

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING – NOTICE AND AGENDA
10:00 A.M. ON FRIDAY, APRIL 19, 2024

The Board of Directors of the San Joaquin Regional Transit District (RTD) will hold a regular meeting at 10:00 a.m. on Friday, April 19, 2024, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California. Please visit <https://sanjoaquinrtd.com/board-of-directors/board-meeting-agendas-and-minutes/> for an electronic copy of this document. Materials related to an item on this agenda packet are available for public inspection at the above address.

ACCESSIBLE PUBLIC MEETINGS: RTD is committed to ensuring that all meetings are accessible regardless of an individual's ability or access method. RTD will make all reasonable accommodations for persons with disabilities to participate in this meeting. Upon request to the Chief Executive Office, RTD will provide agenda materials in appropriate alternative formats or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number, and a brief description of the requested materials, preferred alternative format, auxiliary aid, or service, at least three workdays before the meeting. Requests should be sent to RTD by mail at 421 East Weber Avenue, Stockton, CA 95202, by phone at (209) 467-6613, by fax at (209) 948-8516, or by email to BoardSupport@sjRTD.com.

The RTD Board of Directors may take action on each item on the agenda. The action may consist of the recommended action, a related action, or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

For language assistance, interpreter services, please contact (209) 943-1111. Para información en Español, por favor llame al (209) 943-1111.

1. CALL MEETING TO ORDER
2. MOMENT OF SILENCE/REFLECTION
3. SAFETY ANNOUNCEMENT
4. PLEDGE OF ALLEGIANCE TO THE FLAG
5. ROLL CALL
6. PUBLIC COMMENT
All public comments shall be limited to no more than THREE MINUTES. In addition, applause, loud noises, or any other outbursts or disruptions from the

audience are not allowed during or after public comment. Those who violate this protocol may be removed from the meeting at the presiding officer's discretion.

7. REPORTS

- A. CHIEF EXECUTIVE OFFICER UPDATE
CEO Alex Clifford will provide an oral update on matters of relevance to RTD.
- B. MARKETING UPDATE
Supervisor of Marketing and Customer Engagement Maximilian Cao will provide event updates.

8. INFORMATION ITEMS

Reports are provided for information only. Staff will be available to answer any questions.

- A. FEDERAL LEGISLATIVE UPDATE
Report of Federal Legislative Updates prepared by Capital Edge Advocacy, Inc.
- B. STATE LEGISLATIVE UPDATE
Report of State Legislative Updates prepared by Shaw Yoder Antwih Schmelzer & Lange.
- C. QUARTERLY UPDATE OF SOLICITATIONS
Report of current and anticipated solicitations.
- D. QUARTERLY UPDATE OF CONTRACTS AWARDED
Report of contracts awarded January 1, 2024, through March 31, 2024.
- E. QUARTERLY UPDATE OF CAPITAL PROGRAM
Report of current capital projects.
- F. UPDATE ON CONSIDERATION OF PRELIMINARY ANALYSIS OF VAN GO! STOCKTON METROPOLITAN AREA FOR POTENTIAL DISCONTINUATION
Updated analysis of Van Go! sustainability.

9. CONSENT CALENDAR

- A. RESOLUTION: APPROVING THE MINUTES OF THE MARCH 15, 2024, REGULAR BOARD OF DIRECTORS MEETING
Board approval of minutes.

- B. RESOLUTION: APPROVING THE MINUTES OF THE MARCH 15, 2024, SPECIAL BOARD OF DIRECTORS MEETING
Board approval of minutes.

10. ACTION ITEMS

- A. RESOLUTION: APPROVING ESTIMATED EXPENSES IN ADVANCE OF BOARD OF DIRECTORS TRAVEL
Board to consider approving estimated travel expenses.
- B. RESOLUTION: AUTHORIZING THE CEO TO ENTER INTO AND EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN SAN JOAQUIN REGIONAL TRANSIT DISTRICT AND STOCKTON UNIFIED SCHOOL DISTRICT (SUSD) FOR A ONE-YEAR SUSD HIGH SCHOOL STUDENT PASS PROGRAM FOR 9TH THROUGH 12TH GRADE STUDENTS FOR THE PERIOD OF JULY 1, 2024, THROUGH JUNE 30, 2025
Authorizing the CEO to execute a MOU with SUSD.

11. DISCUSSION/POTENTIAL ACTION ITEM

- A. UPDATE, AND CONSIDER PROVIDING DIRECTION TO STAFF, REGARDING SAN JOAQUIN COUNCIL OF GOVERNMENTS (SJCOG) POSSIBLE TERMINATION OF THE VANPOOL MEMORANDUM OF UNDERSTANDING (MOU) AND SUGGESTED CHANGES TO THE PROCESS FOR ALLOCATING FEDERAL TRANSIT ADMINISTRATION (FTA) FUNDING IN THE STOCKTON URBANIZED AREA (UZA)
Report will be provided under separate cover.

12. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF

13. ADJOURNMENT

NOTE: THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE ON FRIDAY, MAY 17, 2024, AT 10:00 A.M.

DATE POSTED: APRIL 12, 2024



LEAD STAFF: ALEX CLIFFORD, CEO

REPORT: CHIEF EXECUTIVE OFFICER UPDATE

MEETINGS SINCE MARCH 15, 2024

RTD participated in meetings of the following committees and organizations:

- **American Public Transportation Association (APTA) Board of Directors Meeting:** CEO Alex Clifford
- **APTA Board of Directors Meeting:** CEO Alex Clifford, Board Member Gary Giovanetti
- **APTA Legislative Committee Meeting:** CEO Alex Clifford, Board Member Balwinder Singh
- **APTA Legislative Conference:** CEO Alex Clifford, Board Member Gary Giovanetti, Board Member Balwinder Singh, Board Member Stephan Castellanos
- **APTA Legislative Steering Committee Meeting:** CEO Alex Clifford, Board Member Balwinder Singh
- **APTA Small Operations Committee Meeting:** CEO Alex Clifford
- **California Association for Coordinated Transportation Legislative Committee Meeting:** CEO Alex Clifford
- **CTA State Legislative Committee Meeting:** CEO Alex Clifford
- **CTA Transit Transformation Advisory Committee Meeting:** CEO Alex Clifford
- **City of Lathrop Transit Assessment Study Bi-Weekly Meetings:** Government Affairs Director Ken Baxter, Planning and Service Development Director Dámaris Galvan
- **Federal Legislative Bi-weekly Meetings with Chris Giglio of Capital Edge Advocacy Inc.:** CEO Alex Clifford
- **Finance and Audit Committee Meeting:** CEO Alex Clifford, CFO Robert Kyle, Board Member Michael Restuccia, Board Member Gary Giovanetti
- **Meeting with Congressman John Duarte's Legislative Assistant Will Ahlquist:** CEO Alex Clifford, Board Member Gary Giovanetti, Board Member Balwinder Singh, Board Member Stephan Castellanos
- **Meeting with Congressman Josh Harder's Senior Legislative Assistant Kara Verma:** CEO Alex Clifford, Board Member Gary Giovanetti, Board Member Balwinder Singh, Board Member Stephan Castellanos
- **Meeting with Federal Transit Administration Acting Administrator Veronica Vanterpool:** CEO Alex Clifford, Board Member Gary Giovanetti, Board Member Balwinder Singh, Board Member Stephan Castellanos
- **Meeting with Jim Shoemaker & Denise Aguilar Mendez:** CEO Alex Clifford, Board Member Michael Restuccia

- **Meeting with Senator Alex Padilla’s Legislative Correspondent Andrew Baratta:** CEO Alex Clifford, Board Member Gary Giovanetti, Board Member Balwinder Singh, Board Member Stephan Castellanos
- **San Joaquin Council of Governments Board Meeting (SJCOG):** Board Member Gary Giovanetti, Government Affairs Director Ken Baxter, Grants Manager Eric Williams
- **SJCOG Interagency Transit Committee:** Government Affairs Director Ken Baxter
- **SJCOG Management and Finance Committee Meeting:** Government Affairs Director Ken Baxter
- **SJCOG Social Services Transportation Advisory Council Meeting:** Government Affairs Director Ken Baxter
- **SJCOG Technical Advisory Committee Meeting:** Government Affairs Director Ken Baxter, Grants Manager Eric Williams
- **SJCOG Transit Urbanized Areas Meeting:** CEO Alex Clifford
- **San Joaquin Partnership Board of Director’s Meeting:** CEO Alex Clifford
- **San Joaquin Valley Regional Rail Authority Board Meeting:** Government Affairs Director Ken Baxter
- **State Legislative Bi-weekly Meetings with Michael Pimentel and Alchemy Graham of Shaw Yoder Antwih Schmelzer & Lange:** CEO Alex Clifford, Government Affairs Director Ken Baxter, Grants Manager Eric Williams
- **The Bus Coalition Monthly Board Meeting:** CEO Alex Clifford



**LEAD STAFF: MAXIMILIAN CAO, SUPERVISOR OF MARKETING AND
CUSTOMER ENGAGEMENT**

REPORT: MARKETING UPDATE

Cesar Chavez Bus Wrap Unveiling - March 30

On Saturday, March 30, RTD proudly unveiled a commemorative Cesar Chavez bus wrap at the 12th annual Cesar Chavez breakfast at Stockton's Mexican Heritage Center. The event drew notable figures, including Stockton's revered astronaut, José M. Hernández, alongside RTD board members and esteemed dignitaries. Together, they shared poignant reflections on Chavez's remarkable contributions and emphasized the significance of preserving his legacy.

Cesar Chavez Bus at Public Health of San Joaquin - April 3

RTD proudly showcased the Cesar Chavez bus at the Public Health Services of San Joaquin's Open House on April 3. This collaboration between RTD and Public Health of San Joaquin County allowed for the promotion of both organizations' valuable services while honoring Chavez's life and work. The event was a great success, enabling community members to learn more about public transportation and public health initiatives.

Transit Driver Appreciation Day - April 4

On Thursday, April 4, RTD celebrated Transit Driver Appreciation Day. This annual event recognizes the hard work and dedication of public transportation drivers who are vital in keeping our communities connected. As part of the festivities, passengers were encouraged to show their appreciation by thanking their bus drivers with notes or tokens of gratitude.

NAACP 10k Run and Walk - April 6

RTD showcased the Rosa Parks bus at the NAACP 10k Run and Walk event at the Martin Luther King Jr. Plaza. The event was held on Saturday, April 6, and focused on supporting health disparity advocacy programs in the San Joaquin area. The bus was very well received by attendees. RTD featured an audio narration of Rosa's story on board the bus for those who entered and sat on the bus.

Upcoming Outreach Event

- Earth Day Festival - April 21



LEAD STAFF: CHRIS GIGLIO, CAPITAL EDGE ADVOCACY, INC.

REPORT: FEDERAL LEGISLATIVE UPDATE

USDOT BUDGET

March 8: The President signed into law legislation that sets FY 2024 spending levels for several federal agencies, including the Department of Transportation.

As we have previously reported, Federal transit formula programs would be funded at the levels authorized by the 2021 infrastructure law (\$13.99 billion), which would represent a 2.6% increase over FY 2023 levels.

In addition, the competitive bus programs at FTA would also be funded at their authorized levels in FY 2024, which would result in small decreases to those programs because Congress did not add any additional funds ("plus-ups") to those programs in FY 2024. So, the No and Low Emissions Vehicle Program would receive \$1.125 billion (down \$50 million), and the Bus and Bus Facilities program would receive \$469 million (down \$78 million).

The RAISE Discretionary program would receive a plus-up from its authorized level of \$1.5 billion, but not as high as previous years. In FY 2024, RAISE would receive \$1.845 billion, down from \$2.3 billion in FY 2023.

Capital Investment Grants (formerly known as New Starts) would receive \$3.82 billion, down from the \$4.2 billion level in FY 2023. However, the House Appropriations Committee had proposed cutting the CIG program to \$1.99 billion.

March 11: The President sent his FY 2025 budget proposal to Congress for its consideration. The White House budget maintains authorized levels for federal transit programs, and also includes proposed language to allow FTA to "incentivize standardization in the purchase of low and no emissions buses." Congress will spend the spring and summer crafting their proposed budgets in response to the President's submittal: <https://bit.ly/48VUdSD>.

April 2: With the passage of an FY 2024 budget, FTA was cleared to publish its FY 2024 apportionments for formula programs: <https://tinyurl.com/yvhdwj8h>

Section 5307 formula funding level for what the FTA refers to as the "Stockton Urbanized Area" in FY 2024 is \$15.2 million, a 19% increase from the FY 2023 level, and significantly higher than the 2.6% increase that the program as a whole received.

Section 5307 funds are apportioned using a formula that relies on population and service levels.

Impact on RTD: RTD will receive an increase in FY 2024 federal formula funds of 19% over the FY 2023 level.

FEDERAL GRANT OPPORTUNITIES, AWARDS & NOTICES

March 8: DOT announced the availability of up to \$57.7 million in competitive grant funding through its Innovative Finance and Asset Concession Grant Program. Applications are due May 6: <https://tinyurl.com/yp6rt8hv>

March 13: DOT announced over \$3.3 billion in grant awards for 132 projects through the Reconnecting Communities Pilot and Neighborhood Access and Equity discretionary grant program: <https://tinyurl.com/4wpjnc2t>

March 14: DOT also announced more than \$50 million in grant awards through the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program: <https://tinyurl.com/5dk7bf9t>

March 19: The Federal Highway Administration is seeking applications for up to \$44.5 million in funding through the FY 2023 Active Transportation Infrastructure Investment Program. Applications are due June 17: <https://tinyurl.com/y4cjxweb>

April 2: The Federal Transit Administration hosted an April 2 webinar to address how Transit Asset Management reporting can be integrated into the comprehensive National Transit Database reporting requirements. To register: <https://tinyurl.com/ydvs6ent>

April 4: FTA published its "full year" apportionments for FY 2024 formula programs: <https://tinyurl.com/yvhdwj8h>

Impact on RTD: Informational purposes only.



LEAD STAFF: **MICHAEL PIMENTEL, EXECUTIVE DIRECTOR**
 SHAW YODER ANTWIH SCHMELZER & LANGE
 ALCHEMY GRAHAM, LEGISLATIVE & REGULATORY
 ADVOCATE

REPORT: **STATE LEGISLATIVE UPDATE**

Legislative Update

The Legislature returned from its Spring Recess on April 1 and immediately resumed hearings in its policy committees. The remainder of April will be a busy month for the Legislature because policy committees only have until April 26 to hear bills with fiscal impacts and approve them for review by the fiscal committees. Bills must also move out of their first house by May 24. As we reported last month, hundreds of bills were introduced as “spot bills,” but have now been amended, following deadlines in late March, to include substantive language to continue to move forward this year. For more information about key legislative and budget deadlines, see the adopted 2024 Legislative Calendar available [here](#).

In this report, we provide an update on RTD-sponsored legislation, the Early Action Budget Agreement, the draft guidelines for TIRCP Cycle 7, the California State Transportation Agency’s Transit Transformation Task Force, and funding for zero-emission buses and infrastructure, and other bills of interest.

Potential Impact to RTD: N/A – General Update

Status Update on RTD-Sponsored Legislation

AB 1853 (Villapudua), legislation sponsored by RTD, passed out of the Assembly Local Government Committee on an 8-0 bipartisan vote on March 20. Upon passage by the committee, the bill was revised to add Assembly Member Heath Flora as a co-author. The bill is now on the Assembly Floor and expected to be voted on as soon as April 11. If approved by the Assembly, the bill will head to the Senate where it is expected to be referred to the Senate Local Government Committee.

As we reported previously, the bill would update RTD’s enabling statutes to provide for increased compensation for its board of directors and expand the financial tools and products in which RTD may invest its reserves.

Potential Impact to RTD: If enacted, this legislation would increase compensation for RTD’s board of directors to keep pace with inflation since RTD’s enabling statutes

first went into effect and provide RTD with greater flexibility to invest its reserves in financial tools and products that will maximize returns to RTD.

Governor Newsom and Legislative Leaders Announce Agreement on Early Action Budget

On April 4, Governor Newsom, Senate President pro Tempore Mike McGuire, and Assembly Speaker Robert Rivas announced an agreement on roughly \$17 billion in early actions to *"significantly reduce the existing [budget] shortfall and best position California to responsibly address the budget in June."*

The agreement includes:

- \$3.6 billion in reductions (largely to one-time spending);
- \$5.2 billion in revenue and borrowing;
- \$5.2 billion in delays and deferrals; and
- \$3.4 billion in expenditure shifts from the General Fund to other state funds, including the Greenhouse Gas Reduction Fund.

Importantly, the agreement preserves the state's commitment to provide the full balance of the \$4 billion for the population-based Transit and Intercity Rail Capital Program (commonly referred to as AB 102 / SB 125 funding). However, like the Governor's proposed budget released in January, it would delay the appropriation of \$1 billion of the \$4 billion program by one fiscal year.

If the agreement is approved by the Legislature and signed into law by the Governor, as expected, the appropriation schedule for this funding will be as follows:

- FY 2023-24: \$2 billion (Already approved in FY 2023-24 budget and scheduled to be allocated to RTPAs no later than April 30, 2024)
- FY 2024-25: \$1 billion
- FY 2025-26: \$1 billion

The agreement does not impact the \$1.1 billion approved in the FY 2023-24 budget for the Zero-Emission Transit Capital Program.

The above analysis notwithstanding, it is worth noting that the agreement provides the Department of Finance with the ability to suspend the authority to expend any one-time funding provided in the Budget Acts of 2021, 2022, or 2023. No additional details on this authority are available at this time.

The main elements of the agreement went into print over the weekend as [SB 106 \(Wiener\)](#) and [AB 106 \(Gabriel\)](#). As these bills make adjustments to the Budget Acts of 2022-23 and 2023-24, but do not advance funding for the Fiscal Year 2024-25, these bills do not include the \$1 billion appropriation for the formula-based TIRCP.

An informational hearing on the agreement took place in the [Assembly Budget Committee](#) on April 8. An informational hearing on the agreement will take place in the [Senate Budget and Fiscal Review Committee](#) on April 10.

The agreement could be acted on by the Senate and Assembly as soon as Thursday, April 11.

Potential Impact to RTD: The agreement on the Early Action Budget provides greater certainty that the transit funding package approved by the Legislature and Governor Newsom in AB 102 / SB 125 as well as SJCOG's funding share will be maintained this budget year, with only minor modifications to the appropriation timeline for funding. That said, the budget development process is still ongoing and must be tracked diligently in the months ahead to ensure that no future changes would negatively impact the transit funding package or SJCOG's funding share.

CalSTA Releases Draft Guidelines for TIRCP Cycle 7

On March 12, the California State Transportation Agency released the [draft guidelines for Cycle 7 of the Transit and Intercity Rail Capital Program \(TIRCP\)](#) for public and legislative review.

Comments on the draft guidelines are due no later than April 18. CalSTA expects to release final program guidelines and a call for projects on April 23.

Potential Impact to RTD: The California Transit Association is preparing a comment letter in response to the draft program guidelines through consultation with an internal TIRCP Working Group that includes RTD CEO Alex Clifford. CEO Clifford's participation in this effort will ensure that RTD's interest and priorities are shared with CalSTA as they finalize the program guidelines.

Additionally, the TIRCP Cycle 7 Call for Projects is expected to make available several hundreds of million dollars for competitive grants for transit and rail capital projects, like those overseen by RTD, that reduce greenhouse gas emissions and increase transit ridership. RTD is currently exploring which of its projects it may seek funding for through TIRCP Cycle 7.

CalSTA to Hold Third Transit Transformation Task Force Meeting

As we reported to you last month, the Transit Transformation Task Force will hold its next meeting on April 15 in San Diego. The agenda for this third Task Force meeting are now available on the California State Transportation Agency's website [here](#).

Potential Impact to RTD: As previously reported, the Transit Transformation Task Force is charged with developing policy recommendations on a broad set of topics impacting public transit for transmittal to the Legislature by October 31, 2025. The recommendations, if acted on by the Legislature and approved by the Governor, could

result in new funding for public transit capital and operations, amendments to state laws and regulations that govern capital project delivery and operations, and changes to the Transportation Development Act's accountability and performance metrics.

While RTD does not have a seat on the Task Force, RTD can influence the Task Force's discussions through the California Transit Association, which was appointed to the Task Force. In March, RTD CEO Alex Clifford was appointed to the Association's internal steering body to guide the positions and priorities the Association articulates to the Task Force. Additionally, RTD continues to seek a seat on the Transit Transformation Task Force's Technical Working Group.

Grants for Zero-Emission Buses and Infrastructure

As a standing feature, we provide the following breakdown of funding opportunities for zero-emission buses and charging/refueling infrastructure.

Vehicles:

Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project – Transit Set-Aside (\$72 million remaining total) – The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provides point-of-sale discount vouchers to fleet owners to reduce the purchase cost of zero- and near- zero emission trucks and buses operated in California on a first-come/first-served basis. HVIP is funded through the state's Greenhouse Gas Reduction Fund and State General Fund.

Current Guidelines: Found [here](#)

Status: [Funding cycle remains open](#)

Infrastructure:

Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles Project (\$20 million total) – The Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles Project is intended to accelerate the deployment of infrastructure needed to fuel zero-emission trucks, buses, and equipment. The project will use a concierge-like model working directly with eligible applicants to help plan and fund the purchase of charging and hydrogen fueling infrastructure.

Current Guidelines: Found [here](#)

Status: [Most recent funding cycle opened on February 7; next funding cycle will open on April 17](#)

Other Bills of Interest

SB 960 (Wiener) Complete Streets Projects on the State Highway System

This bill would require all transportation projects funded or overseen by Caltrans to provide "comfortable, convenient, and connected complete streets facilities" unless exempt pursuant to the bill and would require the SHOPP asset management plan to prioritize the implementation of "comfortable, convenient, and connected facilities" for pedestrians, bicyclists, and transit users on all projects in the program. The bill would

require the CTC to adopt 4-year and 10-year objective targets and performance measures reflecting state transportation goals and objectives, including for complete streets assets that reflect the existence and conditions of bicycle, pedestrian, and transit facilities on the state highway system. The bill would require Caltrans and CTC to use the updated asset management plan and to guide the selection of transit priority projects for the SHOPP.

This bill would define “transit priority project” as a roadway design, operations, and enforcement action, treatment, or project that helps transit buses and other transit vehicles avoid traffic congestion, reduce signal delays, and move more predictably and reliably. The bill would require Caltrans to adopt a policy on transit priority projects for state and local highways and require Caltrans to take certain actions to streamline the approval of transit priority projects. The bill would require Caltrans to establish 4-year and 10-year targets for the fast and reliable movement of transit vehicles on state highways. Finally, this bill would require the Caltrans to establish a process to streamline the approval of pedestrian facilities, traffic calming improvements, bicycle facilities, and transit priority projects at locations where a local highway is above, below, or otherwise intersects with, a conventional state highway.

Potential Impact to RTD: If enacted, this legislation would expedite, and increase funding for, transit priority projects and access improvements on the state highway system that could benefit RTD service and customer satisfaction.

AB 2719 (Wilson) Transit Vehicle Inspections This bill would authorize a public transit agency to request that the California Highway Patrol conduct an annual inspection and certification of its fleet. The bill would exempt any public transit agency vehicle that has been certified through that inspection from the requirement to stop at a roadside inspection (weigh station).

Potential Impact to RTD: Currently, CHP is only requiring the buses of three agencies to pull into weigh stations for inspections but has indicated its interest in expanding this policy statewide. If enacted, this legislation would help ensure that RTD has access to an alternative vehicle inspection process that does not compromise RTD service.

AB 2824 (McCarty) Transit Employee Assaults

This bill would enhance penalties for individuals who commit assault or battery against a public transit operator or employee. This bill is sponsored by the California Transit Association.

Potential Impact to RTD: If enacted, this legislation would provide enhanced legal protections to a broader base of RTD employees and contractors. While discussions are ongoing between the bill sponsor and Author, it may provide RTD with new enforcement tools for prohibiting individuals who commit assault or battery against a

public transit employee or contractor from riding the system.



LEAD STAFF: SYLVESTER DONELSON, JR., DIRECTOR OF PROCUREMENT

REPORT: QUARTERLY UPDATE OF SOLICITATIONS

I. SUMMARY:

- This report provides the Board of Directors (Board) with a list of all current and upcoming formal solicitations.
- The financial considerations are listed in Attachment A of this report.

II. DISCUSSION/BACKGROUND

The purpose of this report is to provide the Board an opportunity to review and comment on all current and upcoming formal solicitations before they are recommended to the Board for award.

The thresholds for formal solicitations are as follows:

- \$250,000+ for services
- \$75,000+ for materials, supplies, and equipment
- \$3,000+ for FTA funded public works
- \$200,000+ for non-FTA funded public works (CUPCCAA)

Attachment A lists all formal solicitations that are currently advertised and anticipated to be advertised for the upcoming quarter.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

See Attachment A.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

N/A

VII. ATTACHMENTS

Attachment A: Quarterly Update of Solicitations

Prepared by: Sylvester Donelson, Jr., Director of Procurement

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

QUARTERLY UPDATE OF SOLICITATIONS

Solicitation Number	Solicitation Released Date or Anticipated Release Date	Title	Estimated Award Date	Funding Source	Estimated Amount	Procurement Type
24012-C	May 2024	Furnishing and Installation of Water Stripper System - Rebid	July 2024	STA	\$100,000	IFB
24022-S	July 2024	HVAC Consultant - Rebid	August 2024	FTA	\$100,000	RFP
24044-C	May 2024	Backlot Asphalt - Rebid	July 2024	STA	\$184,500	IFB
24046-C	May 2024	CTC Slurry and Restriping	August 2024	FTA	\$150,000	IFB
24048-C	May 2024	DTC Bollards	August 2024	STA	\$29,000	IFB



LEAD STAFF: SYLVESTER DONELSON, JR., DIRECTOR OF PROCUREMENT

REPORT: QUARTERLY UPDATE OF CONTRACTS AWARDED

I. SUMMARY:

- This report provides the Board of Directors (Board) with a list of all contracts awarded within the third quarter of FY 2024 (January – March 2024).
- Contracts are listed based on the CEO and Board Contracting Levels.
- The financial impact is listed in Attachment A of this report.

II. DISCUSSION/BACKGROUND

The purpose of this report is to provide the Board with a summary of contracts awarded within the CEO’s authority, Board approved contracts, and emergency contracts.

The report is provided quarterly, pursuant to Section 1.3 Organizational Structure of RTD’s Procurement Manual.

Attachment A lists contracts awarded from January 1, 2024, through March 31, 2024.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board’s Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

See Attachment A.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

N/A

VII. ATTACHMENTS

Attachment A: Contracts Awarded for the third quarter of FY 2024

Prepared by: Sylvester Donelson, Jr., Director of Procurement

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

QUARTERLY UPDATE OF CONTRACTS AWARDED FOR THE THIRD QUARTER OF FY 2024

Award Date	Contract Number	Company Name	Title	Contract Amount	Funding Source	Location	Capital/ Operating	DBE
CEO APPROVED CONTRACTS								
January 3, 2024	24045-C	Vontas	Transit Master DVA Vontas	\$149,812	STA	Cedar Rapids, IA	Operating	N/A
January 31, 2024	24049-U	City of Lathrop	Shuttle Service	\$31,000	Revenue	Lathrop, CA	Operating	N/A
March 1, 2024	24016-S	EMTS, INC	Landscaping	\$90,027	STA	Clovis, CA	Operating	N/A
March 26, 2024	EMERG-IT-001-002	CDWG	IT System Restoration	\$60,536.08	STA	Chicago, IL	Operating	N/A
BOARD APPROVED CONTRACTS								
January 30, 2024	24036-M	ECO Green	LED Retro Fit Project	\$381,751.37*	STA	Laguna Niguel, CA	Operating	N/A
March 27, 2024	MAINT-004	Big Valley Ford	Non-Rev Vehicle Replacement	\$340,941.72	STA	Stockton, CA	Operating	N/A

*Approved with PG&E Loan



LEAD STAFF: MERAB TALAMANTES, PROJECT CONTROLS MANAGER

REPORT: QUARTERLY CAPITAL PROGRAM UPDATE

I. SUMMARY

- RTD Board approved FY 2024 Capital Budget is \$12,484,608
- Funding in the amount of \$12,484,608 has been allocated to capital projects.
- Due to changing needs, unplanned projects have been added and others removed, resulting in a decrease in total allocation of \$(2,463,719).
- Any remaining funds will be released back to capital reserves, where they may be allocated to another project if needed, provided it meets all necessary funding requirements.
- FY 2024 project completed as of January 31, 2024, total \$116,350
- Active projects from previous years capital budgets total \$16,815,959

II. DISCUSSION/BACKGROUND

The purpose of this report is to provide the RTD Board of Directors (Board) a detailed update on all active projects included within RTD's Capital Program on a quarterly basis. Active projects that are completed or removed from the program will also be reported.

Each year in June, the Board adopts the Capital Budget for the next fiscal year, which includes a high-level description of the program and its projects. On June 16, 2023, the Board adopted the Fiscal Year (FY) 2024 Capital Budget in the amount of \$12,484,608 as shown in Table 1 on the next page.

Table 1.

FY 2024 Capital Budget	
Capital Funding Sources	
FTA 5307 Urbanized Area (UZA) Formula Program	\$ 8,002,967
FTA 5339 (a) Bus & Bus Facilities	1,629,791
SB1 State of Good Repair (SGR)	819,238
State Transit Assistance (STAF)	2,032,612
Total Projected Capital Funds	\$12,484,608
Capital Projects	
Communication, IT and Office Equipment	\$ 5,906,836
Facilities-Associated Transit Improvements	254,812
Facilities-Other Capital Improvements	4,447,955
Maintenance Equipment and Support Vehicles	819,238
Safety and Security	1,055,767
Total Proposed Capital Projects	\$12,484,608

Once the capital program is approved, funding is allocated to the project, which begins its lifecycle of one to three years, depending on the scope's complexity. In some instances, projects may take longer for various reasons, including manufacturing supply chain issues, lengthy procurement processes due to federal and state funding requirements, lack of responsive bidders, or other factors.

Table 2, beginning below, reflects the approved capital program for FY 2024. Projects may be listed more than once if multiple funding sources are included within their total budget due to match requirements or other circumstances. Any remaining balance of funds from completed projects will be released back to capital reserves, where they may be reallocated to another project if needed, provided it meets all necessary funding requirements.

Table 2.

Capital Projects (Funded and/or with Pre-award Authority Projects)				
July 1, 2023				
Project	Description	Status	Funding Source	Budget
Replace Bus Stop Sign & Paint	Maintenance of bus stop amenities.	Not yet initiated, should be initiated by May 15, 2024.	5307	\$ 254,812
Replace 2 Portable Light Towers	Purchase (2) portable light towers.	Completed.	5307	70,000
Firewall Security 4 Locations	Replace firewalls	Project manager is entering requisition for purchase order.	5307	66,000

Pedestrian Collision and Avoidance Detection Systems (PCADS) Project	Install PCADS on 75 Buses	Not yet initiated, the proposal is being reevaluated.	5307	919,767
RTC Fuel Repairs	Repair diesel fueling infrastructure.	Under review in Purchasing/Procurement.	5307	241,296
New Financial and Administrative System (ERP)	Replace One Solution	This project was closed. It was determined that the current ERP system will be upgraded instead of replaced. Funding will be released back to program and may be reallocated as needed.	5307	5,000,000
DTC HVAC Replacement (4) Units	Replace (4) aging HVAC units at DTC.	Revising scope for rebid.	5339(a)	811,405
Switch	Switch Network Infrastructure for 5 locations.	The proposal for this project is being evaluated as the need has changed significantly during the last 45 days.	5339(a)	239,910
Server	Physical hardware server at San Joaquin County.	Parts/materials on order, expected delivery April 15, and expected completion on April 30, 2024.	5339(a)	196,230
Storage Array	IT storage at San Joaquin County.	Further evaluation determined this project is not needed. The project will be closed. Funds may be reallocated to other IT needs.	5339(a)	163,520
Boardroom Refresh	Hardware and installation for boardroom hardware.	Not yet initiated, should be initiated by April 20, 2024.	5339(a)	163,700
Multi-function Printer (MFP)	Replace copiers.	Project manager is putting a purchase request in, items will be purchased by June 30.	5339(a)	18,402
Other IT equipment	Other IT equipment as needed.	Project manager is putting a purchase request in by April 20, 2024.	5339(a)	36,624
Replace NRV F106 2011 F-350	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	163,500
Replace NRV 13101 2014 Ford-250	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	130,800
Replace NRV F13102 2014Ford-250	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	130,800

Replace NRV F13103 2013Ford-150	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	49,050
Replace NRV F13104 2013Ford-150	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	49,050
Replace NRV F13105 Transit Connect	Replace aging support vehicle.	Vehicle received April 5, 2024 and in acceptance process.	SB1 SGR	49,050
Coolant Recycling Machines	Recycles and reconditions automotive coolant.	Parts/materials ordered and expected completion on May 30, 2024.	SB1 SGR	32,700
Electronics Analyzer	Purchase tool for testing logic boards and components.	Parts/materials delivered March 1 and project is being closed out.	SB1 SGR	10,900
Antenna Testers	Purchase tool for testing antennas and components.	Parts/materials delivered March 1 and project is being closed out.	SB1 SGR	10,900
Update Scan Tools	Replace vehicle diagnostic tools.	Purchase order submitted and expected completion on June 30, 2024.	SB1 SGR	26,160
Vehicle Scaffold	Additional bus safety scaffolding required to work on top of the vehicles.	This project closed because there is no longer a need for a scaffold.	SB1 SGR	109,000
Emergency Tools/Repairs	Purchase additional tool for repairs as needed.	Not yet initiated, the project is being reevaluated.	SB1 SGR	57,328
DTC HVAC Replacement (4) Units	Replace (4) aging HVAC units at DTC.	Revising scope for rebid.	STA	35,700
Hydrogen Fueling Trailer	Purchase a portable hydrogen fueling trailer for FCEB pilot project.	Consultant working on the scope to send out for rebid.	STA	3,200,000
Grants Management System	Purchase grants management software.	Software has been installed and is in testing phase. Expected completion on June 30, 2024.	STA	88,450
Stores Shelving		Completed.	STA	16,350
RTC Fuel Repairs	Repair diesel fueling infrastructure.	Under Review in Purchasing/Procurement.	STA	58,704
DTC Floor Scrubber	Purchase floor cleaner.	Completed.	STA	30,000
HTS Replace Plumbing & Install Sink	Replace plumbing and install sink with garbage disposal.	Under review in Purchasing/Procurement.	STA	54,500
Total				\$12,484,608

Projects that were programmed and funded in prior year budgets are also included in this report and may be identified by the Budget Year column. Table 3 below is a list of projects that remain active from previous years' capital programs.

Table 3.

Capital Projects Funded in Previous Years (2020-2023) As of January 31, 2024					
<u>Project</u>	<u>Description</u>	<u>Status</u>	<u>Budget Year</u>	<u>Funding Source</u>	<u>Budget</u>
Purchase one Battery Electric Bus	Aging bus replacement.	Delivery expected in August 2024.	FY2020	CMAQ	\$ 1,054,913
Same as above.	Aging bus replacement.	Same as above.	FY2020	HVIP	138,000
Fare Payment Upgrade	Purchase and installation of fare media validators on buses for contactless fare payments.	Beginning project closeout process.	FY2021	STA	220,806
DTC/HTS Security Cameras	Purchase of cameras DTC and HTS.	Project manager is reevaluating this project and will modify scope of work.	FY2021	STA	15,000
RTC Bus Washer Blower	Purchase and install a water stripper system to remove all water from buses before they exit the bus washing bay to prevent water "drag-out" and water from entering the storm drains.	Out for rebid.	FY2022	STA	100,000
Install CTC Security Camera	Installation of cameras at County Transportation Center (CTC)	Beginning project closeout process.	FY2022	5307	64,000
Same as above.	Installation of cameras at CTC	Same as above.	FY2022	STA	16,000
Bus Video Standardization System	To upgrade and standardize the bus fleet surveillance system.	Project Manager obtaining Independent Cost Estimate (ICE).	FY2022	SB1 SGR	638,836

Same as above.	To upgrade and standardize the bus fleet surveillance system.	Same as above.	FY2022	5339(a)	653,778
CTC Seal Pavement	CTC pavement slurry seal.	In Purchasing/ Procurement preparing to release solicitation.	FY2022	STA	48,285
Same as above.	CTC pavement slurry seal.	Same as above.	FY2022	SB1 SGR	101,715
Purchase (5) Fuel Cell Electric Bus (FCEB)	Aging bus replacement.	1 Bus delivered and in acceptance process.	FY2023	5339(a)	636,749
Same as above.	Aging bus replacement.	Delivery expected in June or July 2024.	FY 2023	STA	1,007
Same as above.	Aging bus replacement.	Same as above.	FY 2023	HVIP	1,290,000
Same as above.	Aging bus replacement.	Same as above.	FY 2023	SB1 SGR	1,466,414
Same as above.	Aging bus replacement.	Same as above.	FY 2023	Insurance proceeds	160,619
Procurement Management System	Purchase software system.	Software installation complete. Project expected to be closed by June 30.	FY 2023	STA	106,712
FCEB Outreach/Training	Fuel cell technology training for employees.	Tentatively scheduled for mid-May 2024	FY 2023	STA	269,000
RTC LED Lighting Upgrade	Replace failing lighting fixtures.	Material purchased and received, in the process of installation. Expected completion by April 30.	FY 2023	STA	6,000
Same as above.	Replace failing lighting fixtures.	Same as above.	FY 2023	5307	24,000
RTC Maint. Shop Floor Repair	Repair floor in maintenance shop.	In Purchasing/ Procurement preparing to release solicitation.	FY 2023	STA	398,915
Same as above.	Repair floor in maintenance shop.	Same as above.	FY 2023	5339(a)	501,085
DTC HVAC Replacement (4) Units	Replace (4) aging HVAC units at DTC.	Project needs to go out for rebid as design build.	FY 2023	STA	85,579
Same as above.	Replace (4) aging HVAC units at DTC.	Same as above.	FY 2023	5339(a)	122,316

Replace NRV F105 - Facility Truck	Replace aging support vehicle.	Truck received, body expected delivery is June or July 2024.	FY 2023	STA	196,327
Same as above.	Replace aging support vehicle.	Same as above.	FY 2023	5339(a)	2,596
(5) Diesel Hybrid Buses- BRT	Purchase (5) buses for fleet expansion.	Buses delivered and in acceptance process.	FY 2023	STA	1,295,922
Same as above.	Purchase (5) buses for fleet expansion.	Same as above.	FY 2023	5339(a)	3,994,277
(1) Diesel Hybrid Bus-Expand	Purchase (1) bus for fleet expansion.	Delivery expected in August or September 2024.	FY 2023	STA	1,192,554
Same as above.	Purchase (1) bus for fleet expansion.	Same as above.	FY 2023	TCC	1,192,554
RTC Maintenance Portable Canopy	FCEB pilot project infrastructure.	Working with the consultant on a scope of work.	FY 2023	STA	500,000
Farebox Rebuild & Install	Purchase parts to rebuild and install fare boxes on Bus Rapid Transit (BRT) buses.	Farebox rebuilds are completed and waiting for Driver's Barrier and Stanchion update. Fareboxes can't be installed until this is completed.	FY 2023	STA	64,400
Same as above.	Purchase parts to rebuild and install fare boxes on Bus Rapid Transit (BRT) buses.	Same as above.	FY 2023	5339(a)	257,600
Total					\$16,815,959

In addition, the need for new and unplanned capital projects may arise throughout the year due to changes in technology, partnership opportunities, grant opportunities, or other organizational needs. RTD may also need to close projects that are no longer needed or substantially delayed. This change in needs may require the removal or addition of projects to the program. Table 4, beginning on the next page, provides a list of projects that have been added or removed from the program as of January 31, 2024.

Table 4.

FY 2024 Capital Program as of January 31, 2024					
<u>Project</u>	<u>Description</u>	<u>Status</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Change</u>
New Financial and Administrative System (ERP)	Replace One Solution	Closed.	5307	\$(5,000,000)	Removed. The current ERP system will be upgraded instead of replaced by a new system. Funding released back to program to be reallocated as needed.
GFI Vault Upgrade	Expand capabilities of vault system, including new fareboxes.	Upgrade is scheduled on April 18 and will be completed by May 15.	5307	18,663	Added. Without this upgrade RTD will not be able to vault cash from the new fareboxes on recently purchased buses.
BRT Stanchion Retrofit	Purchase stanchions for new fareboxes.	Parts/materials on order, expected delivery in May and expected completion by June 30.	5307	28,600	Added. Due to new driver barriers, stanchions must be retrofitted.
Replace NRV Ford T17202	Replace aging support vehicle.	Completed on March 1, 2024.	SB1 SGR	47,800	Added. The vehicle was deemed a complete loss in an accident.
Hydrogen Fueling Trailer	Purchase a portable hydrogen fueling trailer for FCEB pilot project.	Consultant was hired and is currently working with staff on FCEB Pilot Project.	STA	50,000	Increased budget by \$50k to hire a consultant whom specializes in clean energy.
(7) Arboc Hopper Buses	Replace (7) aging buses.	Vehicles on order with an expected delivery of August 2024.	STA	1,622,000	Added. The decision to phase out a total purchase of 22 vehicles was made to get ahead of any possible delays and to stagger acceptance process.

RTC - Water Drain/Trench	Install water drain to help prevent water from entering storm drain.	Project Manager obtaining Independent Cost Estimate (ICE).	STA	30,900	Added. The need for this improvement was identified during RTD's annual facilities inspection.
Window Film Graffiti Guard	Install graffiti guard on windows.	Project Manager obtaining Independent Cost Estimate (ICE).	STA	55,000	Added. The need for this improvement was identified due to recent vandalism and etching of windows.
HTS Cactus Garden with Fence	Install fencing at transfer station with garden area.	Project manager developing the Scope of Work	STA	39,500	Added. The need for this improvement was identified during RTD's annual facilities inspection.
Proterra Overhead Charger	Purchase battery charging infrastructure.	Received overhead chargers and working with Foothill to receive additional components.	STA	150,000	Added. The unexpected opportunity for purchase from another transit agency came up and the decision was made to purchase chargers for vehicles as the manufacture is no longer in business.
Backlot Concrete (Sardee Prop)	Pour concrete on a section of property between RTC and CTC.	The scope is with Legal review for rebid.	STA	184,500	Added. RTD recently purchased land in need of improvements.
GFI Vault Upgrade	Expand capabilities of vault system, including new fareboxes.	Upgrade is scheduled on April 18 and will be completed by May 15.	STA	251,337	Added. Without this upgrade RTD will not be able to vault cash from the new fareboxes on recently purchased buses.

Replace Recliner Chairs	Replace aging furniture.	Completed.	STA	7,500	Added. The need for this purchase was identified during RTD's annual facilities inspection.
DTC Concrete Bollards	Install bollards at transit center for safety purposes.	Out for rebid.	STA	29,000	Added The need for this safety enhancement was identified during a facility inspection.
Security Guard Radios	Purchase radios to improve communication between security and dispatch.	In Purchasing/ Procurement to order materials.	STA	21,481	Added. The need to improve communication between security and dispatch was identified. This was further exacerbated due to a rise in operator assaults.
Total				\$(2,463,719)	

In conclusion, it should be noted that RTD continuously seeks and applies for additional capital funding that may fit its current and evolving needs by monitoring Federal, State, and Local Notice of Funding Opportunities throughout the year. Due to the continuous increases in the cost associated of ensuring RTD's rolling stock, facilities, and other assets in a state of good repair staff must closely monitor all projects to ensure they align with its mission of providing safe, reliable, and efficient transportation for the region.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 3, 4, and 6.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. CUSTOMER IMPACT

By demonstrating its commitment to safeguarding its assets and ensuring they remain in a state of good repair, RTD remains steadfast in its vision of providing a high-quality experience and service to its customers.

V. FINANCIAL CONSIDERATIONS/IMPACT

No financial impact to capex or opex as budgetary funds are moved from one project code to another.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

No alternative, this is a purely informational report.

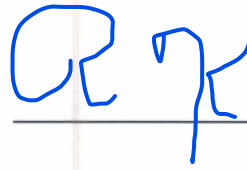
VIII. ATTACHMENTS

None

Prepared by: Merab Talamantes, Project Controls Manager

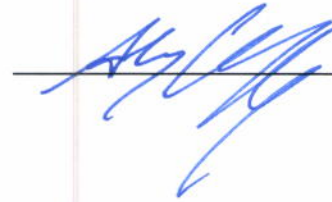
IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



A handwritten signature in blue ink, appearing to be 'R Kyle', written above a horizontal line.

Alex Clifford, CEO



A handwritten signature in blue ink, appearing to be 'Alex Clifford', written above a horizontal line.



LEAD STAFF: DÁMARIS GALVAN, PLANNING AND SERVICE DEVELOPMENT DIRECTOR

REPORT: UPDATE ON PRELIMINARY ANALYSIS OF VAN GO! STOCKTON METROPOLITAN AREA (SMA) FOR POTENTIAL DISCONTINUATION

I. SUMMARY

- Van Go! Service was introduced in 2018 as a pilot program in San Joaquin County, a premium rideshare service with accessible vehicles. Since then, Van Go! has gone through three different service models.
- A constant in these three different models is the high concentration of trips in Stockton. From July 1, 2024, to December 31, 2024, 75% of the trips performed by Van Go! were within the SMA.
- Service Models changes and adjustments to these models were made to improve productivity, and reduce the cost per passenger, all have been unsuccessful.
- Currently, Van Go! has the lowest productivity in the system at 1.57 Passengers Per Revenue Hour (PPRH), and has the highest cost per passenger in the system at \$105.04 per passenger.
- As of January 2024, RTD increased frequency on all local SMA routes from hourly to 30 minutes. These improvements significantly decreased wait times and allowed more accessible connections with other routes.
- This preliminary analysis suggests that the operation of Van Go! is not viable or sustainable and represents an increasing financial burden to the agency.
- Staff performed a "Travel patterns" analysis and found that 79% of the trips could be made using fixed routes on the weekdays, and 45% could be made using fixed routes on the weekends.
- Staff performed an analysis to determine the potential service RTD can operate by reallocating Van Go! SMA funding.
- Staff have actively been and will continue to conduct outreach to the riders and educate the public about the new SMA fixed route offerings.
- Staff will provide the public with the opportunity to comment on the potential discontinuation of Van Go! in the SMA at two public meetings in May 2024.
- Staff will conduct a demographic analysis to determine if the Van Go! SMA discontinuation would impact minority or low-income populations.

II. DISCUSSION/BACKGROUND

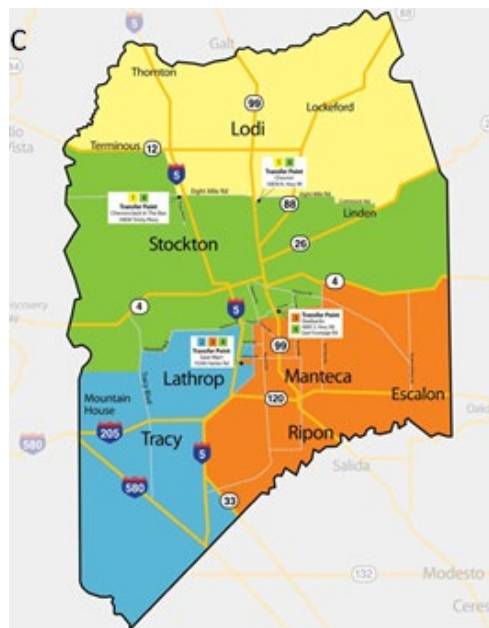
RTD's microtransit service, Van Go!, was launched in 2018 as a pilot program in San Joaquin County. It was introduced as a premium rideshare service, and

since its inception, the service has gone through three (3) different service models and is still designated as a Pilot Program.

Pilot Service Model 1: October 2018

- Four zones (Figure 1)
- Pick-up and drop-off within one zone, transfers to other zones at designated locations
- \$4 one-way trip for four passengers and discount fare at \$3
- Hours of service: 6 a.m. – 6 p.m. seven days a week
- **75% of the trips performed in the Stockton SMA Zone**
- The Daily Average on weekdays was 155 passengers.

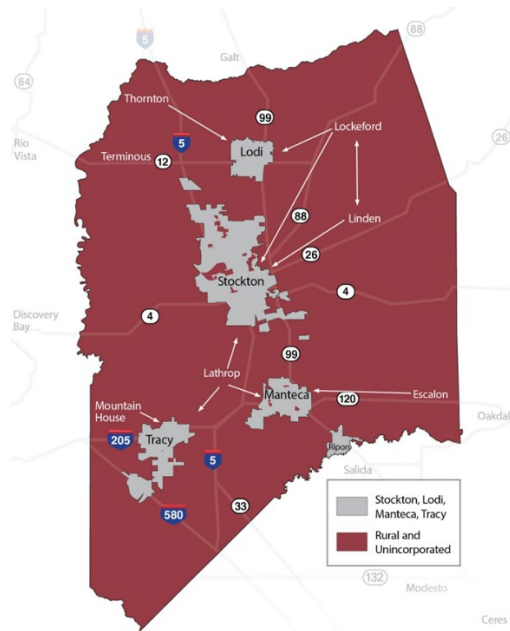
Figure 1



Pilot Service Model 2: August 2020

- No more zones (Figure 2)
- Origin or destination of the trip within rural or unincorporated areas in San Joaquin County
- Fare structure: \$4 first five miles and \$0.50/mile after five miles (fare per each passenger)
- Hours of service: 8 a.m. – 5 p.m. weekdays and weekends
- **34% of the trips originated in Stockton.**
- Daily Average Riders on weekdays was 17 passengers.
- Change of model during peak of COVID pandemic

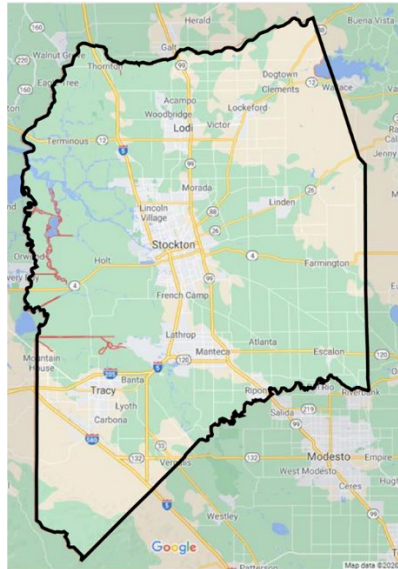
Figure 2



Pilot Service Model 3: January 2021 (Current)

- Extended pilot program service (Figure 3)
- Van Go! is available 8am – 5pm daily weekdays and weekends (7-days/week)
- Fourteen (14) in-service vehicles daily
- Direct trips to and from any place in San Joaquin County
- Same fare structure: \$4 first five miles and \$0.50/mile after five miles (fare per passenger)
- Same RTD Van Go! App & service hours
- **Currently, approximately 75% of the trips are within Stockton, SMA**
- The daily average on weekdays is 110 passengers.

Figure 3



A constant in these three different models is the high concentration of trips in Stockton. From July 01, 2024, to December 31, 2024, 75% of the trips performed are within the SMA.

Service Models and adjustments were made in an effort to improve productivity, increase passengers per revenue hour (PPRH), and reduce the cost per passenger, however, the results did not reflect efficiency improvement, and cost per passenger remain prohibitively high as compared to other RTD services.

Table 1 below reflects the productivity in passengers per revenue hour (PPRH) and cost per passenger of Van Go! service in the last three fiscal years.

Table 1

	Cost Per	
	PPRH	Passenger Trip
FY2022	1.59	\$ 104.03
FY2023	1.62	\$ 111.07
FY2024	1.57	\$ 105.04

*Fiscal Year to date through December

Van Go service is the lowest productive service in RTD’s system and the costliest.

Table 2 compares the VanGo! cost per passenger per trip with other RTD services.

Table 2

	Cost Per Passenger Trip	
BRT and SMA Fixed	\$	12.52
Metro and County Hopper	\$	26.49
Commuter Services	\$	54.67
ADA Paratransit	\$	59.98
Van Go!	\$	105.04

Van Go! cost per passenger trip is the highest of all programs, almost double the second highest, ADA Paratransit.

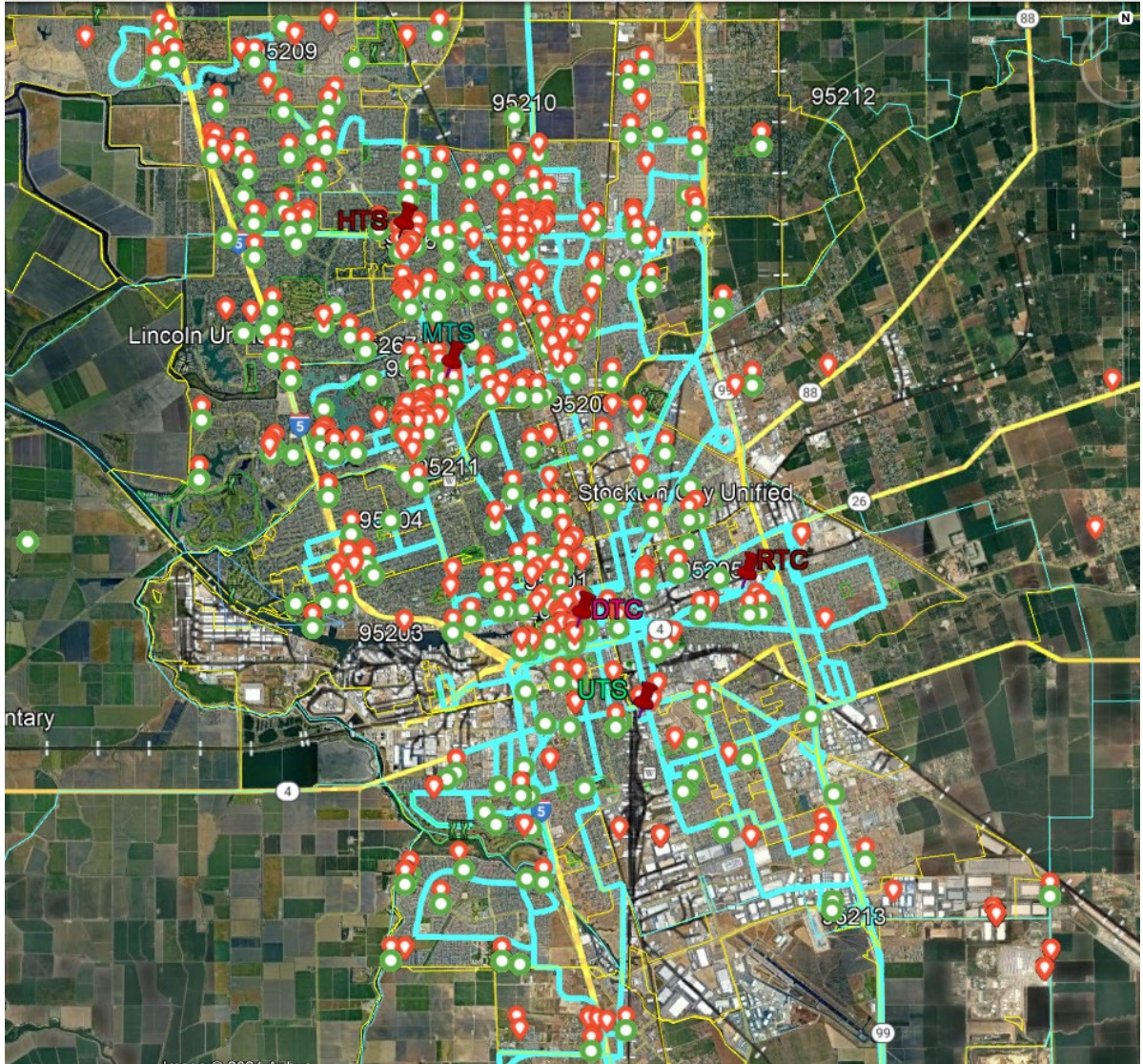
In July of 2023, RTD expanded service by increasing the frequency on Routes 510, 515, 520 and 525 from hourly to 30 minutes. RTD also expanded trips on the County Hopper service to serve the Downtown Transit Station and Mall Transfer Station.

In January of 2024, RTD made further improvements to its local fixed route service by increasing the frequency of 6 additional local routes, 545, 566, 555, 576, 578, and 580, from hourly to 30 minutes. RTD also implemented a new local route with a 30-minute frequency on the highest-performance corridor, Route 40 Local. With these improvements (July 2023 and January 2024) all SMA local routes now have 30-minute frequencies.

Staff studied the travel patterns of Van Go! SMA using six-month worth of data and determined that the patterns are similar each month. Staff then selected a two-week sample to conduct the analysis and identified the percentage of trips that could be made using fixed routes. Trips where pick-up and drop-off locations were 0.75 miles or lower away from a fixed route were considered to have access to fixed route service.

The analysis found that 79% of the trips could be made using fixed route service on the weekdays. RTD can modify certain routes to cover more Van Go! SMA trips on the weekdays. Please see Map 1 displaying Van Go! travel patterns in the SMA and RTD routes in light blue.

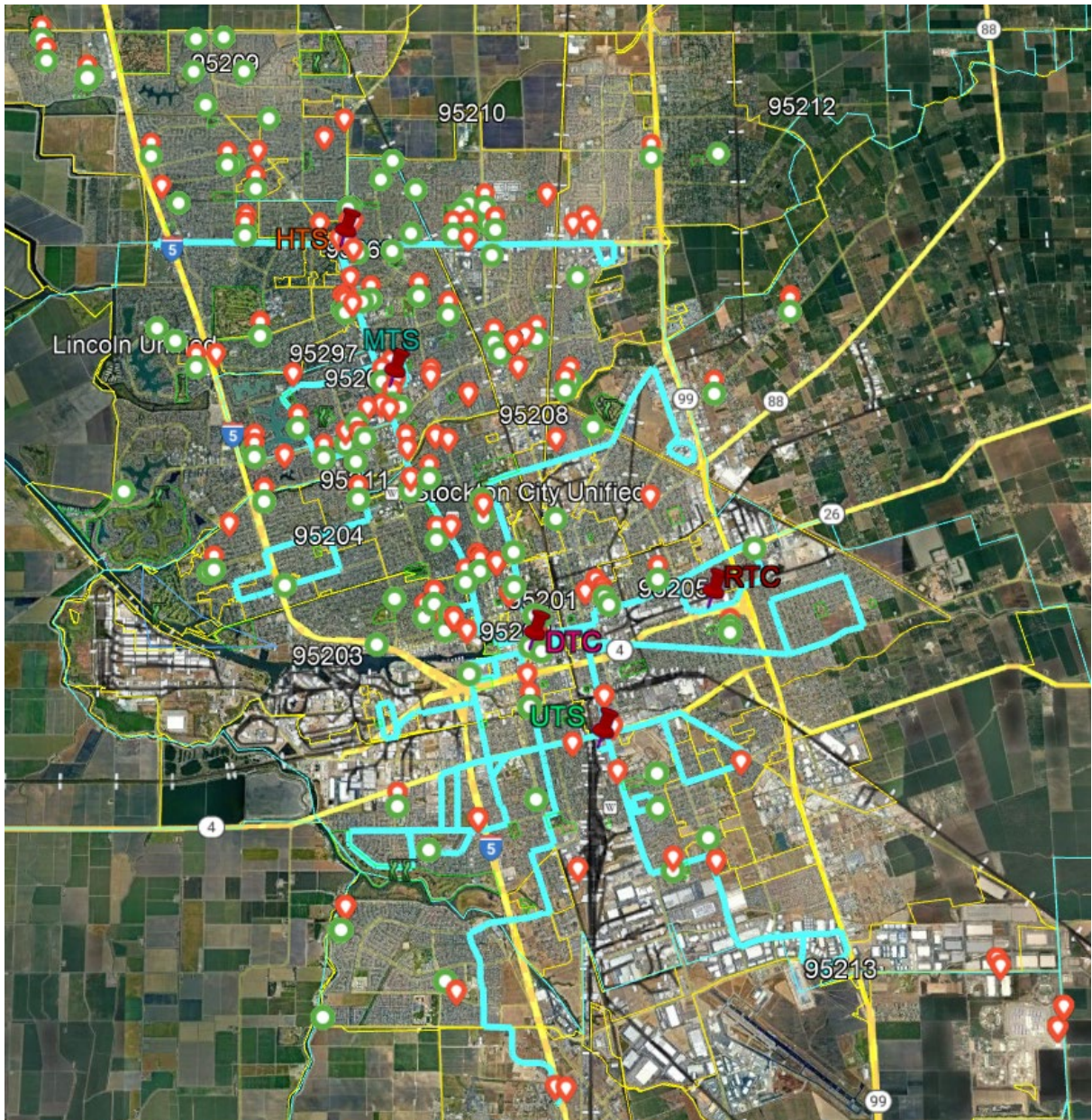
Map 1 - Van Go! SMA Weekday Travel Patterns



Green – Pick-up Point
Red – Drop-off Point
RTD Routes

On weekends, 45% of the Van Go SMA trips could be made using fixed routes, however, RTD plans to enhance its weekend service in FY 2025. With the service expansion, 70% of the trips could be made using fixed routes. Please see Map 2 displaying Van Go! trips in the SMA and RTD routes in light blue.

Map 2 - Van Go! Weekend Travel Patterns



Green – Pick-up Point
Red – Drop-off Point
RTD Routes

Staff performed an analysis to determine the additional service RTD can operate with Van Go! SMA funding. FY 2023 Van Go! total operating cost was \$3,571,363. Of the total operating cost, \$2,678,522 was spent on Van Go! service in the SMA, which represents 75% of the total trips while the cost of the service out of the SMA was \$892,840. The fixed route service operating cost per revenue hour was \$228. By curtailing Van Go! service in the SMA, RTD can

allocate up to 11,748 hours annually to improve and expand its fixed route service, providing approximately 32 additional daily revenue hours.

Considerations:

- Van Go! lowest productivity in the system at 1.57 PPRH
- Van Go! highest cost per passenger in the system at \$105.04
- 75% of the Van Go! Trips are in the SMA
- RTD has increased frequency of all Local SMA Routes that will significantly decrease wait times and allow for easier connections with other routes.
- Local SMA routes have 30-minute frequency and provide trips at later times that Van Go! does not.
- Van Go! competes with Local SMA Fixed Route service.
- 79% of the Van Go! SMA trips could be made using fixed routes on the weekdays. 45% of the trips could be made using fixed routes on the weekends. RTD plans to enhance its weekend service in FY 2025. With service expansion, 70% of the trips could be made using fixed routes.
- RTD can allocate up to 11,748 hours annually to improve and expand its fixed route service, providing approximately 32 additional daily revenue hours.

Staff will:

- Continue conducting outreach to the riders and educate the public about the new SMA fixed route offerings.
- Provide the public with the opportunity to comment on the potential discontinuation of Van Go! in the SMA.
- Conduct two public meetings:
 1. In-person: Monday, May 6
 2. Virtual: Tuesday, May 7
- Conduct a demographic analysis to determine if the Van Go! SMA discontinuation would impact minority or low-income populations.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 2, 3, and 4.

Strategic Priorities:

7. Employees
8. Customers
9. Financial Health
10. Operations Excellence
11. Community Relations
12. Innovation

IV. CUSTOMER IMPACT

The potential discontinuation of Van Go! in the SMA and reallocation of its resources to fixed routes and improved rural service allocation will benefit a greater number of riders and underserved neighborhoods in outlying areas.

V. FINANCIAL CONSIDERATIONS/IMPACT

This preliminary analysis suggests that the operation of Van Go! is not sustainable and represents an increasing financial burden to the agency. Van Go! service holds the lowest productivity in the system at 1.57 PPRH while having the highest cost in the system at \$105.04 per passenger. The resources used in Van Go! can be reallocated to the fixed route service, adding approximately 32 daily revenue hours.

VI. CHANGES FROM COMMITTEE

N/A

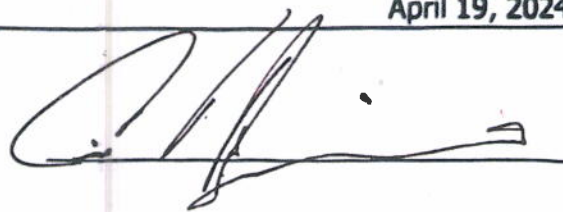
VII. ALTERNATIVES CONSIDERED

- Continue operating Van Go! SMA at a significant cost to RTD and with its inefficiencies. Not recommended.
- Discontinuation of Van Go! in the SMA due to its low productivity, the financial burden that it represents, and competing nature with local Fixed Route Service. Recommended for consideration.
- Reallocate Van Go! resources to more productive services to provide improved Fixed Route service in underserved areas. Recommended for consideration.

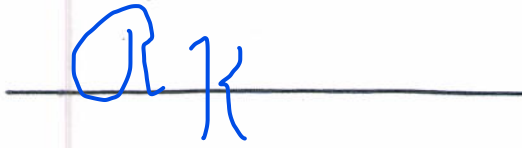
Prepared by: Dámaris Galvan, Planning and Service Development Director

VIII. APPROVALS

Executive Manager Approved:
Ciro Aguirre, COO



Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





LEAD STAFF: ALEX CLIFFORD, CEO

I. RECOMMENDED ACTION

Approve meeting minutes from the March 15, 2024, Regular Board of Directors Meeting and the Special Board of Directors Meeting.

II. SUMMARY

- Staff is providing the meeting minutes of the March 15, 2024, Regular Board of Directors meeting.
- Staff is providing the meeting minutes of the March 15, 2024, Special Board of Directors meeting.
- Meeting minutes are recorded after each meeting and will be provided for approval at the following regularly scheduled meeting.

III. DISCUSSION/BACKGROUND

Meeting minutes are prepared by staff and serve as an official public record of actions taken by the Board of Directors. Once approved, minutes are filed and will remain in RTD's archives to document the Board's adherence to RTD's Rules of Procedure. Minutes will be made available to any member of the public upon request.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

Meeting minutes provide customers with transparent agency information.

VI. FINANCIAL CONSIDERATIONS/IMPACT

None.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

None.

IX. ATTACHMENTS

Attachment A: Draft minutes of the RTD Board of Directors Regular Meeting of March 15, 2024

Attachment B: Resolution for the Regular Meeting Minutes of March 15, 2024

Attachment C: Draft minutes of the RTD Board of Directors Special Meeting of March 15, 2024

Attachment D: Resolution for the Special Meeting Minutes of March 15, 2024

Prepared by: Erica Aguiñiga, Executive and Board Support Specialist II

X. APPROVALS

Alex Clifford, CEO





Attachment A
Cover Page

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
FRIDAY, MARCH 15, 2024

The San Joaquin Regional Transit District (RTD) Board of Directors held a Regular Meeting at 10:00 a.m. on Friday, March 15, 2024, in the EOC Room of the City of Ripon's Police Department, 259 N. Wilma Ave., Ripon, California, 95366.

1. CALL MEETING TO ORDER Chair Michael Restuccia called the meeting to order at 10:00 a.m.
2. MOMENT OF SILENCE/REFLECTION Chair Restuccia called for a moment of silence and reflection.
3. SAFETY ANNOUNCEMENT Safety, Security, and Risk Management Director Curtis Moses made the Safety Announcement.
4. PLEDGE OF ALLEGIANCE TO THE FLAG Chair Restuccia led the pledge.
5. ROLL CALL Present: Michael Restuccia, Chair
 Gary Giovanetti, Vice Chair
 Les Fong, Director
 Balwinder Singh, Director
 Stephan Castellanos, Director

 Alex Clifford, CEO
 Julie Sherman, RTD Legal Counsel
6. PUBLIC COMMENTS
 No public comments were received.
7. SPECIAL PRESENTATIONS
 - A. FEDERAL LEGISLATIVE PRESENTATION
 Federal Advocate Chris Giglio of Capital Edge Advocacy, Inc. discussed current legislation.
 - B. STATE LEGISLATIVE PRESENTATION
 Legislative and Regulatory Advocate Michael Pimentel of Shaw Yoder Antwih Schmelzer & Lange discussed current legislation.
8. REPORTS
 - A. CHIEF EXECUTIVE OFFICER UPDATE

CEO Alex Clifford provided an oral update regarding the following topics:

- California Air Resources Board
- FTA Meeting
- Earmarks

B. MARKETING UPDATE

Supervisor of Marketing and Customer Engagement Maximilian Cao provided an update on recent events.

9. INFORMATION ITEMS

Reports provided for information only:

A. FEDERAL LEGISLATIVE UPDATE

B. STATE LEGISLATIVE UPDATE

10. CONSENT CALENDAR

A. RESOLUTION NO. 7066: APPROVING THE MINUTES OF THE FEBRUARY 16, 2024, REGULAR BOARD OF DIRECTORS MEETING

ACTION: MOTION: Stephan Castellanos SECOND: Balwinder Singh
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

B. RESOLUTION NO. 7067: APPROVING THE MINUTES OF THE FEBRUARY 16, 2024, SPECIAL BOARD OF DIRECTORS MEETING

ACTION: MOTION: Stephan Castellanos SECOND: Balwinder Singh
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

C. RESOLUTION NO. 7068: APPROVING CHANGING THE DATE AND TIME FOR THE REGULAR BOARD OF DIRECTORS MEETING SCHEDULED ON FRIDAY, NOVEMBER 22, 2024, TO THURSDAY, NOVEMBER 21, 2024, AT 12:30 P.M.

ACTION: MOTION: Stephan Castellanos SECOND: Balwinder Singh
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

- D. RESOLUTION NO. 7069: APPROVING THE CEO, GENERAL COUNSEL, AND CFO TO COMPROMISE AND/OR SETTLE POTENTIAL TORT LIABILITY, POTENTIAL CLAIMS, CLAIMS AND/OR LEGAL ACTIONS UP TO \$100,000

ACTION: MOTION: Stephan Castellanos SECOND: Balwinder Singh
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

- E. RESOLUTION NO. 7070: APPROVING ESTIMATED EXPENSES IN ADVANCE OF BOARD OF DIRECTORS TRAVEL
Director Restuccia pulled this item from the Consent Calendar.

ACTION: MOTION: Gary Giovanetti SECOND: Balwinder Singh
Roll Call:

AYES: Giovanetti, Fong, Singh, Castellanos

NAYES: Restuccia ABSTAIN: ABSENT:

11. ACTION ITEMS

- A. RESOLUTION NO. 7071: APPROVING THE CALENDAR YEAR 2024 LOCAL, STATE AND FEDERAL LEGISLATIVE PROGRAM AGENDAS

ACTION: MOTION: Gary Giovanetti SECOND: Les Fong
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

- B. RESOLUTION NO. 7072: APPROVING DISCONTINUATION OF COMMUTER ROUTE 120 TO TRACY DEFENSE DISTRIBUTION DEPOT EFFECTIVE MAY 31, 2024

ACTION: MOTION: Les Fong SECOND: Stephan Castellanos
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

- C. RESOLUTION NO. 7073: AUTHORIZING THE CEO TO ISSUE A PURCHASE ORDER TO BIG VALLEY FORD FOR THE PURCHASE OF SIX (6) NON-REVENUE VEHICLES NOT TO EXCEED \$330,000

ACTION: MOTION: Les Fong SECOND: Stephan Castellanos
Roll Call:

AYES: Restuccia, Giovanetti, Fong, Singh, Castellanos

NAYES: ABSTAIN: ABSENT:

12. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF

13. CLOSED SESSION

Chair Restuccia announced that the Board would recess into Closed Session at 12:10 p.m. to consider the following item set forth on the agenda:

A. THREAT TO ESSENTIAL PUBLIC SERVICES OR FACILITIES —
Government Code Section 54957(a)
Consultation with CEO

B. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION
Government Code Section 54956.9

- i. Case: Jilmar Lopez Hernandez, et al. vs San Joaquin Regional Transit District, et al.
- ii. Case: Marilou Jackson, et al. v. San Joaquin Regional Transit District, et al.

The Board of Directors returned from Closed Session at 1:29 p.m. RTD Legal Counsel Julie Sherman reported that no reportable action was taken during the Closed Session.

14. ADJOURNMENT

Chair Restuccia adjourned the meeting at 1:30 p.m.



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: APRIL 19, 2024

RESOLUTION APPROVING THE MINUTES OF THE MARCH 15, 2024
REGULAR BOARD OF DIRECTORS MEETING

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of
Directors that the minutes of the Regular Meeting of March 15, 2024, be approved.



Attachment C
Cover Page

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
FRIDAY, MARCH 15, 2024

The San Joaquin Regional Transit District (RTD) Board of Directors held a Special Meeting at 12:00 p.m. on Friday, March 15, 2024, in the EOC Room of the City of Ripon's Police Department, 259 N. Wilma Ave., Ripon, California, 95366.

1. CALL MEETING TO ORDER Chair Michael Restuccia called the meeting to order at 1:35 p.m.
2. PLEDGE OF ALLEGIANCE TO THE FLAG Chair Restuccia led the pledge.
3. ROLL CALL Present: Michael Restuccia, Chair
Gary Giovanetti, Vice Chair
Les Fong, Director
Balwinder Singh, Director
Stephan Castellanos, Director

Alex Clifford, CEO
Julie Sherman, RTD Legal Counsel
4. PUBLIC COMMENTS No public comments were received.
5. DISCUSSION ITEMS
 - A. INTRODUCTION BY CEO ALEX CLIFFORD

CEO Alex Clifford provided an overview of the agenda and goals for the meeting.
 - B. Q&A REGARDING THE FOLLOWING WRITTEN REPORTS
 - i. Summary of RTD's Relationships with Partners in the Region
Director Castellanos asked for clarification on how the term partners is defined.
 - ii. Update on 2731 East Myrtle Street (Sardee Property)
 - iii. Bus Stops and Passenger Amenity Levels
 - iv. Update on the Short-Range Transit Plan
 - iv. Farebox Recovery
 - v. Wi-Fi on Buses
 - vi. Update on Fuel Cell Electric Bus Pilot Project - Including Transition Plan to Alternative Fuels
 - vii. Cash and Credit Card Transaction Processing

C. TEN-MINUTE PRESENTATIONS

- i. Fare Evasion and Safety
Director Restuccia asked about the cost benefit.
- ii. Active Shooter and Board Meeting Disruption Protocols
Director Castellanos asked how the riders feel about their safety on buses.
Director Giovanetti asked about unannounced drills for employees.
- iii. Workforce Development and Succession Planning
Director Singh asked about the training process for those promoting within RTD.

D. OPEN BOARD DISCUSSIONS

- i. Board Travel Policy - One Year Later
This item was not discussed.
- ii. Bring Your Own Device Policy
Legal Counsel will research policies of other agencies for future discussion about a Board Member Policy.

6. ADJOURNMENT

Chair Restuccia adjourned the meeting at 3:09 p.m.



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: APRIL 19, 2024

RESOLUTION APPROVING THE MINUTES OF THE MARCH 15, 2024
SPECIAL BOARD OF DIRECTORS MEETING

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of Directors that the minutes of the Special Meeting of March 15, 2024, be approved.



LEAD: ALEX CLIFFORD, CEO

I. RECOMMENDED ACTION

That the Board consider and approve the estimated Board of Directors travel expenses.

II. SUMMARY

- RTD's Board Travel Policy requires full Board approval of estimated expenses before board member travel.
- RTD staff annually solicits the Board members' interest in attending educational conferences and events.
- Vice Chair Gary Giovanetti is a member of the 2024 APTA Executive Committee and will be traveling more often to attend meetings and conferences.

III. DISCUSSION/BACKGROUND

RTD acknowledges its responsibility to administer limited public resources prudently and to expend them only when there will be a substantial benefit to the agency and the community it serves.

RTD is an active member of local, state, and national associations representing transit's interests before the legislative and regulatory agencies at the local, state, and federal levels. Associations, including the California Association for Coordinated Transportation (CALACT), California Transit Association (CTA), and American Public Transportation Association (APTA), convene annual conferences to provide educational sessions focusing on the public transit industry's current challenges, technology innovations, lessons learned, best practices, and networking opportunities for public transit professionals at all levels, including Board members.

The San Joaquin Council of Governments also convenes an annual advocacy program (One Voice) for San Joaquin County, to promote projects, programs, and issues of regional significance to federal legislators and agencies, typically through a yearly trip to Washington, D.C. The purpose of One Voice is to advocate for new or increased funding and new or amended legislation for issues and projects of significance to the San Joaquin region.

- On an annual basis, RTD staff solicits Board members for expressions of interest in attending educational conferences. Additionally, Vice Chair Gary Giovanetti is a member of the 2024 APTA Executive Committee and is required to travel more frequently to attend meetings and conferences.

An estimate of planned travel expenses for board members, listed by conference for the 2024 calendar year, is provided in a table on the next page.

TRAVEL EXPENSES

Board Member	APTA Legislative Conference April 7-9, 2024 Washington, DC	APTA Mobility Conference April 28-May 1, 2024 Portland, OR	San Joaquin One Voice May 5-9, 2024 Washington, DC	CTA Spring Legislative Conference May 21, 2024 Sacramento, CA	APTA Rail Conference June 2-5, 2024 Cleveland, OH	APTA Transit Board Members & Transit Board Admins. Seminars July 13-16, 2024 San Jose, CA	APTA TRANSform Conference & Expo Sept. 29-Oct. 2, 2024 Anaheim, CA	APTA Executive Committee Strategic Retreat November 8-10, 2024 Las Vegas, NV	CTA Fall Conference & Expo November 20-22, 2024 San Jose, CA
Mike Restuccia									
Gary Giovanetti	X	X			X	X	X	X	
Les Fong			X			X	X		X
Balwinder Singh	X		X			X	X		
Stephan Castellanos	X			X		X	X		X
Estimated Cost Per Person	\$3,500	\$2,800	\$3,600	\$175	\$3,700	\$2,500	\$3,700	APTA will reimburse RTD for expenses	\$1,800
Actual Cost									
Gary Giovanetti									
Les Fong									
Balwinder Singh									
Stephan Castellanos									

Actual costs will be added to the table after each conference.

Pricing between Board member travel events may differ as a result of such factors as:

- Date the flights were finalized and booked
- Flights with connections versus direct flights
- Departing airports (SFO v. SMF)
- Destination airports (IAD v. DCA)
- Mileage to and from departing airports (SFO v. SMF)
- Airport parking fees (SFO v. SMF)
- Traveling expenses to and from the airport
- Duration of the trip may vary due to the conference agenda and Board Member’s committee assignments

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board’s Strategic Priority 4. Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

Estimated Board member travel expenses, including registration, are estimated at \$52,775. Expenses incurred in Fiscal Year 2024 have been budgeted in the fiscal year budget under account number 403000-50912 – Board Travel. Expenses incurred in FY 2025 will also be budgeted under account number 403000-50912 – Board Travel.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None

VIII. ATTACHMENTS

Attachment A: Resolution

Prepared by: Merab Talamantes, Project Controls Manager

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

RESOLUTION NO. _____
 DATED: APRIL 19, 2024

RESOLUTION APPROVING ESTIMATED EXPENSES IN ADVANCE OF BOARD OF DIRECTORS TRAVEL

WHEREAS, the San Joaquin Regional Transit District (RTD) acknowledges its responsibility to administer limited public resources prudently and to expend them only when there will be a substantial benefit to the agency and the community it serves; and

WHEREAS, RTD staff annually solicits Board members for interest in attending educational conferences and events; and

WHEREAS, the full Board will consider expressions of interest received for travel from Board members; and

WHEREAS, additional travel may be required of Board members who represent RTD’s interests by actively participating in transit focused committees; and

WHEREAS, upon authorization from the Board, staff will work with Board members to make necessary travel arrangements.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of Directors that the following travel requests and estimated expenses be and are hereby authorized.

Board Member	APTA Legislative Conference April 7-9, 2024 Washington, DC	APTA Mobility Conference April 28-May 1, 2024 Portland, OR	San Joaquin One Voice May 5-9, 2024 Washington, DC	CTA Spring Legislative Conference May 21, 2024 Sacramento, CA	APTA Rail Conference June 2-5, 2024 Cleveland, OH	APTA Transit Board Members & Transit Board Admins. Seminars July 13-16, 2024 San Jose, CA	APTA TRANSform Conference & Expo Sept. 29-Oct. 2, 2024 Anaheim, CA	APTA Executive Committee Strategic Retreat November 8-10, 2024 Las Vegas, NV	CTA Fall Conference & Expo November 20-22, 2024 San Jose, CA
Mike Restuccia									
Gary Giovanetti	X	X			X	X	X	X	
Les Fong			X			X	X		X
Balwinder Singh	X		X			X	X		
Stephen Castellanos	X			X		X	X		X
Estimated Cost Per Person	\$3,500	\$2,800	\$3,600	\$175	\$3,700	\$2,500	\$3,700	APTA will reimburse RTD for expenses	\$1,800



LEAD STAFF: CIRO AGUIRRE, CHIEF OPERATING OFFICER

I. RECOMMENDED ACTION:

That the Board of Directors authorizes the CEO to enter into and execute a Memorandum of Understanding (MOU) for implementation of a Stockton Unified School District (SUSD) High School Student Pass Program on San Joaquin Regional Transit District (RTD) local Fixed Route Service beginning July 1, 2024.

II. SUMMARY:

- Since June 1, 2022, an MOU has existed with RTD and SUSD providing fare-free access to SUSD students in grades 7 through 12 on local Fixed Route Services, including students in SUSD's Young Adult Program, paid for by SUSD.
- On December 26, 2023, RTD reached out to SUSD and advised that the current RTD/SUSD MOU would expire on May 31, 2024, and inquired if SUSD was interested in renewing the MOU.
- RTD, under the terms of this MOU, branded as the SUSD High School Student pass program will provide local Fixed Route transit services to SUSD students in grades 9 through 12 (High School).
- The MOU will be in effect for one (1) year, commencing July 1, 2024, and remain in effect until June 30, 2025.
- The one (1) year of service will be charged at a rate of \$400,000 for the year and service approximately ten thousand (10,000) students.

III. DISCUSSION/BACKGROUND:

RTD reached out to SUSD in December of 2023 and informed SUSD that the current MOU for the fare-free access on RTD local Fixed Route service would expire on May 31, 2024. RTD inquired whether SUSD wished to renew the MOU so that RTD could continue providing transportation services. SUSD's Director of Transportation agreed to review the existing MOU and provide a determination.

Several discussions ensued over a period of three months familiarizing the new SUSD team with what the previous staff had agreed to regarding the service parameters, accumulation of ridership data, and requirements in determining accurate ridership data related to SUSD student boardings using advanced technology that SUSD was interested in.

In February 2024, SUSD informed RTD that it wanted to continue having RTD provide fare-free access for SUSD students but on a reduced student basis. SUSD indicated it would be providing "Yellow Bus" services to grades K through 8th for the new school year and from their calculations, there would only be ten

thousand (10,000) high school students that would use the service. It was also noted that through discussions with the RTD Information Technology (IT) department, SUSD wished to continue exploring the use of electronic fare validation to capture ridership data.

RTD and SUSD agreed to the following:

- RTD IT department would continue to work with the SUSD IT department in creating a way of capturing SUSD student ridership using electronic validating technology. Costs related to the integration of this technology for SUSD purposes would be borne by SUSD.
- The new MOU termed SUSD High School Student pass program would allow only high school students in grades 9 through 12 and students in SUSD's Young Adult Program fare-free access (under the current MOU students in grades 7 through 12 are allowed fare-free access).
- The new MOU will not have an option to renew and will need to be negotiated prior to the start of the 2025 school year. SUSD wishes to have a better understanding of actual student ridership through improved electronic validation and tracking to appropriately budget and pay for the service.
- The estimated number of students that would be using the service was established by SUSD at ten thousand (10,000) students. Actual validation of this number was not possible due to student ridership accessing the BRT system that, until recently, did not have a means of counting students (no fareboxes on buses assigned to BRT service). The number is an estimate SUSD reached by removing students in grades 7 and 8 from accessing RTD services and having those students assigned to using the Yellow School Bus service. The approximate total student body for SUSD is 39,000. Adding grades 7 and 8 to the Yellow Bus Service will increase riders on the Yellow Bus service to approximately 29,000 students. The remaining 10,000 High School students will qualify for the SUSD High School Student pass program on RTD local Fixed Route service.

In keeping with the established billing rate applied to other educational institutions, the price per student was quoted to SUSD at \$40 per student per year. This results in a total cost of \$400,000 per year from SUSD to RTD for the use of local Fixed Route services. The first and full installment of \$400,000 for the year will be remitted by SUSD to RTD on August 1, 2024. While the current MOU expires May 31, 2024, and the new MOU is scheduled to begin July 1, 2024, RTD has agreed to continue providing the Fare-free student access for the month of June 2024 with no impact to students while the new SUSD High School Student pass program MOU goes into effect.

Under this MOU, SUSD students in grades 9 through 12 will be able to board RTD local Fixed Route buses by displaying their SUSD Student Identification Card

to the Operator as work on electronic validation continues. If approved, the agreement will commence July 1, 2024.

The MOU being presented in Attachment "B" has not been signed by SUSD due to the RTD Board of Directors meeting taking place prior to the SUSD Board meeting. There is mutual desire to obtain authorization for the MOU in the month of April. If the RTD Board of Directors approves this MOU, it will be presented to the SUSD Board on Tuesday, April 23, 2024, for their approval.

The RTD Service Development Department staff and SUSD staff will coordinate any changes to the SUSD "Bell Schedule" ahead of time and factor any changes into the new Operator shift bids that will take effect during the start of the regular school year starting in July 2024. In addition to providing SUSD High School Student pass program on RTD local Fixed Routes to and from their respective schools, the terms of the MOU will also allow SUSD students to use the service on Weekends, Holidays, and other non-school days within the local Fixed Route service area during times of RTD operation.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the RTD Board's Strategic Priorities 3, 4, and 5.

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

Positive community impact as students will be provided with a safe and reliable service not only to and from school but for other extracurricular activities or events allowing easy community engagement.

VI. FINANCIAL CONSIDERATIONS/IMPACT

See Attachment A

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

No other alternatives were considered given the benefit to the community this partnership will provide.

IX. ATTACHMENTS

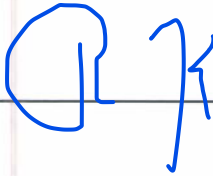
Attachment A: Resolution

Attachment B: MOU

Prepared by: Ciro Aguirre, Chief Operating Officer

X. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

RESOLUTION NO. _____
DATED: APRIL 19, 2024

RESOLUTION AUTHORIZING THE CEO TO ENTER INTO AND EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN SAN JOAQUIN REGIONAL TRANSIT DISTRICT AND STOCKTON UNIFIED SCHOOL DISTRICT (SUSD) FOR A ONE-YEAR SUSD HIGH SCHOOL STUDENT PASS PROGRAM FOR 9TH THROUGH 12TH GRADE STUDENTS FOR THE PERIOD OF JULY 1, 2024, THROUGH JUNE 30, 2025

WHEREAS, San Joaquin Regional Transit District (RTD) has partnered with SUSD to provide SUSD High School Student pass program services on fixed route buses for all 9th through 12th grade students; and

WHEREAS, the MOU between RTD and SUSD is set to expire on May 31, 2024; and

WHEREAS, the parties desire that RTD continue to provide a SUSD High School Student pass program on fixed route buses for 9th through 12th grade SUSD students; and

WHEREAS, the RTD Board of Directors wishes to delegate authorization to enter into and execute a MOU with SUSD to RTD's CEO.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of Directors as follows:

- 1) That the CEO be, and hereby is, authorized to finalize and execute the MOU with SUSD for a one-year SUSD High School Student pass program for the period of July 1, 2024, through June 30, 2025, at a rate of \$400,000.
- 2) That the CEO is hereby authorized and directed to execute such other agreements and amendments to this agreement, and to take such other actions as may be necessary or appropriate to carry out in the intent and purpose of this resolution.
- 3) That the Chair of the Board and the CEO, acting separately, are hereby authorized, and directed to execute such other agreements and amendments to this agreement, and to take such other actions as may be necessary or appropriate to carry out the intent and purpose of this resolution.



Attachment B
Cover Page

MEMORANDUM OF UNDERSTANDING

MOU 22145-U

This **MEMORANDUM OF UNDERSTANDING** (MOU) is made and entered into at Stockton, California, as of July 1, 2024, by and between the **SAN JOAQUIN REGIONAL TRANSIT DISTRICT (RTD)** and **STOCKTON UNIFIED SCHOOL DISTRICT (SUSD)**, a school district, (collectively referred to as "the Parties").

WHEREAS, RTD has heretofore entered into an MOU whereby RTD will provide no-cost rides to high school students in grades 9 – 12 attending SUSD schools; and

WHEREAS, this MOU describes the agreement and understanding between RTD and SUSD in connection with RTD providing bus local service rides to SUSD for the use of its high school students; and

WHEREAS, this MOU describes the cooperative efforts between RTD and SUSD whereby RTD will provide access to all RTD's existing fixed route local services at no cost to the SUSD high school students, which includes students in SUSD's Young Adult Program; and

NOW, THEREFORE, RTD and SUSD agree to the following:

1. The term of this MOU shall be for a period of one year, commencing on July 1, 2024, and shall remain in effect until June 30, 2025, three hundred sixty-five (365) days. The current MOU will remain in effect during the month of June 2024 until the new MOU is in effect.
2. SUSD shall issue Student Identification (ID) Cards, for use by its high school students to permit them to ride on RTD's local fixed routes within San Joaquin County whenever RTD is in operation.
3. The Student ID Card shall be issued in the name of and shall only be used by qualified SUSD high school students.
4. In order to be eligible to board the bus, the Student ID Card must only be used (a) by the student to whom it was issued and (b) by a student at one of SUSD schools.
5. Students must abide by RTD's Student Code of Conduct, a copy of which is given to SUSD with the execution of this MOU. RTD shall have the right to cancel said student's bus ride if the student does not abide by RTD's Student Code of Conduct.
6. SUSD shall be responsible for the following:
 - A. SUSD shall pay to RTD as compensation for said bus services the sum of \$400,000.00/for one year as follows:

- i. \$400,000 on or before August 1, 2024
 - B. SUSD and RTD are negotiating the metrics and tools to be used for data analysis.
 - C. SUSD will be responsible for notifying RTD of any and all information necessary for RTD to implement this MOU.
 - D. SUSD shall cooperate in promoting RTD's Student Code of Conduct to the students.
 - E. SUSD Transportation Department administration will be available to any persons during regular business hours at 209-933-7145 to discuss any concerns that may arise from this agreement.
- 7. RTD will provide access to all of RTD's existing fixed routes during periods in which RTD operates its local services at no cost to the SUSD students in grades 9 - 12.
- 8. This MOU shall terminate upon the happening of the first of the following events:
 - A. The MOU shall terminate and end upon the expiration of the stated term as set forth in Paragraph 1, above.
 - B. This MOU shall terminate automatically upon the failure of SUSD to make the required payment to RTD in accordance with Paragraph 6(A), above.
 - C. Notwithstanding any other provision of this MOU, either Party hereto may terminate this MOU at any time with sixty days prior written notice to the other party.
- 9. The following provisions shall apply to this MOU:
 - A. Notices

Any notice to be given hereunder by one party to the other shall be in writing and shall be given either by personal delivery or by mail, registered or certified, postage prepaid, with return receipt requested. Mailed notices shall be addressed to the party at the address appearing following the signature lines of this MOU. Any party may change its address by written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of the date of actual receipt; mailed notices will be deemed communicated as of two days after the date of mailing.
 - B. Entire Agreement of the Parties

This MOU supersedes any and all other agreements, either oral or

written, between the parties hereto with respect to the subject matter of this MOU. Each party to this MOU acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this MOU shall be valid or binding. Any modification of this MOU will be effective only if it is in writing signed by the party to be charged.

C. Partial Invalidity

If any provision in this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

D. Governing Law

This MOU will be governed by and construed in accordance with the laws of the State of California.

E. No attempted or requested modification to this MOU shall be effective until thirty (30) days after the party seeking a modification has notified the other of the desired modification, and the parties have demonstrated their mutual consent to the modification by mutually executing a written instrument amending this MOU.

F. No Partnership or Agency

This Agreement does not create a partnership or agency relationship between RTD and SUSD. RTD does not have the authority to enter into contracts on behalf of SUSD without separate written approval from SUSD.

G. Presumption

The parties acknowledge that this document is the product of mutual negotiation and that in the event of a dispute as to the meaning of this Agreement, or any provision in this Agreement, there shall be no presumption against the drafter of the document or any provision herein.

SIGNATURES APPEAR ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this MOU by their duly authorized officers as of the day and year first written above.

San Joaquin Regional Transit District
421 East Weber Avenue
Stockton, CA 95202
Phone: (209) 943-1111

Stockton Unified School District
640 N. San Joaquin Street
Stockton, CA 95202
Phone: (209)933-7070

By: _____

Procurement Approval

By: _____

Approved as to Form:

By: _____

By: _____

Attest

By: _____

Approved as to Form:

By: _____

DRAFT

Report published 4/17/2024



LEAD STAFF: KEN BAXTER, GOVERNMENT AFFAIRS DIRECTOR

I. RECOMMENDED ACTION:

Receive an update regarding the San Joaquin Council of Governments' (SJCOG) possible termination of the Memorandum of Understanding (MOU) for the National Transit Database (NTD) vanpool reporting and suggested changes to the process for allocating Federal Transit Administration (FTA) funding in the Stockton Urbanized Area (UZA), which would be an attempt to usurp and interfere with RTD's role and authority as the Designated Recipient to administer the annual Section 5307 funding apportionments. The San Joaquin Regional Transit District (RTD) management is requesting direction to staff as appropriate.

II. SUMMARY

- RTD and SJCOG entered into an MOU on July 1, 2017, to collaborate and improve commuter vanpool services in San Joaquin County. The MOU specifies that SJCOG will fund the vanpool program and RTD will report vanpool information to the FTA NTD. The MOU stipulates that RTD will receive all additional revenues apportioned to the Stockton UZA and the unincorporated area resulting from the NTD reporting. Additional Stockton UZA revenues were intended to be used to augment services in the City of Stockton.
- The associated vanpool reporting to NTD provides additional Urbanized Area Formula Program funds under 49 U.S.C. Section 5307. RTD is the Designated Recipient for the Stockton UZA, which means that it is responsible for allocating Section 5307 funds in the Stockton UZA. Current and past funding recipients are RTD and the San Joaquin Regional Rail Commission (SJRRC). RTD annually engages with SJRRC to develop a split letter to allow SJRRC to become a Direct Recipient of an agreed-upon portion of the annual apportionments. This split letter process for the Stockton UZA has worked well and without challenge for many years.
- SJCOG now wants to opt out of the vanpool MOU, ostensibly to allow all potential recipients of federal funding in the Stockton UZA to discuss a new process for cooperative decision-making relative to Section 5307 funds.
- According to an SJCOG staff report to their Executive Committee on April 18th, this new process would provide SJCOG with a forum for "cooperative" decision-making that would allow SJCOG, SJRRC, and potentially the Interagency Transit Committee (ITC) and others a "seat at the table" in "cooperative" decision-making to carry out the planning process and give input to the Designated Recipient on the Stockton UZA funding split for the full amount of the annual apportionment.

- SJCOG does not have the authority to establish a process by which Stockton UZA Section 5307 funds are allocated and attempting to do so would be interpreted by RTD as an attempt to usurp RTD's Designated Recipient duties and responsibilities to administer the Stockton UZA apportionments.
- RTD management opposes the termination of the Vanpool MOU and any attempt by the SJCOG to create a new process of allocating 5307 apportionments in the Stockton UZA. RTD opposes the termination of the Vanpool MOU since both agencies should continue to affirm their 2017 commitment to the importance and value of the additional Stockton UZA 5307 apportionments flowing to service in the City of Stockton.
- RTD suggests that a more prudent path would be for the SJCOG to request to negotiate changes to the MOU, if such are warranted. Termination of the MOU does not change the fact that with or without the Vanpool MOU, the SJCOG has always had the ability to request Stockton UZA 5307 funding for qualifying local transit needs in the Stockton UZA. The SJCOG has never requested such funding, likely because their only potentially eligible transit project in the Stockton UZA is their vanpool program, and said vanpool program since 2017 has always been 100% funded with Congestion Mitigation and Air Quality (CMAQ) and Measure K (MK) funds.
- RTD Management is seeking the RTD Board's direction regarding SJCOG's potential termination of the MOU and their proposal to create a new process for 5307 allocation decision-making and options to convey RTD's opposition to the SJCOG Board.

III. DISCUSSION/BACKGROUND

Vanpool MOU

RTD and SJCOG entered into an MOU on July 1, 2017, to collaborate and improve commuter vanpool services in San Joaquin County. At the time, RTD was interested in establishing its own vanpool program with the goal of supplementing Stockton UZA 5307 bus transit funding, but SJCOG opposed the operation of two vanpool programs in San Joaquin County. The agencies reached an agreement that would allow both agencies to support the vanpool—RTD as the entity with the capacity and capability to manage the reporting of vanpool information in the FTA NTD and SJCOG as the entity operating the vanpool program. The MOU specifies that SJCOG would fund its vanpool program with MK funds and subsequently also use CMAQ funds.

The associated vanpool reporting to NTD has resulted in additional Urbanized Area Formula Program funds under 49 U.S.C. Section 5307, as anticipated in 2017. Under the MOU, RTD receives all additional revenues apportioned to the Stockton UZA and the unincorporated area resulting from the NTD vanpool reporting. FTA apportions these funds to RTD as the Designated Recipient for the Stockton UZA, which also includes the City of Lathrop.

The Stockton UZA is classified as a large UZA (200,000 or more population) and the cities of Lodi, Manteca, and Tracy are small UZA's (population between 50,000 and less than 200,000). For the Stockton UZA, 5307 funds are apportioned based on a formula that includes bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, fixed guideway route miles, fixed guideway passenger miles, as well as population and population density.

RTD is the Designated Recipient for the Stockton UZA, which means that it is responsible for receiving, administering, and apportioning FTA funds to eligible projects within the Stockton UZA. RTD, the Designated Recipient, is responsible for allocating the relevant apportionments among recipients in the UZA based on local needs and arrangements. Additional Designated Recipient responsibilities include identifying and selecting projects via a Program of Projects (POP) process that the MPO (i.e., SJCOG) or state department of transportation will include in a metropolitan transportation plan, transportation improvement program, long-range statewide transportation plan, statewide transportation improvement program, and/or a unified planning work program. RTD has always and continues to meet these requirements by "coordinating" with the SJCOG in their Transportation Improvement Program (TIP) process.

SJCOG now wants to opt out of the Vanpool MOU and implement its own vanpool NTD reporting. SJCOG staff prepared a report with an action item to the Executive Committee for its meeting on April 18, 2024, to recommend to the SJCOG Board to terminate the Vanpool MOU with RTD, effective immediately.

RTD opposes the termination of the Vanpool MOU since both agencies should continue to affirm their 2017 commitment to the importance and value of the additional Stockton UZA 5307 apportionments flowing to service in the City of Stockton.

RTD suggests that a more prudent path would be for the SJCOG to request to negotiate changes to the MOU, if such are warranted. Termination of the MOU does not change the fact that with or without the Vanpool MOU, the SJCOG has always had the ability to request Stockton UZA 5307 for qualifying local transit needs in the Stockton UZA. The SJCOG has never requested such funding, likely because their only potentially eligible transit project in the Stockton UZA is their vanpool program, and said vanpool program since 2017 has always been 100% funded with CMAQ and Measure K funds.

Stockton UZA Apportionment and SJCOG's New Proposed Process

As the Designated Recipient for the Stockton UZA, RTD develops an annual split letter with the only other current and past funding transit provider in the Stockton UZA, the SJRRC, to provide SJRRC a portion of the 5307 apportionments. The split letter process for the Stockton UZA has worked well and without challenge for many years. At the request of the SJRRC, the process was reevaluated in 2023 and agreement on the split letter was again achieved.

It has recently come to RTD's attention that SJCOG may also have a potentially eligible local transit project in the Stockton UZA and that the SJCOG may be seeking Stockton UZA Section 5307 funding from RTD. In response to this information, RTD contacted both SJCOG and SJRRC on April 13, 2024, to give the agencies an opportunity to request funding for qualifying local transit projects and asking potential applicants to provide detailed information for RTD's consideration. The 2024 FTA 5307 Project Consideration Process letter is attached. Notably, SJCOG has never requested Stockton UZA Section 5307 funding from RTD.

On April 2, 2024, the SJCOG ITC was scheduled to consider an agenda item regarding a collaborative process for FTA Section 5307 urbanized areas in the San Joaquin Region, including the Stockton UZA. Prior to the ITC meeting, Alex Clifford, RTD CEO, sent a letter to the ITC Chair and committee members requesting that they do not include any discussion about the Stockton UZA. Mr. Clifford noted that RTD is the Designated Recipient of the Stockton UZA 5307 formula funds generated and, consistent with the FTA guidance, discussion of the Stockton UZA Section 5307 allocation process is not an appropriate topic for the ITC. This item was left on the agenda, and when it was discussed, RTD staff requested they not include the Stockton UZA. However, the general consensus was to include Stockton UZA in the discussion and that occurred.

Subsequent to the ITC meeting, SJCOG staff prepared a report with an action item to the SJCOG Executive Committee for its meeting on April 18, 2024, to recommend to the SJCOG Board to terminate the MOU. This report also proposes starting a new process of allocating 5307 funds, including the Stockton UZA apportionments. This new process would include a forum to enable SJCOG to have a "seat at the table" in decision-making to carry out the planning process and give input to the Designated Recipient on the Stockton UZA funding split for the full amount of the annual apportionment.

SJCOG does not have the authority to establish the Stockton UZA Designated Recipient's split letter process and doing so would be interpreted by RTD as interfering with and attempting to usurp RTD's Designated Recipient duties and responsibilities to administer the Stockton UZA 5307.

As the state Designated Recipient for the Lodi, Tracy, and Manteca UZAs, SJCOG is well within its right to design any process they wish pertaining to the distribution of 5307 apportionments for the three small UZAs. However, SJCOG has no authority whatsoever to interfere in the Stockton UZA because the Designated Recipient is RTD.

RTD management opposes a new process that would include the Stockton UZA in a regional forum. FTA guidance is clear that the Designated Recipient has the responsibility to receive, administer, and allocate 5307 funds—SJCOG does not have the authority to create a new funding allocation process and any efforts to do so will meet with opposition from RTD.

The SJCOG Board meeting is scheduled for April 25, 2024, and it is understood the SJCOG Board meeting will include an agenda item to not only terminate the Vanpool MOU, but also include the new process of allocating 5307 funds in the three small UZAs and the Stockton UZA.

RTD management is seeking the RTD Board's comments regarding SJCOG's termination of the Vanpool MOU and the inclusion of the Stockton UZA in their new process and seeks Board support to continue to convey RTD's opposition on both matters to the SJCOG Board. An RTD Summary of Legal Analysis (Draft letter to the SJCOG Board) is attached.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 1 - 6.

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

The termination of the Vanpool MOU by SJCOG could result in a loss of Section 5307 funds for the City of Stockton bus transit services, and such would have a significant negative impact on RTD's customers in the City of Stockton who rely on RTD's bus transit services. Many of our customers are underserved and low-income riders who are transit dependent. The full magnitude of this impact on our customers is undetermined at this time. RTD only recently learned about SJCOG's decision to move forward with the Vanpool MOU termination and their attempt to usurp the Designated Recipient responsibilities of the RTD.

VI. FINANCIAL CONSIDERATIONS/IMPACT

If the SJCOG Board approves the staff and Executive Committee's recommendation to terminate the MOU with RTD, and when and if SJCOG is granted Stockton UZA Section 5307 funding, this will have a significant negative impact on RTD's capital and preventative maintenance funding and potentially result in negative impacts on the service RTD provides for transit riders in the City of Stockton.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

A "do nothing" alternative is not recommended due to the magnitude, severity, and negative impact of potentially losing an undetermined amount of Section 5307 funds and the impact this will have on RTD and the City of Stockton riders we serve. In addition, do nothing could contribute to the creation of a regional/cooperative forum that would usurp RTD's responsibility as a Designated Recipient to administer Stockton UZA 5307 apportionments.

IX. ATTACHMENTS

Attachment A: SJCOG and RTD Vanpool MOU, July 1, 2017

Attachment B: RTD's letter to ITC, April 1, 2024

Attachment C: RTD's 2024 FTA 5307 Project Consideration Process Letter, April 13, 2024

Attachment D: RTD's letter to the cities, county, and transit leaders, April 15, 2024

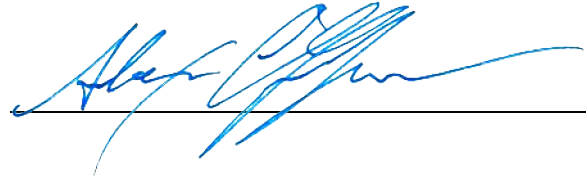
Attachment E: Draft letter to the SJCOG Board

Attachment F: Draft letter to the SJCOG Board Attachment A, RTD Summary of Legal Analysis

Prepared by: Ken Baxter, Government Affairs Director

X. APPROVAL

Alex Clifford, CEO





Attachment A
Cover Page

MEMORANDUM OF UNDERSTANDING
 BETWEEN THE SAN JOAQUIN REGIONAL TRANSIT
 DISTRICT AND THE SAN JOAQUIN COUNCIL OF GOVERNMENTS
 FOR NATIONAL TRANSIT DATABASE (NTD) VANPOOL REPORTING SERVICES

This MEMORANDUM of UNDERSTANDING (hereinafter referred to as "MOU") is made and entered into on July 1, 2017, by and between the SAN JOAQUIN COUNCIL OF GOVERNMENTS, a municipal corporation (hereinafter referred to as "SJCOG") and SAN JOAQUIN REGIONAL TRANSIT DISTRICT a public transit district, (herein referred to as "RTD").

WHEREAS, the SJCOG and RTD desire to collaborate and improve commuter vanpool services in San Joaquin County; and, RTD has the capacity and capability to manage the reporting of vanpool information to the Federal Transit Administration's National Database (NTD).

NOW, THEREFORE, SJCOG and RTD agree to the following:

1.0 TERM OF MOU:

Unless otherwise amended, this MOU shall commence on the date of the last signatory below, and shall remain in effect until one of the parties decide to opt out of the MOU.

2.0 PROJECT:

This MOU describes the agreement and understanding between SJCOG and RTD in connection with SJCOG's commuter vanpool services operated under the name "*dibs*". SJCOG currently does not collect nor report to the Federal Transit Administration National Transit Database (NTD) any operational, performance, asset, or financial data associated with the trips generated by the commuter vanpool services provided by *dibs*. As the regional transit provider for San Joaquin County and a NTD urbanized area reporter, RTD has the capacity and capability to report regional vanpool ridership data to the NTD. RTD shall receive and report all San Joaquin County vanpool ridership data to the NTD on behalf of SJCOG, using SJCOG's NTD reporter identification number, at no cost to SJCOG.

In exchange, SJCOG commits to contract with vanpool vendors directly to collect the required vanpool data mandated by NTD requirements and to have the vendors provide the data directly to RTD. SJCOG will also provide the incentive subsidy to the vanpool directly related to NTD reporting duties from the Measure K program or any other alternative funding source. RTD shall, in turn, receive all additional revenues apportioned to the Stockton urbanized area and the unincorporated area resulting from the NTD reporting. RTD should coordinate directly with Manteca, Lodi, and Tracy to capture associated funding in those UZA's.

3.0 TERMS OF AGREEMENT:

This MOU describes the cooperative efforts between SJCOG and RTD to administer NTD data collection and reporting.

- 3.1 RTD shall provide all staffing, training, materials and data management software necessary to input and report all NTD required data on behalf of SJCOG.
- 3.2 RTD will manage the entry of commuter vanpool service data into RTD's data management system database and report the data on a monthly annual basis to the NTD using SJCOG's NTD reporter identification number.
- 3.3 RTD will serve as NTD Reporters, adhere to federal requirements, initiate and complete all necessary reporting forms and ensure a validation process is in place to address potential deviations from reporting, missing information and data irregularities.

RTD acknowledges potential consequences of submitting late or incomplete reports or reports not submitted could result in data being excluded from FTA apportionment, data questioned or excluded from publications as well as transit agency declared ineligible to receive FTA formula funding.

- 3.4 SJCOG will enter into a contract with its vanpool vendor(s) wherein the vendor(s) will develop and provide the necessary tools and training to collect and report data as required for NTD reporting.
- 3.5 RTD will collect reporting information from SJCOG's contracted vendor(s) within 10 calendar days after the completion of each month.
- 3.6 SJCOG, via its transportation demand management programmed named *dibs*, will provide a monthly subsidy to eligible vanpools as an incentive for the accurate and timely completion and delivery of the required NTD data forms each month. Initially this subsidy will be \$250 per month, per van, starting July 1, 2017. This subsidy will be allocated from the Measure K Passenger Rail and Bus category apportionment dedicated to transportation demand management programs and identified in SJCOG's adopted Measure K Strategic Plan. SJCOG reserves the right to change the amount of the subsidy and the funding source at any time during the MOU period.
- 3.7 SJCOG, within 30 days prior to the deadline for the annual report produced by RTD, will provide required costs associated with vanpool program management. SJCOG will provide RTD general administration costs to complete NTD reporting, including but not limited to:
 - Marketing and Customer Service
 - General Activities, if applicable

SJCOG will secure, from the vendor, vendor operating information necessary to complete NTD reporting.

3.8 RTD will report San Joaquin County commuter vanpool ridership data to the NTD as trips provided by SJCOG within all areas of San Joaquin County by the appropriate UZA.

3.9 In the MPO locally-approved methodology process, the amount of 5307 funding for the Stockton UZA attributable to the commuter vanpool services will be identified. The process will then propose assignment of the 5307 funding specific to the vanpool services to RTD.

3.10 RTD and SJCOG shall work collaboratively to improve and expand the commuter vanpool services and related service information to the residents of San Joaquin County. Through the *dibs* program, SJCOG will actively promote, market and provide ridematching vanpool services as part of the regional vanpool program. As such, RTD will direct its customers/users to the availability of the *dibs* vanpool services.

3.13 In accordance with the NTD reporting process, RTD will demonstrate the accuracy of its data reporting through an audit and provide to SJCOG report on an annual basis.

4 .0 OTHER TERMS AND CONDITIONS:

4.1 This MOU can be modified only with the mutual consent of the parties.

4.2 The invalidity of any provision of this MOU shall not void or affect the validity of any other provision of this MOU, and if any clause contained herein is found to be invalid, the remaining clauses will be considered independently and separately valid.

4.3 All notices required by this MOU shall be deemed given when personally served or sent by certified mail, return receipt requested, as follows:

To: San Joaquin Council of Governments
Attn: Andrew Chesley, Executive Director
555 East Weber Avenue
Stockton, California 95202

To: San Joaquin Regional Transit District
Attn: Donna DeMartino, General Manager/CEO
421 East Weber Avenue—2nd Floor
P. O. Box 201010
Stockton, California 95201

5.0 SIGNATURES:

The undersigned affirms that he or she has the authority to execute this MOU on behalf of the agency he or she represents.

IN WITNESS, WHEREOF, the parties hereto have executed this MOU as of the date and year first above written.

SJCOG:

San Joaquin Council of Governments

By: 
Andrew T. Chesley
Executive Director

APPROVED AS TO FORM:


Steve Dial
SJCOG Deputy Executive Director/ Chief Financial Officer

RTD:

San Joaquin Regional Transit District

By: 
Donna DeMartino
General Manager/CEO

APPROVED AS TO FORM:


Al Warren Hoslett
RTD Legal Counsel



Attachment B
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April 1, 2024

Interagency Transit Committee (ITC) Chair Juan Portillo
Via Email

RE: April 2, 2024 ITC Meeting – Agenda Item 5

Dear Chair Portillo and SJCOG ITC Committee Members:

I am contacting you to request that when you discuss Agenda Item 5 tomorrow, you do not include any discussion about the Stockton Urbanized Area (UZA). San Joaquin RTD (RTD) is the Designated Recipient of the 5307 formula funds generated in the Stockton UZA and, consistent with Federal Transit Administration (FTA) guidance, matters related to the apportionment of funds in this UZA are the responsibility of RTD in coordination with SJCOG. Discussion of the Stockton UZA and the Stockton UZA formula 5307 is not an appropriate topic for the ITC.

I respectfully request that you limit the discussion on Agenda Item 5 tomorrow to the Tracy, Lodi, and Manteca UZAs. Such would be appropriate. Below I am providing you a strikeout version of the SJCOG staff recommendation for your consideration.

SJCOG staff is proposing to establish a collaborative process for distributing Federal Transit Administration (FTA) Section 5307 transit funds that are allocated to ~~each Urbanized Area (UZA) within the San Joaquin Region (Lodi, Manteca, and Tracy UZAs, UZAs, and apportioned to the Stockton UZA)~~, consistent with FTA Circular 9030.1E requirements. FTA Circular 9030.1E cites regulations and statutes on the administration and preparation of FTA 5307 funds and describes the roles and responsibilities regarding how FTA 5307 funds are to be allocated for projects.

All matters related to the Stockton UZA that the SJCOG wishes to discuss, including roles and responsibilities, should be matters discussed directly with the RTD. Again, please do not discuss the Stockton UZA at the ITC meeting tomorrow.

In the way of additional background:

- FTA guidance is clear that the "state or designated recipient has the principal authority and responsibility for administering Urbanized Area Formula Program funds within an UZA." (FTA C. 9030.1E, Ch. 2 § 6.). This specifically includes the responsibility for "[a]llocating the relevant apportionment among recipients in the urbanized area or areas on local needs and arrangements, and in coordination with the MPO(s)." (*Id.* at § 6(a).) According to the FTA's Circular on Urbanized Area Formula Program Guidance: "Under the Section 5307 Program,

CHIEF EXECUTIVE OFFICER: Alex Clifford

BOARD OF DIRECTORS: CHAIR Michael P. Restuccia • VICE CHAIR Gary S. Giovanetti

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the state or designated recipient is responsible for 'receiving and apportioning' the amounts . . . apportioned by the FTA to an urbanized area." (*Id.* at Ch. 5 § 4.)

- As noted in the staff report for this item, RTD is the "designated recipient" of the Stockton UZA. This means the RTD has "principal authority and responsibility" for administering Urbanized Area Formula Program funds for the Stockton UZA and "allocating the relevant apportionment among recipients." While SJCOG, as an MPO, has a critical role in transit planning in the region, it does not have authority to usurp the role of designated recipient from RTD and control the allocation of 5307 funds within the Stockton UZA.
- SJCOG's proposed action is also inconsistent with the Metropolitan Transportation Planning MOU among Caltrans, RTD, and SJCOG, recently updated in September 2023. The MOU recognizes that RTD is "the Designated Recipient for the Stockton UZA and has the primary responsibility to develop the POP [program of projects] for the FTA Urbanized Area Formula Grants (5307)." (MOU, Section 3.1.) According to the MOU, "[a]s the direct recipient, RTD will take the lead responsibility for developing and or updating the funding split letters," whereas the SJCOG as the MPO only has a supportive function in this process. (*Id.*) The MOU is clear—RTD has primary responsibility to develop the program of projects and funding split letters. SJCOG's attempt to unilaterally implement a process to develop a program of projects and allocate 5307 funds is inconsistent with both the MOU and FTA guidance.

Thank you for your consideration of my request.

Respectfully,

A handwritten signature in blue ink, appearing to read "Alex Clifford", is written over a horizontal line.

Alex Clifford, CEO
San Joaquin Regional Transit District

CHIEF EXECUTIVE OFFICER: Alex Clifford
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April 13, 2024

San Joaquin Regional Rail Commission (SJRRRC)

ATTN: Stacey Mortensen

San Joaquin Council of Governments (SJCOG)

ATTN: Diane Nguyen

Via Email

RE: 2024 5307 Project Consideration Process

Dear Ms. Mortensen & Ms. Nguyen:

On April 4, 2024 the FTA published the 5307 apportionments. Included in the publication is the Stockton UZA apportionment. The San Joaquin Regional Transit District (SJRTD) is the Designated Recipient for FTA 5307, 5337 and 5339 for the Stockton UZA, and as such, SJRTD is responsible for administering the program on behalf of the UZA. That responsibility includes consideration of the local transit needs within the Stockton UZA and designation of SJRTD as the lead agency for the Stockton UZA Program of Projects (POP). The Stockton UZA is classified as a Large UZA (population >200,000).

Over the past several years, SJRTD's process of evaluating local transit needs was limited to the two eligible transit agencies in Stockton, the SJRTD and the SJRRRC, resulting in an annual Split Letter. However, recently I have been made aware that the SJCOG may wish to have a transit request considered.

This letter serves as notification to both the SJRRRC and the SJCOG that SJRTD is now receiving requests for consideration of funding for local transit needs in the Stockton UZA. All requests must be received by SJRTD, Alex Clifford, by no later than **5pm on Wednesday, April 24, 2024**. Written requests must include at a minimum the following:

- A detailed overview of each transit project funding request and detailed explanation of the request and the requested amounts you propose for capital expenses, operating expenses or preventive maintenance expenses (by each project individually).
- Written statement explaining why the request is a 5307 qualifying expense.
- Amount of 5307 requested for each transit project request.
- Amount of 5337 requested for each transit project request.

CHIEF EXECUTIVE OFFICER: Alex Clifford

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- Amount of 5339 requested for each transit project request.
- Clarity as to the source and amount of the Local Match. For example, Local Match in a Large UZA is 50% when the 5307 is used for operating expenses and 20% when used for preventive maintenance. (See FTA 5307 Circular)
- A statement reflecting that the transit project is currently contained in the POP/TIP.
- Clarity that the project request is for a new unfunded project, or if the funding request is for an existing project, the source of the project's current funding and an explanation as to why the current source of funding needs to be supplanted by new 5307 funding.
- Include an explanation of any current deficit if the funding request is intended to be used to bridge a funding gap.
- Is the funding request intended to be a one-time request, or potentially a recurring annual request?

The local transit projects submitted:

- Must satisfy a specific local transit need.
- 100% of the proposed funding must be spent in the Stockton UZA. If the project costs extend beyond the Stockton UZA limits, the proposer must reduce the request to an amount representative of only that portion of the project that will be constrained to expenditures in the Stockton UZA.
- Must be a 5307 qualifying expense.

All required information detailed in this document must be submitted to SJRTD, Alex Clifford, by **no later than 5pm on Wednesday, April 24th** in order to be considered. Incomplete or late submittals will not be considered.

SJRTD, as the Designated Recipient, will evaluate the submitted requests, and if SJRTD determines that one or more transit project requests meet local transit needs, SJRTD may authorize a full or partial allocation of 5307 funding to the local transit project. Such funding, as determined by SJRTD, may be in the form of a split letter, direct allocation, or sub-recipient.

I look forward to another successful year of federal formula funds.


Alex Clifford, CEO
San Joaquin Regional Transit District

CHIEF EXECUTIVE OFFICER: Alex Clifford
BOARD OF DIRECTORS: CHAIR Michael P. Restuccia • VICE CHAIR Gary S. Giovanetti
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April 15, 2024

To: San Joaquin County City Managers, Mayors, Supervisors, and Transit Leadership

Dear San Joaquin County Transit Leaders:

I am contacting you to inform you that I have initiated the annual process to review requests for Federal Transit Administration (FTA) 5307 funding in the Stockton Urbanized Area (UZA). The Stockton UZA consists of the City of Stockton and City of Lathrop.

In the past, you have not been contacted on matters related to the Stockton UZA because the Stockton UZA consists of two eligible recipients, San Joaquin Regional Transit District (RTD), the Designated Recipient, and the San Joaquin Regional Rail Commission (SJRRRC). However, I understand from comments made at the recent Interagency Transit Committee (ITC) meeting on April 2nd, that some interest was expressed in knowing more about how the Stockton UZA dollars are spent.

Please know that you can contact me any time when you have a question about 5307 expenditures in the Stockton UZA. Please know that RTD has always been transparent on this matter. In the way of a quick snapshot, the two eligible recipients have engaged in an annual discussion that results in the RTD producing a Split Letter in which RTD identifies a portion of the Stockton UZA funding to be assigned to the SJRRRC. The annual Stockton UZA federal 5307 apportionments are used by both RTD and SJRRRC for capital and operating expenses in the Stockton UZA. Keep in mind that the 5307 generated in the Stockton UZA must be used in the Stockton UZA. These funds cannot be used in the Lodi, Tracy, or Manteca UZAs.

As you may or may not know, the City of Lathrop is included in the Stockton UZA. While Lathrop does not today have transit, Lathrop and RTD are working together on a study that might result in the introduction of transit to the City of Lathrop in the coming years. Should that happen, RTD will add Lathrop to the annual Stockton UZA process for consideration of Stockton UZA funding.

Finally, RTD is very supportive of the SJCOG designing a long overdue formal process for the distribution of federal 5307 apportionments in the three small UZAs (Lodi, Manteca and Tracy). RTD's County Hopper services generate a significant amount of Small Transit Intensive Cities (STIC) dollars that are included in the annual

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apportionment to the three small UZAs. We believe there should be an annual process for the distribution of the small UZA's 5307 and that it is irresponsible for the SJCOG to be currently sitting on over two years of 5307 apportionments. We also know this "process" topic only recently surfaced when last year, I requested information from the SJCOG about the distribution of 5307 generated in the three small UZAs. Following that inquiry, it took the SJCOG many months to finally bring this process question forward. Having said that, RTD will happily participate and collaborate in the three small UZA process and we have no opposition to the process proposed by the SJCOG for 5307 apportionments in the three small UZAs (Lodi, Tracy and Manteca), a process that is under the control of the SJCOG as the Designated Recipient for the three small UZAs.

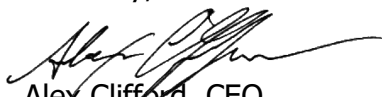
However, SJRTD is the Designated Recipient for 5307 generated in the Stockton UZA. As such we will not allow the SJCOG to usurp or interfere with RTD's responsibilities and duties as the Designated Recipient, and we will not allow the SJCOG to attempt to wrap the Stockton UZA 5307 process into their proposed process for the three small UZAs. To be clear, the SJCOG is the state delegated Designated Recipient for the three small UZAs, and SJRTD is the Designated Recipient for the Stockton UZA. This fact is indisputable.

In their presentation to the ITC, the SJCOG presented a false concept that they have a responsibility to coordinate the annual Stockton UZA 5307 apportionments. They extrapolated such by misinterpreting some language in the FTA Circular 9030.1E that references coordination between the Designated Recipient and the MPO. However, they did not read the entire Circular because clarity on this matter is provided later in the Circular, where it is made clear that "coordination" refers to the planning process, a typical responsibility of MPOs. The intent of "coordination" as explained later in the Circular, has to do with the coordination with the MPO when it comes to the Program of Projects (POP), which is the responsibility of the Designated Recipient. The "coordination" occurs with the update to the Transportation Improvement Program (TIP) such that the POP produced by the Designated Recipient (RTD) is then integrated into the TIP. Further clarity on this point is found in the proposed consolidated Circular, currently under review by the FTA (FTA C 9050.1.1).

In closing, should you have thoughts about how the annual Stockton UZA 5307 (2024 apportionment) should be apportioned within the Stockton UZA, please feel free to communicate those thoughts to me in writing before Wednesday, April 24th at 5 pm. Going forward, further opportunities for you to comment will occur with each update of the TIP, in which RTD will reach out through a public process to update the POP.

Thank you for taking the time to read this letter.

Sincerely,



Alex Clifford, CEO
San Joaquin Regional Transit District



Attachment E
Cover Page



SAN JOAQUIN REGIONAL TRANSIT DISTRICT

421 East Weber Avenue • Stockton, CA 95202 • (209) 943-1111 • (209) 948-8516 Fax • sjRTD.com

April XX, 2024

To: San Joaquin Council of Governments (SJCOG) Board of Directors

Dear Directors,

On the agenda for the SJCOG Executive Committee meeting of April 18, 2024 is item 5, a recommendation that SJCOG exercise its right to terminate the Memorandum of Understanding (MOU) for the National Transit Database (NTD) Vanpool Reporting Services and immediately commence a process engage in cooperative decision-making with regard to the planning for, and allocation of, Federal Transit Administration (FTA) funding apportioned to the Stockton Urbanized Area (UZA).

I write to you to urge SJCOG not to walk away from the mutually beneficial partnership with San Joaquin Regional Transit District (RTD) by terminating the MOU for NTD Vanpool Reporting Services. The current MOU ensures Section 5307 funds are used to provide transit services to the underserved and low-income riders in the Stockton area, many of whom are transit-dependent. Any steps that may result in reallocation of Section 5307 funds will negatively impact these vulnerable individuals.

I also write to advise you that SJCOG does not have the legal authority to unilaterally establish the process by which Section 5307 funds are allocated in the Stockton UZA. Any efforts to do so will be without effect and will only serve to strain the relationship between SJCOG and RTD.

Vanpool MOU

RTD and SJCOG entered into an MOU on July 1, 2017, to collaborate and improve commuter vanpool services in San Joaquin County. At the time, RTD was interested in establishing its own vanpool program with the goal of supplementing Stockton UZA 5307 bus transit funding, but SJCOG opposed the operation of two vanpool programs in San Joaquin County. The agencies reached an agreement that would allow both agencies to support vanpool—RTD as the entity with the capacity and capability to manage the reporting of vanpool information in the FTA NTD and SJCOG as the entity operating the vanpool program. RTD's NTD reporting for vanpool results in additional Section 5307 funds. To be clear, these funds were not available to the Stockton UZA prior to RTD's agreement to engage in NTD reporting for vanpool because SJCOG did not have the capacity to perform NTD reporting.

RTD uses Section 5307 funds to support transit services in its jurisdiction, which is relied upon by the transit dependent, young people, students, elders, low income individuals, and individuals from underserved communities. The termination of the MOU may result in a reallocation of critical funds that serve these individuals.

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Section 5307 Funds Allocation Process

RTD is the Designated Recipient for the Stockton UZA, which means that it is responsible for receiving and dispensing of funds in the Stockton UZA. SJCOG staff has indicated that one goal of terminating the MOU is that it will allow SJCOG to "immediately put in motion a forum for collaboration, allowing all potential recipients of federal transit funding in the Stockton UZA to discuss the process for cooperative decision-making to carry out the planning process." SJCOG staff suggests that such a process will enable it "to have a 'seat at the table' in cooperative decision-making to carry out the planning process *and give input to the designated recipient on the 'funding split' for the full amount of the annual apportionment.*"

Stated simply, under the applicable regulations, while there is a discrete role for SJCOG in the planning process, SJCOG has no legal authority to establish the decision-making process for allocation of federal funding in the Stockton UZA—that authority rests solely with RTD as the Designated Recipient. Please find attached RTD's analysis of the roles of SJCOG (the MPO) and RTD (the Designated Recipient) in the planning and allocation of funds under the Section 5307 Program.

RTD meets its obligations under law and regulation by “coordinating” with SJCOG in its Transportation Improvement Program (TIP) process. RTD participates in the regional planning and programming process in various forums such as the SJCOG Interagency Transit Committee (ITC), Technical Advisory Committee, Management and Finance Committee, Social Services Transportation Advisory Council, SJCOG Board, and the Regional Transportation Plan and Federal Transportation Improvement Program.

RTD has raised its concerns at the ITC, Executive Committee, with SJCOG staff, and with transit leaders in San Joaquin County. Any effort to establish a process by which Section 5307 funds should be allocated in the Stockton UZA—especially a process that so clearly circumvents the role of the Designated Recipient--will be ineffective. RTD invites SJCOG to engage in the allocation process by submitting projects for consideration. RTD has invited SJCOG to do so, please refer to the letter dated April 13, 2024 sent to SJCOG regarding this matter.

Thank you for your careful consideration of this important matter.

Sincerely,

Alex Clifford, CEO
San Joaquin Regional Transit District

Attachment: *A The roles of the MPO and Designated Recipient in planning and allocation of funds under the Section 5307 Program.*



Attachment F
Cover Page

Attachment A

The roles of the MPO and Designated Recipient in planning and allocation of funds under the Section 5307 Program.

In its staff report to the Executive Committee, SJCOG describes a "Regulatory Process for Federal Transit Funds," applicable to the Stockton UZA. This process diagram inaccurately describes the 5307 process described in law and FTA guidance. The staff report suggests that the regulatory process for allocating federal transit funds requires the Metropolitan Planning Organization (MPO) to first "provide a forum for cooperative decision making to carry out the planning process." The staff report goes on to state that "the Designated Recipient is responsible for allocating the apportionment [of Section 5307 funds] among recipients in the urbanized area or areas on local needs and arrangements, in coordination with the MPO." In these materials, SJCOG suggests that it has a substantive role in the allocation of Section 5307 funds as the MPO. This is inaccurate and inconsistent with FTA guidance.

The MPO and Designated Recipient have related but distinct roles under the Section 5307 Program. The Designated Recipient is solely responsible for the allocation of Section 5307 funds, while the MPO is responsible for the transportation planning process. Significantly, the Designated Recipient's decision-making relative to allocations is not contingent upon the MPO providing a forum relative to the planning process. Additionally, coordination with the MPO on allocations is limited to inclusion of the identified projects in the transportation improvement plan (TIP). Notably, the MPO is not authorized to establish the process by which Section 5307 are allocated in the UZA—that authority remains with the Designated Recipient.

"Under the Section 5307 Program, the state or designated recipient is responsible for 'receiving and apportioning' the amounts . . . apportioned by the FTA to an urbanized area." (FTA C.9030.1E; Ch. 5 § 4.) The MPO "is the forum for cooperative decision making to carry out the transportation planning process." (*Id.*) MPOs are responsible for the development and adoption of the metropolitan transportation plan . . . and the shorter term (four years) transportation improvement plan (TIP)" (*Id.* at § 1.) "All transit projects for which federal funds are expected to be used and that are within metropolitan planning boundaries must be included in a metropolitan transportation plan and TIP developed and approved by the MPO and the governor of a state, and must be included in a statewide transportation improvement plan (STIP) that has been approved by FTA and FHWA." (*Id.*) Although the MPO develops and adopts the TIP, the designated recipient . . . is responsible for developing the program of projects (POP) for the Section 5307 funds apportioned to a UZA for inclusion in the TIP." (FTA C.9030.1E; Ch. 5 § 4.) Therefore, the MPO's role in the Section 5307 funding allocation process is largely limited to planning. The Designated Recipient is responsible for engaging in the MPO's planning process, developing the POP, and allocating Section 5307 funds in the UZA. In the Stockton UZA, RTD participates in SJCOG's planning and programming process and documents.

As noted in the staff report, current FTA guidance indicates that the designated recipient's responsibilities include "[a]llocating the relevant apportionment among recipients in the urbanized area or areas based on local needs and arrangements, *and in coordination with the MPO(s)*." (FTA C.9030.1E; Ch. 2 § 6; emphasis added.) SJCOG's effort to establish the process by which Section 5307 funds will be allocated in the Stockton UZA seems to suggest that the MPO's involvement here is substantive—this interpretation is incorrect. When read together with the responsibilities described above, it is clear that the "coordination" contemplated here is related to incorporating the POP into the TIP as a part of the MPO's transportation planning process. It would be an overreach to interpret this language to give the MPO substantive authority over the allocation process.

Significantly, the new proposed Circular FTA C 9050.1.1 *Grant Programs for Urbanized Areas: Program Guidance and Application Instructions* omits this "coordination" language altogether.¹ Furthermore, the Federal Register notice summary provides "[t]he proposed circular further addresses administrative procedure in apportioning and distributing funds, including the roles of designated recipients (DR), state recipients, subrecipients, and private contractors." (88 FR 44440, Ch II.B.) If the MPO had a substantive role in the allocation process, removing this role would have merited mention in the notice. The FTA plans to issue this Circular sometime later this year, tentatively in September, and has advised RTD's CEO that it is proper to look to this Circular now, in place of FTA C 9030.1.E. The proposed new FTA guidance supports RTD's position that SJCOG does not have a substantive role in establishing the Section 5307 funding allocation process and it certainly may not establish an allocation process unilaterally.

The staff report suggests that SJCOG may initiate a "Cooperative Forum" that will enable it "to have a 'seat at the table' in cooperative decision-making to carry out the planning process and give input to the designated recipient on the 'funding split' for the full amount of the annual apportionment." This is a misconception of the MPO's role in the funding allocation process. As described above, the MPO's role in the allocation process is limited to planning and does not extend to involvement in allocation decisions.

The staff report also suggests that SJCOG's "Cooperative Forum" will enable SJRRC "to give input to the designated recipient on the "funding split" for the full amount of the annual apportionment." In fact, RTD and SJRRC engage annually on the funding split. Based on RTD's understanding that SJCOG may be interested in submitting projects for federal funding, RTD included SJCOG in the project submission process this year.

At its April ITC meeting, staff proposed that SJCOG would "convene and facilitate a process that implements 49 USC 5307(b)(1)-(7) and FTA Circular 9030.1E." This section of the Code refers to the preparation of the POP. The "POP is a list of projects proposed by the designated recipient to be funded from the UZA's Section 5307 apportionment . . . eligibility for funding under most FTA and FHWA programs also requires the MPO to list projects in the approved TIP and STIP. . ." (FTA C.9030.1E; Ch. 5 § 6.) SJCOG oversteps its role by suggesting that it is authorized to convene process to implement development of the POP. Upon review of FTA guidance and the facts here, we have concluded that SJCOG (as the MPO for the Stockton UZA) does not have authority to establish the Section 5307 funding allocation process and doing so usurps RTD's role and duties as the designated recipient.

¹ "The State of Designated Recipient has the principal authority and responsibility for administering Section 5307, 5337, and 5339(a) funds within a UZA. . . A Designated Recipient is responsible for administering funds on behalf of a UZA with a population of 200,000 or more." (Circular FTA C 9050.1.1 Ch. 2 § 5.)