

Metropolitan Transportation Commission Programming and Allocations Committee

May 9, 2012

Item Number 3a

SolTrans Transition Funding Framework

Subject: Framework for Providing Funding to Support SolTrans Transition

Background: The Solano Transportation Authority (STA) has been providing financial and staff support to SolTrans during its initial year of operations, as it transitions functions from the cities of Vallejo and Benicia to a consolidated transit service. During this year, there have been some unanticipated challenges, and SolTrans and the STA are requesting that MTC support an additional \$2.4 million for the transition. The funding would be used to pay for one time transition and startup expenses and to strengthen the financial footing of the newly consolidated transit system. It is expected that in the long run, the formation of SolTrans will result in savings through consolidation of service contracts, staffing, and improved service efficiencies.

Staff is recommending financial support for SolTrans, consistent with the Transit Sustainability Project policy framework, which calls for MTC to support agencies and monitor their progress through the consolidation process. The summary of funding is listed below. Note that specific programming and allocation actions from these fund sources will be considered separately over several Committee meetings.

Proposed Funding Source	Proposed Amount	Proposed Use	Proposed Allocation Program and MTC Committee
Lifeline Transportation Program, Prop 1B PTMISEA (Solano County Share)	\$1,000,000	Funding exchange to provide operations funding	Lifeline Transportation Program Prop 1B, Item 3c at 5/9/12 Programming & Allocations Committee
Lifeline Transportation Program, State Transit Assistance Funds (Solano County Share)	\$200,000	Operations funding	Lifeline Transportation Program, Anticipated for 6/13/12 Programming & Allocations Committee.
Regional Measure 2 Marketing Program	\$260,000	Marketing and outreach for SolTrans and related services	RM2 Operating Program, Item 3b at 5/9/12 Programming & Allocations Committee.
STP Cycle 2 Transit	\$1,000,000	Preventive Maintenance	One Bay Area Grant Program, Anticipated for 5/11/12 Planning Committee
Total	\$2,460,000		

The use of Proposition 1B funds, for which only capital projects are eligible, will necessitate a funding exchange. The Prop 1B funds will be programmed to a bus procurement that would otherwise have been paid for with State Transit Assistance funds; and instead, the State funds will go to support SolTrans operations.

The STA Board has approved the Lifeline Transportation Program Proposition 1B program for Solano County including the bus procurement project, and is expected to consider the program for the remaining Lifeline Transportation Program funds (State Transit Assistance) and the RM2 Marketing request at their May 9, 2012 meeting.

Issues:

1. A number of funding programs are involved, and approval of the actual allocations would occur when the Commission considers those various programs. This item is for Committee consideration of the overall funding framework. Should the Committee request changes to the proposed framework, commensurate changes would be made with the affected programs (Lifeline Transportation Program, Regional Measure 2, and STP/One Bay Area Grant).

2. The STA Board will consider the Lifeline Transportation Program funds (State Transit Assistance) and the RM2 Marketing request at their May 9 meeting. Should they not approve the requests, staff recommends that those funding allocations be removed from Commission consideration.

Recommendation: Committee approval of the overall funding framework.

Attachments: None