

Background Information:

Consent Calendar:

2. **Approval of the May 13th/20th , 2020 Meeting Minutes.**

Regular Agenda:

3. **Adopt Resolution 58-20 approving the Tuolumne County Transit Agency (TCTA) FY19/20 Year End Budget Revision and recognizing \$351,289 in unanticipated revenues from the CARES ACT. This item requires a 4/5ths vote.**

On March 19, 2020 Governor Newsom issued a Mandatory Stay at Home order. This order required all residents of California to isolate at home and only travel out for essentials. It also mandated that all non-essential businesses close as a result of the COVID 19 Pandemic.

Transportation is essential and is required to provide service during this State of Emergency. By March 16th the ridership was down approximately 50%, so as of March 23rd the decision was made to cut all Fixed route services and maintain an on-call free Dial A Ride service to the general public. This would offer service for free to the general public for travel to access needed essentials, while limiting the number of people on our busses and allowing for the social distancing requirement. The reduction in services would allow for at-risk employees to shelter at home to conform to the Governor Newsom's stay at home order.

The attached Analysis and suggested budget revisions was performed to make realistic revenue and expenditure estimates as well as show how the changes caused by this Pandemic would affect our financial standing by the end of this fiscal year.

Revenue

- Beginning Fund Balance decrease by \$368,827. Actual from the Auditor Controller.
- Low Carbon Transit operations program (LCTOPS) decrease by \$152,477. The funds will be carried over to FY20/21, the estimate is based on the special services covered by this funding suspended through May 31st.
- State Assistant Transit Funding (STAF) decreased by \$59,718 due to receiving actual allocation from the State.
- Public Transportation Modernization, Improvement, and Service Enhancement Program (PTMISEA) decreased by \$1,127,271. This funding will be carried over into FY20/21 due to the delay in the construction of the Washington/Stockton Transit Improvement project.
- 5311 funding will increase by \$29,642 due to receiving the actual allocation from the State.
- 5311- CARES ACT is new funding adding \$351,289 in revenue to cover the lost revenue and expenses due to the COVID-19 Pandemic.

On April 2, 2020 the Congress passed and the President signed into Law the Coronavirus Aid, Relief and Economic Security ACT (CARES ACT), which includes \$95 million to California for distribution through the State-administered FTA 5311 Rural and Intercity

Transit Program. These funds are available until expended for expenses incurred in connection with the COVID-19 public health emergency. (See attachment)

The Caltrans Division of Rail and Mass Transportation (DRMT) will expedite approximately 30% of the California's 5311 CARES ACT Apportionment to Local Transit Agencies of which our portion is \$351,289.

The CARES ACT funding can be used to cover operating expenditures and lost revenue due to the Pandemic.

The distribution of the remaining \$65 million will also be based on applications to the FTA that will be developed in consultation between MPO's/RTPA's and Caltrans.

In addition, to provide further administrative relief during this emergency, FTA's Emergency Relief (ER) docket remains open and available for requests for relief from FTA statutory and administrative requirements of section 5307 and 5311 funding in states that have declared an emergency, or the President has declared a major disaster under Section 401 of the Stafford Act. The Caltrans /division of Rail and Mass Transportation will be requesting waivers on behalf of 5311 subrecipients. We are currently looking into how this may benefit Tuolumne County Transit.

- Local Transportation Funds (LTF) are projected to remain at the current level for transit but are expected to see a 10% reduction overall.

Based on the Auditor – Controller's presentation to the board she is predicting a 10% overall reduction by years end in LTF funding. The LTF funding is allocated on a priority basis fulfilling the needs of the Administration and Transit budgets before allocating the balance to City and County roads. Therefore, the Transit budget is expected to receive full LTF funding, but the City and County roads may see a 10% reduction in their LTF receipts for the current year. These deficits will be backfilled with FY20/21 LTF receipts. We are currently working with the Auditor Controller for more accurate estimates for both the current fiscal year and FY20/21.

Local Transportation Funds (LTF) are derived from ¼ of one cent of the retail sales tax collected statewide. The ¼ cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that region. Claims requesting LTF allocations are submitted for approval to the designated regional transportation planning agency, the Tuolumne County Transportation Council (TCTC) for the Tuolumne County Region. Payments from the LTF are performed by the County Auditor in accordance with written allocation instructions issued by the TCTC in compliance with the TDA. In Tuolumne County, Local Transportation Funds are allocated by population to the City (8.1%) and County (91.9%), who then contribute their share, based on the same population figures, to the cost of providing the Region's public transit services.

- Fare Box Revenue decrease of \$46,723. This revenue loss is based on ½ of our March and 100% of our April and May revenues from last fiscal year.
- Bus Advertising revenue is projected to be down \$11,962 based on what was collected through February 2020 and then a similar formula used for farebox revenues.

The revenue changes mentioned above contribute to the net estimated reduction of approximately \$1.5 million dollars in revenues received for FY19/20.

Expenditures

- Expected decrease to Salaries and Benefits of \$48,398 the majority of which is due to \$37,260 in leave cash out that have not materialized, \$10,000 in part time salaries budget to cover the partial cost of an Intern. This has since evolved into a Mobility Manager Position to be paid for from 5310 grants that was awarded, and the position will begin recruitment soon for hire in FY20/21.
- Expected a net decrease of \$1,343,966 to Services and Supplies the majority of which is due to \$10,000 decrease in marketing expense, \$10,000 decrease in professional services expense, \$30,000 decrease in expenses related to the temporary suspension of The Pinecrest and Adventure Trolley services, \$124,455 decrease due to the temporary suspension of the fixed routed services, and an increase in expense of \$50,409 for increased hours to our Dial A Ride program due to the general public services provided during the Pandemic. Expected decrease of \$1,142,271 in Bus stop improvements mostly due to the delay of the Washington/Stockton Transit Improvement project, \$57,000 decrease in special department expense, \$33,427 decrease in expendable equipment expense, and \$7,000 in computer equipment.
- Expected decrease of Asset and Capital Expenditure expense of \$10,000 due to the reduction of Building Improvement expense.
- Expected decrease of \$216,061 in budgeted Contingencies.
- Expected increase of \$15,000 to our Emergency Dept. expense to cover supplies needed during the Pandemic.

The increases/reduction in the expenses mentioned above contribute to a net estimated reduction of expense of approximately \$1.6 million in savings by the end of FY19/20. The net change to our bottom line is a positive balance of \$234,324 carrying a fund balance of \$917,404 forward into FY20/21.

The TAC and CAC unanimously voted in favor of adopting Resolution 58-20 authorizing Year-end Budget Revisions to the TCTA FY19/20 budget.

Attachments:

TCTA FY19/20 Year End Budget revision Summary Report attached.

Recommended Action:

Adopt Resolution 58-20 authorizing Year-end Budget Revisions to the TCTA FY19/20 budget.

4. Adopt Resolution 56-20 approving the TCTA-Public Transportation Recommended Budget for Fiscal Year 20/21.

Public Transportation Services are generally planned through the five-year Transit Development Plan and then re-evaluated each year through the Unmet Transit Needs process to see how well those services are meeting the needs of the community. As you may recall, during the recent Unmet Transit Needs process, the TCTC found that there were no unmet transit needs that were reasonable to meet according to the adopted criteria. This year's transit budget reflects the new reality of lower ridership due to the COVID 19 Pandemic.

Revenue

The Public Transportation System is primarily funded by California Transportation Development Act (TDA) funds, Federal Transit Administration (FTA) Section 5311 Operating Assistance grant funds, and farebox revenue. The TDA funds (Local Transportation Funds and State Transit Assistance Funds) are provided by the State to the TCTC, who then allocates the funds to the Public Transportation System.

Local Transportation Funds (LTF) are derived from $\frac{1}{4}$ of one cent of the retail sales tax collected statewide. The $\frac{1}{4}$ cent is returned by the State Board of Equalization to each region according to the amount of tax collected in that region. Claims requesting LTF allocations are submitted for approval to the designated regional transportation planning agency, the Tuolumne County Transportation Council (TCTC) for the Tuolumne County Region. Payments from the LTF are performed by the County Auditor in accordance with written allocation instructions issued by the TCTC in compliance with the TDA. In Tuolumne County, Local Transportation Funds are allocated by population to the City (8.6%) and County (91.4%), who then contribute their share, based on the same population figures, to the cost of providing the Region's public transit services.

LTF is the major revenue source for the Public Transportation System. Based on future estimates on sales tax received from the State, the Auditor-Controller recommends the TCTC estimate a 27.2% decrease in LTF for Fiscal Year 20/21 due to the COVID-19 Pandemic.

The FY20/21 Budget for Public Transit was developed incorporating the new scheduled hours and rate consistent with the Transit Services Agreement. It is determined that \$998,847 in LTF will be needed to fund the Transit Budget. Which is a decrease of \$358,896 over the previous year's budget.

State Transit Assistance Funding (STAF) is administered and controlled by guidelines set forth in the TDA. Funds for the program are derived from the statewide sales tax on gasoline and diesel fuel. These funds are appropriated to the Secretary of the Business, Transportation and Housing Agency for allocation by formula to each regional transportation planning agency. STAF is budgeted to be \$490,961 in FY20/21. This estimate is based on the State Comptroller's Office allocation estimate.

On April 28, 2017 Governor Brown signed Senate Bill 1 known as the Road Repair and Accountability Act of 2017. The Senate Bill 1 will provide over \$50 billion in new transportation funding over the next decade to repair highways, bridges, and local roads, to make strategic investments in congested commute and freight corridors, and to improve transit service. This bill will provide approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects. This investment in Public Transit will be referred to as the State of Good Repair (SGR) Program.

The State of Good Repair Program is funded from a portion of a new Transportation Improvement Fee on vehicles registrations due on or after January 1, 2018. A portion of this fee will be transferred to the State Controller's Office (SCO) for the SGR Program. In collaboration

with the SCO, the California Department of Transportation (Department) is tasked with the management and administration of the SGR Program. These funds will be allocated under the State Transit Assistance (STA) Program formula to eligible agencies pursuant to Public Utilities Code (PUC) section 99312.1. Half is allocated according to population and half according to transit operator revenues.

The Tuolumne County Transportation Council is an eligible project sponsor and has been estimated to receive \$75,862 in FY20/21 from the State of Good Repair Account (SGR). This estimate is based on the State Comptroller's Office allocation estimate.

FTA Section 5311 Operating Assistance Funding has been fairly reliable and consistent over the years. As with STAF, final apportionment figures are not typically received until the fall of each year, after budgets have been adopted. Funding for FY20/21 is estimated to be \$335,169.

The farebox revenue estimates for the FY20/21 Recommended Budget show a decrease of \$48,175 over the previous year. These decreased revenues are due to the changes to services based on the recommendations from the Short-Range Transit Plan taking into consideration the effects from the COVID-19 Pandemic and changes in ridership. Decreases also take into consideration the delay of the seasonal services such as the Adventure Trolley and Pinecrest services. The Dodge Ridge Ski Bus revenue is budgeted with no change with the assumption that we will have a normal ski season in FY20/21.

The overall revenue budget is showing a net decrease of \$417,599 over the previous year's budget due to the changes in revenue as described above.

Expenses

The Transit Operations Extension Agreement with Storer Transit Systems includes a 2% increase to the vehicle service hourly rate for transit services for Fiscal Year 20/21. The recommended budget is based on service hours that are showing a reduction following the recommendation of the Short-Range Transit Plan and the effects of COVID-19 Pandemic. The net change is a decrease of \$163,527 from previous year's budget.

The cost for the Lease of the Transit Facility increases each year by the Consumer Price Index (CPI) for the prior year, which will be 3.5% for the Fiscal Year 20/21 Budget.

Fuel cost is calculated based on a methodology used by Storer Transit Systems for their overall Transit and Tour Bus businesses. The 20/21 Budget anticipates an overall fuel cost of \$165,000 calculated on an average price of \$2.79 per gallon.

Decrease to Special Department Expense of \$47,000 that was budgeted to cover the cost associated with the Short-Range Transit Plan. Completed in the previous year.

Staff Costs

TCTA staff is provided by the TCTC through a revenue transfer for the percentage of time dedicated to Public Transportation System administration. Management has reviewed staff time and made some changes to the percentages dedicated to each budget, as illustrated below.

Position/Title	TCTC Budget		Transit Budget		FTE
	FY19/20	FY20/21	FY19/20	FY20/21	
Executive Director	70%	70%	30%	30%	1
Senior Administrative Analyst	70%	70%	30%	30%	1
Senior Transportation Planner	30%	30%	70%	70%	1
Mobility Manager	0%	25%	0%	75%	1
Assistant to the Executive Director	70%	70%	30%	30%	1
<i>Total Full-Time Equivalent (FTEs)</i>	<i>3.20</i>	<i>3.20</i>	<i>1.80</i>	<i>1.80</i>	<i>5.00</i>

Per Title 2 of the California Code of Regulations, section 570.5 have the TCTC approve and adopt the below standalone pay schedule that is to be posted on the Transit Website and accessible to the public.

Job Code	Classification	Union Code	Reg	Range	Effective Date	Step 1	Step 2	Step 3	Step 4	Step 5
0490	TCTC Executive Director	MGT	R	575	7/01/19	58.86	61.87	65.05	68.36	71.90
3994	TCTC SR. Admin. Analyst	EXE	R	470	7/01/19	35.92	37.76	39.69	41.31	42.59
3895	TCTC SR. Trans. Planner	PRO	R	380	7/01/20	36.67	38.54	40.51	42.59	44.76
3125	Mobility Manager	PRO	R	384	7/01/20	24.36	25.60	26.92	28.29	29.74
0567	Asst. to Exec. Dir.	GEN	R	382	7/01/20	19.95	20.97	22.05	23.17	24.36

Included in this recommended budget is \$68,400 to YARTS to cover the cost of joining the Yosemite Area Regional Transportation System (YARTS) Joint Powers Authority (JPA) board of Directors to become voting members.

The overall expenditure budget is showing a decrease of \$508,804 due to the net changes in expenditures described above.

Budget Assumptions

The Public Transportation Budget for Fiscal Year 20/21 is based upon the following assumptions:

- LTF revenue needed will decrease by 27.2% from Fiscal Year 19/20.
- Other revenue, such as STAF and FTA Section 5311 Operating Assistance funding will be received at the amounts included in the Budget.

- The Transit Contractor's vehicle service hour rate will increase by 2% but overall hours will decrease by 22%.
- The Board will approve the \$68,400 in dues to Yosemite Transport to cover the cost of joining the Yosemite Area Regional Transportation System (YARTS) Joint Powers Authority (JPA) board of Directors to become a voting member.
- Fuel costs will average \$2.79 per gallon based on the prices paid in the past two years and recent trends.
- Premium services, such as the Dodge Ridge Ski Bus, Weekend Trolley, Pinecrest, and Special Community Events will continue with delays due to the COVID-19 Pandemic.
- The TCTA will continue to lease the existing Transit Facility, the payment will increase by the CPI from the prior year (3.5% for this budget year).
- The TCTA will budget a fixed \$50K for marketing.
- The Washington/Stockton Corridor Improvement Project will Begin construction in FY20/21.
- Include \$10,000 in building Improvements.
- Staff costs will be fully budgeted in the TCTC Administration Budget with a reimbursement to the TCTA-Public Transportation Budget for the share of staff time dedicated to transit related activities.
- TCTC staff within the OES MOU's will receive COLA salary adjustments as of 7/1/2020, keeping in line with the Counties existing negotiated MOU's.
- There is \$80K fixed budget in a vehicle fixed asset fund. This will be accumulated on our balance sheet for future bus purchases.

The Fiscal Year 20/21 Recommended Budget is estimated to begin with a positive fund balance of \$917,402 based on the Year End Budget Review for the current year. FY20/21 is estimated to end with a \$200,216 fund balance, over the Minimum Restricted balance, based on the anticipated revenue and planned expenditures, which is consistent with the 90-day cash flow amount required by the Minimum Restricted Fund Balance Policy for this budget of \$574K. Since the budget includes a contingency for unanticipated items, staff recommends the TCTA pass the Recommended Budget as presented.

The Final Budget will most likely be presented at the September TCTA meeting, after the close-out figures from FY19/20 are finalized. As you know, a public hearing is required prior to the adoption of the final budget each year, which will be included on the agenda. The appropriate public notice will be published at least 10 days in advance of the hearing.

The TAC and CAC unanimously voted in favor of adopting Resolution 56-20 approving the Public Transit System Recommended Budget for FY20/21 as proposed.

Attachment:

Resolution 56-20, TCTA Recommended Budget for Fiscal Year 20/21.

Recommended Action:

Adopt Resolution 56-20 approving the Public Transit System Recommended Budget for FY20/21 as proposed.

5. Approve and execute of an Agreement with W.H. Breshears for Card Lock Fueling Services.

The purpose of this agenda item is to request the TCTA approve and execute a two-year agreement with W.H. Breshears, Incorporated, due to commence on June 4, 2020, for Card Lock Fueling in an amount not to exceed \$700,000. The agreement includes an option to extend the agreement for an additional two years.

Background

The TCTA, and County before them, have been purchasing fuel directly for the Public Transportation System, Tuolumne County Transit, since February 2007. Fuel purchases have been facilitated through the TCTA and County's Fueling Agreements. Since those agreements were going to expire, the County and TCTA issued a new Request for Proposals (RFP) to solicit bids to award new multi-year agreements. Since the needs were similar, and to streamline the process, the County and TCTA jointly issued the RFP. Notification of the RFP was made through advertising in the Union Democrat newspaper, posting in the bid section on the County, TCTC and TCTA websites, as well as direct mailings to area vendors.

As a result of the RFP distribution and advertising, several proposals were received for card lock fueling services. The Review Committee consisting of representatives from the County Administrators Office, Sheriff's Office, Human Services Agency, Fleet Services, and TCTC/TCTA scored and ranked the proposals based on the criteria identified in the RFP documents. The criteria included pricing, experience, references, and local vendor preference, as well as location. Based on the scoring and ranking of the Review Committee, W.H. Breshears was the highest ranked proposal. The Review Committee determined their proposal was acceptable and qualified them for new card lock fueling services agreements.

A Draft Agreement was included in the RFP documents. Breshears did not propose any changes to the Draft Agreement. Staff has prepared the attached Final Card Lock Fuel Agreement with W.H. Breshears, Incorporated. This final Agreement has been approved by legal counsel. A fully signed Agreement will be provided to the TCTA at their June 10th meeting.

This Card Lock Fueling Agreement is for an initial term of two years, with the option to extend. The extension could be for an additional year and two such extensions may be granted. As such, the Agreement has the potential to be in effect for a total of four years.

Financial Impact:

In Fiscal Year 2018/19, a total of 58,068 gallons of fuel at a cost of \$166,533 were purchased through the current Card Lock Fuel Agreement with Breshears, averaging \$2.86 per gallon. The proposed fueling agreement does not fix an absolute price on fuel but rather fixes the vendor markup applied to a wholesale price for the two-year agreement period, resulting in a price that should be below retail pricing. Based on historical usage, the maximum compensation amount for the two-year period is set at \$700,000 for this Agreement.

The TAC and CAC unanimously voted in favor of approving and executing a two-year agreement with W.H. Breshears, Incorporated, for card lock fueling services in an amount not to exceed \$700,000.

Attachment:

Proposed Card Lock Fueling Agreement with W.H. Breshears

Recommended Action:

Approve and execute a two-year agreement with W.H. Breshears, Incorporated, for card lock fueling services in an amount not to exceed \$700,000.

6. Approve and execute a two-year Lease Agreement Extension with the Martin Revocable Trust-2006 for the Transit Facility located at 13033 Sanguinetti Road.

As you may recall, the Transit Facility, located on Sanguinetti Road, houses the Tuolumne County Transit offices, maintenance facility and storage yard for the fleet, which has been leased by the County and then the TCTA from Joe Martin since 2009. This facility has provided a central and stable location for transit operations. The purpose of this agenda item is to approve and execute a two-year 2015 Lease Agreement Extension, which will allow Transit Operations to remain at that location for the next two years. The 2015 Lease Agreement was for five years and includes a provision for a two-year extension.

Legal counsel and the Martin Family have approved this new Lease Agreement, as reflected by their signatures on the attached version.

Financial Impact:

As in the existing Lease Agreement, the monthly payment will go up each year based upon the Consumer Price Index (CPI) for the prior year. This cost is included in the FY20/21 Recommended Budget for the Public Transit System.

The TAC and CAC unanimously voted in favor of approving and executing the proposed 2015 Lease Agreement Extension effective July 1, 2020 for the Transit Facility.

Attachment:

Amendment #1 Lease Agreement Extension

Recommended Action:

Approve and execute of the proposed 2015 Lease Agreement Extension effective July 1, 2020 for the Transit Facility.

7. Presentation of Draft Coordinated Public Transit-Human Services Transportation Plan

AMMA Transit Planning was selected as the top ranked proposal to deliver a Coordinated Public Transit-Human Services Transportation Plan (CPTP) in April 2019. Since this time, they have

been actively working to deliver CPTP's for Tuolumne, Calaveras and Amador regional planning agencies.

The Plan is necessary to be eligible for certain Federal funds, making it a critical document to have adopted by the RTPA. Typically, this plan is updated every 4-5 years. TCTC, CCOG and ACTC received a Caltrans grant to create the Plan.

Heather Menninger, project manager, planning lead and principal of AMMA Transit Planning will be providing a complete overview of the project for the Tuolumne County Transportation Council/Transit Agency board.

The purpose of the presentation is to give an overview of the entire project and collect input on the Draft Plan. Feedback will be collected and incorporated into the document before returning for final adoption.

There was no action required from the TAC and CAC as this item was presented for informational purposes.

Attachments:

Draft Coordinated Public Transit-Human Services Transportation Plan

Recommendation:

This item is presented for review and comment only. The document will return in final form for adoption at a future meeting.

- 8. Update on Tuolumne County Transit Service during COVID-19. (On-going agenda item).**
- 9. Reports**