

Attachment 5

THE BAY AREA PARTNERSHIP

DATE: March 29, 2004

TO: Partnership Transit Capital Priorities Committee

FR: Steve Heminger

RE: Follow-up Items

At the first meeting of this committee, participants included general managers of the region's interested transit properties, executive directors of the region's congestion management agencies (CMAs), FTA, and Caltrans. The following tasks and lead agencies were assigned:

- § Develop several funding scenarios using updated capital data to establish the funding amount that each operator would receive under 1) the existing regional priority model; 2) a multi-county agreement model; and 3) a flexible incentive model (MTC);
- § Summarize the universe of inter-operator agreements in the region (MTC);
- § Compile a list of issues/concerns with the Transit Capital Priorities (TCP) Process and Criteria (JPB/Samtrans); and
- § Identify policy issues and recommendations concerning preventive maintenance (CCCTA).

Accompanying this memo are several attachments that inform the funding scenario analysis:

- § **Attachment A** summarizes the 10-year capital needs submitted by each operator. This information is provided as total need as well as capped need per MTC policy of limiting annual projects as follows: \$20 million for bus replacement, \$30 million for rail car or ferry vessel replacement/rehabilitation projects, \$7.5 million for other replacement projects, and \$3.75 million for expansion or enhancement projects.
- § **Attachment B** provides a comparison chart of the percent of funding that each operator was estimated to receive in the 2001 Regional Transportation Plan – based on 10-year historical funding levels prior to the urbanized area changes – compared to what they might receive based on the current need snapshot under three distribution scenarios: 1) the existing regional priority model; 2) a multi-county agreement model; and 3) a flexible incentive model.
- § **Attachment C** provides a brief explanation of the three funding distribution methodologies. Attachment C also lists additional cost assumptions and observations about the capital data that was submitted to MTC for this exercise.
- § **Attachment D** summarizes the funding amounts for FTA Section 5307 and 5309 separately and combined for each of the operators under the various funding scenarios.
- § **Attachment E** summarizes the agreements that exist between the operators in the region. Note that, based on our discussions with the transit operators, only five agreements affect the FTA federal capital funding (shown on the first page of Attachment E). Three of these agreements are actually included in the existing regional priority model because they have only minimal effect on multiple urbanized areas.

Ian McAvoy (JPB/Samtrans) and Rick Ramacier (County Connection) will provide verbal reports on the TCP issues compilation and the preventive maintenance task force.

Attachment A: 10-Year Capital Need As Submitted by Operators

10-Year Total Capital Need (with 50% increase in bus costs to account for more stringent CARB requirements)

Operator	Score 16 (non-Fixed Guideway)	Score 16 Fixed Guideway	Score 15	Score 14	Score 13	Score 12	Score 11	Score 10	Score 9	Score 8	Total
AC Transit	392,189	-	1,361	65	66,749	-	3,714	43,620	443,336	28,169	979,203
ACE	-	49,000	5,000	-	1,600	4,000	-	-	-	-	59,600
BART	-	2,195,627	186,225	-	134,573	227,095	15,489	83,588	82,410	-	2,925,007
Benicia	3,331	-	-	-	-	-	-	-	-	-	3,331
Caltrain	-	770,260	35,900	11,500	44,900	187,260	-	-	30,800	222,160	1,302,780
CCCTA	80,672	-	200	-	14,250	7,300	840	-	23,380	20	126,662
ECCTA	39,114	-	2,400	-	500	-	425	750	5,590	27,764	76,543
Fairfield	1,995	-	-	-	100	22,150	-	-	-	755	25,000
GGBHTD	180,465	80,750	2,125	16,165	8,750	10,940	-	8,290	163,150	-	470,635
LAVTA	45,636	-	-	-	-	-	-	-	1,000	-	46,636
Muni	526,155	330,978	25,316	12,205	303,772	9,392	17,160	12,220	288,979	2,709,617	4,235,794
Napa	15,363	-	-	-	5,000	-	-	-	-	-	20,363
Samtrans	228,404	-	698	250	8,449	350	4,248	1,242	48,916	73,243	365,800
SR City	22,626	-	1,904	1,305	800	5,527	-	-	-	1,035	33,197
Sonoma	13,187	-	-	-	20,000	-	-	-	-	-	33,187
Union City	10,486	-	-	-	2,500	-	-	-	-	-	12,986
Vacaville	7,418	-	-	-	-	550	150	640	45	-	8,803
Vallejo	26,608	10,000	-	-	4,200	-	-	-	10,052	28,164	79,024
VTA	16,387	44,359	-	27,576	122,088	14,538	-	7,730	179,278	77,201	489,157
WestCat	18,152	-	-	-	227	-	355	-	-	6	18,740
Total	1,628,185	3,480,974	261,129	69,066	738,458	489,102	42,381	158,080	1,276,936	3,168,134	11,312,446

10-Year Total Capital Need Capped Per MTC Policy (with 50% increase in bus costs to account for more stringent CARB requirements)

Operator	Score 16 (non-Fixed Guideway)	Score 16 Fixed Guideway	Score 15	Score 14	Score 13	Score 12	Score 11	Score 10	Score 9	Score 8	Total
AC Transit	309,391	-	1,361	65	66,749	-	3,714	43,620	443,336	28,169	896,405
ACE	-	34,790	3,550	-	1,136	2,840	-	-	-	-	42,316
BART	-	627,000	75,000	-	134,573	227,095	15,489	83,588	82,410	-	1,245,155
Benicia	3,331	-	-	-	-	-	-	-	-	-	3,331
Caltrain	-	385,813	35,900	11,500	44,900	187,260	-	-	30,800	222,160	918,333
CCCTA	80,672	-	200	-	14,250	7,300	840	-	23,380	20	126,662
ECCTA	39,114	-	2,400	-	500	-	425	750	5,590	27,764	76,543
Fairfield	1,995	-	-	-	100	22,150	-	-	-	755	25,000
GGBHTD	166,945	80,750	2,125	16,165	8,750	10,940	-	8,290	163,150	-	457,115
LAVTA	45,636	-	-	-	-	-	-	-	1,000	-	46,636
Muni	263,734	184,584	25,316	12,205	303,772	9,392	17,160	12,220	288,979	2,709,617	3,826,979
Napa	15,363	-	-	-	5,000	-	-	-	-	-	20,363
Samtrans	205,416	-	698	250	8,449	350	4,248	1,242	48,916	73,243	342,812
SR City	22,626	-	1,904	1,305	800	5,527	-	-	-	1,035	33,197
Sonoma	13,187	-	-	-	20,000	-	-	-	-	-	33,187
Union City	10,486	-	-	-	2,500	-	-	-	-	-	12,986
Vacaville	7,418	-	-	-	-	550	150	640	45	-	8,803
Vallejo	26,608	10,000	-	-	4,200	-	-	-	10,052	28,164	79,024
VTA	16,387	44,359	-	27,576	122,088	14,538	-	7,730	179,278	77,201	489,157
WestCat	18,152	-	-	-	227	-	355	-	-	6	18,740
Total	1,246,458	1,367,296	148,454	69,066	737,994	487,942	42,381	158,080	1,276,936	3,168,134	8,702,742

Attachment B: Comparison of Funding by Operator between 2001 RTP and Various Distribution Scenarios

Operator	2001 Regional Transportation Plan	Model 1: Regional Priority Model	Model 2: Multi-County Agreements	Model 3: Flexible Incentive Model (Ridership) *
AC Transit	8.0%	10.3%	10.1%	9.7%
ACE	N/A	1.3%	1.2%	1.1%
BART	16.0%	22.6%	20.9%	22.0%
Caltrain	14.0%	17.5%	12.9%	12.8%
CCCTA	1.0%	2.7%	2.6%	2.4%
GGBHTD	5.0%	8.3%	8.2%	7.7%
LAVTA	1.0%	1.5%	1.5%	1.4%
Muni	36.0%	15.5%	14.8%	15.9%
Samtrans	3.0%	6.8%	6.7%	6.2%
Vallejo	1.0%	1.2%	1.2%	1.2%
VTA	12.0%	7.1%	14.7%	14.7%
Benicia	}	0.1%	0.1%	0.1%
ECCTA		1.3%	1.3%	1.2%
Fairfield		0.6%	0.6%	0.6%
Napa		0.5%	0.5%	0.5%
SR City		0.8%	0.8%	0.8%
Sonoma		0.4%	0.4%	0.4%
Union City		0.3%	0.3%	0.3%
Vacaville		0.4%	0.4%	0.4%
WestCat		0.6%	0.6%	0.6%
Total		100.0%	100.0%	100.0%

*The Flexible Incentive Model Builds onto the Multi-County Agreement figures.

ATTACHMENT C – ASSUMPTIONS AND OBSERVATIONS

Assumptions:

§ *The Regional Priority Model*

MTC's current policy prioritizes high scoring capital projects and apportsions projects to eligible urbanized areas based on available funds. The first step for determining apportionments is to assess the region's capital needs in score order (from revenue vehicles/track rehab to operating and expansion). The highest scoring projects are constrained to the regional funds available in any given year and then apportioned to eligible urbanized areas. After this first step, UAs with funds available can fund lower scoring projects, and UAs with a shortfall would have their highest scoring capital projects proportionately reduced.

The Regional Priority Model assumed all conditions in MTC Resolution 3580:

- § ACE does not claim funds in the San Jose or Livermore UAs.
- § Golden Gate does not claim funds in the Santa Rosa UA.
- § Santa Rosa UA funds split 75%/25% Santa Rosa City Bus/Sonoma respectively.
- § Westcat does not claim funds in the Vallejo UA.

§ *Multi-County Agreement*

For multi-county operators such as BART, Caltrain, Golden Gate, and ACE, urbanized area apportionments in the formula programs would be guided by negotiated agreements. Future agreements would include representation from each interested county, interested transit property, or an appointed designee, and be approved by all operators in the affected UA and MTC. Aside from these agreements, funds would be apportioned based on the regional priority model.

- This model included all the agreements listed above and the Joint Powers Agreement (JPA), which guides Caltrain's funding policies.
- The JPA apportsions Caltrain's capital costs to the concerned counties 33%/33%/33% Santa Clara/San Mateo/San Francisco. This apportsions 33% of Caltrain's projects to the San Jose UA and 67% to the San Francisco-Oakland UA. In order to properly define the 33% portion in the San Jose UA, the constraint factors applicable to the San Francisco-Oakland UA first needed to be determined because the San Francisco-Oakland UA is more constrained than all other UAs. Had the analysis incorporated 33% of the gross amount of Caltrain's capital need, the split between the two urbanized areas would have been notably different that the 67%/33% requirement.

§ *Flexible Incentive Model*

In addition to the current ADA set-aside, operators would be eligible to receive some portion of an off-the-top set aside (e.g. 10%). These funds could be used on projects of highest priority to an individual operator and exempt from the Transit Capital Priorities scoring. Operator individual apportionments would be linked to improved performance/increased operating efficiencies and could be used to fund lower scoring capital projects or preventive maintenance. For this analysis, ridership was used as a proxy. Therefore, each operator was assigned a portion of the set-aside based on their percentage of ridership in each urbanized area in which they operate. For the remaining 90% of funds, the regional priority model, modified to incorporate multi-county agreements, was assumed to guide programming decisions.

- § For all analyses, the costs associated with CARB bus transit rule were modeled at 1.5% of the current regional bus cost

Ability to Fund Project for Various Models

- § After funding all of the capped eligible needs under the Multi-County Agreement Model, there was \$29.7 million left over in FTA Section 5309 FG funds in the San Jose UA.
- § The Regional Priority Model funded all score 16 projects. Isolated small UA projects were fully funded. Some score 15 projects were funded in the large urbanized areas of San Francisco-Oakland, Concord, and Antioch. The analysis indicated that the San Jose UA funded down to some score 12 projects.
- § The Multi-County Agreement funded only score 16 project in San Francisco-Oakland, Concord, and Antioch. In the San Jose urbanized area, VTA projects were funded through score 9 with a portion of funding going to score 8, but Caltrain was constrained to score 16.

Observations:

- § Costs submitted by operators were not always consistent with regional bus/van price lists.
- § VTA's submittal includes \$84 million for hydrogen fueling stations.
- § VTA has no vehicle replacements in the 10 year period.
- § SF Muni disaggregated their motor coach fleet into just two sub-fleets - the net affect is that it artificially caps Muni's projects resulting in a significantly lower amount of formula funds to Muni.
- § SF Muni has no LRV replacements in the 10-year period.
- § BART fleet replacements begin in outer years of 10-year period but full impact to program is not known.
- § BART's fleet replacement plan is somewhat inconsistent with their draft SRTP
- § Capital data used is 100% of project cost (not 80% or federal costs).

Attachment E

AGREEMENTS THAT AFFECT TRANSIT CAPITAL PRIORITIES

Title	Description	Formal	Included in TCP Policy	MTC Notes
Joint Powers Agreement Peninsula Corridor Project	Capital and operating cost sharing between Santa Clara, San Mateo, and San Francisco Counties. Member Agencies shall support the equal sharing of Federal funding for replacement and enhancement projects	Yes	No	
ACE Agreement (Alameda County CMA/Santa Clara TA/San Joaquin Regional Rail Commission)	Cooperative Services Agreement	Yes	Yes	
Santa Rosa CityBus and Sonoma County Transit Agreement	Agreement on formula fund split based on population (currently 75% SR City Bus/25% Sonoma County) and other issues	Yes	Yes	Santa Rosa UA is relatively isolated from the region's core urbanized areas. Any capital overflow impact on adjacent urbanized areas is largely blocked because the only other urbanized area that Sonoma can claim funds from is Petaluma
Golden Gate-Sonoma	Operating cost agreement	Yes (MTC Res. 2858)	Yes	To minimize urbanized area fragmentation, MTC requests operators with limited service in adjacent urbanized areas to report revenue miles in the UA with the largest share of their service. Golden Gate's service miles in Santa Rosa are reported in San Francisco Oakland.
BART-Tri-Delta agreements	General memorandum of Understanding (1996) about sharing formula funds followed by a more specific 1997 agreement for feeder bus procurement. This agreement identifies priorities for use of federal UZA funds, places caps on the number of BART cars to be rehabilitated from the Antioch-Pittsburg UZA, and specifies Antioch-Pittsburg UZA funding for feeder buses. BART to report NTD miles under Antioch-Pittsburg.	Yes - Expired	No	Agreement terminates with written notice of both parties. Staff of both agencies have informed MTC that agreement is no longer in effect. MTC cannot confirm.

OTHER AGREEMENTS

Title	Description	Formal	Included in TCP Policy	MTC Notes
MTC BART agreement re WestCAT, LAVTA, CCCTA, and ECCTA	Feeder bus agreement	Yes		
Golden Gate-Marin (TDA only)	Operating cost agreement	Unsure		
Capitol Corridor	JPA BART/Amtrak	Yes		
Dumbarton Bridge Express (SamTrans, VTA, AC, BART, and Union City)	Cooperative Services Agreement	Yes		
Revenue-Sharing AC Transit and BART	Operating agreement (transfers)	Unsure		
Revenue-Sharing Muni and BART	Operating agreement (transfers)	Unsure		
AB 1107 Agreement - Muni/AC	Defines the split of AB 1107 non-BART funds between operators.	No		
Napa - Vallejo	Agreement to fund certain portions of capital needs	No		
Vallejo - Benicia	Interagency agreement to provide system management	No		
BART Plus	Interagency agreements between operators	Yes		
CCCTA with ACE	Agreement for Feeder Service	Yes		
CCCTA with BART	Agreement for Paratransit Service Provision	Yes		
Implementation of TransLink Automated Fare Collection Program in the BART system	MOU between MTC and BART regarding roles and responsibilities, funding and scope.	Yes		
LAVTA-VTA & SMART	Bus breakdown in LAVTA service area	Unknown		
Agreement Between the Santa Clara VTA and BART	Santa Clara BART extension	Yes		
SFO BART Extension Cost Sharing between BART and SamTrans	Operating cost sharing on SFO extension	Yes		
TravInfo®	MTC agreement with operators	Yes		
TransLink®	Interagency agreements between operators and operators	Yes		
BART and WestCAT	Feeder bus agreement	Yes		
BART with LAVTA	Feeder bus agreement	Yes		
BART with CCCTA	Feeder bus agreement	Yes		
BART with AC Transit	Operation of East Bay Paratransit Consortium	Yes		
Golden Gate-WCCTA (Transfers only)	Transfers for GG Route 40 and Westcat Route 30Z	Yes		
Capitol Corridor and VTA (Transfers only)	Procedures for dealing with CCJPA transfers	Yes		