



DATE: February 11, 2019

TO: Transportation Authority of Marin Programming & Projects Executive Committee

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

SUBJECT: Allocate Measure A Interest Funds to Yellow School Bus Service in Marin County (Action),
Agenda Item 8

RECOMMENDATION

Recommend that the TAM Board authorize the allocation of Measure A Interest funds of \$1.1 million to Marin Transit for supporting Yellow School Bus Service.

BACKGROUND

According to Measure A requirements, all interest income generated by Measure A proceeds will be used for the transportation purposes described in the Measure A Expenditure Plan as authorized by the TAM Board.

History

Since inception, the TAM Board has programmed approximately \$5.93 million of these interest funds to various projects (listed below) out of approximately \$6.69 million available.

Several commitments have recurred year after year. These ongoing programming commitments include:

- Golden Gate Transit's Ferry Shuttle Service,
- Bike Path Maintenance, and
- Insurance covering the Central Marin Ferry Connection structure over Sir Francis Drake Boulevard.

Other programming commitments have been one-time only, including the following:

- Caltrans and SMART costs incurred on the Highway 101 Gap Closure Project,
- Multi-Use Path (2nd to Andersen) capital project costs
- Bellam Blvd. Approach to the Richmond-San Rafael Bridge capital project costs
- North South Greenway Project, capital project costs and
- Yellow School Bus Service (as described below).

All of the project commitments were funds that completed a funding plan when no other funds were available. In every case, the funds were heavily leveraged by other dedicated fund sources, by a match 1:1 or greater.

On June 28, 2019, the TAM Board met urgent requests for additional funding on three projects through the further programming of interest funds. The most urgent action was to dedicate funds necessary to close the gap in the funding plan for the 2nd to Andersen Multi-Use Pathway. The programming and allocation of funds were to enable San Rafael to commit to construction of the pathway through SMART's active construction contract. A second and third programming and allocation was to the North South Greenway and the Bellam Blvd Offramp Widening projects, respectively. Both of these projects were entering final design and permitting, and experienced funding shortfalls due to higher anticipated bid costs, permit mitigation costs, and right of way costs. Funds were needed for the full funding plan necessary to receive final permits including Caltrans authorizations. These two projects are scheduled to start construction this coming Summer 2019.

Simultaneous to the programming of interest funds to the abovementioned projects, TAM staff also recommended, and the TAM Board agreed to dedicate funds to Marin Transit for Yellow School Bus Service.

DISCUSSION

At that time, June 28, 2019, the TAM Board programmed \$1.1 million in Measure A Interest funds to Marin Transit for "Yellow School Bus" services if the following conditions were met:

1. the Reauthorization of the Marin's Transportation Sales Tax is approved by voters in November 2018, and
2. the project scope of the Yellow School Bus Service Program is approved by the Marin Transit Board and the TAM Board after the November 2018 election.

If these conditions were not met, the \$1.1 million in Measure A Interest funds would be available to be reprogrammed to other projects.

The first condition was met in November 2018 with the passage of Measure AA at nearly 77%. The first part of the second condition was met with the approval from the Marin Transit Board on January 7, 2019. An approval from the TAM Board would satisfy the second part of the condition imposed on the \$1.1 million in Measure A Interest funds.

Marin Transit is requesting TAM to:

1. approve the project scope of the Yellow School Bus Service Program as described in Attachment A (Allocation Request Form), and
2. with the abovementioned conditions met, allocate the programmed \$1.1 million in Measure A Interest funds.

Other Considerations – Local Match and Geographic Equity

The TAM Board has traditionally required that Measure A Interest funds be matched by other fund sources, as mentioned in the examples above

Marin Transit has since secured \$3 million in local property tax and \$4.4 million in FTA funds to match the \$1.1 million in Measure A Interest funds for a total of \$8.5 million for their maintenance and operations facility. Marin Transit also dedicated \$600,000 in upcoming Measure AA funds to Yellow School Bus service at their January 2019 meeting.

Marin Transit is developing a way to distribute funds equitably to school communities in Marin.

PROJECT SCOPE

Marin Transit is requesting \$1.1 million in Measure A interest funds to sustain and improve home to school yellow bus transportation in Marin County. Many school districts in Marin County no longer provide yellow bus services except when required by the State of California. Recently, cities and towns have partnered with local school districts to revive yellow bus programs as a means of traffic congestion relief. To continue and sustain the existing programs, Marin Transit maintains that a permanent parking location is needed in Marin County to ensure reliable service and help stabilize operations costs.

Marin Transit proposes to use Measure A Interest funds to purchase or enter into a long-term lease of a parking facility for yellow buses in Marin County.

FISCAL IMPACTS

The FY 18/19 TAM Budget currently does not include funding for Yellow School Bus Service. If this allocation request is approved by the TAM Board, the FY 18/19 TAM Budget would be concurrently amended to include \$1.1 million in Measure A Interest funds for Marin Transit to support Yellow School Bus Service.

NEXT STEP

If item is approved by the TAM Board, staff will issue a funding agreement to Marin Transit for \$1.1 million in Measure A Interest funds and amend the FY 18/19 TAM Budget accordingly.

ATTACHMENTS

Attachment A – Allocation Request Form

Attachment B – Marin Transit Board Approval January 7, 2019

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**Transportation Authority of Marin
Measure A - Interest**

Allocation Request Form

Fiscal Year of Allocation: 2018/19

Project Name: Yellow School Bus Capital and Operations Funding

Implementing Agency: Marin Transit

Scope of Work: Marin Transit will use Measure A interest funds to sustain and improve home to school yellow bus transportation in Marin County. Many school districts in Marin County no longer provide yellow bus services for home to school transportation except when required to do so by the State of California. Recently, cities and towns have partnered with local school districts to revive yellow bus programs as a means of traffic congestion relief. These new yellow bus programs have proven to have significant impacts on congestion in key corridors like Tiburon Blvd on the Tiburon peninsula and Sir Francis Drake Boulevard from Fairfax through San Anselmo.

To continue and sustain the existing programs, a permanent parking location is needed in Marin County to ensure reliable service and help stabilize operations costs.

Expanding school services, as identified in the Countywide Coordinated School Transportation Study (December 2015), was recognized as a high priority in Marin Transit's 2018-2025 Short Range Transit Plan. Under the reauthorized sales tax Measure AA, Marin Transit will continue and expand the allocation of local sales tax funds to existing yellow bus programs. If additional, one-time Measure A interest funds are available, they will be used as seed money for new and expansion yellow bus service.

Program Components:

Priority 1 - Provide funding towards the purchase or long-term lease of a parking facility for yellow buses in Marin County

Estimated Measure A Expenditure: up to \$1.1 million

The top priority for this funding is the one-time capital expenditure on purchasing or leasing land for vehicle parking. A permanent parking location is needed for multiple existing yellow school bus programs and the lack of parking is limiting the ability to add yellow bus service to additional schools and for new routes in Marin County. Currently, Marin Transit leases parking for 14 buses from the County but this location will no longer be available after June 2019. Marin Transit has identified \$3.00 million in property tax revenues for this project, but it is expected that the purchase of a parking for up to 22 buses will cost more than this.

Priority 2- Provide local matching funds for new yellow school buses in Marin County

Estimated Measure A Expenditure: \$90,000 per bus

Once a permanent parking location is secured, any remaining funds from this allocation can be used for purchasing new yellow buses. If the range and charging requirements meet operational needs, agencies will consider electric yellow buses and apply for associated grant funding that may be available.

Priority 3 – Operation Funds for new and expansion yellow bus service
Estimated Measure A Expenditure: Any remaining funds

Once a permanent parking location is secured and any needs for matching funds to purchase yellow school buses are met, the balance of funds would be used for the operation of new and expanded yellow bus service. The new services to be considered for funding would come from the 2015 Coordinated Countywide School Transportation Study and the phased implementation plan for the study recommendations. New programs would be required to meet threshold criteria and other requirements established by Marin Transit to qualify for Measure A subsidy.

Expenditures are estimated by program components, but actual expense may shift based on the implementation schedule of each program. Total expenditures will not exceed the allocation amount.

Strategic Plan Update Programmed for FY 18/19: \$1,100,000 in Measure A Interest Funds

Requested Amounts: \$1,100,000 in Measure A Interest Funds

Cash flow Availability: 100% of Measure A funds available for reimbursement in FY 2018/19 but may be spent in future years depending on timing of the purchase of right of way.

Other Funds: \$0

Project Delivery Schedule: April 1, 2019 – June 30, 2025

Environmental Clearance: Not Applicable



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January 7, 2019

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Yellow Bus Funding Allocation

Dear Board Members:

board of directors

stephanie moulton-peters
president
city of mill valley

damon connolly
vice president
supervisor district 1

dennis rodoni
2nd vice president
supervisor district 4

judy arnold
director
supervisor district 5

kate colin
director
city of san rafael

kathrin sears
director
supervisor district 3

katie rice
director
supervisor district 2

RECOMMENDATION: Approve home to school yellow bus funding allocation for FY 2019/20.

SUMMARY:

Measure AA is an extension of the existing Marin County ½ percent sales tax for transportation and was approved in November 2018. Under the new measure, Marin Transit is required to spend five percent of the Measure AA funds on school-related transportation programs and services. The following staff report recommends distributing \$600,000 of Measure AA funds by formula to existing yellow bus programs serving schools in the urbanized area of Marin County.

BACKGROUND:

In 2015, Marin Transit partnered with Transportation Authority of Marin (TAM) and the Marin County Office of Education (MCOE) to complete a Coordinated Countywide Student Transportation Study (CCSTS). This study made a variety of recommendations for modifying and expanding school transportation in Marin County. Marin Transit uses this study as a framework for our school-focused programs and services.

Marin Transit provides ten Supplemental School routes to accommodate overcrowding on regular public transit services due to the demand for school-related transportation. These routes operate school days only and add capacity at specific times of the day to coordinate with school start and release times. These services are open to the public and operate with published timetables. The supplemental routes provide approximately 36 additional peak hour bus trips daily and carry an average of over 1,000 daily passenger trips, about 30 students per bus.

The CCSTS recommends that Supplemental School service be focused on serving high school students who are more independent

and able to navigate public transit service. The Supplemental School transit operation is at capacity and has limited opportunity to expand at this time. This is primarily due to equipment availability and limited bus parking.

In addition to providing Supplemental School service, Marin Transit has offered a school-based Youth Pass Program to Marin County students for the past nine years. In Fiscal Year 2017/18, nearly 4,500 youth pass "stickers" were distributed to 33 participating public and private schools. Students using the Youth Pass can ride any Marin Transit local route without paying additional fare. Students who are income-qualified receive the pass for free. The Youth Pass provides access to Marin Transit services for school, work, home, or recreational activities within Marin County at a low or no cost.

Three years ago, Marin Transit also began to support home to school yellow bus programs. Many school districts in Marin County no longer provide yellow bus services for home to school transportation except when required to do so by the State of California. Recently, cities and towns have partnered with local school districts to revive yellow bus programs for elementary and middle schools as a means of traffic congestion relief. Marin Transit has supported these partnerships with planning services, operational oversight, and customer service support.

At the direction of the Marin Transit Board, an ad hoc committee on school transportation was formed in May 2016 to evaluate and plan Marin Transit's involvement in school transportation in Marin County. The ad hoc committee met 13 times during the past two years with attendance from various stakeholders of yellow bus programs in Marin County. In addition to guidance on advancing the CCSTS recommendations, the ad hoc committee recently gave Marin Transit staff direction on the use of the recently approved Measure AA funding to support home to school yellow bus programs in Marin County. Based on this guidance, staff recommends that a portion of funding that Marin Transit receives from Measure AA be distributed through a funding allocation formula to support ongoing operations of existing yellow bus programs. This letter outlines the proposed eligibility criteria and allocation methodology for these funds.

ELIGIBLE PROGRAMS:

Home to school yellow bus programs are an effective means of reducing congestion during peak times. First, staff recommends that programs eligible for a funding allocation should be public schools located within the urbanized area of Marin¹ to support programs that reduce traffic in the most congested corridors.

Second, staff recommends that these funds be provided to those programs that were operational in FY 2017/18 in order to provide long term, reliable financial operating support since a dedicated funding source is not available from the State of California. Staff are pursuing other funding sources that could support expanding existing programs or providing start-up funds for new programs serving other high needs schools identified in the CCSTS. Included as Attachment A is an Allocation Request Form for \$1.1 million recently submitted to TAM for this purpose.

¹ 1. Census Reporter – San Francisco/Oakland, CA Urbanized Area.
<https://censusreporter.org/profiles/40000US78904-san-franciscooakland-ca-urbanized-area/>

Third, staff recommends that all eligible programs offer a reduced pass for the yellow bus program that provides at least a 50 percent pass price discount to income-eligible students. This requirement is intended to recognize that home to school transportation is both a tool for congestion relief and an opportunity to provide safe and efficient access to school for all students.

As mentioned above, the yellow school bus programs operating in Marin County today do not have a dedicated funding source that covers the full cost to operate the program. Many programs are funded by fare revenue and by contributions from cities/towns, the County, and the school districts. Marin Transit is not able to fully fund all of the programs with Measure AA funds. As such, Marin Transit requires a maintenance of effort on the part of current program funding participants. In order for a program to be eligible, it must have a local funding (or other discretionary funds) contribution match of at least 20 percent of program costs. This amount does not include pass sales/fare revenue.

All programs receiving funding must certify annually that they meet the above detailed requirements. The summary of eligibility requirements is shown in Attachment B.

The following is a list of the programs that are eligible based on the above threshold criteria:

- Mill Valley School District
- Tiburon Peninsula Traffic Relief Joint Powers Authority (JPA) (serving schools in Reed Union School District and the Cove School in Larkspur Corte Madera School District)
- Ross Valley area schools (program administered by Marin Transit)
- San Rafael City School District (Elementary and Middle schools only)
- Dixie School District

AVAILABLE FUNDS:

Measure AA is an extension of the existing Marin County ½ percent sales tax for transportation, approved in November 2018. Under the new measure, Marin Transit is required to spend five percent of the Measure AA funds on school-related transportation programs and services. Marin Transit currently spends \$1 million for school transportation on its existing programs: Supplemental School service, the Youth Pass Program, and support for the yellow bus program in the Ross Valley area. In year one, the Measure AA five percent requirement equates to \$1,325,000. Thus, the net additional money Marin Transit is required to spend on school programs annually is \$325,000. See Table 1 and Table 2 below for details on current expenditures and the net additional new Measure AA requirement.

Table 1: Current Measure A Local Transit Uses

Current Measure A Local Transit Uses	Estimated Annual Amount
Youth Pass Program subsidy to income qualified riders	\$640,000
Supplemental transit routes to schools*	\$185,000
Ross Valley yellow school bus program	\$175,000
Total, Current Measure A uses for School Transportation	\$1,000,000
* In addition to Measure A, other transit funds are used for supplemental routes	

Table 2: Measure AA Requirement and net additional money dedicated to school programs

Measure AA Requirement	Annual Amount
5% Measure AA Required for School Transportation	\$1,325,000
Less Current Measure A Uses for School Transportation (see Table 1 for detail)	(\$1,000,000)
Net New Measure AA Required for School Transportation	\$325,000

California voters also defeated Proposition 6 in the November elections that would have repealed Senate Bill 1 (SB1) - the statewide fuel tax increase initiated in 2017. Marin Transit is a recipient of SB 1 funding.

As a result of these two positive outcomes from the November 2018 election, Marin Transit has a long term, stable financial outlook. Staff re-evaluated Marin Transit's ability to fund school-related programs and recommends that an additional \$100,000 be used to fund school-related programs. With this additional \$100,000, Marin Transit will allocate an estimated \$1,425,000 to school transportation annually. This amount is more than the five percent Measure AA expenditure requirement. See Table 3 below for an update to the Measure AA Requirement and net additional money dedicated to school programs.

Table 3: Updated Measure AA school transportation expenditure and net additional money dedicated to school programs plus additional Measure AA

Updated Measure AA School Transportation Expenditure	Annual Amount
5% Measure AA Required for School Transportation	\$1,325,000
Additional Measure AA	\$100,000
Less Current Measure A Uses for School Transportation (see Table 1 for detail)	(\$1,000,000)
Adjusted Net Measure AA Available for School Transportation	\$425,000

Staff recommends combining the current \$175,000 expenditure for the Ross Valley school bus program with the adjusted net Measure AA available for school transportation of \$425,000. This will provide a total of \$600,000 to be distributed among the eligible home to school yellow bus programs. This amount will be adjusted annually based on the projected Marin County sales tax growth rate. See Table 4 below for a summary of recommended funding pools for eligible yellow bus programs.

Table 4: Funds available for eligible yellow bus programs

Ongoing Funding Available	(Annually)
Existing Measure A for YSB (Ross Valley)	\$175,000
Net new Measure AA required	\$325,000
Additional Measure AA	\$100,000
TOTAL	\$600,000

ALLOCATION METHODS:

Staff identified and discussed several ways to allocate available funds based on District-identified goals for the yellow bus programs. Ultimately, staff determined that a simple and transparent process be used that relies on readily available data and recognizes that all programs help relieve congestion.

Staff recommends that the \$600,000 in Measure AA funds be distributed based on a formula that takes a percentage subsidy of a program's one-way pass price and multiplies it by the number of one-way passes it distributed in FY 2017/18. In the first round of the allocation, staff recommends that the subsidy be 35 percent of the one-way pass price based on current program pass prices and funding availability. The percentage will be reassessed and may change in future funding cycles.

As a factor in the formula, one-way pass distribution was chosen because it is a proxy for usage and congestion relief, the data is readily available, and it is easy to collect. By subsidizing a percent of a program's one-way pass price, the formula recognizes the many differences

between the programs including operating costs, available funding, and the varying levels of distribution of free/reduced passes.

To provide a reliable and consistent source of funding, the formula factors will be based on FY 2017/18 data. This amount will be the base amount and remain set for three years beginning in FY 2019/20. The base amount calculated in FY 2019/20 will be adjusted annually for Marin County sales tax growth. The base amount may also be adjusted if a program's service level is reduced by more than 20 percent. Funding for that program may be reduced in the second and third allocation years. Any withheld funds due to service reduction will be available in year four for existing programs or earlier for expansion programs.

RECOMMENDED FUND DISTRIBUTION:

Attachment C shows the staff recommended distribution of funds for FY 2018/19 and for two additional years with adjustment for Marin County sales tax growth. Prior to the initial distribution and annually thereafter, applicants will be required to certify that they meet the eligibility criteria annually and supply requested pass price and pass distribution data.

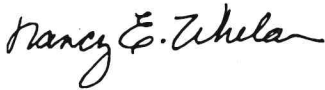
COMMENTS ON FUNDING ALLOCATION:

The Marin Transit ad hoc committee had several discussions on the threshold criteria and formula for distributing funds. The ad hoc committee considered comments from stakeholders who attended their meetings. Dixie School District did not have a representative in attendance and provided comments after the most recent ad hoc committee meeting on December 14, 2018. These comments are included as Attachment D. The ad hoc committee acknowledged that there are many ways to allocate these funds and that the amount of funding available was far less than the amount needed. The ad hoc committee reached a consensus on the proposed criteria and formula allocation staff presented and is recommending to your Board.

FISCAL/STAFFING IMPACT:

Marin Transit will become a funding distributor to offset the operating costs of school transportation programs. This is a new role for the District. Marin Transit will act as a pass through for Measure AA funding to be distributed to eligible yellow bus programs in Marin County. Marin Transit will request Measure AA school transportation funds from TAM annually as a part of the allocation request process. Staff will develop funding agreements with each eligible program and the Marin Transit Board will consider approval of the funding agreements annually at the time of budget development. The combined annual fiscal impact is \$600,000, and will be incorporated in the FY 2019/20 budget process. There is no staffing impact.

Respectfully submitted,



Nancy Whelan
General Manager

Attachments:

- Attachment A. Recently Submitted Allocation Request Form from Marin Transit to TAM
- Attachment B. Summary of Eligibility Requirements
- Attachment C. Recommended Measure AA Allocation for Eligible Yellow School Bus Programs
- Attachment D. Comments from Dixie School District Superintendent on the Recommended Measure AA Allocation for Eligible Yellow School Bus Programs
- Attachment E. Staff Recommendation for Measure AA Funding Distribution to Eligible Yellow School Bus Programs (Presentation Slides)

Attachment A. Recently Submitted Allocation Request Form from Marin Transit to TAM

Transportation Authority of Marin Measure A - Interest

Allocation Request Form

Fiscal Year of Allocation: 2018/19

Project Name: Yellow School Bus Capital and Operations Funding

Implementing Agency: Marin Transit

Scope of Work: Marin Transit will use Measure A interest funds to sustain and improve home to school yellow bus transportation in Marin County. Many school districts in Marin County no longer provide yellow bus services for home to school transportation except when required to do so by the State of California. Recently, cities and towns have partnered with local school districts to revive yellow bus programs as a means of traffic congestion relief. These new yellow bus programs have proven to have significant impacts on congestion in key corridors like Tiburon Blvd on the Tiburon peninsula and Sir Francis Drake Boulevard from Fairfax through San Anselmo.

To continue and sustain the existing programs, a permanent parking location is needed in Marin County to ensure reliable service and help stabilize operations costs.

Expanding school services, as identified in the Countywide Coordinated School Transportation Study (December 2015), was recognized as a high priority in Marin Transit's 2018-2025 Short Range Transit Plan. Under the reauthorized sales tax Measure AA, Marin Transit will continue and expand the allocation of local sales tax funds to existing yellow bus programs. If additional, one-time Measure A interest funds are available, they will be used as seed money for new and expansion yellow bus service.

Program Components:

Priority 1 - Provide funding towards the purchase or long-term lease of a parking facility for yellow buses in Marin County

Estimated Measure A Expenditure: up to \$1.1 million

The top priority for this funding is the one-time capital expenditure on purchasing or leasing land for vehicle parking. A permanent parking location is needed for multiple existing yellow school bus programs and the lack of parking is limiting the ability to add yellow bus service to additional schools and for new routes in Marin County. Currently, Marin Transit leases parking for 14 buses from the County but this location will no longer be available after June 2019. Marin Transit has identified \$3.00 million in property tax revenues for this project, but it is expected that the purchase of a parking for up to 22 buses will cost more than this.

Priority 2- Provide local matching funds for new yellow school buses in Marin County

Estimated Measure A Expenditure: \$90,000 per bus

Once a permanent parking location is secured, any remaining funds from this allocation can be used for purchasing new yellow buses. If the range and charging requirements meet operational

needs, agencies will consider electric yellow buses and apply for associated grant funding that may be available.

Priority 3 – Operation Funds for new and expansion yellow bus service

Estimated Measure A Expenditure: Any remaining funds

Once a permanent parking location is secured and any needs for matching funds to purchase yellow school buses are met, the balance of funds would be used for the operation of new and expanded yellow bus service. The new services to be considered for funding would come from the 2015 Coordinated Countywide School Transportation Study and the phased implementation plan for the study recommendations. New programs would be required to meet threshold criteria and other requirements established by Marin Transit to qualify for Measure A subsidy.

Expenditures are estimated by program components, but actual expense may shift based on the implementation schedule of each program. Total expenditures will not exceed the allocation amount.

Strategic Plan Update Programmed for FY 18/19: \$1,100,000

Requested Amounts: \$1,100,000

Cash flow Availability: 100% of Measure A funds available for reimbursement in FY 2018/19 but may be spent in future years depending on timing of the purchase of right of way.

Other Funds: \$0

Project Delivery Schedule: April 1, 2019 – June 30, 2025

Environmental Clearance: Not Applicable

Attachment B. Summary of Eligibility Requirements

1. An existing FY 17/18 K-8 yellow school bus program serving public school students at a school located within the urbanized area of Marin²;
2. A reduced pass for the yellow bus program that provides at least a 50% pass price discount to income eligible students;
3. A local funding (or other discretionary funds) match of at least 20% of program costs, excluding pass sales revenue; and
4. Must certify annually that their program has met threshold criteria.

² 1. Census Reporter – San Francisco/Oakland, CA Urbanized Area.
<https://censusreporter.org/profiles/40000US78904-san-franciscooakland-ca-urbanized-area/>

Attachment C. Recommended Measure AA Allocation for Eligible Yellow School Bus Programs

FY 2017/18 Base Year Data		Mill Valley	Reed Union & Cove	Ross Valley	San Rafael	Dixie	Total	Calculation
One Way Pass Price	(a)	\$337.50	\$295.00	\$375.00	\$237.50	\$199.50		annual price, 50% of round trip
Subsidy per pass	(b)	\$118.13	\$103.25	\$131.25	\$83.13	\$69.83		35% of one-way pass price [0.35 x (a)]
One Way Passes Distributed	(c)	214	1,316	1,013	2,792	605	5,940	School year 2017-2018 source data
<i>Funding¹ for FY 2019/20 allocation</i>		\$25,279	\$135,877	\$132,956	\$232,085	\$42,244	\$568,441	35% of pass price for every pass distributed [(b) x (c)]

Notes:

1. FY 2019/20 funding available is \$600,000. Amount to increase/decrease annually by sales tax revenue increase/decrease, per TAM.

**Attachment D. Comments from Dixie School District Superintendent on the
Recommended Measure AA Allocation for Eligible Yellow School Bus
Programs**

From: Jason Yamashiro <jamashiro@dixieschooldistrict.org>
Sent: Wednesday, December 19, 2018 1:40 PM
To: rbetts@marintransit.org
Cc: Tanya Michel <tmichel@dixieschooldistrict.org>
Subject: Feedback on formula for school cost offset for school transportation

Dear Mr. Betts,

I was thrilled to hear the news that the Marin Transit Ad Hoc Committee was proposing that dollars be provided to school districts to support the bus programs that currently exist in our district! It has been, and will continue to be, a challenge to fund the much-needed school bus transportation for our students and families.

As someone who works with formulas regularly, I understand the challenges, as well as the reality that there may be no perfect formula. While it sounds like the timeline is limited in terms of providing feedback, there is something I would like the committee to consider. It looks like the formula is calculated based on what each district is charging families in their respective districts. Since some districts may already be subsidizing families by charging a lower amount and losing money (like Dixie School District), the formula you have proposed essentially punishes the district for charging families less. I would like to suggest that it may be fairer to set a standard reimbursement amount that is calculated by using the average across districts and using that as the multiplier with ridership. Since our ridership is lower, we will still get a lower amount and that is understood, but the larger per rider cost offset for district's that are charging more does not seem like the most equitably way to distribute the dollars.

I am happy to discuss this further with the committee and/or with other superintendents. Can you share this email with other Marin Transit Ad Hoc Committee on School Transportation members?

Thank you for your consideration,

Jason Yamashiro
Superintendent, Dixie School District

--

Dr. Jason Yamashiro
Superintendent, Dixie School District
(415) 492-3701

**Attachment E. Staff Recommendation for Measure AA Funding Distribution to Eligible
Yellow School Bus Programs (Presentation Slides)**



Staff Recommendation for Measure AA Funding Distribution to Eligible Yellow School Bus Programs

Marin Transit Board of Directors
January 7, 2019

Marin Transit's Role in School Transportation



- Provide Youth Passes
- Provide Supplemental School transit service
- Provide Ross Valley yellow bus service
- Manage other yellow bus programs
- Co-sponsored Coordinated Countywide Student Transportation Study
- Established an ad hoc committee of Marin Transit Board



For Marin Transit Board Consideration



Recommendation for approving distribution of \$600,000 of Measure AA funds to existing yellow bus programs. Elements of the recommendation address:

- Eligible Programs
- Available Funding
- Recommended Allocation Distribution



Item 6

3

Recommended Threshold Criteria for Eligibility



School Transportation Programs must have . . .

1. An existing FY 17/18 K-8 yellow school bus program serving public school students at a school in the urbanized area of Marin;
2. A reduced pass for the yellow bus program that provides at least a 50% pass price discount to income eligible students;
3. A local funding (or other discretionary funds) match of at least 20% of program costs, excluding pass sales revenue; and
4. Must certify annually that their program has met threshold criteria.

Eligible Programs



- Mill Valley School District
- Tiburon Traffic Congestion Relief JPA (Reed USD and the Cove School in Larkspur Corte Madera SD)
- Ross Valley area schools (provided by Marin Transit)
- San Rafael City Schools (Elementary and Middle schools only)
- Dixie School District

Marin Transit Measure A/AA For School Transportation



Current Measure A Local Transit Uses	Estimated Annual Amount
Youth Pass Program subsidy to income-qualified riders	\$640,000
Supplemental transit routes to schools*	\$185,000
Ross Valley yellow school bus program	\$175,000
Total, Current Measure A uses for School Transportation	\$1,000,000

* In addition to Measure A, other transit funds are used for supplemental routes

Measure AA Requirement	Annual Amount
5% Measure AA Required for School Transportation	\$1,325,000
Less Current Measure A Uses for School Transportation (see detail above)	(\$1,000,000)
Net New Measure AA Required for School Transportation	\$325,000

Recommended Measure AA Funding Allocation to Existing YSB Programs



Staff updated the estimated funding available after voters approved Measure AA and defeated Prop 6 in November 2018

Ongoing Funding Available	(annually)
Existing Measure A for YSB	\$175,000
Net new Measure AA required	\$325,000
Additional Measure AA ¹	\$100,000
TOTAL²	\$600,000

Notes:

1. Marin Transit's financial analysis indicates that additional Measure AA can be made available without negatively impacting other transit services
2. Amount will be escalated annually to reflect Marin County sales tax growth rate

Summary of Measure AA Funding for School Transportation



If approved, Marin Transit will use **\$1,425,000**, in Measure AA for School Transportation each year. This is more than the required 5%.

- Youth Pass Program subsidy to income-qualified riders: \$640,000
- Supplemental transit routes to schools: \$185,000*
- **Yellow school bus programs: \$600,000**

* Notes:

1. FY 2017/18 Supplemental school program cost was approximately \$588,000;
2. Measure A allocation of \$185,000 was about 30% of that cost ; and
3. Other transit funds are used to support Supplemental school routes.

Recommended Guidelines for Formula Allocation (1 of 2)



1. Allocation share to each program is set for 3 years starting in FY2019/20

Purpose: Reliability, consistency, stability

2. If a program/service is reduced by more than 20%, its funding may be reduced in 2nd and 3rd allocation year

Purpose: Subsidy should correlate to service levels

3. Any withheld funds due to service reductions will be available in Year 4 for existing programs or earlier for expansion programs

Purpose: Funds should be put to best use as soon as possible

Recommended Guidelines for Formula Allocation (2 of 2)



4. Formula factor shall be one-way pass distribution

Purpose: Proxy for usage and mobility, data is readily available, easy to collect

5. Allocations subsidize a % of a program's one-way pass price multiplied by the number of one-way passes distributed

Purpose: To recognize differences in costs/funding among programs and distribution of free/reduced passes

Recommended Method for Formula Allocation



Method

- Calculate per one-way pass subsidy for each program (35% of one-way pass price in initial funding cycle)
- Multiply subsidy for each program by the number of passes distributed

Rationale for 35% Subsidy

- Based on current program pass prices and funding availability. The percentage will be reassessed and may change in future funding cycles

Formula Allocation Results



FY 2017/18 Base Year Data		Mill Valley	Reed Union & Cove	Ross Valley	San Rafael	Dixie	Total	Calculation
One Way Pass Price	(a)	\$337.50	\$295.00	\$375.00	\$237.50	\$199.50		annual price, 50% of round trip
Subsidy per pass	(b)	\$118.13	\$103.25	\$131.25	\$83.13	\$69.83		35% of one-way pass price [0.35 x (a)]
One Way Passes Distributed	(c)	214	1,316	1,013	2,792	605	5,940	School year 2017-2018 source data
Funding¹ for FY 2019/20 allocation		\$25,279	\$135,877	\$132,956	\$232,085	\$42,244	\$568,441	35% of pass price for every pass distributed [(b) x (c)]
<i>Funding previously provided by Measure A</i>		\$0	\$0	\$175,000	\$0	\$0	\$175,000	

Notes:

1. FY 2019/20 funding available is \$600,000. Amount to increase/decrease annually by sales tax revenue increase/decrease, per Transportation Authority of Marin.

Summary of Recommended Funding Cycles



Fiscal Year	Program Year	Allocation Cycle	Other Milestones
2017/18			Data year for FY 20 to FY 22 allocations
2018/19		Current year	
2019/20	1		
2020/21	2	Round 1 allocations	Data year for FY 23 to FY 25 allocations
2021/22	3		
2022/23	4		Provide input on Expenditure Plan Re-evaluation
2023/24	5	Round 2 allocations	
2024/25	6		Potential modification to Measure AA Expenditure Plan

Next Steps for Fiscal Year 2019/20



- Marin Transit approves funding agreements with eligible programs
- Annual program budgets and pass prices established
- Marin Transit requests Measure AA allocation from TAM
- Funds distributed to programs



Item 6



Questions?

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