

# SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

## STAFF REPORT

**MEETING DATE:** June 10, 2009  
**SUBJECT:** Conditional Approval of Transportation Development Act (TDA) Claims for FY 2009/2010

### SUMMARY

SLOCOG approved the 2009/2010 annual apportionment of Transportation Development Act (TDA) funds (\$10,504,000) at the April 8, 2009 meeting. The Local Transportation Fund (LTF) includes an increase from the revised 2008/2009 estimates, and the State Transit Assistance (STA) has been excluded in the adopted state budget.

This staff report includes a resolution (ATTACHMENT A) authorizing the Executive Director to approve claims for funds as submitted and authorizing the release of funding based on the conditions, filing requirements, and proposed use of funding noted in EXHIBITS A and B of the resolution.

As of May 20, 2009, 2008/2009 LTF receipts are lower than projected. The cash balance projected for July 1, 2009, may be used in the current fiscal year to make up for the anticipated shortfall. This may delay 2009/2010 first quarter disbursements. Staff will continue to closely monitor revenue.

### RECOMMENDATION

**Staff:** Adopt resolution authorizing the Executive Director to approve 2009/2010 TDA claims, authorize TDA funds to be released based on the amounts, conditions, and filing requirements noted in EXHIBITS A and B of the resolution.

### SSTAC/TTAC/CTAC:

### DISCUSSION

ATTACHMENT A is a resolution *conditionally* approving TDA recipients' claims for funds.

EXHIBIT A of the resolution identifies the total TDA funds apportioned in April for Local Transportation Funds (LTF).

EXHIBIT B lists the conditions and filing requirements mandated under TDA that must be met by each claimant before TDA funds are released. In summary, recipients must submit to SLOCOG:

- a claim for their approved funding,
- an annual State Controller's report,
- a California Highway Patrol Safety Inspection Report,
- statistics for tracking performance,
- a compliance audit of the prior year's TDA revenues and expenditures, and
- notice of reasonable progress towards meeting productivity enhancement recommendations.

### Local Transportation Funds (LTF) (\$10,504,000) Eligible Uses:

- Bikeways/Pedestrian Ways – 2% of the total LTF available for distribution to the cities and County is apportioned by population to each municipality specifically for bikeway and/or pedestrian projects (calculated *after planning contribution and before Consolidated Transportation Services Association [CTSA] contribution per TDA regulations*). Of the 2% available for bikeway and/or pedestrian projects, 5% is eligible for bicycle safety education programs.

- Joint Powers Agreement (JPA) Member Contributions – these are contributions to San Luis Obispo Regional Transit Authority (RTA) and South County Area Transit (SCAT). RTA’s budget was adopted May 13, 2009, and the SCAT budget was adopted April 29, 2009. For RTA, the County pays 49% of regional transit needs, San Luis Obispo City 18%, with the remainder split on a population basis amongst the cities. The SCAT formula is population based for those jurisdictions.
- Discretionary Uses – the balance of the LTF funds may be used for local transit, subsidized taxis, senior vans, street/road improvements, TDA audit costs, and other transportation projects. These amounts (in Column 7 of Exhibit A) will be determined by each agency in their claim.

Performance Audits (SLOCOG) (\$45,000)

SLOCOG will conduct Performance Audits for Atascadero, Morro Bay, Paso Robles and SCAT. The adopted SLOCOG budget includes revenue (\$60,000) for these audits. SLOCOG will include the LTF revenue in their State Controller’s Report from Atascadero, Morro Bay and Paso Robles (\$45,000). SLOCOG will invoice SCAT for their portion of the audit (\$15,000).

Rural Transit Fund (RTF) (\$537,466)

The RTF Program of Projects was approved at the April 8, 2009 meeting. Since 2003, SLOCOG has programmed all Federal Transit Administration (FTA) funds from the Non-Urbanized Area Program (FTA Section 5311) to RTA for operations. In exchange, SLOCOG allocates the same amount of TDA funds competitively that would have been used by RTA for operations. This process streamlines the cumbersome federal requirements for procuring vehicles for the smaller transit operations. This program results in no additional LTF required from local jurisdictions.

Rural Transit Fund (RTF) Carryover (\$33,502)

San Luis Obispo County (via RTA) requested a carryover amount of \$33,502 for the purchase of a trolley. RTA is seeking additional funding through American Recovery and Reinvestment Act (ARRA); they plan to add this carryover to the ARR funding for the purchase of a new trolley.

State Transit Assistance (STA) Funds (\$0)

The state budget excludes all STA funding in fiscal year 2009/10.

**ATTACHMENT A**

**SAN LUIS OBISPO COUNCIL OF GOVERNMENTS  
RESOLUTION NO. 09- \_\_\_  
RESOLUTION CONDITIONALLY APPROVING SAN LUIS OBISPO REGION  
TRANSPORTATION DEVELOPMENT ACT CLAIMS (FY 2009/2010)**

The following Resolution is now offered and reads:

**WHEREAS**, the Transportation Development Act provides for the designation of a "Transportation Planning Agency" responsible for the development of a regional transportation plan, and the allocation of funds from the Local Transportation Fund and the State Transit Assistance fund to claimants; and

**WHEREAS**, the Secretary of the Business and Transportation Agency has designated the San Luis Obispo Council of Governments (hereinafter SLOCOG) as the designated Transportation Planning Agency; and

**WHEREAS**, SLOCOG shall, in implementation of the Regional Transportation Plan, allocate annually monies in the Local Transportation Fund (LTF) and the State Transit Assistance (STA) Fund in accordance with the rules and regulations which implement the Transportation Development Act of 1971 (hereinafter TDA), as amended; and

**WHEREAS**, Local Transportation Funds are collected and allocated to the region on a tax revenue basis, with estimates of these funds being provided by the County Auditor; and

**WHEREAS**, State Transit Assistance Funds are excluded in the adopted state budget; and

**WHEREAS**, SLOCOG, on April 8, 2009, approved TDA fund apportionments (Table A) to the seven cities and County of San Luis Obispo and transit operators (hereinafter CLAIMANTS) based on these estimates as shown in **EXHIBIT A**, and SLOCOG has the responsibility to approve claims and release funding subject to conditions and filing requirements as noted in **EXHIBIT B**; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority (hereinafter, RTA) Board fiscal year 2009/2010 budget was approved at the May 13, 2009 meeting, and the South County Area Transit (hereinafter, SCAT) 2009/2010 budget was approved at the April 29, 2009 meeting for member cities and County annual contributions of Local Transportation Funds for regional transit services according to Joint Powers Agency funding formulas, as shown in **Exhibit A**; and

**WHEREAS**, SLOCOG will release funding to each CLAIMANT, as specified in **Exhibit A**, on a quarterly basis or as needed upon satisfactory completion and submittal of all the required documents and conditions listed in **Exhibit B** or if approved by the Executive Director and as funding is available.

**NOW, THEREFORE, BE IT RESOLVED**, that SLOCOG hereby authorizes and directs the Executive Director to find, and require, CLAIMANTS to satisfy the following requirements in accordance with the California Code of Regulations Title 21 Section 6651 and Sections 6750-6754, and Public Utilities Code 99401.5 (d):

1. Assure that all proposed expenditures of TDA funds are consistent with the Regional Transportation Plan, and assure that such expenditures are certified by each CLAIMANT as satisfying all regulatory requirements and conditions upon such expenditures; and
2. By presenting its claim, each CLAIMANT shall thereby certify that all requirements as listed in EXHIBIT B will be satisfied; and
3. By adopting Resolution 09-\_\_ SLOCOG makes funding available to CLAIMANTS for transportation purposes including, but not limited to: public transit services, street maintenance, bikeways and pedestrian ways, and other programs.

**BE IT FURTHER RESOLVED AND ORDERED THAT** the foregoing recitals are found to be true and correct; and that SLOCOG, acting as the officially designated Transportation Planning Agency, hereby finds that: funds will be distributed according to the amounts shown in **EXHIBIT A** subject to modification based on actual funds received; and all conditions and filing requirements described in **EXHIBIT B** will be met prior to the release of this funding. SLOCOG hereby authorizes the Executive Director to approve claims as they are submitted based on those conditions and filing requirements, and authorizes the release of 2009/2010 Local Transportation Funds to all claimants adequately meeting those conditions and filing requirements as approved by the Executive Director.

On motion by Board Member \_\_\_\_\_, seconded by Board Member \_\_\_\_\_, and on the following roll call vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

The foregoing resolution is hereby adopted on this third day of June 2009.

\_\_\_\_\_  
 John P. Shoals, President  
 San Luis Obispo Council of Governments

ATTEST:

\_\_\_\_\_  
 Ronald De Carli, Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

By: \_\_\_\_\_  
 Rita L. Neal, SLOCOG Legal Counsel

Date: \_\_\_\_\_

## EXHIBIT A

### 2009/2010 TRANSPORTATION DEVELOPMENT ACT (TDA) FUND

Jurisdiction/ Transit Property	CA Department of Finance 2008 Population	TOTAL LTF AVAILABLE TO APPORTION	Local Transportation Fund (LTF)											Rural Transit Fund										
			Col. 1	Col. 2	Col. 3	Col. 4			Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12	Col. 13	Col. 14	Col. 15	Col. 16	Col. 17	Col. 18		
			Net LTF Available After RTF Exchange and all Off-the-Top (Note 1)	Committed Funds						Discretionary Uses											TOTAL RTF AWARD	TOTAL LTF and RTF	TOTAL RTF CARRY- OVER	TOTAL LTF RTF and RTF CARRY-OVER
				Bikeway/ Ped. Art. 3 Sec. 99233	Net RTA (Note 2) Art. 4 Sec. 99260	RTA RTF Contribution (Note 3)	Total RTA Contribution (Note 4) Art. 4 Sec. 99260	SCAT (Note 5) Art. 4 Sec. 99260	Performance Audits (SLOCOG) (Note 6)	To Be Determined By Claimant BALANCE AVAILABLE	TDA Audit Art. 3 Sec. 99245	Transit Ops and Planning Art. 4 Sec. 99260	Roads Maint Art. 8 Sec. 99400 (a)	Transit Cap/Spec Srves Art. 8 Sec. 99400 (c)	Performance Audits (SLOCOG)	NET LTF								
Arroyo Grande	17,036	575,489	547,466	11,509	112,737	28,023	140,760	215,471	0	207,749	0	0	0	0	0	0	0	547,466	0	547,466	0	0		
Atascadero	28,590	965,792	918,791	19,315	189,224	47,001	236,225	0	15,000	695,252	0	0	0	0	0	0	0	903,791	0	903,791	0	0		
Grover Beach	13,213	446,345	424,707	8,926	87,534	21,638	109,172	171,425	0	156,822	0	0	0	0	0	0	0	424,707	0	424,707	0	0		
Morro Bay	10,548	356,319	338,937	7,126	69,771	17,382	87,153	0	15,000	247,040	0	0	0	0	0	0	0	323,937	40,000	363,937	0	40,000		
Paso Robles	29,934	1,011,193	962,063	20,223	198,200	49,130	247,330	0	15,000	728,640	0	0	0	0	0	0	0	947,063	0	947,063	0	0		
Pismo Beach	8,603	290,616	276,427	5,812	56,893	14,189	71,082	111,902	0	101,820	0	0	0	0	0	0	0	276,427	0	276,427	0	0		
SLO Transit	50,940	1,720,792	1,624,048	34,414	389,650	96,744	486,394	0	0	1,199,984	0	0	0	0	0	0	0	1,624,048	0	1,624,048	0	0		
SLO County	110,473	3,731,862	3,468,504	74,633	1,060,715	263,358	1,324,073	96,426	0	2,236,730	0	0	0	0	0	0	0	3,468,504	70,000	3,538,504	33,502	70,000		
SLORTA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	0	345,000	345,000	0	345,000		
SCAT	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	n/a	0	0	0	0		
SLOCOG Admin. Art. 3 - 99233.1	n/a	233,916	233,916	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	45,000	278,916	25,000	303,916	0	70,000		
SLOCOG Planning Art. 8 - 99402	n/a	343,315	343,315	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	343,315	0	343,315	0	0		
Rideshare Art. 3/99233.3	n/a	9,577	9,577	9,577	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	9,577	0	9,577	0	0		
Ride-On/CTSA Art. 4.5/99233.7	n/a	468,783	468,783	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	468,783	0	468,783	0	0		
Contingency Fund	n/a	350,000	350,000	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	350,000	0	350,000	0	0		
Unexchanged RTF	n/a	0	0	n/a	n/a	n/a	n/a	n/a	0	n/a	0	0	0	0	0	0	0	0	57,466	57,466	0	57,466		
<b>TOTALS</b>	<b>269,337</b>	<b>10,503,999</b>	<b>9,966,533</b>	<b>191,536</b>	<b>2,164,723</b>	<b>537,466</b>	<b>2,702,189</b>	<b>595,224</b>	<b>45,000</b>	<b>5,574,036</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45,000</b>	<b>9,966,533</b>	<b>537,466</b>	<b>10,503,999</b>	<b>33,502</b>	<b>615,968</b>		

NOTES:  
 1. All "off-the-top" is comprised of SLOCOG (\$577,231), Rideshare Bicycle Safety Education Program (\$9,577), Ride-On (\$468,783), and Contingency Fund (\$350,000).  
 2. The RTA budget is scheduled was approved May 13, 2009. Column 3 (net RTA) is the number that goes in your claim form for total contribution to RTA.  
 3. \$537,466 is the total Rural Transit Fund (RTF). (The Board approved a Contingency of \$57,500 on April 8, 2009; the actual Contingency is \$57,466.)  
 4. If the RTF was not exchanged for LTF, RTA would need this amount in LTF.  
 5. The SCAT budget was approved April 29, 2009.  
 6. On April 8, 2009, the SLOCOG Board approved the budget; it included \$15k in LTF from transit operators for Performance Audits. SLOCOG will include the revenue from Atascadero, Morro Bay and Paso Robles in their State Controller's Report; SLOCOG will bill SCAT \$15k for their Performance Audit, and SCAT will include the revenue on their State Controller's Report.  
 Contingency distributed at the will of the SLOCOG Board.

**EXHIBIT B**  
**SAN LUIS OBISPO COUNCIL OF GOVERNMENTS**  
**CONDITIONS TO BE MET BEFORE RECEIVING TDA FUNDING**  
**June 3, 2009**

***Transportation Development Act claimants shall meet the following conditions prior to receiving TDA funds:***

1. A claim for funds is submitted to SLOCOG which includes:
  - a. The fiscal year and amount being claimed.
  - b. The proposed uses of those funds (transit, bikeways, road improvements, etc.).
  - c. Budget information to determine eligibility for funding (transit claimants only).
  - d. Written justification for an increase or a decrease in total transit budget exceeding 15% (transit claimants only).
  - e. Chief Financial Officer or equivalent certification of the following:
    - Claimant's proposed expenditures are in conformance with the Regional Transportation Plan (RTP) as verified by the SLOCOG Executive Director. CCR 6754 (a) (1).
    - A jurisdictional fund will be established for pedestrian and bicycle allocations for current year or future year expenditures (non-transit claimants). PUC 99233.3.
    - If fare reductions (i.e., discount fares relative to the base adult fare) are offered to seniors, equivalent rates of reduction shall be available to disabled patrons. This eligible group also includes holders of Medicare identification cards (valid forms of identification for reduced fares) pursuant to PUC 99155. If another transit operator has issued a fare discount card to a patron, the same fare reduction privileges shall be granted to that individual while traveling within any other transit service area. PUC 99155.
  
2. Transit Claimants must also comply with the following requirements:
  - a. Claimant is making full use of federal funds available under the Urban Mass Transit Act of 1964 as amended by Intermodal Surface Transportation Equity Act (ISTEA); Transportation Equity Act for the 21<sup>st</sup> Century (TEA 21); and Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).
  - b. Fixed-route operator accepts and handles Regional Day Pass issued by the Regional Transit Authority with revenue-sharing participation per adopted formula among regional and local fixed-route providers (2008 Region wide Fare Improvement Study-Policy A).
  - c. Fixed-route provider accepts Region ALL Pass issued by the Regional Transit Authority with revenue-sharing participation per adopted formula among regional and local fixed-route providers (2008 Region wide Fare Improvement Study-Policy B).
  - d. Claimant has made a reasonable effort to implement the productivity improvements recommended, but not limited to those recommendations related to productivity, in its triennial transit system performance audit as verified by the SLOCOG Executive Director. CCR 6754 (b) (1), PUC 99244, 99246 (a) through (d), and 99247 (a) through (j).
  - e. Claimant is not precluded by any contract entered into on or after June 28, 1979 from employing part-time drivers or from contracting with common carriers of persons operating under a franchise or license. CCR 6754 (b) (2).
  - f. Claimant has been issued a certificate by the California Highway Patrol (CHP) verifying that the operator is in compliance with sections 1808.1 and 34501 of the California Vehicle Code. CCR 6754 (b) (3).
  - g. Article 4.5 claimants (providers of transit services for persons who cannot use conventional transit services): are responding to special transportation needs not otherwise met by traditional public transit; provide opportunities for service integration when appropriate; will provide an

estimate of revenues, operating costs, and patronage; is in compliance with fare recovery ratios required by SLOCOG. PUC 99275.5 (c) (4). (Ride-On CTSA only.)

- h. Priority consideration has been given to claims to offset reductions in federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs. CCR 6754 (5).
- i. Claimants requesting funding for multiple transit systems shall:
  - Break out a claim for funds for each separate system in the amount included in Exhibit A;
  - Account for fiscal and ridership performance data for each separate system;
  - Comply with mandated fare box ratio and performance recommendations for each system.
- j. Within 60 days after the end of the quarter, the operator shall furnish to SLOCOG the following statistics for the purpose of tracking quarterly performance of their services preferably by mode (see note):
  - The number of riders by mode over the recent quarter;
  - The number of revenue service hours by mode over the recent quarter;
  - The estimated fare box revenues or direct subsidies;
  - Any staff report, applicable agency minutes, or other recent public information material developed in support of a service change, a fare adjustment, or any other change that could have significantly impacted the above statistics up or down; plus
  - The ratio of riders per revenue service hour with a comparison to the latest Short Range Transit Plan (SRTP) target.
  - The operator should also substantiate any significant variation in the above statistics (exceeding 5 percent up or down).

Note: The mode categories shall include, but not be limited to: local fixed route; express fixed route; general public dial-a-ride; specialized dial-a-ride; general public subsidized taxi; specialized taxi; or any other services using TDA operating subsidies.

3. The required Transit Annual Report (LGFA) is submitted to the State Controller and SLOCOG by September 30, 2009 (or the date set by the State Controller) (all claimants).
4. Three (3) certified copies of the agency's compliance audit of prior year TDA funds are submitted to SLOCOG by December 31, 2009 (all claimants). These audits will be conducted in accordance with the applicable sections of CCR 6661, 6663, 6664, 6666, and 6667. If the operator's financial auditor is not able to meet the December 31<sup>st</sup> due date, the operator shall request from SLOCOG an extension (up to 90 days) with a written justification for the delay. The operator should inform its fiscal auditor of the need to meet the deadline.
5. All agencies shall receive their allocations on a quarterly basis. The CTSA receives the first two quarterly payments in advance, subject to receipt of the claim and prior quarter transit data, due to cash flow. The CTSA also receives advance payments for subsequent quarters providing required information is received.

**\* All payments are subject to funding availability and in some instances may be delayed pending distribution of TDA funds from the State Controller. The Executive Director may advance funding if need is substantiated and adequate funding is available.**