

SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

STAFF REPORT

MEETING DATE: October 7, 2009
SUBJECT: Transit Programming: Proposition 1B "Transit" and "Safety & Security"

SUMMARY

This staff report recommends for 5 projects for \$1,613,337 in FY 09/10 Proposition 1B funding (**Tables A and B**). A total of 10 projects submitted for both the "Transit" and "Safety & Security" programs were evaluated requesting a total of \$3,842,607.

Staff is also recommending setting up a reserve of Proposition 1B funding for 3 projects for FY 10/11 conditioned on specific benchmarks (i.e. environmental clearance, preliminary engineering, etc.) being met. This will allow agencies to secure needed funding for "big ticket" items, such as the Atascadero Transit Center, Grover Beach Train Station expansion project, and a Local/Regional Transit Terminal to be located in San Luis Obispo (**Table C**). Those projects not recommended for funding in FY 09/10 are provided in **Table D** (Page A-2-4). A Summary of all projects is listed on Page A-2-5. (**Table E**)

Table A - Recommended for FY 09/10 Funding

Prop 1B "Transit" Project Title	Jurisdiction	Prop 1B Regional	Prop 1B Operator	Total Prop 1B
Low-Floor Vehicle Procurement	Paso Robles	\$133,000	\$14,382	\$147,382
RTA Building Purchase	RTA	\$799,168	\$0	\$799,168
Transit Coach Replacement	RTA	\$265,703	\$134,297	\$400,000
		\$1,197,871	\$148,679	\$1,346,550

Table B - Recommended for FY 09/10 Funding

Prop 1B "Safety & Security" Project Title	Jurisdiction	Prop 1B Regional	Prop 1B Operator	Total Prop 1B
SLO Transit Bus Radio System	SLO Transit	\$174,750	\$30,250	\$205,000
Bus Video System	RTA	\$37,941	\$23,846	\$61,787
		\$212,691	\$54,096	\$266,787

Table C - Recommend for Reserve Funding in FY 2010/11 or Beyond

Prop 1B "Transit" Project Title	Jurisdiction	Requested	Prop 1B Regional
Atascadero Transit Center	Atascadero	\$610,000	\$300,000
Train Station Expansion Project	Grover Beach	\$1,200,000	\$300,000
SLO Transit/RTA Transit Terminal	SLO Transit/RTA	TBD	\$300,000
		\$1,810,000	

RECOMMENDATION

- Staff:
- 1) Approve projects in Tables A and B
 - 2) Approve "Reserve" funding in Table C, subject to continued progress & environmental clearance

SSTAC:

TTAC:

CTAC:

BACKGROUND

SLOCOG has programmed \$3.9 of the \$12-14 million we expect to receive over the next 5-10 years. The first \$2.5 million came quickly to the region; however, the bonds for FY 08/09 Cycle # 2 and FY 09/10 Cycle # 1 (about \$1.2M each) have yet to be sold. Staff previously expected funds for FY 08/09 Cycle # 2 to arrive in late August or early September; however, staff recently received confirmation from the State that there is no timetable for the allocation of 08/09 Cycle # 2 funds or the 09/10 Cycle # 1 funds as it is all dependent on the State's ability to sell bonds.

DISCUSSION

Approximately \$1.4 million in FY 2009/10 Proposition 1B funding is available for transit capital projects through the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA "Transit") and the California Transit Security Grant Program (CTSGP "Safety & Security").

As we enter into project programming for "Year 3", it is important to recognize that actual funding for these programs may not be available for 6-12 months, perhaps longer. Delays to project programming could mean the funds would be delayed several (2-3) years, as they get into a longer line of project's queuing. It should be stressed that by the end of FY 2009/10, all unspent 2007/08 and 2008/09 PTMISEA funds will revert back into the larger State account.

Multi-year Program – AB 1072 currently in Legislature will affect all recipients of PTMISEA funds in future years. This bill will essentially establish the process for the remainder of the life of the bonds. This bill applies the process and formula used initially in the Budget to distribute transit funds under PTMISEA to funds remaining in the Prop 1B program. It will allow recipients to plan long-term and engage in contracts with vendors with some certainty for funding. The bill also includes an urgency clause so the allocation will be in place for the \$350 million PTMISEA appropriation already enacted for the 2009/10 Budget Act.

Regional Prop 1B and Operator Prop 1B - Each transit operator is entitled to a portion of Prop 1B funds identified by a statewide formula. Because the State Controller's Office has not yet released the final 09/10 numbers, staff anticipates the amount available to the region to be similar to the 08/09 amounts listed below. As such, staff recommends these formula-based funds be consolidated with the regional discretionary projects recommended for an applicant's funding. This is important for several reasons.

- It may be difficult to get a state allocation for several projects
- Consolidating the applications will streamline reporting and follow-up auditing
- Low-dollar value applications require excessive processing time

Prop 1B "Safety and Security"	
Agency	Amount
Atascadero	\$560
Morro Bay	\$425
Paso Robles	\$1,277
SLO City	\$4,561
SLO County	\$643
SLORTA	\$23,846
SCAT	\$3,489
SLOCOG	\$212,691
Total	\$247,492

Prop 1B "Transit"	
Agency	Amount
Atascadero	\$3,156
Morro Bay	\$2,392
Paso Robles	\$7,191
SLO City	\$25,689
SLO County	\$3,622
SLORTA	\$134,297
SCAT	\$19,648
SLOCOG	\$1,197,871
Total	\$1,393,866

(Note: FY 08/09 figures are shown above as the State Controller's Office has not released final 09/10 numbers.)

Comments on 5 Projects – Recommended for Funding – Key Issues

1. **Paso Robles Low-Floor Vehicle** – The average age of the Paso Robles fleet is 4.4 years compared to a life expectancy of 7 years (fixed route) and 4 years (dial-a-ride). The Paso Robles fleet spare ratio is currently 18 percent. This proposed expansion will reduce the average fleet age to 4.25 years and lower the spare ratio to 16.7 percent.

2. **RTA Tenant Improvements/Building Purchase** – This project reduces the loan amount and subsequent interest payments, thus benefiting all jurisdictions in lower LTF contributions to RTA. If awarded, SLOCOG has exceeded its financial target to the RTA Maintenance Facility. To date, SLOCOG has funded \$2.7M toward the facility. In 2005 SLOCOG agreed that \$2.5M was a reasonable estimate from Prop 1B (including \$200K previously programmed in 09/10 RTF now being used for operating).
3. **RTA Transit Coach Replacement** – Due to the fact RTA is still leasing vehicles warrants the need to fund the purchase of a new vehicle. The average age of the RTA fleet is 8.6 years compared to a life expectancy of 12 years. The coach proposed for replacement is 15 year-old with over 700,000 miles. Both are well in excess of the FTA standards for coach replacement (up to 12 years or 500,000 miles). The RTA fleet spare ratio is currently 10.5 percent. The proposed replacement will reduce the average fleet age to 7.71 years.
4. **SLO Transit Bus Radio System** – The current system is beyond its useful life and is need of replacement. This project will allow direct connections between other City agencies, including: Police, Fire, and Public Works.
5. **RTA Bus Video System** – This project constitutes Phase II of RTA’s Intelligent Transportation System (ITS) Program that incorporates current technological components to improve operational and vehicle efficiency. Although only recommended for partial funding, RTA staff has acknowledged that the project can be slowly phased in over time.

Table C - Recommend for Reserve Funding in FY 2010/11 or Beyond

Prop 1B "Transit" Project Title	Jurisdiction	Requested	Prop 1B Regional
Atascadero Transit Center	Atascadero	\$610,000	\$300,000
Train Station Expansion Project	Grover Beach	\$1,200,000	\$300,000
SLO Transit/RTA Transit Terminal	SLO Transit/RTA	TBD	\$300,000
\$1,810,000			

Comments on 3 Projects – Reconsider in Future Prop 1B Programming Cycles – Key Issues

Several unfunded large projects are not **“ready to go”**. A State programming criterion requires the project sponsor *“complete the project or a minimum operable segment”*. Environmental and other pre-construction activities are not allowed under Proposition 1B. This effectively eliminates programming on several large projects, including:

1. **Atascadero Transit Center - \$600,000 - 2.5 million (est.)**
2. **Grover Beach Train Station Expansion Project - \$1.7 million**
3. **SLO Transit/RTA Transit Terminal - \$TBD**

In order to fund these projects, project sponsors would be required to commit full funding and deliver these projects within the next two years. This appears unlikely as they are still at the very preliminary stage requiring further clarification, scoping, and environmental review. Staff acknowledges *additional* funding will need to be forthcoming from Proposition 1B if these large projects are to advance.

Both the City of Atascadero and the City of San Luis Obispo are recommended for Federal Section 5307 to begin the studies recommended above. The City of Atascadero will consider site selection on what issues on Sept 22nd, and the City of San Luis Obispo will consider programming \$100,000 in 5307 funds for advance development work on October 6th. The City of Grover Beach will consider redevelopment agency funds or regional state highway account funds for the needed preliminary work.

Staff is recommending these project have funding “reserved” for them in FY 10/11 Proposition 1B programming, or beyond, subject to adequate progress on the needed studies.

Table D - Not Recommended for Funding

Prop 1B "Transit" Project Title	Jurisdiction	Requested
SLO Transit Bus Replacement	SLO Transit	\$380,000
Trash Enclosure at North County Transit Center	Paso Robles	\$30,000
Pavement Rehab at North County Transit Center	Paso Robles	\$60,000
		\$470,000

Comments on Projects **Not Recommended**

Due to either a lower priority ranking, total cost requested, or to facilitate an equitable distribution of the funds, these projects are not recommended to move forward at this time.

1. **SLO Transit Bus Replacement** – SLO Transit’s average fleet age is currently 5.2 years, which is much lower than for RTA compared to a 12 year life expectancy. Including three 1997 models, which are still in use as spares on a limited basis, the current spare ratio is estimated at 21.4 percent. In addition the coach proposed for replacement has approximately 250,000 miles and a 12 year life; while the City plans to designate the 1997 bus proposed to be replaced (due to its need for a major engine repair), the net spare ratio would become 14.3 percent (2 remaining spares). Both of those remaining 1997 spares are already funded for replacement respectively under the Proposition 1-B 2008/09 cycle 2 and the 2009/10 5307 grant program. Therefore this project ranked lower than the other two fleet projects.

2. **Trash Enclosure at North County Transit Center** – This project has limited benefits to transit users; however, it may be more suited for FY 10/11 Prop 1B “Safety & Security” funds due to sanitation concerns.

3. **Pavement Rehab at North County Transit Center** – Because the immediate need for this project is uncertain and its transit benefit limited, it scored the lowest of the 10 projects reviewed. Staff suggests city resubmit for alternate funding.

Staff report prepared by Tim Gillham and Eliane Guillot

TABLE E - SUMMARY

FY 2009/10 Prop 1B "Transit" Project Descriptions		Project Cost	Requested Prop 1B \$	Matching Funds	Match %	Point Score	Comments	Recommended Award
City of San Luis Obispo project								
1	Replace 1 1997 40 foot bus with a 35 or 40 foot low-floor CNG vehicle (delivery within 12 months of PO).	\$447,000	\$380,000	\$67,000	18%	35	A new vehicle for SLO Transit is being funded under the 5307 program.	\$0
City of Atascadero project								
2	Construction of a centrally located Transit Center serving local, regional, and interstate bus service.	\$2,500,000	\$610,000	\$284,519	47%	41	High priority project for the City. Consider committing future Prop 1B funding for project.	TBD
City of Paso Robles projects								
3	Trash enclosure at the NCTC to house up to 3 dumpsters.	\$30,000	\$30,000	\$0	0%	37	Project addresses public health & sanitation.	\$0
4	Extend useful life of the pavement at the NCTC.	\$60,000	\$60,000	\$0	0%	34	Last improvements to NCTC pavement occurred in 2001. A Type II slurry seal would preserve initial investment.	\$0
5	1 new 30 foot low-floor vehicle (deliver 2010)	\$200,000	\$133,000	\$67,000	50%	45	FY 08/09 and 09/10 Prop 1B operator share (\$14,382) being used towards the match.	\$147,382
City of Grover Beach project								
6	Grover Beach Train Station Expansion Project.	\$1,720,000	\$1,200,000	\$125,000	10%	39	Additional environmental work is needed prior to construction. Consider committing future Prop 1B funding for the expansion project.	TBD
Regional Transit Authority projects								
7	RTA maintenance facility tenant improvements.	\$5,700,000	\$800,000	\$4,725,000	100%	53	High priority project for the region.	\$799,168
8	1 new transit coach to replace a 1997 coach (deliver 2011).	\$400,000	\$265,703	\$134,297	51%	47	Match provided by "Transit" operator share.	\$400,000
REGIONAL SHARE AVAILABLE -		\$1,197,871	\$11,057,000	\$3,478,703	\$5,402,816			\$1,346,550
OPERATOR SHARE AVAILABLE -		\$195,995						
PROP 1B "TRANSIT" TOTAL =		\$1,393,866						

Prop 1B "Safety & Security" Project Descriptions		Project Cost	Requested Prop 1B \$	Matching Funds	Match %	Point Score	Comments	Recommended Award
City of San Luis Obispo project								
9	Replacement of 20 mobile, 1 base station and 5 handheld units for SLO Transit radio system.	\$205,000	\$174,750	\$30,250	17%	42	Match is being provided by operator share of Prop 1B "Transit" and "Safety & Security."	\$205,000
Regional Transit Authority project								
10	Deployment of an on-board security surveillance system for RTA's 35 and 40 foot fleet and training of all RTA operations employees.	\$213,000	\$189,154	\$23,846	13%	39	Match provided by "Safety & Security" share. Is staff training and a customer education program an eligible use of Prop 1B funds?	\$61,787
REGIONAL SHARE AVAILABLE -		\$212,691	\$418,000	\$363,904	\$54,096			\$266,787
OPERATOR SHARE AVAILABLE -		\$34,801						
"SAFETY & SECURITY" TOTAL =		\$247,492						