

**Metropolitan Transportation Commission
Programming and Allocations Committee**

June 13, 2007

Item Number 4c

Resolution No. 3820

Subject: Programming and allocation of approximately \$3 million in Five Percent Unrestricted State Fund Revenues and \$1.1 million in Two Percent Bridge Toll Revenues. The Five Percent Revenues are proposed to continue to fund the San Francisco Bay Trail project and operations of the Alameda/Oakland Ferry, Alameda Harbor Bay Ferry, and Vallejo ferry services through FY 2007-08. The Two Percent Revenues are proposed to fund specific ferry capital improvements and maintenance.

Background: The Two Percent Bridge Toll revenues are derived from the transit element of Regional Measure 1. The Five Percent Unrestricted State Fund Revenues are state funds derived from a cooperative agreement between the California Department of Transportation, Federal Highway Administration, and the Bay Area Toll Authority (BATA) following state action to “federalize” certain toll bridge projects under BATA’s jurisdiction. The state funds replace the Five Percent Bridge Toll Program funds originally generated from RM 1 bridge toll revenues for ferry operations. New programming and allocations policies were established in Resolution No. 3288 in July 2000 and revised in April 2002 and July 2002.

In July 2002, the Commission implemented a 40% farebox recovery performance measure for eligibility to claim Five Percent Unrestricted State Fund Revenues. All of the ferry operators report exceeding the 40% target. Final farebox figures for FY 2005-06 will be available when National Transit Database reports are issued later this year.

Issues: **(1) Bay Trail:** ABAG requested an increase in funding for the Bay Trail project to \$500,000 to account for inflation. With some exceptions, the Bay Trail project was level-funded at \$140,000 each year from FY 1997-98 to FY2006-07. Staff is recommending a one-time increase to \$170,000 in FY2007-08, which is equivalent to a 2% annual increase from the FY 1997-98 base year.

(2) Ferry Operations Funding Split: The Two Percent bridge toll revenues are divided into northern and southern accounts based on actual toll collections from the two bridge groups. Under Resolution 3288, Five Percent Unrestricted State Fund Revenues are also divided into northern and southern accounts in the same proportions. Historically, all allocations for ferry capital projects and operations from the northern accounts have been made to the Vallejo Baylink ferry, while all allocations from the southern accounts have been made to the Alameda-Oakland and Alameda Harbor Bay ferries (allocations for the Bay Trail project are drawn equally from the northern and southern accounts).

Staff is recommending that FY 2007-08 be the last year of allocating the Five Percent Funds for ferry operations in this manner, and that, starting in FY 2008-09, the allocations be more reflective of relative ridership. The following factors and analysis supports this recommendation: 1) Vallejo's ferry service helps address congestion on the Bay Bridge, which is in the southern group, as well as the northern bridge group; 2) Operating costs correlate more closely with ridership, and ridership on the Vallejo ferry exceeds ridership on both Alameda ferries combined. In FY 2005-06 the Vallejo Baylink ferry had 61 percent of the combined ridership of the three ferry systems, but received only 47 percent of the Five Percent funds allocated to ferry operations over the last two years because of the practice of limiting Vallejo to the North Bridge Group. To mitigate the impact on Alameda ferry operations, staff is recommending a phased approach to implementing this policy change to avoid undue hardship on the Alameda ferries.

(3) Projects Not Recommended for Funding: BART requested \$181,600 in Five Percent funds to support operating costs of three bike stations. Staff is not recommending funding this project because ferry operations are a higher priority, and because funding for ferry operations was reduced from requested levels.

The City of Albany requested \$100,000 in Five Percent funds for construction of a bike path along Pierce Street. Staff is not recommending funding this project because under Resolution 3288, bicycle planning and operations are eligible, but not construction. In addition, ferry operations are a higher priority, and funding for ferry operations was reduced from requested levels.

Recommendation: Refer MTC Resolution No. 3820 to the Commission for approval.

Attachments: MTC Resolution No. 3820

Date: June 27, 2007
W.I.: 1514
Referred by: PAC

ABSTRACT

Resolution No. 3820

This resolution approves the Five Percent Unrestricted State Fund Revenues and the Two Percent Bridge Toll Revenues program of projects and allocation of funds for the FY 2007-08. Attachment A to this resolution lists the projects to be funded.

Further discussion of the programming and allocation is contained in the MTC Programming and Allocations Summary sheet dated June 13, 2007.

Date: June 27, 2007
W.I.: 1514
Referred by: PAC

RE: Programming and Allocation of Five Percent Unrestricted State Fund Revenues and Two Percent Bridge Toll Revenues in the Fiscal Year 2007-08 to Various Claimants

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 3820

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

WHEREAS, with the toll increase authorized by the Regional Measure I, approved by the voters on November 8, 1988, 3% of the revenue from the toll increase collected on all the state-owned bridges in the region may be allocated by MTC pursuant to Streets and Highways Code §§ 30913 and 30914, for certain projects which are designed to reduce vehicular traffic congestion on these bridges; and

WHEREAS, Streets and Highways Code §§ 30913 and 30914 have been amended to require that an additional 2% of those toll revenues be allocated by MTC for the planning, construction, and acquisition of rapid water transit systems; and,

WHEREAS, pursuant to Streets and Highways Code § 30894, MTC has adopted MTC Resolution No. 2004, revised which sets forth MTC's Bridge Toll Revenue Allocation Policy; and

WHEREAS, MTC has adopted Resolution No. 3288, Revised which established the Five Percent Unrestricted State Fund Revenues and Two Percent Bridge Toll Revenues Interim Programming and Allocation Policy; and

WHEREAS, the claimants listed on Attachment A have submitted applications to MTC for allocation of Five Percent Unrestricted State Fund Revenues and Two Percent Bridge Toll Revenues in FY 2007-08; and

WHEREAS, those applications are for projects and purposes that are in conformance with MTC's Regional Transportation Plan, with the requirements of the California Environmental Quality Act (Public Resources Code § 2100 et seq.) and the State EIR Guidelines (14 Cal. Admin. Code § 15000 et seq.); now therefore, be it

RESOLVED, that MTC approves the programming and allocation of Five Percent Unrestricted State Fund Revenues and Two Percent Bridge Toll Funds in FY 2007-08 to the claimants, in the amounts, for the purposes, and subject to the conditions listed on Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length.

METROPOLITAN TRANSPORTATION COMMISSION

Bill Dodd, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California on June 27, 2007.

Date: June 27, 2007

W.I.: 1514

Referred by: PAC

Attachment A
Resolution No. 3820

Page 1 of 1

ALLOCATION OF FIVE PERCENT UNRESTRICTED STATE FUND REVENUES AND
AND TWO PERCENT BRIDGE TOLL REVENUES
FOR THE FISCAL YEAR 2007-08

Claimant	Project Description	Allocation Amount	Alloc. Code	Approval Date
<i>Five Percent Unrestricted State Fund Revenues</i>				
Vallejo	Baylink Ferry Operations	\$1,217,444	01	06/27/07
City of Alameda	Alameda-Oakland Ferry Operations	1,156,022	02	06/27/07
City of Alameda	Harbor Bay Ferry Operations	450,000	03	06/27/07
ABAG	Bay Trail Operations	170,000	04	06/27/07
Total - Five Percent Unrestricted State Fund Revenues		\$2,993,466		
<i>Two Percent Bridge Toll Revenues</i>				
<i>Northern Bridge Group</i>				
Vallejo	Baylink Ferry Capitalized Maintenance	\$494,739	05	06/27/07
		Subtotal		
		\$494,739		
<i>Southern Bridge Group</i>				
City of Alameda	Alameda Peralta Engine Replacement	\$317,250	06	06/27/07
City of Alameda	Alameda Peralta Dry Dock and ADA Modification	171,719	07	06/27/07
City of Alameda	Alameda Main Street Terminal Dock Replacement	153,373	08	06/27/07
		Subtotal		
		\$642,342		
Total - Two Percent Restricted Bridge Toll Revenues		\$1,137,081		
TOTAL		\$4,130,547		