

AGENDA: December 6, 2007

TO: Regional Transportation Commission (RTC)

FROM: Rachel Moriconi, Senior Transportation Planner

SUBJECT: Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account Funds for Santa Cruz Metropolitan Transit District (SCMTD)

RECOMMENDATIONS

Staff recommends that the Regional Transportation Commission (RTC):

1. Adopt a resolution (Attachment 2) programming and passing-through the Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account Funds designated for the Santa Cruz County region to the Santa Cruz Metropolitan Transit District (SCMTD).
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BACKGROUND

On November 7, 2006, State voters approved Proposition 1B, authorizing \$19.9 billion in bonds for a variety of transportation programs. \$3.6 billion of the Proposition 1B funds are designated for the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) to be distributed by formula to transit agencies (Section 99314) and Regional Transportation Planning Agencies (Section 99313) based on fare box return and population. Santa Cruz County's share of these bond funds will be approximately \$27 million.

The Fiscal Year 2007/08 State Budget authorized the release of \$600 million of the \$3.6 billion. The amount available to Santa Cruz County this year is approximately \$4.4 million (Attachment 1). Apportionment of the balance of bond funds will be considered in subsequent state budgets. Only agencies who are eligible to receive State Transit Assistance (STA) funds may receive PTMISEA funds. SCMTD is the only agency in Santa Cruz County eligible to receive STA funds.

DISCUSSION

In order to avoid duplicative administrative efforts and streamline the application process for the Proposition 1B PTMISEA funds, **staff recommends that the Regional Transportation Commission (RTC) approve a resolution (Attachment 2) programming and authorizing the State Controller and Caltrans to pass-through the RTC's portion of Proposition 1B PTMISEA funds (PUC Section 99313) directly to the Santa Cruz Metropolitan Transit District.**

According to the draft guidelines, these Proposition 1B funds can be used for capital projects or a

minimum operable segment of a project including:

1. Rehabilitation, safety or modernization improvements;
2. Capital service enhancements or expansions;
3. New capital projects;
4. Bus rapid transit improvements; or
5. Rolling stock (bus) procurement, rehabilitation or replacement.

As noted in the attached request letter, SCMTD intends to use the funds on the next phase of the MetroBase project (Attachment 3). Though the RTC will be signing over the 99313 funds to SCMTD, the RTC will be listed on SCMTD's application as a contributing project sponsor.

As of the writing of this staff report, Caltrans was still working with the State Controller's Office and state legislators to finalize the guidelines for these funds. In order to release funds to transit agencies as soon as possible, it is expected that applications will be due December 21, 2007.

SUMMARY

Proposition 1B included \$3.6 billion for transit projects. Staff recommends that the RTC transfer responsibility for the portion of those funds designated for the RTC to the Santa Cruz Metropolitan Transit District.

- Attachments:
1. Letter from the State Controller Regarding Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) Funds
 2. Resolution Programming all Santa Cruz County PTMISEA Funds to SCMTD and Authorizing Passing the Funds Through to SCMTD
 2. Letter from SCMTD Requesting Pass-Through of PTMISEA Funds