



DATE: June 28, 2018

TO: Transportation Authority of Marin Board of Commissioners

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

SUBJECT: Allocate FY 18/19 Measure A Transportation Sales Tax Funds to Marin Transit (Action),
Agenda Item No. 10b

RECOMMENDATION

Allocate \$18,061,751 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 18/19.

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 2018 Strategic Plan Update shows more than \$21 million available for allocation to Marin Transit under Strategy 1 in FY 18/19. The breakdown is shown in the following table:

Strategy 1 – Local Bus Transit	Prior Year Carryover	FY 18/19 Funds	Total Available	Requested Amount	Estimated Carryover
1.1 Maintain and Expand Local Bus Transit Service	\$4,816,283	\$9,229,927	\$14,046,210	\$10,400,000	\$3,646,210
1.2 Maintain & Expand Rural Bus Transit System	\$248,310	\$748,372	\$996,682	\$990,000	\$6,682
1.3 Maintain & Expand Transit Services for Those with Special Needs	\$476,634	\$2,245,117	\$2,721,751	\$2,721,751	\$0
1.4 Invest in Bus Transit Facilities for a Clean and Efficient Transit System	\$2,475,956	\$1,496,745	\$3,972,701	\$3,950,000	\$22,701
Total for Marin Transit	\$8,017,183	\$13,720,161	\$21,737,344	\$18,061,751	\$3,675,593

Marin Transit is requesting \$18,061,751 in Measure A funds to supplement its operations in FY 18/19. The remaining unrequested amount of \$3,675,593 will be carried over as available next fiscal year.

This remaining unrequested amount is subject to change, depending on the unused funds from FY 17/18 and the final revenue collection from FY 17/18. Both figures will be finalized by September 2018. 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 \$3,675,593 could increase when Marin Transit requests for FY 19/20 funds in June 2019.

SCOPE OF SERVICE

Marin Transit is responsible for local transit service within Marin County, providing over 3.2 million unlinked passenger trips per year and just over 250,000 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).

Since FY 16/17, Marin Transit added 19% more service. Marin Transit will be modifying service in FY 18/19 that has not met productivity targets, redeploying resources on overcrowding on school routes, and launching a new on-demand service pilot, Transit Connect.

Marin Transit’s focus for FY 18/19 is maintaining existing local service and initiating new projects and service enhancements, as described below.

- Maintain expanded regular local and trunk line services (47% Measure A)
- Maintain expanded shuttle service (47% Measure A)
- Continuation of yellow bus program (26% Measure A)
- Continuation of rural service expansion implemented in 2014 (53% Measure A)
- Facility ROW Purchase (20% Measure A)
- Purchase two XHF expansion vehicles for school service (100% Measure A)
- Purchase four Rural Replacement vehicles (65% Measure A)

In addition to federal, state, and other local funds, Marin Transit plans to use Measure A funds in FY 18/19 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 \$10,400,000 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 18/19 is \$22.8 million.

Marin Transit will continue the operation a yellow bus program (six buses) in Ross Valley and provide operations support for school district yellow bus services in Mill Valley and on the Tiburon peninsula. 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-Dillon Beach Dial-A-Ride will be operated under contract with Whistlestop Wheels.

The allocation request of \$990,000 will provide approximately 53% of rural operation costs. In addition to Measure A funding, rural service is supported by a combination of Federal Transit Administration (FTA) Section 5311 funding, and farebox revenue.

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 18/19 budget include:

- Piloting and evaluating Marin Transit Connect, an accessible same-day transportation service available to the general public within a limited geographic area,
- Supporting and training local community-based organizations to administer volunteer driver programs,
- Upgrading Trapeze paratransit scheduling software to add features to improve customer experience and add new payment methods,
- Providing gap grant funding and technical assistance to Technology4Life Program,
- Providing gap grant funding to research and developing a program to expand shuttle services that meet unmet transportation needs for seniors and riders with disabilities
- Conducting outreach in venues easily accessible and commonly frequented by older adults and people with disabilities; and
- Improving coordination between human service agencies and transportation providers.
- 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, \$2,721,751. This will provide to provide 40% 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 18/19 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 \$3,950,000 in Sub Strategy 1.4 Measure A funds will provide 28% of Marin Transit's capital budget for FY 18/19.

FISCAL IMPACTS

The requested amounts were anticipated in the development of the FY 18/19 TAM Budget and have been incorporated in its scheduled adoption in June 2018. 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 18/19 Marin Transit Allocation Request

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

Fiscal Year of Allocation:	2018/19
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

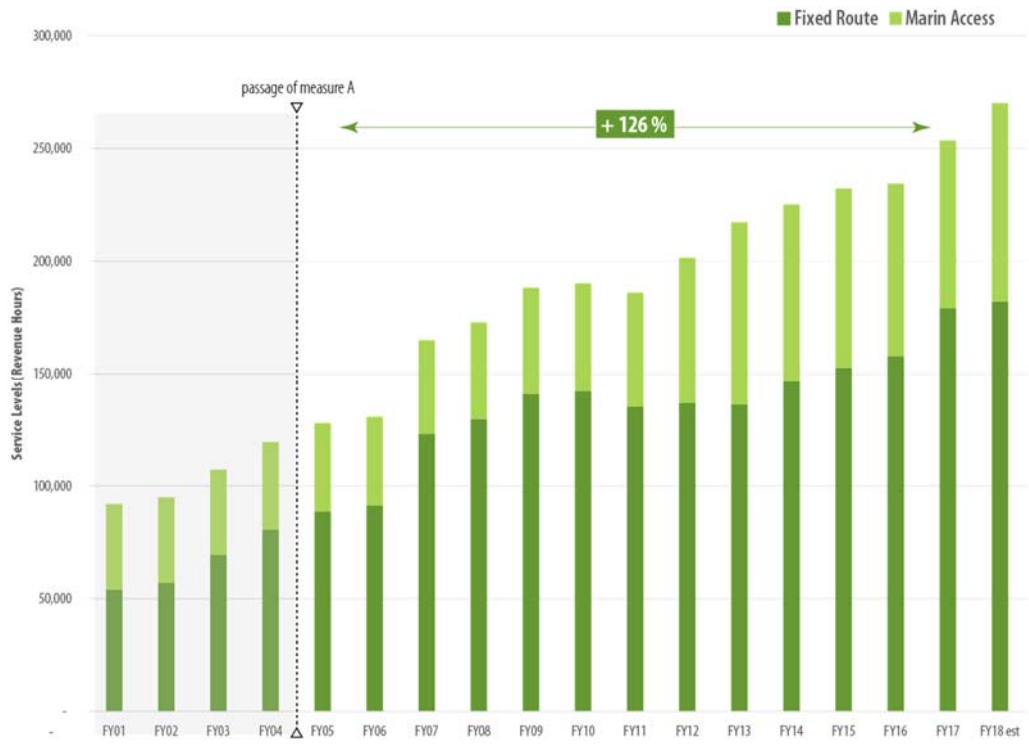
The Marin County Transit District (Marin Transit) is responsible for local transit service within Marin County, and provides over 3.2 million unlinked passenger trips per year and over 250,000 revenue hours of service. Marin Transit delivers services through contract operators. These include: Golden Gate Bridge Highway & Transportation District (GGBHTD), Marin Airporter, MV Transportation, Marin Senior Coordinating Council (Whistlestop), and Michael's Transportation. Since the passage of Measure A, Marin Transit has continue to expand fixed route and mobility options for Marin County residents, 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 December 18, 2017.

Marin Transit added 19% more service in F2016/17. During fiscal year FY2017/18 Marin Transit monitored the expanded level of fixed route services. In fiscal year FY2018/19 Marin Transit is modifying service that has not met productivity targets, redeploying resources focus on overcrowding on school routes, and launching a new on-demand service pilot, Transit Connect. Additionally, the District is focused on a capital project to purchase land for a maintenance and transit vehicle parking facility. 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 (47% Measure A)
- Maintain expanded shuttle service (47% Measure A)
- Continuation of yellow bus program (26% Measure A)
- Continuation of rural service expansion implemented in 2014 (53 % Measure A)
- Facility ROW Purchase (20% Measure A)
- Purchase two XHF expansion vehicles for school service (100% Measure A)
- Purchase four Rural Replacement vehicles (64% Measure A)

Figure 1: Revenue Service Hours by Fiscal Year



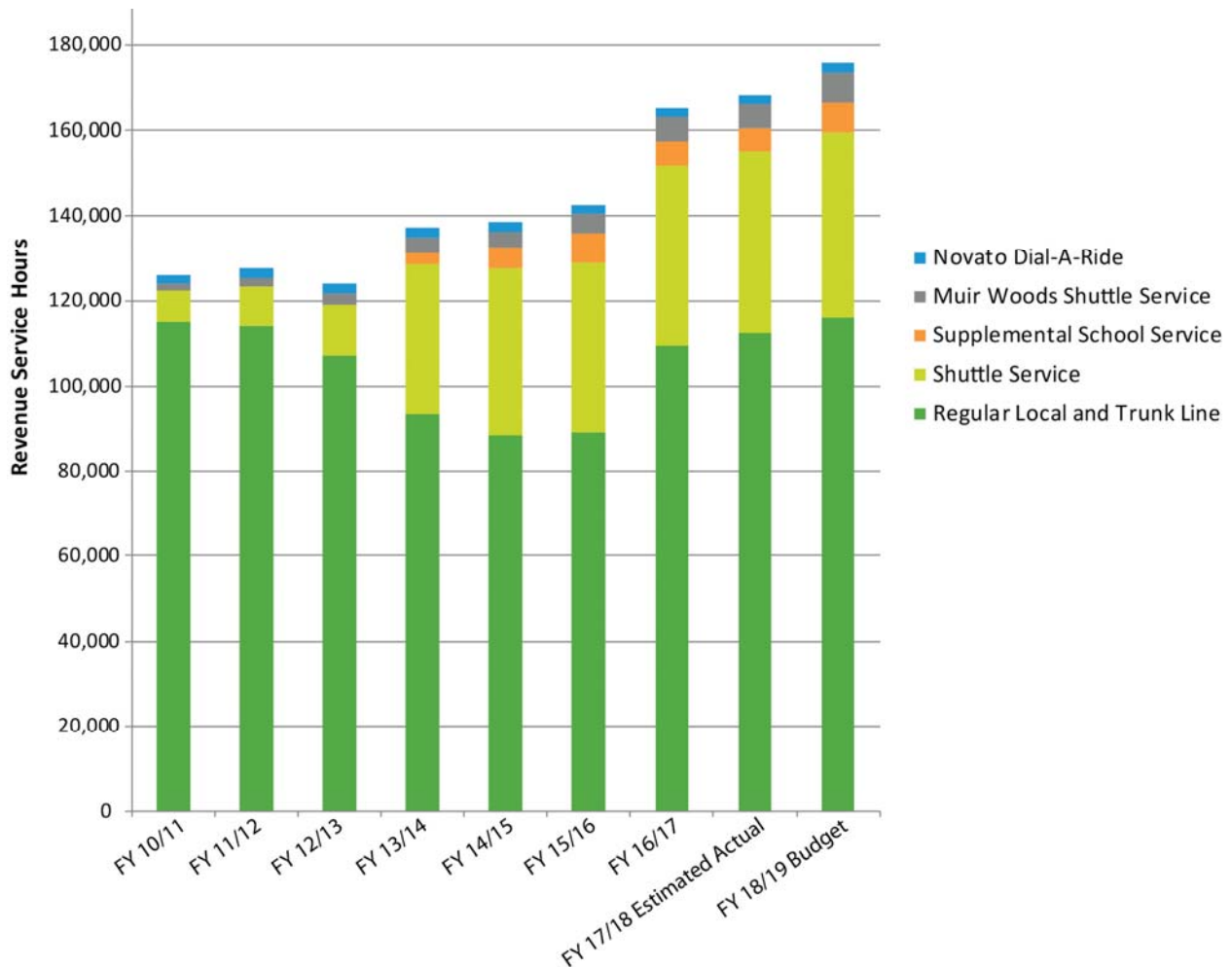
Sub Strategy 1.1 – Maintain and Expand Local Bus Transit Service

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 \$10,400,000 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 2018/19 is \$22.8 million. This is a ten percent (10%) increase from the prior year budget and provides for a 1% increase in service which is on the Muir Woods Shuttle service. The level of fixed route service. The costs increases are primarily due to new competitively bid service contract and increases in fuel prices.

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.

Figure 2: Local Service Hours by Program



Marin Transit will continue to lead the planning for yellow bus service growth and implementing the recommendations from the 2015 Countywide School Transportation Study. Marin Transit and its partners will be pursuing additional funds for school transportation and developing a rational method for allocating funds among the services.

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 adjust new service
- Deployment of two new electric vehicles
- Continuation of yellow bus program

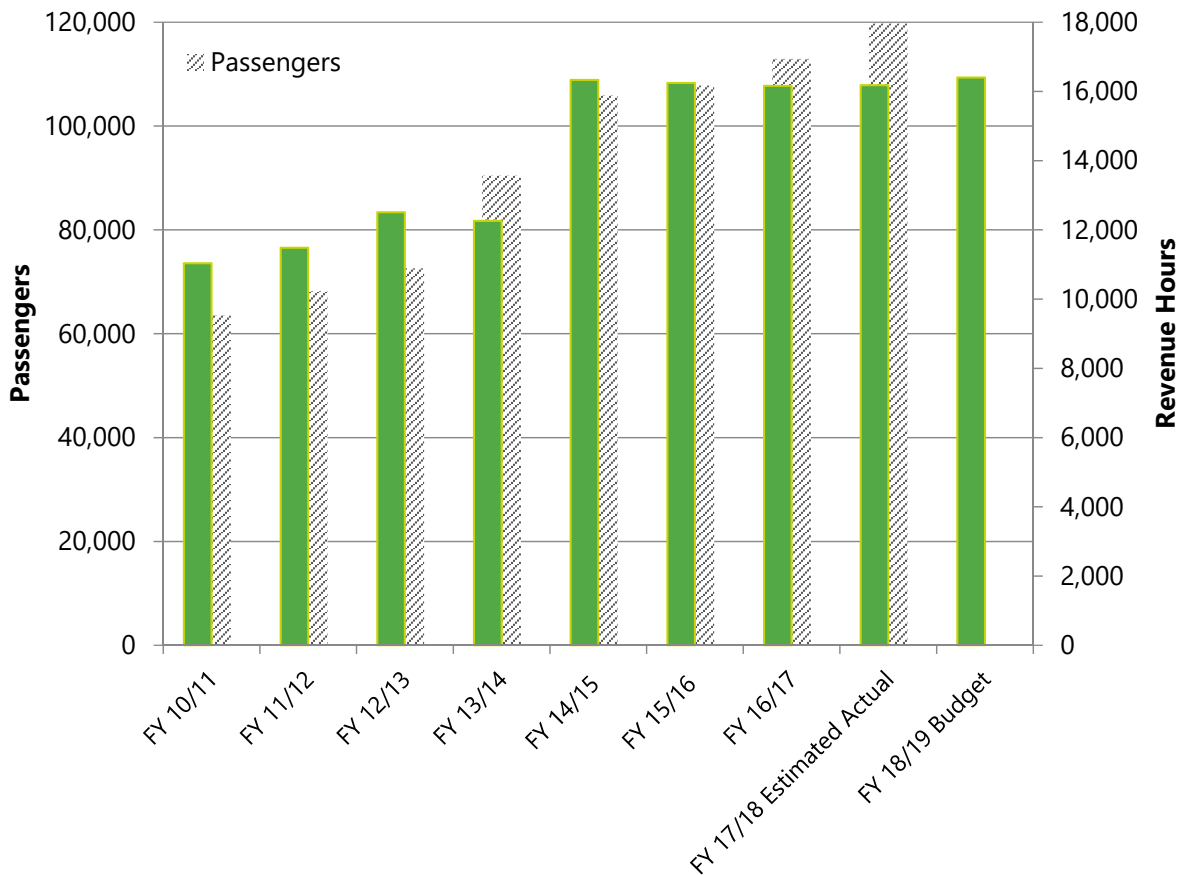
Sub Strategy 1.2 – Maintain and Improve the Rural Bus Transit System

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 \$990,000 will provide 53% of rural operation costs. In addition to the current year allocation, this includes the expenditure of \$240,275 of unspent prior year rural Measure A funding. Due to lower expenditures in the initial years of Measure A, there was a significant balance of unspent rural Measure A funding held by TAM. Marin Transit expanded service to meet service demands in 2014 with the intent to expend prior year funds over a five year horizon.

FY2018/19 is the last year of significant prior year carryforward funding. In future years, available rural Measure A funding will drop to about \$760,000 per year. This is the last year of five years of expending prior year funds to provide expanded service. The service expansion in 2014, was successful in attracting more passenger trips and based on the Short Range Transit Plan, this service will be continued. Property tax revenues will be used to continue funding contract operations.

The West Marin Stagecoach, Routes 68 and 61, will be operated under a new operations contract with MV Transportation effective July 1, 2018. The prior contract extends through June 30, 2018, and the service was re-bid as part of a competitive procurement in fall 2017. The fixed fees on the contract increased and as a result the contract rate increases 34% to \$87.07 per hour. While the increase is substantial, the prior contract was lower than market rates and the new contract provides increased wages and higher performance requirements.

Figure 3: Rural Service Hours and Unlinked Passenger Trips by Fiscal Year



Highlights for this sub strategy in the coming year:

- Continue expanded rural service
- Last year of expenditure of prior year rural Measure A carryforward funding

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 driver programs.

Mobility management initiatives in the FY 2018/19 budget include:

- Piloting and evaluating Marin Transit Connect: an accessible same-day transportation service available to the general public within a limited geographic area;

- Engaging a consultant to develop resources that will support and train local community-based organizations to administer their own volunteer driver programs;
- Upgrade Trapeze paratransit scheduling software to add features to improve the customer experience and add new payment methods;
- Providing gap grant funding and technical assistance to Technology4Life to continue offering “Tech Tips 4 Transportation” classes at no cost to the public, and begin developing instructional videos that will be available online;
- Providing gap grant funding to research and develop a program to expand shuttle services that meet unmet transportation needs for seniors and riders with disabilities;
- Conducting outreach in venues easily accessible and commonly frequented by older adults and people with disabilities; and
- Improving coordination between human service agencies and transportation providers.

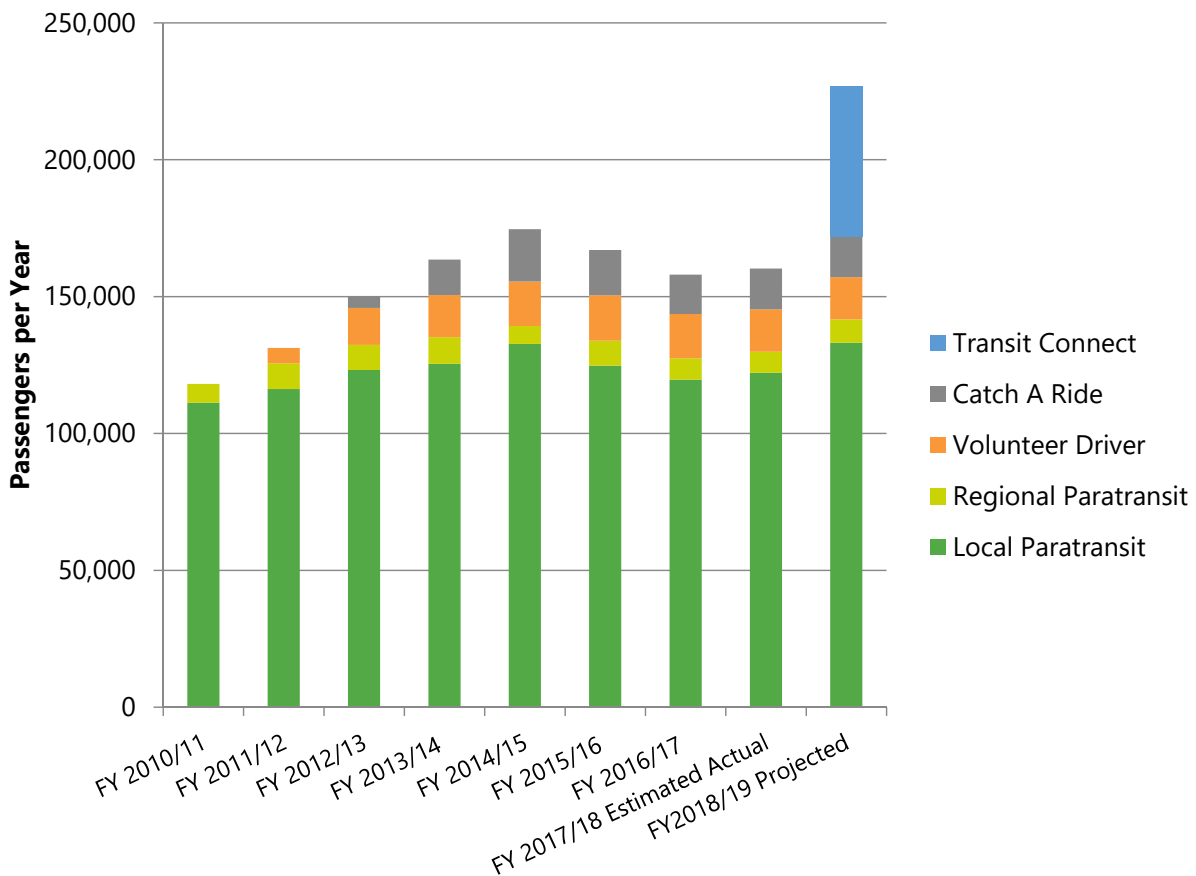
Marin Transit also provides free fixed route tickets to Marin County’s Homeward Bound participants primarily for travel to work that are valued at \$100,000 per year.

Marin Transit is requesting all of the available funds in this sub strategy, \$2,721,751. This will provide to provide approximately 40% of the needed revenues to operate Marin Transit's Marin Access programs:

Local Paratransit Service	135,000 trips
Catch A Ride	15,000 trips
Transit Connect	55,000 trips
Volunteer Driver	14,800 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.

Figure 4: Marin Access Passengers by Fiscal Year



Highlights for this sub strategy in the coming year:

- Launch of Transit Connect Pilot Project
- Expected deployment of four accessible vans
- Launch of new paratransit payment system

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 FY2018/19 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 is 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's overall FY2018/19 capital program totals \$14,333,301 million dollars. Marin Transit is requesting \$3,950,000 in Sub Strategy 1.4 Measure A funds. Including the expenditure of \$350,000 of previously allocated Measure A funds, Measure A will fund 28% of Marin Transit's capital budget for FY 2018/19. This includes \$1.1 million for the facility purchase, \$1.0 million for the purchase of four rural vehicles, and \$400,000 for mid life battery replacements for Hybrid vehicles.

MEASURE A SHARE OF FY2018/19 CAPITAL PROJECTS

Project	FY2018/19 Budget	Total Project Cost	Percent of Project funded with Measure A
Purchase 2 Electric Vehicles		1,662,022	20%
Purchase Three Paratransit Vehicles		267,000	18%
Purchase One Shuttle (Expansion)		130,000	0%
Purchase 1- Replacement Shuttle		125,000	18%
Purchase 2 New XHF Vehicles		925,000	0%
Purchase 4 Replacement Rural		1,600,000	64%
Hybrid Mid-Life Battery Replacements		400,000	100%
Subtotal Vehicles		5,109,022	
Bus Stop Improvements SGR (BI)	691,796	2,201,130	7%
Bus Stop Assessment Update	14,982	115,000	100%
Muir Woods Infrastructure	217,729	638,000	0%
San Rafael Transit Center	100,000	100,000	100%
Subtotal Bus Stop Improvements		3,054,130	
Facility Preliminary Design & Env		174,418	30%
Bus Parking Facility		5,500,000	20%
Office Furniture		45,000	0%
Yellow Bus Parking Facility		3,000,000	0%
Subtotal Facility		8,719,418	
On Board Equipment - 2016		210,000	18%
Mobility Management Technology		375,000	20%
MERA		29,000	100%
Radio Communication Upgrade		168,000	18%
AVL Replacement Equipment		180,000	18%
Clipper		400,000	100%
Subtotal Technology Projects		1,362,000	
Golden Gate Capital Costs (GG)		NA	100%
Bus Stop Maintenance (BM)		NA	100%
Major Vehicle Repairs (VR)		NA	100%
Infrastructure Support (IF)		NA	100%
Subtotal Ongoing Capital Expenses			
Total Expenditures	14,333,301	18,244,570	

STRATEGIC PLAN UPDATE

Programmed and Requested Amounts

Strategy 1 – Local Bus Transit		Prior Year Carry Forward ¹	Available FY18/19 Funds	Total Available for FY 18/19 Programming	FY 18/19 Requested Amount
1.1	Maintain and Expand Local Bus Transit Service	\$4,816,282	\$9,229,927	\$14,046,210	\$10,400,000
1.2	Maintain & Expand Rural Bus Transit System	\$238,309	\$748,372	\$993,558	\$990,000
	Release of Unspent 1.2 FY18 funds	\$10,000			
1.3	Maintain & Expand Transit Services for Those with Special Needs	\$476,634	\$2,245,117	\$2,721,751	\$2,721,751
1.4	Invest in Bus Transit Facilities for a Clean and Efficient Transit System	\$2,127,838	\$1,496,745	\$3,974,583	\$3,950,000
	Release of Unspent 1.4 FY18 funds	\$350,000			
Total		\$7,915,940	\$13,720,161	\$21,736,101	\$18,061,751

Notes:

1) Based on a FY2007 expenditure of \$8,670,458

Cash flow Availability	100% of Measure A funds available in FY 2018/19
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, 2018 – June 30, 2019
Environmental Clearance	Not Applicable