

AGENDA: August 3, 2006

TO: Regional Transportation Commission (RTC)
FROM: Luis Pavel Mendez, Deputy Director
SUBJECT: Santa Cruz Metropolitan Transit District (SCMTD) FY 2005/06 Claims for Article 4 Transportation Development Act and State Transit Assistance Funds

RECOMMENDATIONS

Staff recommends that the Regional Transportation Commission:

1. Approve the Santa Cruz Metropolitan Transit District's FY 06/07 Transportation Development Act (TDA) Article 4 claim (Attachment 1) in the amount of \$5,880,834 per the attached resolution (Attachment 2);
 2. Approve the Santa Cruz Metropolitan Transit District's FY 06/07 State Transit Assistance Act (STA) claim (Attachment 1) in the amount of \$1,806,592 per the attached resolution (Attachment 3); and
 3. Accept Santa Cruz Metropolitan Transit District's 2005 Annual Report (Attachment 4) and oral presentation by the SCMTD General Manager.
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BACKGROUND

The State of California provides two major sources of operating funds for public transportation: Transportation Development Act (TDA) and State Transit Assistance (STA). The Regional Transportation Commission oversees the allocation of these funds. TDA local transportation funds are derived from 1/4 cent of the 6-cent retail sales tax collected statewide, returned to each county according to the amount of tax collected in that county. Article 4 TDA funds are available to operators of general public transportation systems. The RTC allocates TDA funds to SCMTD and other claimants based on priorities and formulas in the RTC Rules and Regulations. The allocations are then included in the overall budget.

State Transit Assistance funds are derived from the statewide sales tax on gasoline and diesel fuel. The money is apportioned to each regional transportation planning agency based 50% on population and 50% on operator revenues for the prior fiscal year. STA funds may be allocated to public transit operators who meet certain qualifying criteria. Each year, the RTC allocates all STA revenues to the SCMTD. The STA allocation also flows through the SCCRTC budget.

DISCUSSION

The TDA and STA claims submitted by SCMTD (Attachment 1) are consistent with the Commission's adopted FY 06/07 budget and with the Commission's Rules and Regulations and state regulations. SCMTD's FY 06/07 Transportation Development Act claim is for the amount allocated by the RTC in its budget, \$5,880,834. This is a 3.6% increase over the FY 05/06 regular allocation. The State Transit Assistance claim is for \$1,806,592 which represents a 17% increase over the FY 05/06 allocation. Increased STA allocations by the State reflect a stronger economy and state policies more favorable to transit.

TDA and STA funds may be used for either operations or capital projects. As shown in the excerpts of the SCMTD FY 06/07 Budget (Attachment 1), TDA funds will be used for operations and STA funds will be used for the Capital Improvement Program. Eligibility standards outlined in Public Utilities Code section 99314.6 do not apply when STA funds are used for capital projects.

Staff recommends that the Regional Transportation Commission approve the attached resolutions (Attachments 2 & 3) approving the SCMTD FY 06/07 Transportation Development Act Article claim in the amount of \$5,880,834 and the State Transit Assistance claim in the amount of \$1,806,592.

Attachment 4 shows highlights of the SCMTD 2005 Annual Report. Les White, SCMTD General Manager, will make an oral presentation on the status of SCMTD services and projects and the SCMTD 2005 Annual Report.

SUMMARY

The Santa Cruz Metropolitan Transit District submitted FY 05/06 Transportation Development Act and State Transit Assistance claims. The claims are consistent with the Commission's adopted FY 06/07 budget and meet the criteria set in the Commission's Rules and Regulations and state regulations.

- Attachments:
1. TDA and STA Claims from SCMTD
 2. Resolution for TDA Claim
 3. Resolution for STA Claim
 4. SCMTD FY 2004 Annual Report Highlights