operating assistance awarded to the agency in the previous year (FY 2009) plus an inflation adjustment of 0.1% (based on Bay Area CPI data).
  - This concept was derived from the 5311 Objectives and Criteria, which state that for operating assistance and preventive maintenance requests, "the increase in Section 5311 subsidy will be limited to the past year's cost plus an inflation adjustment." Because Dixon and VTA had not requested operating assistance in previous cycles, the inflation adjustment was applied to their previous year's Preventive Maintenance amount.
  - VTA is the only project sponsor whose award amount was affected by this cap.
  - Implementing a cap allowed all of the (non-capped) operations projects to receive 44% of the amount requested. If a cap were not implemented, all operations projects would have received just 24% of the amount requested.
- Priority 3, 4, 5 and 6 requests were not funded

**Issues:**

- (1) Rio Vista's award amount was made conditional on action by the City Council to discontinue the use of Transportation Development Act (TDA) funds for non-transit purposes as of July 1, 2010. The Council approved this action on February 4, 2010. Given the limited funds for all operators, staff wanted to ensure that all available funds for transit were being used by the city going forward before recommending award of these limited discretionary funds.
- (2) Staff will be working with all non-urbanized area operators to develop a new approach to distributing operating funds that takes into account total operating cost in non-urbanized areas as well as the share dedicated to non-urbanized costs. This discussion and any resulting policy revisions will inform FY 2011 programming.

**Recommendation:** Refer MTC Resolution No. 3935 to the Commission for approval.

**Attachments:** MTC Resolution No. 3935

Date: March 24, 2010  
W.I.: 1512  
Referred By: PAC

ABSTRACT

Resolution No. 3935

This resolution adopts the FY 2009-10 Federal Transit Administration (FTA) Nonurbanized Area Formula (Section 5311) Program of Projects for the San Francisco Bay Area.

The resolution includes the following attachment:

Attachment A - FTA Section 5311 Nonurbanized Area Formula Program FY 2009-10

Further discussion of this action is contained in the MTC Programming and Allocations Committee Summary sheet dated March 10, 2010.

Date: March 24, 2010  
W.I.: 1512  
Referred By: PAC

Re: Program of Projects in the San Francisco Bay Area for the FY 2009-10 Federal Transit Administration (FTA) Nonurbanized Area Formula (Section 5311) Funds

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 3935

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

WHEREAS, MTC is the designated metropolitan planning organization (MPO) for the nine-county San Francisco Bay Area; and

WHEREAS, the U.S. Department of Transportation (DOT) has adopted rules and regulations (23 CFR 450 and CFR 613) which require that the MPO, in cooperation with the state and publicly-owned operators of mass transportation services, carry on a continuing, cooperative and comprehensive transportation planning process that results in plans and programs consistent with the comprehensively planned development of the urbanized area, as a condition to the receipt of federal capital or operating assistance; and

WHEREAS, Section 5311 Title 49 of the United States Code (formerly Section 18 of the Federal Transit Act (FTA) provides a formula grant program for public transportation projects in areas other than urbanized areas (49 U.S.C. Section 5311); and

WHEREAS, MTC has developed, in consultation with interested transportation providers, a FY 2009-10 FTA Nonurbanized Area Formula Program of Projects for the San Francisco Bay Area, attached hereto as Attachment A, and incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FY 2009-10 FTA Nonurbanized Area Formula Program of Projects as listed on Attachment A; and, be it further

RESOLVED, that MTC intends, subject to appropriate project review, to approve regional, state and federal assistance for projects that are identified on Attachment A; and, be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to modify the FY 2009-10 Program of Projects as listed on Attachment A to match the actual FTA Nonurbanized Area Formula fund appropriation.

METROPOLITAN TRANSPORTATION COMMISSION

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Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on March 24, 2010.

**Federal Transit Administration**  
**Section 5311 Nonurbanized Area Formula Program**  
**FY 2009-10**

**FY 2009-10 Funding Available:**

Apportionments (Est.)	\$	1,236,881
Prior Year Carryover:		<u>0</u>
<b>Total Funding Avail.</b>	<b>\$</b>	<b>1,236,881</b>

**FY 2009-10 Programming:**

<u>Applicant</u>	<u>Project Description</u>	<u>Project Type</u>	<u>Sect. 5311 Program</u>	<u>Sect. 5311 Request</u>	<u>Total Project Including Match</u>
Napa County Transit	Vehicle Replacements	Cap	\$ 316,033	\$ 316,033	\$ 356,978
Sonoma County Transit	Vehicle Replacements	Cap	\$ 124,000	\$ 248,000	\$ 155,000
Dixon	Operating Assistance	Oper	\$ 20,239	\$ 46,178	\$ 83,460
Rio Vista	Operating Assistance	Oper	\$ 43,827	\$ 100,000	\$ 200,000 (1)
Vallejo	Operating Assistance	Oper	\$ 87,194	\$ 198,953	\$ 398,991
Fairfield-Suisun Transit/STA	Operating Assistance	Oper	\$ 76,553	\$ 174,673	\$ 315,693
LAVTA	Operating Assistance	Oper	\$ 93,590	\$ 213,547	\$ 385,950
Marin County Transit	Operating Assistance	Oper	\$ 198,811	\$ 453,635	\$ 819,871
SamTrans	Operating Assistance	Oper	\$ 74,671	\$ 170,378	\$ 395,284
Sonoma County Transit	Operating Assistance	Oper	\$ 63,549	\$ 145,000	\$ 624,000
<u>VTA</u>	<u>Operating Assistance</u>	<u>Oper</u>	<u>\$ 138,414</u>	<u>\$ 1,753,880</u>	<u>\$ 3,169,854</u>
Total Programming			\$ 1,236,881	\$ 3,820,277	\$ 6,905,081
Total Available			<u>\$ 1,236,881</u>		
Available for Carryover			\$ -		

Notes:

(1) Rio Vista amount may be adjusted pending the outcome of TDA claim discussions.