



DATE: June 22, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
David Chan, Programming Manager

SUBJECT: Allocate FY 17/18 Measure A Transportation Sales Tax Funds to Marin Transit (Action),
Agenda Item No. 9b

RECOMMENDATION

Allocate \$17,674,005 in Measure A Transportation Sales Tax (Measure A, hereinafter) funds to the Marin County Transit District (Marin Transit) from Strategy 1 of the Strategic Plan for FY 17/18.

BACKGROUND

Strategy 1 of the Measure A Expenditure Plan is to develop a seamless local bus transit system that improves mobility and serves community needs, including special transit for seniors and the disabled (paratransit services), as well as rural transit service. The Measure A Expenditure Plan provides a dedicated source of local funds for public transit which Marin Transit uses to plan and implement services for the County's residents. Strategy 1 includes four sub-strategies, which are:

- 1.1 - Maintain and expand local bus transit service
- 1.2 - Maintain and expand the rural bus transit system
- 1.3 - Maintain and expand transit services and programs for those with special needs – seniors, persons with disabilities, youth, and low-income residents
- 1.4 - Invest in bus transit facilities for a clean and efficient transit system

TAM has annually allocated Measure A funds to Marin Transit according to the available amounts shown in the Measure A Strategic Plan. Funds not requested or funds unused after each fiscal year are carried over as available the following fiscal year.

FUNDS AVAILABLE

The Measure A 2017 Strategic Plan Update shows nearly \$22 million available for allocation to Marin Transit under Strategy 1 in FY 17/18. The breakdown is shown in the following table:

Strategy 1 – Local Bus Transit	Prior Year Carryover ¹	FY17/18 Funds	Total Available	Requested Amount	Estimated Carryover
1.1 Maintain and Expand Local Bus Transit Service	\$5,362,168	\$8,857,527	\$14,219,695	\$10,200,000	\$4,019,695
1.2 Maintain & Expand Rural Bus Transit System	\$660,270	\$718,178	\$1,378,448	\$1,200,000	\$178,448
1.3 Maintain & Expand Transit Services for Those with Special Needs	-\$20,529	\$2,154,534	\$2,134,005	\$2,134,005	\$0
1.4 Invest in Bus Transit Facilities for a Clean and Efficient Transit System	\$2,474,300	\$1,665,700	\$4,140,000	\$4,140,000	\$0
Total for Marin Transit	\$8,452,318	\$13,395,939	\$21,872,148	\$17,674,005	\$4,198,143

Marin Transit is requesting \$17,674,005 in Measure A funds to supplement its operations in FY 17/18. The remaining unrequested amount of \$4,198,143 will be carried over as available next fiscal year.

This remaining unrequested amount is subject to change, depending on the unused funds from FY 16/17 and the final revenue collection from FY 16/17. Both figures will be finalized by September 2017. Historically, both figures had generally increased because: 1) Marin Transit tended to leave some funds, even if nominal, unexpended and 2) annual revenue collections had been normally higher than our conservative estimates. Therefore, the current remaining unrequested amount of \$4,198,143 could increase when Marin Transit requests for FY 18/19 funds in June 2018.

SCOPE OF SERVICE

Marin Transit is responsible for local transit service within Marin County, providing over 3.3 million unlinked passenger trips per year and just over 260,000 revenue hours of service. Marin Transit provides services through contract operators including the Golden Gate Bridge Highway and Transportation District (GGBHTD), Marin Airporter, MV Transportation, and the Marin Senior Coordinating Council (Whistlestop Wheels). Measure A funds continue to be essential to Marin Transit and are 39% of Marin Transit’s operating budget and 21% of Marin Transit’s capital budget. Marin Transit added 19% more service in F2016/17.

Marin Transit’s focus for FY 17/18 is maintaining existing local service and initiating new projects and service enhancements, as described below.

- Maintain expanded regular local and trunk line services (49% Measure A)
- Maintain expanded shuttle service (49% Measure A)
- Continuation of yellow bus program (21% Measure A)
- Continuation of rural service expansion implemented in 2014 (77 % Measure A)
- Purchase of two electric buses (20% Measure A)
- Completion of Downtown Novato Transit Facility (11% Measure A)
- Purchase a site for an operations and maintenance facility (20%)

In addition to federal, state, and other local funds, Marin Transit plans to use Measure A funds in FY 17/18 for the following tasks:

Strategy 1.1 – Major programs funded under this sub strategy include local fixed route (GGBHTD contract), Community Shuttle service, Supplemental School, Muir Woods seasonal shuttle, and Novato Dial-A-Ride. All services are operated under contract, and the direct contract service costs are 80% of budgeted expenses. Other major expenses are consultant services (ride checks, service contract audits, grant funded studies), directly purchased fuel costs, communication, marketing, and staff time for contract oversight.

The requested \$10,200,000 of Measure A funds will provide almost half of the needed revenues to operate the local fixed route service and is Marin Transit's largest single source of funding. The local service budget for FY 17/18 is \$21.2 million.

Marin Transit will continue the operation a pilot yellow bus program in Ross Valley and begin to provide operations support for school district yellow bus services in Mill Valley and on the Tiburon peninsula in FY 2017/18. This non-traditional role for a transit agency is made possible by Measure A and other local funds and will allow Marin Transit to try a new approach to address school transportation and school related traffic congestion.

Strategy 1.2 – Rural Bus Transit Service – Rural Service is operated as the West Marin Stagecoach and includes northern route 68, southern route 61, and Tomales-Dillon Beach Dial-A-Ride. The Stagecoach did not have a dedicated local source of funding until the passage of Measure A. The West Marin Stagecoach Routes 68 and 61 will be operated under contract with MV Transportation. The Tomales-Dillion Beach Dial-A-Ride will be operated under contract with Whistlestop Wheels. In addition to Measure A funding, rural service is supported by a combination of Federal Transit Administration (FTA) Section 5311 funding, and farebox revenue. The allocation request of \$1.2 million will provide approximately 80% of rural operation costs.

Strategy 1.3 – Transit Services and Programs for Those with Special Needs – Marin Transit has developed the Mobility Management program called Marin Access with funding from the Measures A and B Programs. Marin Access goes beyond the required operation of local paratransit to expand services for seniors and the disabled. Mobility management initiatives in the FY 17/18 budget include:

- Continued expansion of travel training,
- Increased Travel Navigator presence in the community through satellite “office hours” at various sites,
- Establishing a Volunteer Driver Program resource center for community-based programs, procuring two wheelchair-accessible vehicles to operate in service as same-day paratransit,
- Implementing a centralized database for all Marin Access programs,
- Piloting two innovative partnerships through the re-focused Gap Grants initiative (now known as the Marin Access Innovation Incubator),
- Formalizing a means tested low-income fare policy across all Marin Access programs, and
- Revising the eligibility process, including requirements, for all programs.

Marin Transit also provides free tickets to Marin County's Homeward Bound program for homeless residents traveling to work that are valued at \$100,000 per year.

Marin Transit is requesting all of the available funds in this sub strategy, \$2,154,534. This will provide to provide 28% of the needed revenues to operate Marin Transit's Marin Access programs.

Strategy 1.4 – Bus Transit Facilities for a Clean and Efficient Transit System – Marin Transit has developed a capital improvement program for FY 17/18 that supports the projects and services described in

the previous sub strategies. As required in the Measure A Expenditure Plan, Marin Transit has given high priority to opportunities to match or leverage Measure A funds to ensure the maximum benefit from transportation sales tax dollars. In the early years of the Measure, state bond funds were available to match federal funding for transit vehicles. This bond funding is no longer available and Marin Transit will be increasingly reliant on Measure A capital funds for the local share (20%) of transit vehicle procurements.

The requested \$4,140,000 in Sub Strategy 1.4 Measure A funds will provide 27% of Marin Transit's capital budget for FY 17/18 plus a contingency.

FISCAL IMPACTS

The requested amounts were anticipated in the development of the FY 17/18 TAM Budget and have been incorporated in its adoption in May 2017. No further action is needed at this time.

NEXT STEP

If approved by the TAM Board, a funding agreement for the total approved amount will be issued to Marin Transit.

ATTACHMENT

Attachment A: FY 17/18 Marin Transit Allocation Request

ATTACHMENT A**Allocation Request Form****Transportation Authority of Marin
Measure A – Transportation Sales Tax**

Fiscal Year of Allocation:	2017/18
Expenditure Plan:	Strategy 1 – Local Bus Transit
Project Name:	Support and Maintain Local Bus Service
Implementing Agency:	Marin County Transit District (Marin Transit)

SCOPE OF WORK

The Marin County Transit District (Marin Transit) is responsible for local transit service within Marin County, and provides over 3.3 million unlinked passenger trips per year and over 260,000 revenue hours of service. Marin Transit delivers services through contract operators. These include: Golden Gate Bridge Highway & Transportation District (GGBHTD), Marin Airporter, MV Transportation, Marin Senior Coordinating Council (Whistlestop), and Michael's Transportation. Marin Transit's Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District, and includes ten years of financial projections for operations and capital programs. The District's Board adopted the most recent SRTP on July 27, 2015 and the next SRTP is currently under development and is expected to be completed in late 2018.

Marin Transit added 19% more service in F2016/17. The focus of the next fiscal year, FY2017/18 is to sustain and monitor the expanded level of fixed route services. Additional information about current programs and services is included in the following sub strategy descriptions.

Marin Transit strives to leverage Measure A funds through grant funding and partnerships. Numbers in parenthesis show the proportion of funding provided by Measure A for each of the services or projects:

- Maintain expanded regular local and trunk line services (49% Measure A)
- Maintain expanded shuttle service (49% Measure A)
- Continuation of yellow bus program (21% Measure A)
- Continuation of rural service expansion implemented in 2014 (77 % Measure A)
- Purchase of two electric buses (20% Measure A)
- Completion of Downtown Novato Transit Facility (11% Measure A)
- Purchase a site for an operations and maintenance facility (20%)

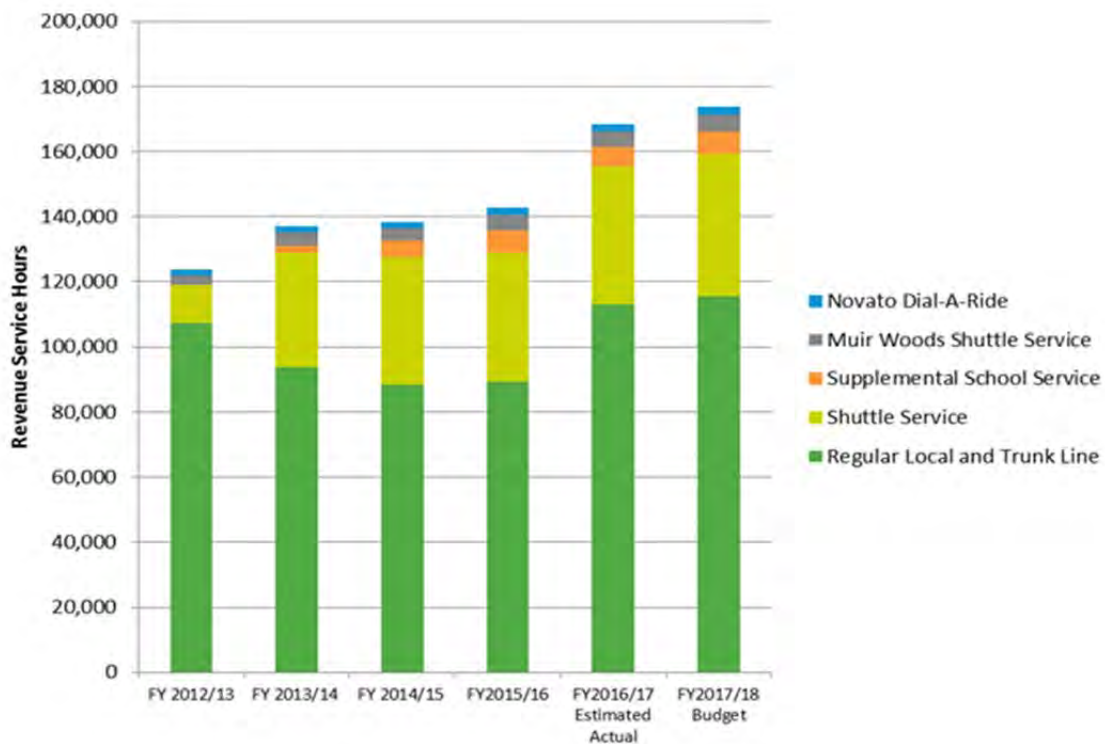
Sub Strategy 1.1 – Maintain and Expand Local Bus Transit Service

Major programs funded under this sub strategy include local fixed route (GGBHTD contract), community shuttle service, supplemental school service, Muir Woods seasonal shuttle, and Novato Dial-A-Ride. All services are operated under contract, and the direct contract service costs are 80% of budgeted expenses. Other major expenses are: consultant services (ride checks, service contract audits, grant funded studies), directly purchased fuel, communication, marketing, and staff time for contract oversight. The requested \$10,200,000 of Measure A funds will provide almost half of the needed revenues to operate the local fixed route service and is Marin Transit’s largest single source of funding.

The local service budget (including yellow school bus service) for FY 2017/18 is \$21.2 million. This is a one and one half percent (1.5%) increase from the prior year budget, and provides for the same level of fixed route service. The District expanded local fixed route service by 19% (Figure 6) on June 12, 2016, with a budgeted cost increase of 13%.

Marin Transit will continue to manage operations, service contracts, and pass sales for six yellow buses serving Ross Valley schools. Marin Transit will also continue to provide operations oversight for the Reed Union and Mill Valley School Districts, which pay Marin Transit directly for services and staff time to help manage their yellow bus services. This non-traditional role for a transit agency is made possible by Measure A and other local funds, and allows Marin Transit to try a new approach to address school transportation and school related traffic congestion.

Local Revenue Service Hours by Program



Highlights for this sub strategy in the coming year:

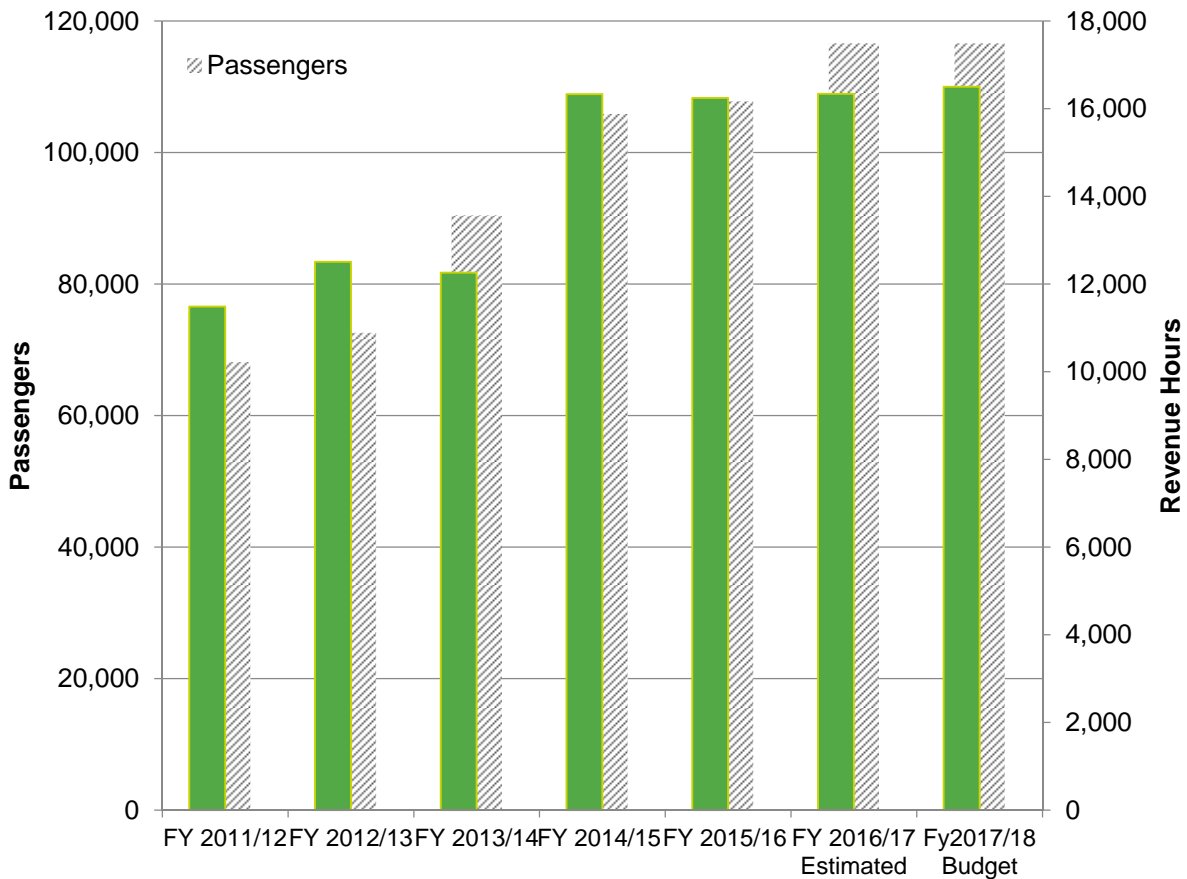
- Continued funding for 22% expansion of regular local and trunk line services
- Continued funding for 8% increase in shuttle service
- Monitoring and adjusting new service
- Deployment of two new electric vehicles
- Continuation of yellow bus program

Sub Strategy 1.2 – Maintain and Improve the Rural Bus Transit System

Rural service is operated as the West Marin Stagecoach and includes northern route 68, southern route 61, and Tomales-Dillon Beach Dial-A-Ride. The Stagecoach did not have a dedicated local source of funding until the passage of Measure A. The allocation request of \$1.4 million will provide 81.3% of rural operation costs.

Ridership and productivity (passengers per revenue hour) have continued to grow on the rural service since the passage of Measure A. Consequently, in June 2014 the Marin Transit Board of Directors adopted a significant rural service expansion specifically designed to respond to service demand on the north route (Route 68), and test a new rural connection in Tomales. The West Marin Stagecoach Routes 68 and 61 will continue to be operated under contract with MV Transportation. The Dial-A-Ride program to Tomales will be operated under contract with Whistlestop Transportation.

In addition to Measure A funding, rural service is supported by a combination of Federal Transit Administration (FTA) Section 5311 funding, and farebox revenue. The District is drawing down prior year sub strategy 1.2 Measure A funds held by the Transportation Authority of Marin to maintain the expanded service level. This will be the fourth year of expanded service and corresponding increases in expenditures. At the existing expenditure rate the District will be able to provide a minimum of two additional two years of service at the current level. Future service level adjustments will be based on route performance and available funding.



Highlights for this sub strategy in the coming year:

- Continue expanded rural service

Sub Strategy 1.3 – Maintain and Expand Transit Services and Programs for those with Special Needs

Marin Transit has been very successful in meeting the goal of sub strategy 1.3, and has pioneered new programs to increase mobility for those with special needs under the Marin Access banner. Marin Access goes beyond the required operation of local paratransit to expand services for seniors and the disabled. In addition to providing traditional paratransit services, with the help of Measure A and Measure B, Marin Transit provides travel training, subsidizes taxi services, and volunteer drivers programs.

Mobility management initiatives in the FY 2017/18 budget include:

- Continued expansion of travel training,
- Increased Travel Navigator presence in the community through satellite “office hours” at various sites,
- Establishing a Volunteer Driver Program resource center for community-based programs, procuring two wheelchair-accessible vehicles to operate in service as same-day paratransit,
- Implementing a centralized database for all Marin Access programs,
- Piloting two innovative partnerships through the re-focused Gap Grants initiative (now known as the Marin Access Innovation Incubator),
- Formalizing a means tested low-income fare policy across all Marin Access programs, and
- Revising the eligibility process, including requirements, for all programs.

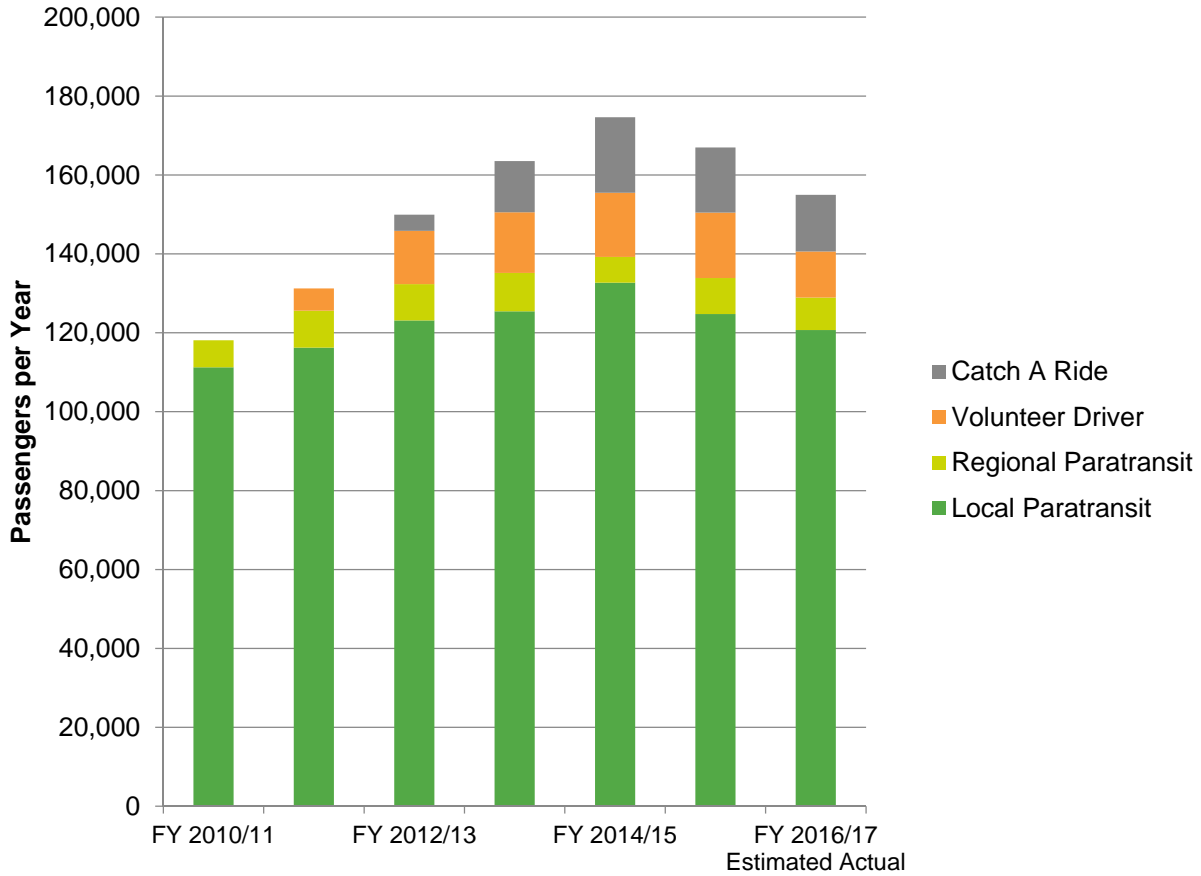
Marin Transit also provides free tickets to Marin County’s Homeward Bound program for homeless residents traveling to work that are valued at \$100,000 per year.

Marin Transit is requesting all of the available funds in this sub strategy, \$2,154,534. This will provide to provide 28% of the needed revenues to operate Marin Transit's Marin Access programs:

Local Paratransit Service		62,455 revenue hours
Regional Paratransit Service		10,560 revenue hours*
Same Day Paratransit/Catch A Ride		28,000 trips
Volunteer Driver	1	4,000 trips

Services for seniors and persons with disabilities are planned with the support of the existing consumer-based Paratransit Coordinating Council, which advises the Transit District on the needs of these communities, and public input from all areas of the county. To advise Marin Access and to promote multi-agency coordination of transportation resources, Marin Transit developed the Marin Mobility Consortium, a working partnership consisting of agency representatives and advocates. In FY15/16 Marin Transit undertook a comprehensive evaluation of all of its mobility management programs. Findings and recommendations from this study informed a subsequent action plan that guides current planning work and future program investments.

* Contract managed on behalf of GGBHTD, and all direct costs are funded by GGBHTD



Highlights for this sub strategy in the coming year:

- Increase in funding for same day paratransit trips
- Expected deployment of two accessible vans

Sub Strategy 1.4 – Invest in Bus Transit Facilities for a Clean and Efficient Transit System

Marin Transit has developed a capital improvement program for FY2017/18 that supports the projects and services described in the previous sub strategies. As required in the Measure A Expenditure Plan, Marin Transit has given high priority to opportunities to match or leverage Measure A funds to ensure the maximum benefit from transportation sales tax dollars. In the early years of the Measure, state bond funds were available to match federal funding for transit vehicles. This bond funding is no longer available and Marin Transit will be increasingly reliant on Measure A capital funds for the local share (20%) of transit vehicle procurements.

Marin Transit continues to be successful in leveraging Measure A funds for discretionary grants and has received \$4.4 million in federal funding towards the purchase of an operations and maintenance facility and is procuring two electric transit buses for a pilot program.

Marin Transit is requesting \$4,140,000 in Sub Strategy 1.4 Measure A funds. Including the expenditure of \$1,120,000 of previously allocated Measure A funds, Measure A will fund 27% of Marin Transit’s capital budget for FY 2017/18 plus a contingency.

Marin Transit’s overall FY2017/18 capital program totals \$19.8 million dollars. The major programs for the year the purchase of 10 40ft hybrid vehicles, completion of the Downtown Novato Transit Facility, purchase of two-electric transit buses and the purchase of an operations and maintenance facility.

Project	FY2017/18 Budget	Total Project Cost	Percent of Project funded with Measure A
Purchase Two Electric Vehicles	1,622,022	1,662,022	20%
Purchase Ten 40ft Vehicles	7,695,047	7,710,000	18%
Purchase Three Paratransit Vehicles	267,000	267,000	18%
Purchase Two Accessible Vans	102,780	102,780	18%
Non Revenue Van	40,750	40,750	20%
Subtotal Vehicles	9,727,599	9,782,552	18%
Bus Stop Improvements SGR (BI)	600,000	2,025,045	1%
Bus Stop Assessment Update	80,000	100,000	100%
Downtown Novato Hub (NH)	1,637,663	4,700,000	11% ¹
Muir Woods Infrastructure	512,729	638,000	0%
San Rafael Transit Center	100,000	100,000	100%
Subtotal Bus Stop Improvements	2,930,392	7,563,045	10%
Facility Preliminary Design & Env	102,881	174,418	30%
Facility ROW Purchase & Capital	5,500,000	5,500,000	20%
Subtotal Facility	5,602,881	5,674,418	20%
On Board Equipment - 2016	164,956	210,000	18%
On Board Equipment - 2015	105,861	434,898	26%
Mobility Management Technology	356,500	375,000	20%
MERA	29,000	29,000	100%
Radio Communication Upgrade	75,000	348,000	18%
Subtotal Technology Projects	731,317	1,396,898	22%
Golden Gate Capital Costs (GG)	20,000		100%
Bus Stop Maintenance (BM)	100,000		100%
Major Vehicle Repairs (VR)	300,000		100%
Infrastructure Support (IF)	385,000		100%
Subtotal Ongoing Capital Expenses	805,000	-	100%
Total Expenditures	19,797,189	24,416,913	21%

Notes:

- 1) Includes expenditure of previously allocated Measure A funds.

STRATEGIC PLAN UPDATE

Programmed and Requested Amounts

Strategy 1 – Local Bus Transit		Prior Year Carry Forward ¹	Available FY17/18 Funds	Total Available for FY 17/18 Programming	FY 17/18 Requested Amount
1.1	Maintain and Expand Local Bus Transit Service	\$5,362,168	\$8,857,527	\$14,219,695	\$10,200,000
1.2	Maintain & Expand Rural Bus Transit System	\$660,270	\$718,178	\$1,378,448	\$1,200,000
1.3	Maintain & Expand Transit Services for Those with Special Needs	(\$20,529)	\$2,154,534	\$2,134,005	\$2,154,534 ³
1.4	Invest in Bus Transit Facilities for a Clean and Efficient Transit System	\$2,474,300	\$1,436,356	\$4,140,000	\$4,140,000
	Release of Unspent 1.4 FY17 funds		\$229,344		
Total		\$8,452,318	\$13,395,939	\$21,872,148	\$17,674,005

Notes:

1) Does not include carry forwards from FY2017 actual expenditures

2) Amount may need to be adjusted to deduct revenues that were below prior year allocation

3) Or maximum amount available

Cash flow Availability	100% of Measure A funds available in FY 2017/18
Other Funds	<p>Marin Transit will leverage Measure A funds with other funds, including:</p> <ul style="list-style-type: none"> • Transportation Development Act Funds (TDA) • State Transit Assistance (STA) • Fares • Property Taxes (used primarily for paratransit) • Federal Transit Administration Section 5311 Rural Transit Funds (used for West Marin Stagecoach Service) • Federal Transit Administration 5307 Bus and Bus Facilities Funds
Project Delivery Schedule	July 1, 2017 – June 30, 2018
Environmental Clearance	Not Applicable

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