



MEETING AGENDA

Budget and Implementation Committee

Time: 9:30 a.m.

Date: January 27, 2025

Location: BOARD ROOM
County of Riverside Administration Center
4080 Lemon St, First Floor, Riverside, CA 92501

TELECONFERENCE SITES

COUNCIL CHAMBER CONFERENCE ROOM
City of Palm Desert
73510 Fred Waring Drive, Palm Desert, CA 92260

LARGE CONFERENCE ROOM
French Valley Airport
37600 Sky Canyon Drive, Murrieta, CA 92563

COMMITTEE MEMBERS

Linda Molina, **Chair** / Wendy Hewitt, City of Calimesa
Valerie Vandever, **Vice Chair** / Alonso Ledezma, City of San Jacinto
Jeremy Smith / Kasey Castillo, City of Canyon Lake
Raymond Gregory / Mark Carnevale, City of Cathedral City
Steven Hernandez / Stephanie Virgen, City of Coachella
Scott Matas / Dirk Voss, City of Desert Hot Springs
Bob Magee / Natasha Johnson, City of Lake Elsinore
Bob Karwin / Dean Deines, City of Menifee

Ulises Cabrera / Edward Delgado, City of Moreno Valley
Cindy Warren / Lori Stone, City of Murrieta
Jan Harnik / To Be Appointed, City of Palm Desert
David Ready / Grace Garner, City of Palm Springs
James Stewart / Brenden Kalfus, City of Temecula
Chuck Washington, County of Riverside, District III
Yxstian Gutierrez, County of Riverside, District V

STAFF

Aaron Hake, Executive Director
David Knudsen, Deputy Executive Director

AREAS OF RESPONSIBILITY

Annual Budget Development and Oversight
Competitive Federal and State Grant Programs
Countywide Communications and Outreach Programs
Countywide Strategic Plan
Legislation
Public Communications and Outreach Programs
Short Range Transit Plans

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
BUDGET AND IMPLEMENTATION COMMITTEE**

www.rctc.org

AGENDA*

**Actions may be taken on any item listed on the agenda*

9:30 a.m.

Monday, January 27, 2025

BOARD ROOM

**County of Riverside Administrative Center
4080 Lemon Street, First Floor
Riverside, California**

TELECONFERENCE SITES

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73510 Fred Waring Drive, Palm Desert, California

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37600 Sky Canyon Drive, Murrieta, California

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting at the Commission office, 4080 Lemon Street, Third Floor, Riverside, CA, and on the Commission's website, www.rctc.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Commission meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Committee may, either at the direction of the Chair or by majority vote of the Committee, waive this three minute time limitation. Depending on the number of items on the Agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. Also, the Committee may terminate public comments if such comments become repetitious. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Committee shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Board should not take action on or discuss matters raised during public comment portion of the agenda which are not listed on the agenda. Board members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

5. ADDITIONS/REVISIONS *(The Committee may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Committee subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Committee. If there are less than 2/3 of the Committee members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)*

6. CONSENT CALENDAR - *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

6A. APPROVAL OF MINUTES – JUNE 24, 2024

Page 1

6B. SINGLE SIGNATURE AUTHORITY REPORT

Page 7

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file the Single Signature Authority report for the second quarter ended December 31, 2024.

6C. MONTHLY INVESTMENT REPORT

Page 9

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file the Monthly Investment Report for the month ended December 31, 2024.

7. STATE AND FEDERAL LEGISLATIVE UPDATE

Page 12

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file a state and federal legislative update.

8. FISCAL YEAR 2024/25 MID-YEAR REVENUE PROJECTIONS

Page 15

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Approve the Fiscal Year 2024/25 Mid-Year Revenue projections, which includes Measure A Sales Tax Revenues, Local Transportation Funds (LTF) Sales Tax Revenues, and Transportation Uniform Mitigation Fees (TUMF); and
- 2) Approve the FY 2024/25 mid-year budget revenue adjustments for Measure A (reduction of \$17,000,000) and LTF (reduction of \$7,000,000).

9. FISCAL YEAR 2025/26 REVENUE PROJECTIONS

Page 22

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Approve the projection for Measure A sales tax revenues of \$262 million for Fiscal Year 2025/26;
- 2) Approve the projection for Local Transportation Fund (LTF) sales tax apportionment of \$148 million for the Western Riverside County, Coachella Valley, and Palo Verde Valley areas for FY 2025/26; and
- 3) Approve the projection for Transportation Uniform Mitigation Fee (TUMF) revenues of \$30 million for FY 2025/26.

10. ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT, STATE OF GOOD REPAIR, AND LOW CARBON TRANSIT OPERATIONS PROGRAM FUNDS POLICY

Page 29

Overview

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Adopt the *Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds Policy* effective Fiscal Year (FY) 2025/26.

11. ELECTION OF OFFICERS FOR THE BUDGET AND IMPLEMENTATION COMMITTEE

Page 93

Overview

This item is for the Committee to:

- 1) Conduct an election of officers for 2025 – Chair and Vice Chair.

12. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

13. EXECUTIVE DIRECTOR REPORT

14. COMMISSIONER COMMENTS

Overview

This item provides the opportunity for brief announcements or comments on items or matters of general interest.

15. ADJOURNMENT

The next Budget and Implementation Committee meeting is scheduled to be held at **9:30 a.m., February 24, 2025.**

AGENDA ITEM 6A

MINUTES

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

BUDGET AND IMPLEMENTATION COMMITTEE

Monday, June 24, 2024

MINUTES

1. CALL TO ORDER

The meeting of the Budget and Implementation Committee was called to order by Chair Linda Molina at 9:30 a.m. in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California 92501 and at the teleconference sites: Council Chamber Conference Room, City of Palm Desert, 73510 Fred Waring Drive, Palm Desert, California 92260, and the Large Conference Room, French Valley Airport, 37600 Sky Canyon Dr., Murrieta, California 92563.

2. ROLL CALL

Members/Alternates Present

Edward Delgado
Raymond Gregory**
Yxstian Gutierrez
Jan Harnik***
Bob Magee
Scott Matas**
Linda Molina
Jeremy Smith
Cindy Warren*
Valerie Vandever
Chuck Washington*

*Joined the meeting at French Valley.

**Joined the meeting at Palm Desert.

***Arrived after the meeting was called to order.

Members Absent

Steven Hernandez
Lisa Middleton
James Stewart
Lloyd White

3. PLEDGE OF ALLEGIANCE

Chair Bob Magee led the Budget and Implementation Committee in a flag salute.

4. PUBLIC COMMENTS

Brad Anderson, city of Rancho Mirage resident, stated regarding satellite locations, he has no issues for having public participation at the remote locations and every member of this

Commission should open their city halls for this type of meeting remotely. He expressed concern for the elected officials that were appointed to the Commission to meet remotely as it is important they all meet in one location.

At this time, Commissioner Jan Harnik joined the meeting.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. CONSENT CALENDAR - *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

M/S/C (Gregory/Harnik) to approve the following Consent Calendar item(s):

6A. APPROVAL OF MINUTES – APRIL 22, 2024

6B. MONTHLY INVESTMENT REPORT

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file the Monthly Investment Report for the month ended May 31, 2024.

7. SENATE BILL 125 FORMULA-BASED FUNDING FOR THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM AND ZERO-EMISSION TRANSIT CAPITAL PROGRAM

Jillian Guizado, Planning and Programming Director, presented the SB 125 Formula-Based funding for the Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP), highlighting the following:

- SB 125 background and objectives
- SB 125 process
- SB 125 RCTC available funding
- Zero Emission and Transit Capital projects
- Map of Zero Emission and Transit Capital projects
- Western Riverside County Rail Capital improvements
- Years 2 – 5 distribution of funds
- Total distribution of funds (Years 1 – 5)

In response to Commissioner Yxstian Gutierrez's question if the projects for the grade separations have already been determined for Years 2 – 5, Jillian Guizado clarified that was specific to Years 2 – 5 funding, Commissioner Gutierrez replied yes.

Jillian Guizado replied the Commission approved funding for Hargrave Street and Pennsylvania Avenue in the Pass Area as well as Broadway. In year 2 they are looking at Jurupa Road in the city of Jurupa Valley and McKinley Street in the city of Corona.

In response to Commissioner Gutierrez's question if there is still an opportunity for Years 3 – 5, Jillian Guizado replied no, with today's action they are looking to program the remainder.

Aaron Hake, Executive Director, stated they proposed these allocations based on what could be expended in the timeline the funds are available and staff spoke with the cities of Banning, Beaumont, and County of Riverside's Transportation Land Management Agency on what is a reasonable amount of money they could expend. Staff is aware there is a need for more in the Pass Area and on several other grade separations in the western county their focus for this type of funds is to make sure they get spent and not rescinded. Staff will continue to look for other sources of funds.

Commissioner Gutierrez expressed appreciation at least Hargrave and Pennsylvania grade separations are already on there.

Commissioner Raymond Gregory thanked Jillian Guizado for the presentation and stated it is a little unclear especially when Year 1 funding does not quite match knowing the legislature that was mentioned has moved the bar back and forth on that. It still shows in Attachment 1 \$138 million was expended in Year 1 the other parts of the report indicate Year 1 spending has not been approved by the California State Transportation Agency yet, but it is too late to make any changes. How is that difference of the \$8 million being reconciled in the first year and have those projects been approved, the funds been spent, or are they just waiting.

Jillian Guizado replied they are just waiting, RCTC was supposed to receive the funds the end of April 2024, but they received a freeze letter instead. Regarding Commissioner Gregory's comment, she does not necessarily see it as them moving the goal post that they approved \$138 million for Year 1 as the funds did not have to be spent in Year 1. It was simply that staff got a jump on it in December and wanted to demonstrate they have needs in Riverside County for the TIRCP and ZETCP funds and the projects are still waiting for that check to arrive.

Commissioner Gregory stated that helps to understand it is split, it has got Year 1 and then Year 2 funds, but projects could go on for several years and that means RCTC will have to manage the cash flow. They are adding two grade separations to this list of

projects and especially with the transit agencies and rail if there will be any type of a cash flow issue with these funds or can staff manage that.

Jillian Guizado replied staff can manage that since the transit projects are capital those have a little bit longer lead time especially when they are looking at zero emission type capital projects. The transit operators are still figuring that out and making sure they are proceeding sort of prudently but aggressively to meet the state's mandates. In terms of cash flow, the grade separations are ready and will help to demonstrate they are spending the funds, and staff will be able to manage the cash flow.

Commissioner Gregory expressed appreciation to Jillian Guizado for all the work on this.

Aaron Hake stated the state has provided RCTC with a great deal of flexibility this is a pot of funds the legislature has given to RCTC by formula and written guidelines that allows them to manage their lump sum. It also allows them the opportunity to amend their list, resubmit it to Sacramento, and get it approved. According to Chad Edison, Deputy Secretary of Transportation, there is a signed letter waiting to send to RCTC about the approved Year 1 funds. Until the budget freeze has been lifted, they will not have access to those funds and upon Commission approval of the list today they would prepare their submittal for Years 2 – 5 and get a similar letter for that. They would only be able to use Year 2 at this point, but this process has gone quite smoothly if it were not for the budget deficit.

M/S/C (Vandever/Delgado) for the Committee to recommend the Commission take the following action(s):

- 1) Approve the funding recommendations for the Senate Bill 125 (SB 125) Formula-Based Funding for the Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP) apportionments for Fiscal Years (FYs) 2024/25 - 2027/28, contingent upon the adopted state budget, availability of funds, and eligibility by fund type;**
- 2) Direct staff to prepare and execute funding agreements with the project sponsors outlining the project scope, schedule, and local funding commitments; and**
- 3) Authorize the Executive Director to execute the funding agreements with the project sponsors, pursuant to legal counsel review.**

At this time, Commissioner Gutierrez, Magee, and Smith left the meeting.

8. STATE AND FEDERAL LEGISLATIVE UPDATE

Andrew Sall, Senior Management Analyst, presented an update for the state and federal legislative activities including the opposition of AB 2645, staff in partnership with the

California Toll Operators Committee (CTOC) Legislative Committee are working with the bill's Author to identify amendments and solutions to the bill. Regarding ACA 1 the Legislature was planning to remove the 55 percent vote threshold needed to pass local sales tax measures, those amendments are now in place under ACA 10, which instead allows local agencies to pass a bond measure with 55 percent of the votes and must pass out of both the assembly and senate by June 27 for the ACA 1 changes to appear on the November ballot.

M/S/C for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file a state and federal legislative update.**

9. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

There were no items pulled from the consent calendar.

10. DEPUTY EXECUTIVE DIRECTOR REPORT

Aaron Hake announced:

- The transportation industry has done a remarkable job in the last few months of advocating to restore funding that had been proposed for cuts by the Governor like the SB 125 Transit program, Active Transportation, and the REAP program. He commended the advocates and staff for working hard on that including the California Association Council of Governments and Self-Help Counties Coalition. RCTC's future is rather dependent on these swings in the state budget, the SB 125 program not only effected those grade separations they discussed and the transit capital program but is how they are proposing to fund the environmental document for Coachella Valley Rail. This goes to show the vulnerability RCTC has in relying on state funds for some of their major projects.

Chair Molina asked if there is a need for a letter of support from their cities.

Aaron Hake replied that thank you letters would be in order right now to their legislature delegation that pushed back on these cuts and staff can provide templates to the Commissioners.

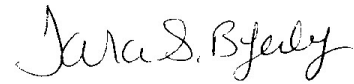
11. COMMISSIONER COMMENTS

There were no comments from the Commissioners.

12. ADJOURNMENT

There being no further business for consideration by the Budget and Implementation Committee, the meeting was adjourned at 10:05 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tara S. Byerly".

Tara S. Byerly
Deputy Clerk of the Board

AGENDA ITEM 6B

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Linda Fakhouri, Senior Procurement Analyst Jose Mendoza, Procurement Manager
THROUGH:	Matthew Wallace, Deputy Director of Administrative Services
SUBJECT:	Single Signature Authority Report

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file the Single Signature Authority report for the second quarter ended December 31, 2024.

BACKGROUND INFORMATION:

Certain contracts are executed under single signature authority as permitted in the Commission’s Procurement Policy Manual adopted in March 2021. The Executive Director is authorized to sign services contracts that are less than \$250,000 individually and in an aggregate amount not to exceed \$2 million in any given fiscal year. Additionally, in accordance with Public Utilities Code Section 130323(c), the Executive Director is authorized to sign contracts for supplies, equipment, materials, and construction of all facilities and works under \$50,000 individually.

The attached report details all contracts that have been executed for the second quarter ended December 31, 2024, under the single signature authority granted to the Executive Director. The unused capacity of single signature authority for services and goods as of December 31, 2024, is \$1,508,441.

Attachment: Single Signature Authority Report as of December 31, 2024

**SINGLE SIGNATURE AUTHORITY
AS OF DECEMBER 31, 2024**

CONTRACT #	CONSULTANT	DESCRIPTION OF SERVICES	ORIGINAL CONTRACT AMOUNT	PAID AMOUNT	REMAINING CONTRACT AMOUNT
AMOUNT AVAILABLE July 1, 2024			\$2,000,000.00		
25-33-001-00	SCRRA	Cooperative Agreement for Design of the Downtown Riverside Metrolink Station at Grade Crossing Upgrade	125,063.00	125,063.00	0.00
21-31-067-02	Caltrans	71/91 Interchange Project RCTC/Caltrans Construction Coop - Department Furnished Materials	30,000.00	25,626.13	4,373.87
24-31-04-01	Parsons	I-15 Ingress Study	250,000.00	0.00	250,000.00
25-18-039-00	ACA Compliance Solution Services, INC	ACA Compliance Reporting	3,000.00	0.00	3,000.00
23-31-109-01	Caltrans	I-15 Smart Freeway Project- RCTC/Caltrans Construction Coop (23-31-109-01) – Department Furnished Materials	51,500.00	0.00	51,500.00
PO 3578	INNOVATIVE TRAFFIC PRODUCTS	Attenuator for 91 Express Lanes	31,996.00	0.00	31,996.00

AMOUNT USED 491,559.00

AMOUNT REMAINING through June 30, 2025 \$1,508,441.00

Agreements that fall under Public Utilities Code 130323 (C)

None	N/A	\$-	\$-	\$-
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Linda Fakhouri Prepared by	Matthew Wallace Reviewed by
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Note: Shaded area represents new contracts listed in the second quarter.

AGENDA ITEM 6C

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Megan Kavand, Toll Finance Manager
THROUGH:	Sergio Vidal, Chief Financial Officer
SUBJECT:	Monthly Investment Report

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Receive and file the Monthly Investment Report for the month ended December 31, 2024.

BACKGROUND INFORMATION:

The Commission’s investment reports have generally reflected investments primarily concentrated in the Riverside County Pooled Investment Fund as well as investments in mutual funds for sales tax revenue bonds debt service payments.

As a result of significant project financings such as the State Route 91 Corridor Improvement Project (91 Project) and the Interstate 15 Express Lanes Project (I-15 ELP), the Commission engaged MetLife Investment Management, LLC, formerly Logan Circle Partners, L.P. (MetLife), as the investment manager for the bond proceeds and other required funds. Additionally, the Commission engaged Payden & Rygel Investment Management to make specific investments for Commission operating funds. The Commission approved initial agreements with the investment managers in May 2013 following a competitive procurement and has extended the agreements through the annual recurring contracts process.

MetLife invested the debt proceeds and subsequent other required contributions for the 91 Project and I-15 ELP in separate accounts of the Short-Term Actively Managed Program (STAMP). The Commission completed the 91 Project financing in 2013, the I-15 ELP and 91 Project completion financing (2017 Financing) in July 2017 and the 2021 91 Project refinancing (2021 Financing) in October 2021. Consistent with financing expectations, the Commission expended all 91 Project debt proceeds and equity contributions, except for the toll revenue bonds debt service reserve, and subsequent to commencement of operations, established other required accounts. Additionally, the Commission has fully expended the 2017 Financing bond proceeds for the I-15 ELP.

The monthly investment report for December 2024, as required by state law and Commission policy, reflects the investment activities resulting from the 91 Project, 2021 Financing and

available operating cash. As of December 31, 2024, total cash and investments in the Commission’s portfolio totaled approximately \$1.64 billion and were comprised of the following:

CASH AND INVESTMENTS PORTFOLIO	AMOUNTS ¹
Operating	\$ 1,039,269,867
Trust	343,457,332
Commission-managed	200,367,456
STAMP for 91 CIP	62,402,179
Total	\$ 1,645,496,834
Note: ¹ Unreconciled and unaudited	

As of December 31, 2024, the Commission’s cash and investments are in compliance with both the Commission’s investment policy adopted on December 11, 2024, and permitted investments described in the indenture for the Commission’s sales tax revenue bonds and the master indenture for the Commission’s toll revenue bonds. Additionally, the Commission has adequate cash flows for the next six months.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

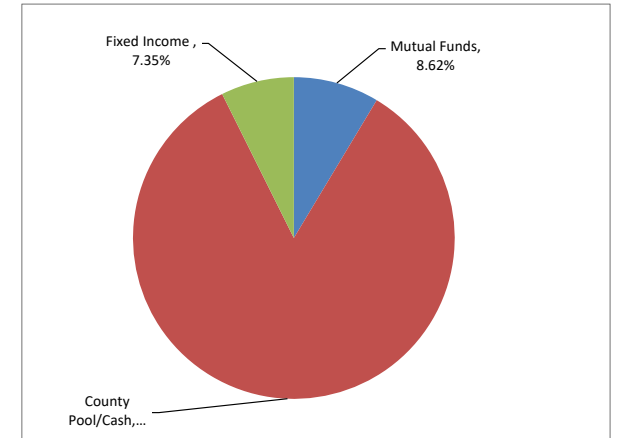
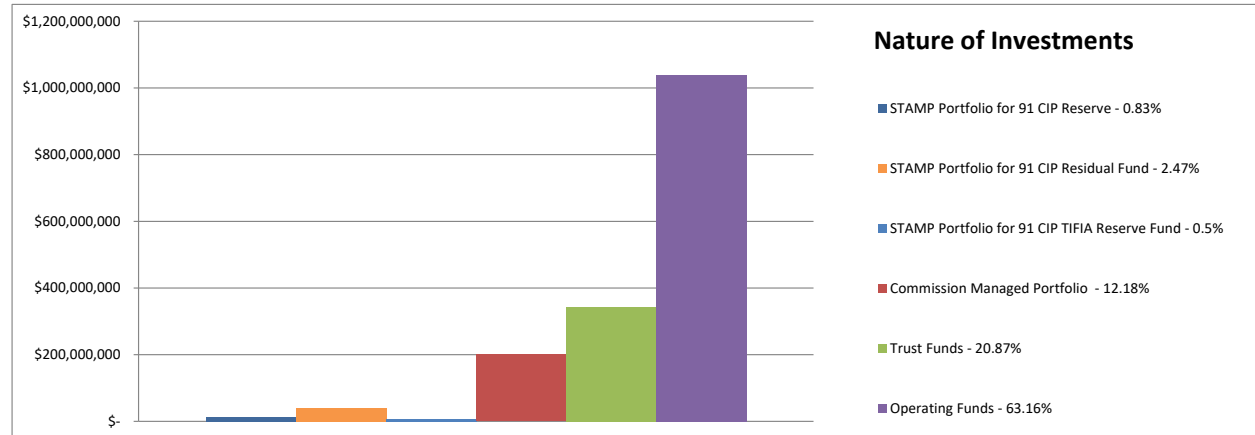
Attachment: Investment Portfolio Report

Riverside County Transportation Commission
Investment Portfolio Report
Period Ended: December 31, 2024

	STATEMENT BALANCE ¹	FINANCIAL INSTUTION	STATEMENTS	RATING MOODY'S / S&P	COUPON RATE	PAR VALUE	PURCHASE DATE	MATURITY DATE	YIELD TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN (LOSS)
OPERATING FUNDS												
City National Bank Deposits	32,516,724	City National Bank	Available upon request	A3/BBB+	N/A				N/A			
County Treasurer's Pooled Investment Fund	1,006,753,143	County Treasurer	Available upon request	Aaa-bf								
Subtotal Operating Funds	<u>1,039,269,867</u>											
FUNDS HELD IN TRUST												
County Treasurer's Pooled Investment Fund: Local Transportation Fund	343,457,332	County Treasurer	Available upon request					Available upon request				
Subtotal Funds Held in Trust	<u>343,457,332</u>											
COMMISSION MANAGED PORTFOLIO												
US Bank Payden & Rygel Operating	58,580,806	US Bank	Available upon request					Available upon request				
First American Government Obligation Fund	141,786,651	US Bank	Available upon request	N/A	N/A				N/A			
Subtotal Commission Managed Portfolio	<u>200,367,456</u>											
STAMP PORTFOLIO for 91 CIP												
2013 Series A & Series B Reserve Fund	13,585,030	US Bank	Available upon request					Available upon request				
2021 Series B Reserve Fund	40,620,741	US Bank	Available upon request					Available upon request				
2021 Series C Reserve Fund	8,196,409	US Bank	Available upon request					Available upon request				
Subtotal STAMP Portfolio - 91 CIP	<u>62,402,179</u>											
TOTAL All Cash and Investments	<u>\$ 1,645,496,834</u>											

Notes:

¹ Unreconciled and unaudited



AGENDA ITEM 7

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Andrew Sall, Senior Management Analyst, Legislative Affairs
THROUGH:	Tyler Madary, Legislative Affairs Manager
SUBJECT:	State and Federal Legislative Update

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission to take the following action(s):

- 1) Receive and file a state and federal legislative update.

BACKGROUND INFORMATION:

State Update

Fiscal Year 2025-2026 Budget Proposal

On January 10, Governor Gavin Newsom released his budget proposal for Fiscal Year (FY) 2025-26, totaling \$322.3 billion. The Governor’s proposal projects a small surplus of \$326 million, compared to the \$297.9 billion budget in FY 2024-25 that accounted for a nearly \$47 billion shortfall. Notably, the proposed budget maintains the entirety of transportation funding included in the FY 2024-25 budget, including \$15.4 billion for the following:

- \$8.8 billion for high-priority transit and rail infrastructure projects. This includes \$5.1 billion in funding for the formula-based Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP) enacted by Senate Bill (SB) 125 (2023). Under SB 125, RCTC received \$138.2 million in formula TIRCP and ZETCP funding in FY 2023-24 to support transit operations, fund the next phase of environmental review for the Coachella Valley (CV) Rail Project, and fund project development and implementation of grade separations along the planned CV Rail corridor in the Pass Area. RCTC anticipates receiving an additional \$148.6 million in formula TIRCP and ZETCP funding between FY 2024-25 and FY 2027-28 to further support transit operations and fund rail capital improvements and grade separation projects across the county;
- \$4.2 billion in Proposition 1A (2008) funding to continue construction on the California High Speed Rail project;
- \$1.2 billion for goods movement projects on rail and roadways at port terminals;

- \$1.1 billion for Active Transportation Program projects, the Reconnecting Communities: Highways to Boulevards Pilot program, and climate adaptation projects; and
- \$150 million for grade separation projects.

The Governor’s budget proposal is the first step in the annual state budgetary process. The Legislature will hold budget committee hearings over the coming months before Governor Newsom releases his May Revision to the budget with updated revenue projections. Following the release of the May Revision, the Legislature must approve the budget by June 15. Staff will keep the Commission apprised of potential impacts to transportation-related investments as the budgetary process unfolds.

State Legislature 2025-26 Session Committee Assignments

On December 27, Assembly Speaker Robert Rivas (Salinas) announced committee chairperson appointments for 2025, including the reappointments of Assemblymember Lori Wilson (Suisun City) as Chair of the Assembly Transportation Committee and Assemblymember Steve Bennett (Oxnard) as Chair of the Assembly Budget Subcommittee on Climate Crisis, Resources, Energy, and Transportation. Full committee membership announcements have not been made as of the publish date of this report.

Additionally, Senate President Pro Tempore Mike McGuire (North Coast) announced committee assignments, including the reappointment of Senator Dave Cortese (San Jose) as Chair of the Senate Transportation Committee. Senators Sabrina Cervantes (Riverside) and Kelly Seyarto (Murrieta) were also appointed to the committee. Additionally, Pro Tempore McGuire announced the appointment of Senator Laura Richardson (San Pedro) as the Chair of the Senate Budget Subcommittee on Corrections, Public Safety, Judiciary, Labor and Transportation.

Federal Update

On December 21, President Joe Biden signed into law a Continuing Resolution to fund the federal government at or near existing FY 2024 levels until March 14. Congress now has until March 14 to either pass all 12 appropriations bills for FY 2025 or another Continuing Resolution to avoid a government shutdown. RCTC staff will continue to monitor the appropriations process and keep the Commission apprised of updates.

President Donald J. Trump was sworn in as the 47th President of the United States on January 20, 2025. Over the next several weeks, the Senate will seek to confirm the President’s Cabinet and agency nominees. This includes former Representative Sean Duffy, whose confirmation hearing for his nomination as Secretary of the U.S. Department of Transportation (USDOT) took place on January 15. It will take several months before various offices at USDOT, including the Federal Highway Administration, Federal Railroad Administration, and Federal Transit Administration, will have confirmed Administrators in place. In the interim, career personnel will serve in acting positions to help the new Secretary navigate the Department’s workings.

FISCAL IMPACT:

This is a policy and information item. There is no fiscal impact.

AGENDA ITEM 8

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Sergio Vidal, Chief Financial Officer Michele Cisneros, Deputy Director of Finance Daniel Hernandez, Financial Budget Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Fiscal Year 2024/25 Mid-Year Revenue Projections

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Approve the Fiscal Year 2024/25 Mid-Year Revenue projections, which includes Measure A Sales Tax Revenues, Local Transportation Funds (LTF) Sales Tax Revenues, and Transportation Uniform Mitigation Fees (TUMF); and
- 2) Approve the FY 2024/25 mid-year budget revenue adjustments for Measure A (reduction of \$17,000,000) and LTF (reduction of \$7,000,000).

BACKGROUND INFORMATION:

Revenues

Upon the adoption of the FY 2024/25 Budget, the Commission approved revenue projections for various revenue sources, including but not limited to Measure A sales tax, LTF sales tax, and TUMF revenues. The revenue projections approved during the budget process were based on the best available information at that time and are prudent due to the uncertain economic climate resulting from both rising inflation and fluctuating interest rates impacting the region’s economy.

Consistent with RCTC’s revenue evaluation process, staff reviewed Measure A sales tax, LTF sales tax, and TUMF revenues received through December 2024 to determine if any mid-year adjustments are necessary. Staff considered historical and current trends of the receipts along with the quarterly sales tax forecasts through September 2024 prepared by the Commission’s sales tax and economic consultants Avenu Insights and Beacon Economics. The outlook on the local economy is cautiously optimistic and reflects economic activity stabilizing.

Measure A Sales Tax Revenues

Measure A sales tax revenues are the local half-cent transactions and use tax approved by Riverside County voters in November 2002. Measure A sales tax revenues fund highway, regional arterial, local streets and roads, new corridors, economic development, bond financing, bus transit, commuter rail, commuter assistance, and specialized transportation projects within the three geographic areas of Riverside County, as defined in the Measure A Expenditure Plan.

FY 2023/24 revenues were approximately \$282 million or 1.7 percent less than the FY 2022/23 revenues of \$287 million. The FY 2024/25 receipts through October 2024 reporting period is approximately \$88 million or 31 percent of the budgeted projection of \$282 million and less than FY 2023/24 revenues through October 2023 reporting period of approximately \$90 million. The implementation of internet sales taxes in 2019 due to the Wayfair decision coupled with a post pandemic inflationary environment have led to increasing sales tax revenue in recent years. However, sales tax appears to be stabilizing according to third quarter 2024 sales tax data prepared by the Commission's sales tax consultant, citing quarter over quarter declines in retail (-2.2%), transportation (-7.2%), construction (-8.0%), and business-to-business (-3.2%).

As demonstrated below in Graph 1, since FY 2018/19, Measure A has experienced approximately forty percent (40%) growth when compared to the most recently completed fiscal year (2023/24). However, in the current fiscal year (2024/25), Measure A is projected to fall short of budgeted projections due to continued constraints on consumer spending on taxable goods in conjunction with rising costs for housing, insurance premiums, groceries, health care, education, and energy. Furthermore, economic growth is anticipated to be slower in 2025 due to trade tension and geopolitical events, resulting in continued economic uncertainties. Therefore, staff is recommending a mid-year revision to the FY 2024/25 Measure A sales tax revenue projection from \$282 million to \$265 million, amounting to an approximate 6% reduction.

Staff continues to prudently review quarterly Measure A sales tax revenues economic data available on the California Department of Tax and Fee Administration's website as well as data prepared by the Commission's sales tax consultant. Second quarter (2nd quarter) receipts for the fiscal year (October 2024 – December 2024) have not yet been received. Pending the results of the 2nd quarter, further adjustments to the Measure A projections may occur. Furthermore, the Commission's commitment to financial stewardship and responsibility is reflected by the Commission's recent Sales Tax credit rating upgrade by Standard & Poor's (S&P) from AA+ to AAA.

LTF Sales Tax Revenues

LTF sales tax revenues represent a quarter cent of the statewide sales tax and primarily fund transit requirements within the county in addition to planning and administration activities and bicycle and pedestrian projects (SB 821). These revenues approximate 55 percent of Measure A sales tax revenues.

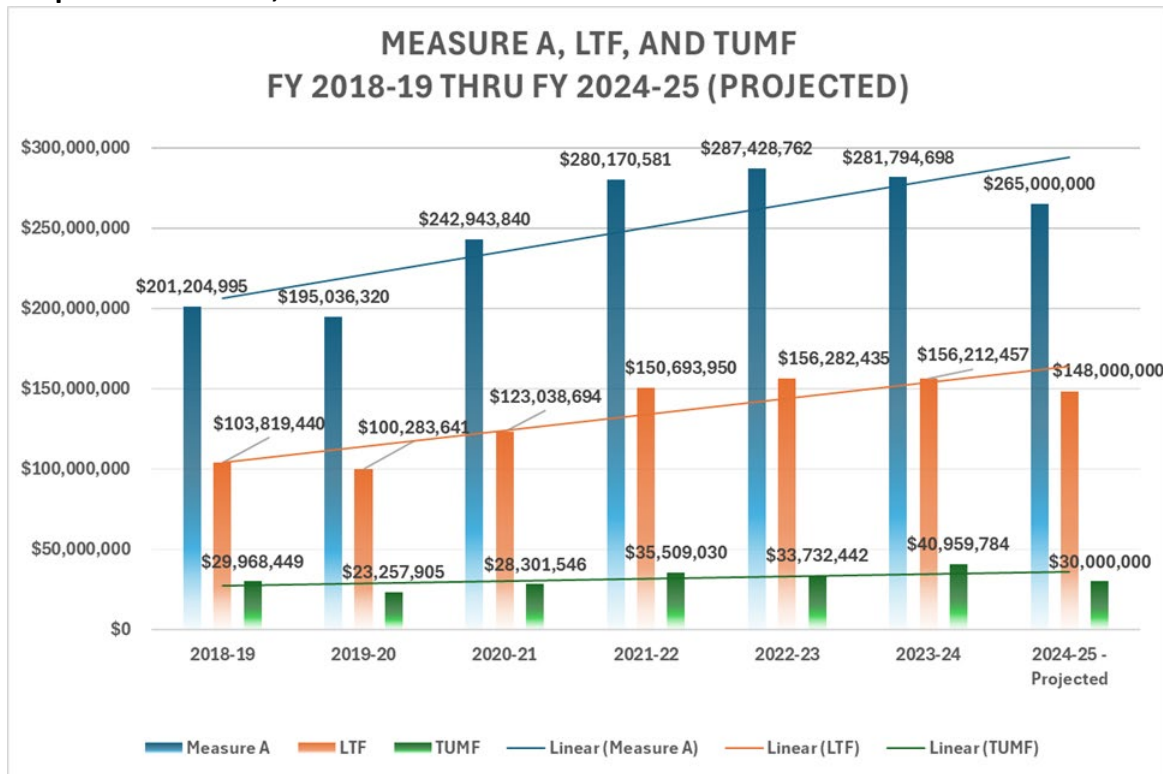
The audited FY 2023/24 revenues totaled approximately \$156.2 million - in line with the prior fiscal year (2022/23) revenues (see Graph 1). The FY 2024/25 revenues through October 2024 reporting period of \$50 million are 32 percent of the budgeted projection of \$155 million. Like Measure A sales tax revenues, staff recommends a mid-year revision to the FY 2024/25 LTF from \$155 million to \$148 million due to the stabilizing sales tax environment described above.

TUMF Revenues

TUMF revenues represent the Commission's share of revenues generated from a development fee program administered by the Western Riverside Council of Governments (WRCOG). Local Western County jurisdictions collect fees charged to ensure new development pays for the new transportation facilities needed to accommodate growth.

FY 2024/25 TUMF revenues through September 2024 reporting period of \$9 million are 30 percent of the budgeted revenue and relatively in line with the \$11 million collected in FY 2023/24 during the same period. Due to the uncertain nature for TUMF receipts which tend to fluctuate significantly, it is challenging to both identify and project any trends. Budgeted TUMF revenues of \$30 million are less than the \$32 million RCTC allocation derived from WRCOG's FY 2024/25 budget. Thus, staff recommends no adjustment to the current fiscal year (2024/25) revenue projection of \$30 million (see Graph 1).

Graph 1: Measure A, LTF and TUMF revenues FY 2018-19 thru FY 2024-25



Mid-Year Revenue Projections Summary


The mid-year revenue projections for Measure A sales tax, LTF sales tax, and TUMF are summarized as follows:

Revenue Source	FY 2023/24 Actuals	FY 2024/25 Budget	FY 2024/25 Projection	FY 2024/25 Adjustment
Measure A	\$ 281,794,698	\$ 282,000,000	\$ 265,000,000	(\$17,000,000)
LTF	156,212,458	155,000,000	148,000,000	(7,000,000)
TUMF	40,959,784	30,000,000	30,000,000	N/A

Due to recent sales tax trends and the economic environment, staff recommends adjustments to FY 2024/25 Measure A sales tax with a decrease of \$17,000,000 and LTF sales tax with a decrease of \$7,000,000 budgeted revenue projections. Staff will continue to monitor FY 2024/25 revenues to determine if additional adjustments to the revenue projections for Measure A sales tax and LTF sales tax administration are necessary in the future. No reduction in TUMF is recommended at this time.

FISCAL IMPACT:

Below is the fiscal impact for the Mid-Year revenue projections adjustment for FY 2024/25:

Financial Information					
In Fiscal Year Budget:	Yes	Year:	FY 2024/25	Amount:	Measure A sales tax Revenues: \$(17,000,000) LTF sales tax Revenues: (\$7,000,000)
Source of Funds:	2009 Measure A sales tax, LTF sales tax, and TUMF		Budget Adjustment:	Yes	
GL/Project Accounting No.:	<u>Measure A</u>				
	\$ (4,136,000)	623999 401 40101		262 31 40101	
	(1,501,000)	613999 401 40101		261 31 40101	
	(828,000)	654199 401 40101		265 33 40101	
	(207,000)			269 62 40101	
	(259,000)			260 26 40101	
	(87,000)			270 26 40101	
	(203,000)	632199 401 40101		263 41 40101	
	(1,217,000)	005200 401 40101		266 72 40101	
	(3,931,000)			267 71 40101	
	(1,095,000)			264 19 40101	
	(162,000)	683999 401 40101		268 31 40101	
	(1,655,000)	563999 401 40101		256 31 40101	
	(1,159,000)			257 71 40101	
	(497,000)			258 26 40101	
	(63,000)			234 71 40101	
	<u>LTF</u>				
	(7,000,000)	622299 401 40102		601 62 40102	
Fiscal Procedures Approved:			Date:	1/16/2025	

Attachments:

- 1) FY 2024/25 Revised Measure A Program Allocation
- 2) FY 2024/25 Revised Riverside County LTF Apportionment

RIVERSIDE COUNTY TRANSPORTATION COMMISSION
MEASURE A PROGRAM ALLOCATION (PROJECTION)¹
FY 2024/25
REVISED (1/2025)

	Revised Projection (1/2025)	Original Projection (1/2024)	Increase (Decrease)
Projected Measure A Revenues	\$ 265,000,000	\$ 282,000,000	\$ (17,000,000)
Less: Administration ²	-	-	-
Projected Apportionment to Programs:			
Western County			
Highway Improvements (262)	64,481,000	68,617,000	(4,136,000)
New Corridors (261)	23,390,000	24,891,000	(1,501,000)
Public Transit			
Commuter Rail (265)	12,896,000	13,724,000	(828,000)
Intercity Bus (269)	3,224,000	3,431,000	(207,000)
Specialized Transit-Operations (260)	4,030,000	4,289,000	(259,000)
Specialized Transit-CTSA (270)	1,343,000	1,430,000	(87,000)
Commuter Services (263)	3,161,000	3,364,000	(203,000)
Regional Arterial (266)	18,965,000	20,182,000	(1,217,000)
Local Streets & Roads (267)	61,320,000	65,251,000	(3,931,000)
BANNING	840,000	896,000	(56,000)
BEAUMONT ³	862,000	918,000	(56,000)
CALIMESA	305,000	325,000	(20,000)
CANYON LAKE	266,000	284,000	(18,000)
CORONA	5,530,000	5,889,000	(359,000)
EASTVALE	3,068,000	3,268,000	(200,000)
HEMET	2,605,000	2,778,000	(173,000)
JURUPA VALLEY	3,152,000	3,353,000	(201,000)
LAKE ELSINORE	2,133,000	2,278,000	(145,000)
MENIFEE	2,938,000	3,132,000	(194,000)
MORENO VALLEY	5,969,000	6,367,000	(398,000)
MURRIETA	3,388,000	3,611,000	(223,000)
NORCO	927,000	987,000	(60,000)
PERRIS	2,718,000	2,898,000	(180,000)
RIVERSIDE	10,175,000	10,747,000	(572,000)
SAN JACINTO	1,404,000	1,497,000	(93,000)
TEMECULA	4,027,000	4,293,000	(266,000)
WILDOMAR	938,000	1,001,000	(63,000)
RIVERSIDE COUNTY	8,782,000	9,351,000	(569,000)
WRCOG ³	1,293,000	1,378,000	(85,000)
Bond Financing (264)	17,068,000	18,163,000	(1,095,000)
Economic Development Projects (268)	2,529,000	2,691,000	(162,000)
SUBTOTAL-Western County	212,407,000	226,033,000	(13,626,000)
Coachella Valley			
Highways & Regional Arterials (256)	25,804,000	27,459,000	(1,655,000)
Local Street & Roads (257)	18,063,000	19,222,000	(1,159,000)
CATHEDRAL CITY	1,859,000	1,978,000	(119,000)
COACHELLA	784,000	834,000	(50,000)
DESERT HOT SPRINGS	565,000	601,000	(36,000)
INDIAN WELLS	324,000	344,000	(20,000)
INDIO	2,564,000	2,728,000	(164,000)
LA QUINTA	1,874,000	1,995,000	(121,000)
PALM DESERT	3,296,000	3,508,000	(212,000)
PALM SPRINGS	3,057,000	3,253,000	(196,000)
RANCHO MIRAGE	1,140,000	1,213,000	(73,000)
RIVERSIDE COUNTY	2,600,000	2,767,000	(167,000)
Specialized & Public Transit (258)	7,741,000	8,238,000	(497,000)
SUBTOTAL-Coachella Valley	51,608,000	54,919,000	(3,311,000)
Palo Verde Valley			
Local Street & Roads (234)	985,000	1,048,000	(63,000)
BLYTHE	757,000	805,000	(48,000)
RIVERSIDE COUNTY	228,000	243,000	(15,000)
SUBTOTAL-Palo Verde Valley	985,000	1,048,000	(63,000)
TOTAL	\$ 265,000,000	\$ 282,000,000	\$ (17,000,000)

Notes:

¹ Estimate for planning purposes, subject to change and rounding differences.

² Administrative costs are allocated in accordance with a cost allocation plan on a quarterly basis. Accordingly, the Measure A allocations to each geographic area by program will be reduced for such quarterly cost allocations.

³ In accordance with settlement agreement and release.

**RIVERSIDE COUNTY
LOCAL TRANSPORTATION FUND
FY 2024/25 APPORTIONMENT
Revised January 2025**

	Revised Projection (1/2025)	Original Projection (1/2024)	(Decrease) Increase
Estimated Carryover (Unapportioned)	\$ 40,507,000	\$ -	\$ 40,507,000
Estimated Receipts ¹	148,000,000	155,000,000	(7,000,000)
TOTAL	188,507,000	155,000,000	33,507,000
Less: County Auditor-Controller Administration	12,000	12,000	-
Less: Estimated RCTC Administration ²	1,250,000	1,250,000	-
Less: RCTC Planning (3% of revenues)	5,655,000	4,650,000	1,005,000
Less: SCAG Planning (3/4 of 1% of revenues)	1,414,000	1,163,000	251,000
BALANCE	180,176,000	147,925,000	32,251,000
Less: SB 821 (2% of balance)	3,604,000	2,959,000	645,000
BALANCE AVAILABLE BEFORE RESERVES	176,572,000	144,966,000	31,606,000
Less: 10% Transit Reserves	17,657,000	14,497,000	3,160,000
BALANCE AVAILABLE FOR APPORTIONMENT	\$ 158,915,000	\$ 130,469,000	28,446,000

APPORTIONMENT	Population	Population % of Total	FY 2024/25 Revised Apportionment (1/2025)	FY 2024/25 Original Apportionment (1/2024)	Revised Projections (Decrease) Increase
Western:	1,963,774	80.86%	\$ 128,500,000	\$ 105,499,000	\$ 23,001,000
Rail	22%		28,270,000	23,210,000	5,060,000
Transit	78%		100,230,000	82,289,000	17,941,000
Coachella Valley	441,590	18.18%	28,896,000	23,723,000	5,173,000
Palo Verde Valley	23,216	0.96%	1,519,000	1,247,000	272,000
	<u>2,428,580</u>	<u>100.00%</u>	<u>\$ 158,915,000</u>	<u>\$ 130,469,000</u>	<u>\$ 28,446,000</u>

ALLOCATION OF TRANSIT RESERVES (in accordance with Reserve Policy adopted January 12, 2005):

Western:			
Rail			\$ 3,141,000
Transit:			
RTA	\$ 9,685,000		
Banning	278,000		
Beaumont	401,000		
Corona	217,000		
Riverside	555,000		
Subtotal Transit	<u>\$ 11,136,000</u>		11,136,000
Subtotal Western			14,277,000
Coachella Valley			3,211,000
Palo Verde Valley			169,000
Total Reserves			<u>\$ 17,657,000</u>

NOTES:

¹ Estimate for planning purposes, subject to change and rounding differences. Rounded to the nearest thousand.

² Amount is an estimate; administrative costs are allocated in accordance with a cost allocation plan on a quarterly basis.

Population Source: California Department of Finance, Demographic Research Unit as of January 1, 2023.

Allocation of transit reserves: FY 2023/24 SRTP funding allocations approved 6/28/2023.

AGENDA ITEM 9

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Sergio Vidal, Chief Financial Officer Michele Cisneros, Deputy Director of Finance Daniel Hernandez, Financial Budget Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Fiscal Year 2025/26 Revenue Projections

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Approve the projection for Measure A sales tax revenues of \$262 million for Fiscal Year 2025/26;
- 2) Approve the projection for Local Transportation Fund (LTF) sales tax apportionment of \$148 million for the Western Riverside County, Coachella Valley, and Palo Verde Valley areas for FY 2025/26; and
- 3) Approve the projection for Transportation Uniform Mitigation Fee (TUMF) revenues of \$30 million for FY 2025/26.

BACKGROUND INFORMATION:

Prior to commencement of the annual budget process, the Chief Financial Officer presents to the Commission the projections for Measure A sales tax, LTF sales tax, and TUMF revenues related to the upcoming fiscal year. These revenue projections include consideration of historical and current trends of receipts and economic data collected from various sources, including the quarterly sales tax forecast of Measure A sales tax revenues prepared by the Commission’s sales tax consultant, MuniServices, LLC, and a study prepared by Beacon Economics.

Measure A Sales Tax Revenues

The Measure A sales tax revenues projection consists of revenues generated from Measure A, the local half-cent transactions and use tax approved by voters in November 2002. Measure A sales tax funds are primarily used to fund highway, regional arterial, local streets and roads, new corridors, economic development, bond financing, bus transit, commuter rail, commuter assistance, and specialized transportation projects in the three geographic areas of Riverside County, as defined in the Measure A Expenditure Plan. The percentage of Measure A sales tax revenues allocated to each of these geographic areas is based on return to source of the sales tax revenues generated. FY 2025/26 represents the 17th year of the 30-year term of the 2009 Measure A.

The Measure A sales tax revenue projection for FY 2025/26 is \$262 million. The estimate is slightly lower than the FY 2024/25 mid-year projection of \$265 million. While the implementation of internet sales taxes in 2019 due to the Wayfair decision coupled with a post pandemic inflationary environment led to increasing sales tax revenue in recent years, sales tax appears to be stabilizing according to third quarter 2024 (July 2024-September 2024) data prepared by the Commission’s sales tax consultant. Continued constraints on consumer spending associated with rising costs for housing, insurance premiums, groceries, health care, education, and energy along with trade tension and geopolitical events support the conservative forecast prioritizing the need to remain fiscally prudent during these uncertain economic conditions.

This projection will become the basis for the preparation for the FY 2025/26 budget. The budget process typically commences in January of each year following the development of the Measure A sales tax revenue projections. Additionally, the amounts for the local streets and roads programs are usually provided to the local jurisdictions for planning purposes.

The projected amount of Measure A sales tax revenues available for distribution to the three geographic areas is \$262 million prior to an administrative cost allocation, as summarized below and presented in further detail by program on the attachment:

Geographic Area	Amount
Western Riverside County	\$ 212,675,000
Coachella Valley	48,425,000
Palo Verde Valley	900,000
Total	\$ 262,000,000

Administrative costs are allocated in accordance with a cost allocation plan on a quarterly basis. Accordingly, the Measure A allocations to each geographic area by program will be reduced for such quarterly cost allocations.

Local Transportation Fund Sales Tax Revenues

The LTF sales tax projection consists of revenues generated from a quarter cent of the statewide sales tax. These LTF funds are principally used to fund transit requirements within the county of Riverside (County). The Transportation Development Act (TDA) legislation which created LTF requires the County Auditor Controller to annually estimate the amount of revenues expected to be generated from the sales tax. The estimate then becomes the basis for geographic apportionment and for claimant allocation through the Short-Range Transit Plan (SRTP) process, which commences in February 2025 for the upcoming fiscal year.

While the County is the taxing authority and maintains the custodial responsibility over the LTF revenues, the Commission by statute is charged with administration of the LTF funding process. Therefore, the practice has been for staff to develop the revenue estimate and then submit it to the County Auditor-Controller for concurrence. Once the Commission and the County agree on a revenue amount, staff prepares the statutorily required apportionment. Apportionment is the

process that assigns revenues to the three major geographic areas as defined by TDA law within the County: Western Riverside County, Coachella Valley, and Palo Verde Valley. The revenues are divided based on the respective populations for each area. The apportionment occurs after off-the-top allocations for administration to the County and Commission and set asides for Southern California Association of Governments planning (3/4 of 1 percent), local planning activities (3 percent), and bicycle and pedestrian projects (2 percent). The Commission’s administration allocation is an estimate; the actual amount is subject to quarterly amounts determined per the administrative cost allocation plan. Any difference in allocated Commission administration costs will be reflected in next year’s estimated carryover.

Attached is the FY 2025/26 LTF apportionment based on a revenue estimate of \$148 million. The estimate will be submitted to the County for its concurrence. The estimate is consistent with the FY 2024/25 revised mid-year projection of \$148 million. The LTF sales tax revenue projection is prudent and represents caution based on the most recent studies indicating a stabilizing sales tax environment along with current economic forecast information.

The projection incorporates a revised Western Riverside County apportionment and reserve allocation split pending Commission approval between Bus and Rail from 78 percent to 22 percent (current) to 72 percent (Bus) and 28 percent (Rail), respectively. After the deductions for estimated administration of approximately \$1,262,000 and set asides of approximately \$8,374,000, the amount available for apportionment before reserves to transit operators is approximately \$138,364,000. The balance available for apportionment by geographic area is as follows:

Geographic Area	Apportionment	Reserves	Balance Available
Western Riverside County	\$ 100,651,000	\$ 11,183,000	\$ 111,834,000
Coachella Valley	22,719,000	2,524,000	25,243,000
Palo Verde Valley	1,158,000	129,000	1,287,000
Total	\$ 124,528,000	\$ 13,836,000	\$ 138,364,000


In accordance with the Reserve Policy adopted by the Commission at its January 12, 2005, meeting, a reserve of approximately 10 percent for each apportionment area will be established and set aside for FY 2025/26, for unforeseen cost increases or other emergency. For the Western Riverside County apportionment area, a portion of the reserve will be allocated to each of the transit operators. For Western County public bus transit operators, the allocation of the reserve is based on each operator’s proportionate share of the FY 2024/25 LTF operating allocations. Operators may access reserve funds by amending their SRTPs through the established amendment and Commission approval process.

Transportation Uniform Mitigation Fee

The TUMF projection consists of revenues generated from fees charged to new development to ensure it pays for the new transportation facilities needed to accommodate growth. As a result of a memorandum of understanding executed in 2008 between the Commission and the Western Riverside Council of Governments (WRCOG), the administrator of the TUMF program, the Commission receives a significant share of TUMF revenues, after a WRCOG administrative allocation, for the Commission's regional arterial and Community Environmental Transportation Acceptability Process programs that is equal to the WRCOG share for the TUMF zone program. The revenue estimate for FY 2025/26 is \$30 million, the same as the FY 2024/25 mid-year projection. Staff will continue to monitor trends, current year cash receipts along with discussion with WRCOG to determine if any further revisions are required for this revenue source. Specifically, this revenue is a placeholder at this time as we await further information for this key regional revenue source.

Fiscal Impact / Next Steps

Upon Commission approval, staff will provide this information to the local jurisdictions and transit operators for planning purposes. Staff will continue to monitor FY 2024/25 revenues during the development of the FY 2025/26 budget to determine if any adjustments to the revenue projections are necessary.

Financial Information																																																																																																																																			
In Fiscal Year Budget:	N/A	Year:	FY 2025/26	Amount:	\$262,000,000 Measure A sales tax Revenues; \$148,000,000 LTF sales tax Revenues; \$30,000,000 TUMF																																																																																																																														
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Attachments:

- 1) FY 2025/26 Measure A Program Allocation – Projection
- 2) FY 2025/26 Riverside County LTF Apportionment - Projections

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
MEASURE A PROGRAM ALLOCATION (PROJECTION)¹
FY 2025/26
ORIGINAL (1/2025)**

	ORIGINAL Projection (1/2025)
Projected Measure A Revenues	\$ 262,000,000
Less: Administration ²	-
Projected Apportionment to Programs:	
Western County	
Highway Improvements (262)	64,562,000
New Corridors (261)	23,420,000
Public Transit	
Commuter Rail (265)	12,912,000
Intercity Bus (269)	3,228,000
Specialized Transit-Operations (260)	4,035,000
Specialized Transit-CTSA (270)	1,345,000
Commuter Services (263)	3,165,000
Regional Arterial (266)	18,989,000
Local Streets & Roads (267)	61,397,000
BANNING	841,000
BEAUMONT ³	885,000
CALIMESA	304,000
CANYON LAKE	265,000
CORONA	5,460,000
EASTVALE	3,370,000
HEMET	2,572,000
JURUPA VALLEY	3,113,000
LAKE ELSINORE	2,117,000
MENIFEE	3,117,000
MORENO VALLEY	5,967,000
MURRIETA	3,329,000
NORCO	897,000
PERRIS	2,701,000
RIVERSIDE	10,072,000
SAN JACINTO	1,394,000
TEMECULA	3,944,000
WILDOMAR	939,000
RIVERSIDE COUNTY	8,782,000
WRCOG ³	1,328,000
Bond Financing (264)	17,090,000
Economic Development Projects (268)	2,532,000
SUBTOTAL-Western County	<u>212,675,000</u>
Coachella Valley	
Highways & Regional Arterials (256)	24,212,000
Local Street & Roads (257)	16,949,000
CATHEDRAL CITY	1,747,000
COACHELLA	740,000
DESERT HOT SPRINGS	587,000
INDIAN WELLS	315,000
INDIO	2,481,000
LA QUINTA	1,773,000
PALM DESERT	3,129,000
PALM SPRINGS	2,776,000
RANCHO MIRAGE	1,067,000
RIVERSIDE COUNTY	2,334,000
Specialized & Public Transit (258)	7,264,000
SUBTOTAL-Coachella Valley	<u>48,425,000</u>
Palo Verde Valley	
Local Street & Roads (234)	900,000
BLYTHE	711,000
RIVERSIDE COUNTY	189,000
SUBTOTAL-Palo Verde Valley	<u>900,000</u>
TOTAL	<u>\$ 262,000,000</u>

Notes:

¹ Estimate for planning purposes, subject to change and rounding differences.

² Administrative costs are allocated in accordance with a cost allocation plan on a quarterly basis. Accordingly, the Measure A allocations to each geographic area by program will be reduced for such quarterly cost allocations.

³ In accordance with settlement agreement and release.

**RIVERSIDE COUNTY
LOCAL TRANSPORTATION FUND
FY 2025/26 APPORTIONMENT
Original January 2025**

	Original Projection (1/2025)
Estimated Carryover (Unapportioned)	\$ -
Estimated Receipts ¹	148,000,000
TOTAL	148,000,000
Less: County Auditor-Controller Administration	12,000
Less: Estimated RCTC Administration ²	1,250,000
Less: RCTC Planning (3% of revenues)	4,440,000
Less: SCAG Planning (3/4 of 1% of revenues)	1,110,000
BALANCE	141,188,000
Less: SB 821 (2% of balance)	2,824,000
BALANCE AVAILABLE BEFORE RESERVES	138,364,000
Less: 10% Transit Reserves	13,836,000
BALANCE AVAILABLE FOR APPORTIONMENT	\$ 124,528,000

APPORTIONMENT³	Population	Population % of Total	FY 2025/26 Original Apportionment (1/2025)
Western:	1,974,084	80.83%	\$ 100,651,000
Rail	28%		28,182,000
Transit	72%		72,469,000
Coachella Valley	445,582	18.24%	22,719,000
Palo Verde Valley	22,712	0.93%	1,158,000
	2,442,378	100.00%	\$ 124,528,000

ALLOCATION OF TRANSIT RESERVES (in accordance with Reserve Policy adopted January 12, 2005):

Western:			
Rail			\$ 3,131,000
Transit:			
RTA		\$ 6,912,000	
Banning		227,000	
Beaumont		282,000	
Corona		163,000	
Riverside		468,000	
Subtotal Transit		\$ 8,052,000	8,052,000
Subtotal Western			11,183,000
Coachella Valley			2,524,000
Palo Verde Valley			129,000
Total Reserves			\$ 13,836,000

NOTES:

¹ Estimate for planning purposes, subject to change and rounding differences. Rounded to the nearest thousand.

² Amount is an estimate; administrative costs are allocated in accordance with a cost allocation plan on a quarterly basis.

³ Subject to Commission approval on the rail/bus split

Population Source: California Department of Finance, Demographic Research Unit as of January 1, 2024.

Allocation of transit reserves: FY 2024/25 SRTP funding allocations approved 6/26/2024.

AGENDA ITEM 10

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Lorelle Moe-Luna, Multimodal Services Director Eric DeHate, Transit Manager
THROUGH:	David Knudsen, Deputy Executive Director
SUBJECT:	Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds Policy

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

- 1) Adopt the *Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds Policy* effective Fiscal Year (FY) 2025/26.

BACKGROUND INFORMATION:

The Commission approves about \$304 million annually to operate and maintain the public transit system in Riverside County. This includes funding the annual budgets for the seven bus operators (Palo Verde Valley Transit Agency, SunLine Transit Agency, Riverside Transit Agency, and the cities of Banning, Beaumont, Corona, and Riverside); the one regional commuter rail operator, the Southern California Regional Rail Authority also known as Metrolink; and the Commission-owned stations and vanpool program. Annual funding is generally comprised of approximately 52% from state funds, 34% from federal funds, and 14% from local funds, and will vary for capital improvement projects which generally have a higher federal share.

The Commission has various transit funding policies and procedures for the allocation of formula state, federal, and local revenue sources that it oversees. State formula funds are of importance because they represent the majority of operating revenues. The Commission has a long-standing policy for allocating the two primary Transportation Development Act (TDA) funds, Local Transportation Funds (LTF) and State Transit Assistance (STA) funds. An allocation formula was first established in 1995 for LTF and STA and was designed to distribute TDA funds between public bus services and commuter rail services in each subregion (Western County, Coachella Valley, and Palo Verde Valley). The formula takes into account population-based apportionment and ensures that funds are allocated based on local transit needs and conditions.

Over the years, the Commission has periodically reviewed the LTF and STA funding allocation formula, with the last update in 2003 for both fund sources in Western County and in 2013 for STA in Coachella Valley. Since then, several major events have occurred, which have impacted

transit service demand and funding, including economic downturns, the introduction of new services like the Perris Valley Line (PVL), the implementation of new state funding programs such as Senate Bill 1 State of Good Repair (SGR) and the Low Carbon Transit Operations Program (LCTOP), and the COVID-19 pandemic.

In the Palo Verde Valley, the current policy states that 100% of subregional LTF and STA is for the only public transit operator, the Palo Verde Valley Transit Agency. The current policy for the Coachella Valley, identifies 100% of LTF and 90% of STA is to be allocated to the public transit operator, SunLine Transit Agency, with the remaining 10% of STA to be used for the development of the Coachella Valley Rail Project. No changes at this time are recommended to the Palo Verde Valley and Coachella Valley allocation formulas.

The current funding split for LTF and STA in Western County is 78% for public bus service and 22% for commuter rail service and has been in place for over 20 years. Prior to that, the bus/rail split was 80% bus/20% rail. The policy was intended to be reviewed periodically, with the last major review taking place in 2008 with the adoption of the Transit Vision. At that time, the Commission approved keeping the funding formula unchanged but noted that the Western County bus/rail split needed to be reassessed by 2019 in anticipation of PVL service. See Attachments 2 – 5 for prior Commission policy approvals. The need for this formula adjustment has been underscored with recommendations from the last three TDA Triennial Audits from FYs 2012/13-2014/15, 2015/16-2017/18, and 2018/19-2020/21. As a result, the funding formula split is due for an adjustment to reflect current bus and passenger rail conditions.

DISCUSSION:

The TDA funding allocation formula for Western County plays a crucial role in providing financial support for the future growth of public bus and commuter rail services, ensuring that both operations and capital expenditures are adequately funded. Staff has analyzed the current and future growth of services and determined that a modification to the Western County LTF and STA allocation policy is needed to fund the expansion of PVL service as was originally intended including station operations and maintenance. The 91/PVL service commenced in 2016 and for the first five years of operations was funded primarily from \$20 million of federal Congestion Mitigation and Air Quality (CMAQ) funds while Measure A began covering station operations and maintenance. PVL was a significant investment to the Metrolink system in Riverside County by expanding track miles 70% from 34 miles to 58 miles and adding four new stations for a total of nine. PVL service increased the Commission’s annual Metrolink subsidy by about \$4 to \$5 million annually and station expenditures increased by about \$3 million, for a total of \$7 to \$8 million annually.

When CMAQ funds were fully expended in 2022, the need to adjust the funding formula was not urgent as transit operators were still dealing with the implications from the COVID-19 pandemic. Additionally, Riverside County received a substantial amount of federal relief funding – approximately \$193.5 million that was distributed to the transit operators and alleviated the pressure of LTF resources, helping transit operators maintain operations. Due to these one-time

federal funds and increased sales tax revenues for LTF, fund balances have increased, providing an opportunity to reassess how funds are distributed.

Staff recommends that the Commission adopt the *Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds Policy* (Attachment 1), which revises the Western County funding formula to 72% for bus and 28% for rail effective July 1, 2025. The policy also reinforces the Commission's 2005 action to recognize that while both LTF and STA funds can be utilized for operating and capital needs, that LTF will continue to be prioritized for operating and STA will continue to be prioritized for capital projects, with the expectation that other federal and state sources will be leveraged and maximized. This is to ensure that operations are sustained with the most stable funding source (LTF). In addition, the policy also includes the two newest state formula sources, SGR and LCTOP, which are allocated based on local needs.

Staff has engaged with the transit operators in Western County, especially the Riverside Transit Agency over the last year, considering evolving transit conditions, particularly the impacts of the pandemic and shifts in the economic and regulatory landscape. Staff has considered several factors with this proposed formula adjustment, including:

- Current and projected levels of services
- Zero-emission transition
- Projected sales tax revenues
- Existing fund balances
- Other state and federal formula funding sources

Additionally, the Measure A Expenditure Plan approved by Riverside County voters in 2002 and effective in 2009 sets a goal to eventually double Metrolink service and expand the commuter rail system to Moreno Valley and Perris to relieve congestion on I-215. This directive of the voters has guided the delivery of several rail improvements and service expansions since the 2009 Measure A took effect. Notably, the 24-mile extension of the PVL was a major milestone to reaching this target. The Commission, as a member agency of Metrolink, remains focused on supporting and transforming the rail system through Metrolink's Southern California Optimized Rail Expansion (better known as "SCORE") Program which will increase frequencies and timed connections. The next major milestone is to complete the double tracking of the PVL corridor which will allow for bi-directional trains; and several projects are underway to achieve this including the Moreno Valley/March Field Station Upgrade Project, Moreno Valley to Downtown Perris Double Track Project, South Perris Station Expansion and 4th Layover Track Project, and the new Mead Valley Metrolink Station. Modification to the LTF and STA funding formulas, as originally intended, will recognize the system expansion that has already occurred and that is presently underway. This proposed formula adjustment follows the Commission's principle to utilize state and federal formula funds prior to local funds like Measure A, giving the Commission maximum flexibility to utilize Measure A for service expansion and match for federal funds for capital projects, consistent with the 2009 Expenditure Plan.

Table 1 provides a comparison of the current and proposed LTF Western County funding adjustment which is the primary source for operating expenditures. The proposed policy would shift about \$7 million per year from bus to rail in Western County.

Table 1. Projected LTF Apportionments Comparison, FY 2025/26 through FY 2029/30

No Change in Policy – 78% Bus/22% Rail			
Fiscal Year	Projected Western County Apportionment	Bus: 78%	Rail: 22%
2025/26	\$ 111,834,000	\$ 87,231,000	\$ 24,603,000
2026/27	114,071,000	88,975,000	25,096,000
2027/28	116,352,000	90,755,000	25,597,000
2028/29	118,680,000	92,570,000	26,110,000
2029/30	121,053,000	94,421,000	26,632,000
Total	\$ 581,990,000	\$ 453,952,000	\$ 128,038,000

Revised Policy - 72% Bus/28% Rail			
Fiscal Year	Projected Western County Apportionment	Bus: 72%	Rail: 28%
2025/26	\$ 111,834,000	\$ 80,520,000	\$ 31,314,000
2026/27	114,071,000	82,131,000	31,940,000
2027/28	116,352,000	83,773,000	32,579,000
2028/29	118,680,000	85,450,000	33,230,000
2029/30	121,053,000	87,158,000	33,895,000
Total	\$ 581,990,000	\$ 419,032,000	\$ 162,958,000

With this policy change and projections through FY 2029/30, sufficient LTF will still be available for bus and rail operations based on fund balance, an annual 2% growth rate of LTF revenues, 4% annual increase in bus operations, and 5% annual increase in rail operations. Based on these trends, a ten-year outlook was also analyzed indicating that the operational needs of bus operators in Western County can be met with ample fund balance remaining.

STA revenues are prioritized for capital projects and are more volatile because they come from diesel fuel sales taxes. The State Controller’s Office provides annual STA estimates in January and August of each year. Unlike operating budgets, capital budgets fluctuate more year-by-year due to rehabilitation and replacement schedules and other capital improvement needs. STA is traditionally used to match federal formula and discretionary grants. The bus operators have expressed that their priority capital needs are centered on zero-emission transition. The Commission has supported zero-emission transition by allocating the one-time formula Senate Bill 125 Transit and Intercity Rail Capital Program and Zero Emission Transit Capital Program it received for FYs 2023/24 through 2027/28 to fund the transit operators’ capital

infrastructure and fleet needs through 2030. As such, the policy change will not have a significant impact to STA.


Moving forward, staff recommends that the Commission review this policy at least every five years to ensure the policy is continuing to meet the needs of Riverside County's public transportation systems. Policies such as these should remain relatively stable so transit operators can plan for the future. If any significant economic or regulatory conditions occur, staff will return to the Commission for direction.

FISCAL IMPACT:

There is no fiscal impact for this policy revision for the current FY 2024/25 budget. Impacts to expenditures and revenues will be reflected by program accordingly beginning with the FY 2025/26 annual budget and Short-Range Transit Plan allocations.

Attachments:

- 1) Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds Policy
- 2) Commission Staff Report, Allocation for Western County Bus and Rail Service, December 13, 1995
- 3) Commission Staff Report, TDA Funding Formula for Western Riverside County Bus and Commuter Rail Service, December 10, 2003
- 4) Commission Staff Report, TDA Vision Adoption and Related Funding Formulas for TDA and Measure A Funds for 2009-2019, June 11, 2008
- 5) Commission Staff Report, Rail Service Through the Pass Area to the Coachella Valley, October 9, 2013

	Policy Title: Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds	
	Policy No: TBD	Page: 1 of 3
	Effective Date: December 13, 1995	Revised Date: February 21, 2025
	Approved By Commission Action	
	Administered By: Multimodal Services Department	

The Transportation Development Act (TDA) provides two funding sources: 1) Local Transportation Fund (LTF) and 2) State Transit Assistance fund (STA).

LTF is derived from a quarter-cent of the general sales tax collected in each county. The Commission is the designated transportation planning agency responsible for allocating these funds (PUC § 99233) and will follow the LTF prioritization specified in PUC § 99233.1 to § 99233.9 before Article 4 and Article 8 claims. Article 4 claims, which encompasses public transportation expenditures, are required to be prioritized before Article 8 claims. Since 2008, the Commission has not allocated funds to eligible projects under Article 8; however, has the discretion to do so after Article 4 claims are met.

STA is derived from the statewide sales tax on diesel fuel. Statute requires that 50% of STA funds be allocated to the transportation planning agencies such as RCTC according to population (PUC § 99313) and 50% be allocated to transit operators according to operator revenues from the prior fiscal year (PUC § 99314).


Pursuant to PUC § 99261, the Commission may adopt supplemental rules and regulations to those under TDA. The Commission exercises this authority to allocate funds for the following programs, effective fiscal year 2025/26:

1. Local Transportation Funds - Article 4 Public Transit

- a. The available annual apportionment for Article 4 LTF will be geographically distributed into three subregions (Western County, Coachella Valley, and Palo Verde Valley) based on population data provided by the California Department of Finance.
 - i. In the Palo Verde Valley, 100% is to be apportioned for the public bus operator.
 - ii. In the Coachella Valley, 100% is to be apportioned for the public bus operator.
 - iii. In Western County, 72% is to be apportioned for the public bus operators and 28% for commuter rail.

2. State Transit Assistance Funds

- a. For PUC § 99313 funds where the Commission is identified as the recipient, funds will be geographically distributed into three subregions (Western County, Coachella Valley, and Palo Verde Valley) based on population data provided by the California Department of Finance.

	Policy Title: Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds	
	Policy No: TBD	Page: 2 of 3
	Effective Date: December 13, 1995	Revised Date: February 21, 2025
	Approved By Commission Action	
	Administered By: Multimodal Services Department	

- i. In the Palo Verde Valley, 100% is to be apportioned for the public bus operator.
 - ii. In the Coachella Valley, 90% is to be apportioned for the public bus operator and 10% is to be apportioned for the Coachella Valley Passenger Rail Project pursuant to Resolution No. 13-001 and Memorandum of Understanding No. 14-25-034 with the Coachella Valley Association of Governments.
 - iii. In Western County, 72% is to be apportioned for the public bus operators and 28% to rail.
 - iv. The STA fund balance will be prioritized for capital projects; however, the Commission will have discretion to approve and allocate funds to other STA-eligible projects as necessary.
- b. PUC § 99314 funds are apportioned to transit operators based on total qualifying revenue of all STA-eligible operators in the state as published by the State Controller’s Office (SCO).


Prioritization of Funds

LTF and STA funds are the primary sources for transit operations and capital expenditures. Although both fund programs are eligible for operating and capital, the Commission shall prioritize the use of LTF for operating expenditures and STA for capital projects as LTF has historically shown to be more stable during economic downturns. LTF and STA are expected to be utilized to leverage discretionary funds from state and federal programs.

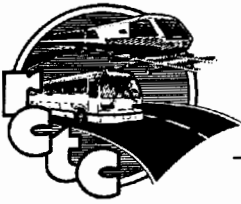
State of Good Repair and Low Carbon Transit Operations Program Funds

Other state funds such as Senate Bill 1 State of Good Repair (SGR) and the Low Carbon Transit Operations Program (LCTOP) are distributed to recipients under the STA program formula, PUC § 99313 and § 99314. The Commission will allocate these funds to eligible recipients as follows:

1. For PUC § 99313 funds where the Commission is identified as the recipient, funds will be allocated based on local needs as requested by the transit operators.
2. PUC § 99314 funds are allocated directly to transit operators based on formula amounts published by the SCO. Should a transit operator opt out of their share of PUC § 99314 funds, the Commission will coordinate the reallocation of funds to another transit operator in the county in accordance with program guidelines.

	Policy Title: Allocation of Transportation Development Act, State of Good Repair, and Low Carbon Transit Operations Program Funds	
	Policy No: TBD	Page: 3 of 3
	Effective Date: December 13, 1995	Revised Date: February 21, 2025
	Approved By Commission Action	
	Administered By: Multimodal Services Department	

SGR and LCTOP funds have specific guidelines requiring that the full apportionments be programmed annually, which the Commission will follow.



RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DATE: December 13, 1995

TO: Riverside County Transportation Commission

FROM: Cathy Bechtel, Senior Staff Analyst

THROUGH: Jack Reagan, Executive Director
Susan Hafner, General Manager, Riverside Transit Agency
Richard Cromwell III, General Manager, SunLine Transit Agency

SUBJECT: Short Range Transit Plan Process--Determination of Fund Allocation for Western County Bus and Rail Service

This is a continuation of Item 6A. Short-Range Transit Plan Process-Determination of Allocation for Bus and Rail Service from the November 8, 1995 RCTC meeting. During that meeting Commissioners observed that the "Transit Operating Funding-Basis for Agreement" appeared to contain some ambiguous language. Jack Reagan, Susan Hafner, Steve DeBaun (RCTC Counsel), and I met to work out mutually agreeable language. It is reformatted into three categories - 1) Revenue Allocation, 2) Managing the Transition, and 3) On-going Efficiency and Effectiveness Rewards.

In light of the fact that the Revenue Allocation might affect the Sunline Transit Agency as a stakeholder, a subsequent meeting was held with Richard Cromwell III, which was held after the Budget & Finance Committee meeting, so Staff Recommendation #2 is different than was considered by Budget & Finance.

The Short Range Transit Plan Committee met on December 7 and there was unanimous support for the staff recommendations included in this report.

1) REVENUE ALLOCATION

A. Staff recommends that for planning purposes it should be assumed that 80% of the Western County local transportation funds will be allocated for bus transit and 20% for rail service. This planning formula would be used for a six year period and could be subject to change by the Commission as needed.

Currently, the Commission bases LTF allocations for bus and rail on approved service levels identified in the Short Range Transit Plan. In previous years we were in the fortunate position to have sufficient funds to meet needed service levels in the Western County. Now, with the operation of planned commuter rail service and increased bus costs to meet the mandates of the Americans with Disabilities Act and the bus needs of developing areas in the Western County, available revenues are not sufficient to meet all demands. The Commission is faced with deciding how much funding to direct to bus service versus rail service. To allow a good basis for planning, staff is recommending that the Commission allocate the available Western

County local transportation funds on a formula basis which would provide 80% of the funds for bus service and 20% of the funds for rail service. The 20% formula would be sufficient to fund up to Tier 2 rail service which includes all rail service currently in operation plus the planned additional service from Riverside via Fullerton to Los Angeles on the ATSF lines.

We recommend that this formula be used for a period of six years to allow the operators a reasonable planning horizon. The Commission, however, retains the right to change the formula allocation should circumstances occur which would warrant a modification. Staff recommends that any formula changes be scheduled to occur in the third program year of the seven year Short Range Transit Plan to allow for a sufficient transition period. This requires both transit modes to be fiscally responsible in their respective planning efforts. Since the Riverside County Metrolink service costs are tied to the other four member counties, any changes made in one county affects all others. It is imperative that a good estimate of available funds be in place to allow adequate planning.

An update to the Short Range Transit Plan would still occur on a yearly basis, with the Commission maintaining ultimate approval of transit service levels and subsequent allocation of local transportation funds as mandated in California statute. What would be different is that each year the Western County operators would know that 80% of local transportation funds are available for bus service and 20% are available for rail service, and plan accordingly. Should the collection of bus operators or the rail service not use their entire allowance in one year, the balance of funds would be carried over and targeted for the specific service type to be used in subsequent years.

For FY 1997 we estimate that \$18,505,039 in local transportation funds will be available. Should the Commission approve the formula allocation, \$14,804,031 would be available for bus service and \$3,701,008 for rail service. This compares with FY 1996 allocations of \$16,513,399 (78.8%) for bus and \$4,453,800 (21.2%) for rail (amounts are higher in FY 1996 due to a carryover of funds from FY 1995; rail allocation was higher in FY95 due to capital maintenance requirements).

B. Staff recommends that for planning purposes it should be assumed that the discretionary pot of State Transit Assistance Funds (PUC 99313) is split with 90% of the funds allocated based on a population formula and 10% allocated on an incentive award basis, with the provision that the population portion gets the first \$1.2 million or portion thereof. The population formula would be the same as the Local Transportation Fund formula--based on population for each of the three apportionment areas (with the 80/20 bus/rail split within the Western County). The remaining 10% would be set aside for allocation on an incentive award basis, with all County operators eligible for consideration for the award (an increased ridership based formula is suggested but needs to be refined). Should the PUC 99313 funds be less than \$1.2 million, then the entire amount of funds would be allocated on the LTF population basis.

The Commission receives State Transit Assistance Funds in two pots. Funds apportioned by the State Controller, pursuant to PUC 99314, must be allocated to specific operators. Please

note the Commission has no discretion over the allocation of such funds. However, State Transit Assistance funds apportioned under PUC 99313 can be allocated on a discretionary basis by the Commission. Historically, the Commission has elected to use these funds for capital since the revenues are variable and not guaranteed from year to year. The table below shows how the funds have been allocated over the last three years:

	RTA	SunLine	City of Banning	City of Corona	Total Allocated
FY94	\$164,000	\$750,000	\$336,000	--	\$1,250,000
FY95	\$506,139	\$920,000	--	--	\$1,426,139
FY96	\$490,000	\$995,000	\$50,000	\$8,000	\$1,543,000
TOTAL	\$1,160,139	\$2,665,000	\$386,000	\$8,000	\$4,219,139

Commission staff met with SunLine and RTA General Managers and recommend a two phased formula allocation of discretionary State Transit Assistance funds. The formula, as recommended is:

- o That for planning purposes it should be assumed that the discretionary pot of State Transit Assistance Funds (PUC 99313) is split with 90% of the funds allocated based on a population formula and 10% allocated on an incentive award basis, with the provision that the population portion gets the first \$1.2 million or portion thereof. The population formula would be the same as the Local Transportation Fund formula--based on population for each of the three apportionment areas (with the 80/20 bus/rail split within the Western County). The remaining 10% would be set aside for allocation on an incentive award basis, with all County operators eligible for consideration for the award. Should the PUC 99313 funds be less than \$1.2 million, then the entire amount of funds would be allocated on the LTF population basis.

For example:

PUC 99313 Apportionment	Incentive Award	Population Formula Allocation
\$2,000,000	\$200,000	\$1,800,000
\$1,500,000	\$150,000	\$1,350,000
\$1,300,000	\$100,000	\$1,200,000 (base level)
\$1,000,000	\$0	\$1,000,000

- C. **Staff recommends that for planning purposes it should be assumed that 50% of available Western County Measure A Specialized Transit revenues will be directly allocated to Western county bus operators to support paratransit services.**

Currently, the Commission annually distributes a call for Specialized Transit projects. Both public transit agencies and private non-profit social service providers compete for the available funds to provide specialized services for seniors, persons with disabilities and the truly needy. Funds are used for both operating and capital costs. The table below shows how the funds have been allocated over the last three years:

	Public Operators	NonProfits/ Soc. Service	Total Allocated
FY94	\$50,670	\$369,312	\$419,982
FY95	\$621,330	\$668,641	\$1,289,971
FY96	\$509,800	\$723,208	\$1,233,008
TOTAL	\$1,181,800 (40%)	\$1,761,161 (60%)	\$2,942,961

2) MANAGING THE TRANSITION

- A. **Staff recommends that transit operators use reasonable judgement to provide for any required transition in FY 96. Any funds which were allocated to specific operators for FY96 may be retained for the specific transit mode for FY 97 operations and capital needs to be identified by the SRTP amendment in March 1996.**
- B. **Staff is recommending that the LTF, STA and Measure A planning formula allocation recommendations noted above be implemented starting in FY 1997 and the assumptions used for planning the balance of the FY96-2002 Short Range Transit Plan.**

The fund allocations for FY96 have already been completed. RTA has stated that they will be working on a Short Range Transit Plan amendment to scale back on the planned ten bus expansion. It is agreed that no major changes in service will occur in the interim. RTA will spend the next few months working with their Board committees to modify their budget, review performance levels and plan service for the balance of the year and will be prepared to bring a Plan amendment for consideration by the Commission in March.

It is expected that the RTA Plan amendment will identify a service level which would require less local transportation funds than the \$13,798,288 allocated for this year. Per TDA statute, the Commission cannot disburse more funds than are actually needed to operate the system. We would recommend, however, that any surplus funds be carried forward and targeted for use by the bus mode to support bus service levels in FY 1997.

3) ON-GOING EFFICIENCY AND EFFECTIVENESS REWARDS

Staff recommends that individual transit operators be rewarded for efficient and effective operations by being allowed to carryover any funds that may be saved in one year for operations in subsequent years consistent with an approved SRTP and State Law.

RCTC is required by law to continuously monitor the performance of transit operators in relation to defined performance measures such as farebox recovery ratios, operating cost per service hour, operating cost per passenger, etc. It is through the use of such performance evaluation that the efficacy of transit service proposals may be determined as the Short-Range Transit Plan revisions are processed.

RCTC may exercise discretion to reallocate Transportation Development Act (TDA) carryover funds as it deems appropriate. Presumably, it is possible that one operator might realize savings because of efficiency innovations which result in a carryover of TDA funds, but the Commission might reallocate the carryover to another operator which is experiencing financial difficulty. One of the major tenets of the "reinventing government" trend is to allow government entities to retain and reinvest any surplus they generated during the year. The expected level of performance should be based upon realistic indicators of productivity which should be related to the budget and Short-Range Transit Plan. Individual transit operators should be rewarded, rather than penalized, for greater than anticipated efficiencies by retaining the carryover funds to support future year operation and capital needs. The Commissioners and Transit Operators should be aware that the SRTP would still be updated on an annual basis with the Commission maintaining ultimate approval of the LTF allocations, including the carryovers, as mandated by California Statute.

BUDGET AND FINANCE COMMITTEE RECOMMENDATION:

That the Commission approve:

1. A formula allocation of Local Transportation Funds for the Western County which assumes, for planning purposes, that 80% of the available funds will be allocated for bus transit and 20% for rail service. This planning formula would be used for a six year period and could be subject to change by the Commission as needed.
2. A formula allocation of State Transit Assistance Funds which assumes, for planning purposes, that funds will be allocated the same way as Local Transportation Funds--based on population for each of the three apportionment areas (Western County, Coachella Valley, and Palo Verde Valley), then on the 80/20 bus/rail formula within the Western County apportionment area.
3. A formula allocation of Western County Measure A Specialized Transit revenues which assumes, for planning purposes, that 50% of available funds will be directly allocated to Western county bus operators to support paratransit services.
4. Bus transit operators using reasonable judgement to provide for any required transition in FY 96, retention of any funds which may already be allocated to specific operators to be for the bus transit mode for FY 97 operations and capital needs to be identified by

SRTP amendment in March 1996.

5. Implementation of the planning formula allocation recommendations for LTF, STA and Measure A starting in FY 1997 and the assumptions used for planning the balance of the FY96-2002 Short Range Transit Plan.
6. Individual transit operators being rewarded for efficient and effective operations by being allowed to retain any funds that may be saved in one year for operations in subsequent years.

STAFF RECOMMENDATION:

That the Commission approve:

1. A formula allocation of Local Transportation Funds for the Western County which assumes, for planning purposes, that 80% of the available funds will be allocated for bus transit and 20% for rail service. This planning formula would be used for a six year period and could be subject to change by the Commission as needed.
2. *For planning purposes it should be assumed that the discretionary pot of State Transit Assistance Funds (PUC 99313) is split with 90% of the funds allocated based on a population formula and 10% allocated on an incentive award basis, with the provision that the population portion gets the first \$1.2 million or portion thereof. The population formula would be the same as the Local Transportation Fund formula--based on population for each of the three apportionment areas (with the 80/20 bus/rail split within the Western County). The remaining 10% would be set aside for allocation on an incentive award basis, with all County operators eligible for consideration for the award. Should the PUC 99313 funds be less than \$1.2 million, then the entire amount of funds would be allocated on the LTF population basis.*
3. A formula allocation of Western County Measure A Specialized Transit revenues which assumes, for planning purposes, that 50% of available funds will be directly allocated to Western county bus operators to support paratransit services.
4. Transit operators using reasonable judgement to provide for any required transition in FY 96. Any funds which were allocated to specific operators for FY96 may be retained for the specific transit mode for FY 97 operations and capital needs to be identified by the SRTP amendment in March 1996.
5. Implementation of the planning formula allocation recommendations for LTF, STA and Measure A starting in FY 1997 and the assumptions used for planning the balance of the FY96-2002 Short Range Transit Plan.
6. Individual transit operators being rewarded for efficient and effective operations by being allowed to carryover any funds that may be saved in one year for operations in subsequent years consistent with an approved SRTP and State Law.

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	December 10, 2003
TO:	Riverside County Transportation Commission
FROM:	Plans and Programs Committee Tanya Love, Program Manager
THROUGH:	Eric Haley, Executive Director
SUBJECT:	TDA Funding Formula for Western Riverside County Bus and Commuter Rail Service

PLANS AND PROGRAMS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve a change in the Western County funding formula and Commission policy for Local Transportation Funds and State Transit Assistance Funds for bus and commuter rail service to 78% for bus and 22% for commuter rail effective in FY 2004/05; and
- 2) Approve a timeline for the funding formula to be reviewed in FY 2007/08 with proposed changes to be implemented in FY 2009/10.

BACKGROUND INFORMATION:

In December, 1995, for Western County operators, the Commission adopted an 80% public bus and 20% commuter rail funding formula policy for Local Transportation Funds (LTF). Prior to the adoption of the policy, various meetings were held with Western County bus operators and commuter rail staff to determine the appropriate percentage split. In 1998, the 80%/20% formula was also approved to be applied to State Transit Assistance (STA) funding. Following are the highlights of the approved policy which established the funding formula:

- Policy covered FY 1996/97 through FY 2001/02;
- Timeline to review the formula would be every six years;
- 20% formula for commuter rail was projected to be sufficient to fund up to Tier 2 rail service which was defined as "all rail services currently in operation plus the planned additional service from Riverside via Fullerton to Los Angeles;" and
- Commuter rail and bus operators agreed that they would need to adjust their service levels to operate within the available allocation of funding.

Reauthorization of Measure “A” and Passage of TUMF:

Several meetings were held during FY 2001/02 to review the funding needs for Western County commuter rail and bus operators. In approximately January, 2002, a management decision was made to place the review of the 80%/20% policy on hold until after the successful reauthorization of Measure “A”. In November, 2002, Measure “A” was reauthorized and as a result, it is projected that funding in the amount of \$255,219,970 will be available for Western County bus and commuter rail service beginning in FY 2009/10. *(Note: \$85M and \$50M for the Specialized Transit and Commuter Assistance Programs have been subtracted from this amount).*

Language contained in the reauthorized Measure “A” ordinance states that:

“Metrolink has provided a viable alternative to the automobile for thousands of daily commuters to Orange and Los Angeles counties and reduces the demand on our freeways. The current service level needs to double in the future and expansion of the system to Moreno Valley and Perris is needed to relieve congestion on I-215...”

The planned service from Riverside to Perris is consistent with the current and future voter approved Measure “A” expenditure plan which identified commuter rail service on the San Jacinto Branch Line.

In addition to the reauthorization of Measure “A”, TUMF was also approved. It is estimated that approximately \$107M (3.8%) will be available for regional bus capital projects. TUMF funds will be available beginning with FY 2002/03 through FY 2024/25.

Planned Commuter Rail Program Growth:

The following information is provided to highlight the commuter rail program’s anticipated growth and associated station costs:

- 1) Service on the existing three lines - *(Riverside – IEOC - 91 Line)* – will increase from 35 to 65 weekday trains, an increase of 85%. Expanded service will be phased in beginning with FY 2003/04 and will be completed in FY 2008/09;
- 2) RCTC owns and operates five Metrolink stations in Riverside County with a current annual budget of \$1.2M. It is anticipated that station costs will increase an average of 3% per year;
- 3) The planned extension of commuter rail service from Riverside to Perris by FY 2007/08 will increase the number of Metrolink operated route miles by 50% (from 37.5 to 56.5 route miles);

- a. The cost associated with the Perris extension will increase RCTC's train operating subsidy by a minimum of \$2M a year (a 50% increase in the current train subsidy); and
- b. The service to Perris will require approximately four new stations. As a result, it is projected that station operating expenses will increase by a minimum of \$1M a year.

Planned Growth for the Public Transit Operators – Western Riverside County:

The major project planned for the public transit operators over the next several years is a potential Bus Rapid Transit (BRT) project. Approximately two years ago, RTA hired a consultant team to study the potential of implementing a BRT system in western Riverside County. The consultant team consisting of staff from UC Berkeley, UCR and UCLA are currently working towards developing a strategic plan that phases in improvements over multiple years: *near term* – allowing strategies and improvements that could be introduced in 1 to 2 years; *an immediate near term* (4 to 5 years) deployment of key components of BRT along with *a longer term plan* (10 years) that would represent a full-blown BRT system. Based on a meeting with RTA's Executive Director, it is anticipated that the costs associated with the BRT project will be covered by unclaimed LTF funds allocated to RTA in prior years.

No major expansion projects are planned by the city municipal operators.

Proposed Change in Funding Formula Base:

Staff is recommending that the policies allocating LTF and STA funds at 80% to public bus and 20% to commuter rail service be changed to **78% for public bus and 22% for commuter rail effective FY 2004/05**. Additionally, Western County bus operators are guaranteed a minimum funding base which is established by the FY 2003/04 LTF/STA apportionment upwardly adjusted annually by the CPI. The attached spreadsheet provides projected LTF revenue (based on 3% growth projection) for FY 2004/05 through FY 2009/10.

Periodic Review of Funding Allocation Policy:

Over the next several fiscal years, various funding sources will be available to transit and commuter rail including: 1) Measure "A" which will be available for both operating and capital projects beginning with FY 2009/10; and 2) Proposition 42, a 20 year funding stream available in FY 2008/09. Proposition 42 initially guarantees the funding allocations of the Traffic Congestion Relief Program included in AB 2928 and the FY 2001/02 State Budget and then, commencing with FY 2008/09, distributes an estimated \$1.4 billion in revenues in the following fashion:

- 20% to cities distributed by population;

- 20% to counties distributed based on registered vehicles and road miles;
- 20% to the Public Transportation Account to fund transit; and
- 40% to the STIP to fund regional and inter-regional projects.

Based on the \$1.4 billion revenue estimate, using current RCTC apportionment areas and population based formulas, Riverside County transit apportionment areas are estimated to receive the following 20-year revenues:

Western Riverside County	\$70.5 million
Coachella Valley	\$19.4 million
Palo Verde Valley	\$ 1.1 million

In addition, as stated earlier, approximately \$107M in TUMF fees will also be available for capital projects of a regional nature.

For planning purposes, it is recommended that a timeline for the future funding formula be reviewed in FY 2007/08 with proposed changes to be implemented in FY 2009/10.

Meeting with Transit Operators:

Staff discussed the proposed change to the Western County funding policy with the transit operators during the past month to determine potential service level issues should a shift in funding occur. In addition, a meeting was held on September 16, 2003, to discuss the proposed TDA funding formula change with all transit providers present either in person or via conference call. Following is a summary of the concerns and responses (*if appropriate*) made at the meeting:

1) Comment: The “transit/commuter rail” partnership is a “win-win” for everyone.

2) Comment: Concern was expressed that funding is needed for transit centers.

Response: Current funding is available for transit centers including Section 5307; TUMF; Section 5309 discretionary and LTF/STA funds.

3) Comment: Concern was expressed that one operator has been reluctant to increase service frequency due to funding constraints.

Response: Historically, Western County bus operators have not utilized all available LTF funding. Funding has been available to increase frequency and has been provided when requested.

- 4) Comment: Concern was expressed at the inequity of fare reimbursement available through Southern California Regional Rail Authority stating that the reimbursement policy is applied differently among the various transit operators. Example: one operator receives zero reimbursement while another operator receives approximately \$2.00 for each one-way trip.

Response: This issue was resolved immediately following the September 16th meeting. All operators in Riverside County will receive up to \$1.92 per trip provided.

Attachment: Excel Spreadsheet

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

PROJECTED LTF ALLOCATIONS - NO CHANGE IN POLICY			
Fiscal Year	Western County Apportionment	Bus - 80% Apportionment	Rail: 20% Apportionment
2004/05	\$38,431,494	\$30,745,195	\$7,686,299
2005/06	\$39,584,439	\$31,667,551	\$7,916,888
2006/07	\$40,771,972	\$32,617,578	\$8,154,394
2007/08	\$41,995,131	\$33,596,105	\$8,399,026
2008/09	\$43,254,985	\$34,603,988	\$8,650,997
2009/10	\$44,552,635	\$35,642,108	\$8,910,527
Total:	\$248,590,656	\$198,872,525	\$49,718,131

Note: Growth in funds projected at 3%.

PROJECTED LTF ALLOCATIONS - CHANGE IN POLICY: 78/22%			
Fiscal Year	Western County Apportionment	Bus - 78% Apportionment	Rail: 22% Apportionment
2004/05	\$38,431,494	\$29,976,565	\$8,454,929
2005/06	\$39,584,439	\$30,875,862	\$8,708,577
2006/07	\$40,771,972	\$31,802,138	\$8,969,834
2007/08	\$41,995,131	\$32,756,202	\$9,238,929
2008/09	\$43,254,985	\$33,738,888	\$9,516,097
2009/10	\$44,552,635	\$34,751,055	\$9,801,580
Total:	\$248,590,656	\$193,900,711	\$54,689,944

\$768,630
 \$791,689
 \$815,439
 \$839,903
 \$865,100
 \$891,053

\$4,971,813
 Potential increase to rail based on 78/22%

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	June 11, 2008
TO:	Riverside County Transportation Commission
FROM:	Transit Policy Committee John Standiford, Deputy Executive Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Transit Vision Adoption and Related Funding Formulas for Transportation Development Act and Measure A Funds for 2009-2019

TRANSIT POLICY COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Adopt the Transit Vision for 2009-2019;
- 2) Continue the existing funding formula for the Transportation Development Act (TDA) funds [Local Transportation Fund (LTF) and State Transit Assistance (STA) funds]:
 - a) Coachella Valley – 100% public bus operator;
 - b) Palo Verde Valley – 100% public bus operator (subject to the statutory “unmet needs hearing”);
 - c) Western Riverside County – 78% public bus and 22% commuter rail operators;
- 3) Establish a funding formula for the Western Riverside County Public Transit Account of Measure A Ordinance No. 02-001:
 - a) Allocate the Commuter Rail and Intercity Bus Service funds – 80% Commuter Rail and 20% Western Riverside County Public Bus Operators;
 - b) Allocate 25% of Western Riverside County Specialized Transit funds to the Riverside Transit Agency (RTA) as the Consolidated Transportation Service Agency for Western Riverside County; and
- 4) Approve a timeline for the TDA and Measure A funding formulas to be reviewed in FY 2018/19 with proposed changes to be implemented in FY 2020/21.

BACKGROUND INFORMATION:

At the May 18, 2006 Transit Policy Committee (TPC), staff was directed to work with the transit operators and program staff to develop a 10-year conceptual plan identifying capital and operating needs utilizing transportation funds. The

conceptual plan also provides the basis for allocating TDA and Measure A funds in Western Riverside County. The intent behind the conceptual planning process is to lay the foundation for creating a vision of transit service for Riverside County. TPC members may recall that the creation of a transit vision was one of the recommendations made in the Commission’s FY 2001-03 Triennial Performance Audit.

In developing the Transit Vision, the public transit operators and program staff have identified projects, participated in meetings, and discussed the needs for coordination of service, higher frequency service, transit centers, and funding. The Transit Vision is also influenced by the recent adoption of the Riverside County Coordinated Public Transit-Human Services Transportation Plan (Coordinated Plan), which identified needs to improve coordination between the public transit operators and non-profit human/health service providers in order to provide increased mobility and cost-effective transportation options for seniors, the disabled community, and low-income residents of Riverside County.

The primary themes of the Transit Vision are:

- Higher Frequency Transit Service;
- Information Technology/Information Management;
- Reduction of greenhouse gas emissions through increased productive service and alternative fuels;
- Reduction of costs of paratransit service through increased coordination between public transit operators and non-profit providers;
- Leverage of Measure A and TDA funds with federal, state, and TUMF fund sources.

The public operators and program staff have identified services that total \$2.6 billion over the next 10 years:

TRANSIT VISION (2009-2019)	Estimated Costs	
	Total Cost (millions)	% of Total
Roadmap Initiatives		
Bus Transit		
<i>Improve Quality of Local Bus Service</i> Coachella Valley = \$276.9 million* Palo Verde Valley = \$15.4 million Western Riverside County = \$690 million <small>*Includes costs for specialized transit in Coachella Valley</small>	\$982.3	38.4%
<i>Increase Express Bus Service</i> <i>Introduce Bus Rapid Transit</i> Coachella Valley = \$231.8 million Palo Verde Valley = \$3.6 million Western Riverside County = \$128.8 million	\$364.2	14.2%

Specialized Transit (Western Riverside County Only)		
<i>Improve Choices for Seniors & Disabled while Reducing Rising Dial-A-Ride Costs</i>	\$35	1.4%
Commuter Rail (Western Riverside County Only)		
<i>Existing Metrolink Service</i>	\$771.4	30.2%
<i>Expand Metrolink Service</i>	\$316.3	12.4%
Commuter Assistance Program (Western Riverside County Only)		
<i>Expand the Carpool Lane System Improve Traffic Flow Through IT Promote Alternatives to Driving Alone</i>	\$28.6	1.1%
All Modes and Programs		
<i>Link Growth with Transportation Centers/Facilities</i> Coachella Valley = \$17.5 million Palo Verde Valley = \$2.6 million Western Riverside County = \$39 million	\$59.1	2.3%
TOTALS	\$2,556.9 million	100.0%

The Commission's Transit Vision is based on five primary goals:

Goal	Expected Outcome by 2019
<p>Increase Coordination with the Transit and Rideshare Community: Transit in Riverside County is provided by individual public, private, and non-profit organizations. Respective agencies provide service at regional, municipal, and local levels. Enhanced coordination between the multiple providers and development of public/private partnerships could improve service and intermodal and regional connections, resulting in increased ridership.</p>	<p>↓ Rising Costs of ADA trips by 30% ↑ Local & Regional Service by 30% ↑ Ridership by a Compounded Annual Growth Rate (CAGR) of 10% ↑ Rideshare Participation by 20%</p>
<p>Remove Barriers to Transit Use: Transit passengers oftentimes face barriers to their mobility when they use transit between cities and regions; when they link transit with other modes; and when they are unaware of the full range of transportation options. RCTC seeks to partner with the transit operators to remove these barriers through improved regional and intermodal mobility, fare integration, internal and external communications, and coordination of transit and rideshare resources.</p>	<p>↑ Local & Regional Mobility by 40% ↑ Commuter Rail Service by CAGR 14% ↑ Ridership by CAGR 10%</p>
<p>Provide Efficient and Effective Transit and Rideshare Service: RCTC seeks to improve utilization of existing resources and incorporate new technology to provide efficient and effective transit and rideshare services. RCTC performance measures, such as the Productivity Improvement Program, will be used to evaluate the outcome of implementing the initiatives included in the Transit Vision.</p>	<p>↑ Cost Effectiveness by 30% ↑ Productivity of Services by 40% ↑ Ridership by CAGR 10% ↑ Rideshare Participation by 20%</p>

<p>Ensure Adequate Funding: Providing transit and rideshare services for the citizens of Riverside County requires a predictable and sufficient funding base to meet increasing service needs. Multiple strategies are required, including an allocation of locally generated funds, coordination of transportation funds from multiple sources, participating in competitive grant application processes, and obtaining continued federal and state support.</p>	<p>↑ Return on Measure A by 25% ↑ Expansion of Services by 30% ↑ Ridership by CAGR 10%</p>
<p>Promote Energy Efficiency: In 2006, the State passed the Global Warming Solutions Act, AB32. The programs and services outlined in the Transit Vision provide cost-effective reductions of greenhouse gases (GHG).</p>	<p>↓ GHG by at least 20% ↑ Alternative Fuels in All Fleets</p>

The expected outcomes by 2019 are based upon performance data supplied by the transit operators and the rideshare program. The estimates are conservative and are contingent upon improved coordination between transit operators and human/health service providers to drive down costs and higher frequency bus and rail service.

The TDA Funding Allocation Formula to Remain Unchanged

The TDA is comprised of two elements: Local Transportation Fund (LTF) and State Transit Assistance (STA) funds. There are three areas of apportionment within Riverside County comprised of Coachella Valley, Palo Verde Valley, and Western Riverside County. LTF funds are derived from ¼ of one cent of the state sales tax and are returned to source/apportionment area. STA funds are generated from the statewide sales tax on gasoline and diesel fuel and are allocated by the state to the Commission on the basis of population and as a percentage of transit fare revenue.

In Coachella Valley, 100% of the funds are allocated to the public transit operator, SunLine Transit Agency (SunLine), for capital and operating expenses. In the Palo Verde Valley, LTF funds support transit services and local street and road improvements (upon a demonstration of no unmet transit needs). In Western Riverside County, the funds are allocated between public bus and commuter rail service.

In December 2003, the Commission approved a change in the Western Riverside County formula for TDA for bus and commuter rail service to 78% for bus and 22% for commuter rail effective FY 2004/05. The Commission also approved a timeline for the funding formula to be reviewed with proposed changes to be implemented in FY 2009/10.

Completion of the Transit Vision allows for the opportunity to review the current allocation formula in Western Riverside County. Over the next 10 years, two new funding sources will be available to the public bus transit operators in Western Riverside County: Federal Transit Administration (FTA) Section 5316 Jobs Access Reverse Commute (JARC), and FTA Section 5317 New Freedom (NF) funds, which could generate at least \$10 million between FY 2010-19. These additional funds allow for increased capacity of TDA that can support the Transit Vision goals of higher frequency transit service and a reduction in greenhouse gas emissions. As a result, staff recommends that the funding formula for Western Riverside County remain unchanged along with the Coachella Valley and Palo Verde Valley formulas.

Public Transit Measure A for Western Riverside County

Measure A Ordinance No. 02-001 identifies \$390 million in Western Riverside County to expand commuter rail, implement intercity bus services, and continue to expand programs to assist the elderly, disabled, and commuters. It is estimated that about one-third (or \$130 million) of this amount will be available for the next 10 year period.

The Ordinance identifies funding amounts for the Commuter Assistance Program and the Specialized Transit Program. For planning purposes, it is estimated that approximately \$17 million is available for the Commuter Assistance Program and \$28 million is available for the Specialized Transit Program. The two programs comprise \$45 million of the \$130 million identified in the Ordinance. The remaining balance of \$85 million is estimated to be available for the Commuter Rail and Intercity Bus programs.

Specialized Transit and the Consolidated Transportation Service Agency

The Consolidated Transportation Service Agency (CTSA) designation was created in 1979, when the State passed Assembly Bill 120, "The Social Services Transportation Improvement Act." The purpose is to promote the benefits of coordinated transportation among specialized transportation providers. The agencies are charged with the development and implementation of regional coordination of services and improvement of transportation services to seniors, persons with disabilities, and the low-income disadvantaged.

In Riverside County, the CTSA designees are RTA for Western Riverside County and SunLine for Coachella Valley. Measure A funds for specialized transit in Coachella Valley are allocated to SunLine. Currently, there is no designated allocation of Measure A funds to a public bus operator in Western Riverside County.

Traditionally, these funds are primarily made available to non-profit providers in Western Riverside County. However, the recent Commission adoption of the Coordinated Plan emphasized the need to improve coordination efforts between public transit and human service agencies to address the underserved/unmet transportation needs of seniors, persons with disabilities, and the truly needy. This priority is based on two factors: the forecast population increase for the senior and disabled population (almost 20% of the Riverside County population will be seniors by 2020) and the rising costs of paratransit service for public transit operators. Increasingly, the costs of paratransit or dial-a-ride service continue to outpace the costs of fixed route service, usually at a 2 to 1 ratio. This results in reduced farebox recovery ratios for the transit operators and less efficient service for its customers.

Measure A does not mandate a farebox requirement and therefore allows the public transit operator and non-profit more flexibility in the funding of services. Measure A is also considered as local support revenue, which positively affects the farebox ratio. Based upon the Transit Vision goal to reduce the rising costs of paratransit service through increased coordination between public transit operators and non-profit providers, staff recommends a set aside of 25% of the Western Riverside County Specialized Transit Program to RTA as the designated CTSA. These funds would allow for greater efficiency and coordination among the public transit operators and the non-profit agencies in Western Riverside County through activities such as:

- Programs that can direct consumers to the most cost-effective service for their individual needs; and
- Increased outreach to Senior Centers and other large dial-a-ride consumers.

This set-aside could generate \$7 million over the 10-year period. In order to access these funds, RTA would identify the proposed use in its annual Short Range Transit Plan.

The adoption of the Coordinated Plan also allows for the receipt of approximately \$10 million to Western Riverside County from the new FTA JARC/NF programs over the next 10 years. These funds, along with the remaining 75% of the Western Riverside County Specialized Transit Program would be available for non-profit agencies as well as the public transit operators.

Coachella Valley and Specialized Transit

As indicated above, SunLine is the designated CTSA for Coachella Valley. Measure A Ordinance No. 02-001 designates SunLine as the recipient of Public Transit Account (PTA) funds in Coachella Valley to be used to improve and expand public transit and specialized transportation services, which includes coordination

activities among non-profit social service organizations. Approximately \$64 million of Measure A will be available between 2009-2019.

The adoption of the Coordinated Plan also allows for the receipt of approximately \$3 million in Coachella Valley from the new FTA JARC/NF programs over the next 10 years.

Palo Verde Valley and Specialized Transit

Measure A Ord. No. 02-001 does not establish a PTA for Palo Verde Valley. Specialized Transit services, such as dial-a-ride, are funded through LTF.

Commuter Rail and Intercity Bus Service

\$85 million is estimated to be available over the next 10 years for this Western Riverside County Measure A category, which seeks to support current and future Metrolink commuter rail service as well as intercity express bus service that feeds Metrolink service. The Transit Vision supports these services such as the Perris Valley Line and a future Metrolink extension to either San Jacinto or Temecula over the next 10 years. In addition, the Transit Vision supports the policy of peak period express bus service in advance of new commuter rail service, which is then adjusted to become express bus service to rail stations as new commuter rail service is implemented. RTA's CommuterLink bus routes that service Metrolink stations are an example of the types of services that can be supported by these Measure A funds.

In order to support these initiatives, it is recommended that the funding formula for these funds provide 80% to commuter rail and 20% to public bus operators that provide the express bus service that is scheduled to meet Metrolink service. Currently, Metrolink passengers ride for free when traveling on express bus operated in Western Riverside County. The public bus operators are reimbursed by Metrolink and the Commission for the Metrolink passenger. It is anticipated that this reimbursement will continue in the future.

In summary, the recommendation for the Western Riverside County Measure A – Public Transit category reinforces the goals of the Transit Vision by reinforcing coordination, enabling higher frequency transit service, reducing greenhouse gas emissions, and leveraging Measure A funds with federal and state funds.

<i>Recommendation:</i>	Western Riverside County Measure A – Public Transit Account				
Program	Public Bus (millions)	Public Bus/ Non-Profit (millions)	Commuter Rail (millions)	Rideshare (millions)	TOTALS (millions)
Rideshare	N/A	N/A	N/A	\$17	\$17
Specialized Transit	\$7*	\$21	N/A	N/A	\$28
Commuter Rail & Intercity Bus	\$17	N/A	\$68	N/A	\$85
TOTALS	\$24	\$21	\$68	\$17	\$130 million

*RTA set-aside for CTSA

Timeline for Review of the TDA and Measure A Funding Formulas

Periodically, the Commission reviews the transit funding formulas to ensure that the allocations continue to leverage and/or maximize existing transportation funding from an array of sources. As such, it is recommended that the Commission conduct a formal review prior to the completion of the first 10 years of receipt of funds from the Measure A extension.

The Transit Vision concepts and funding formula recommendations were presented to the Citizens Advisory Committee on May 13, 2008.

Attachment: Draft Transit Vision

CARPOOL
↓
TRAFFIC



2008 | TRANSIT VISION



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Introduction

Created by State law in 1976, the Riverside County Transportation Commission (RCTC) oversees funding and coordination of all public transportation services within Riverside County. In 2006, RCTC began development of a countywide vision for transit in response to a Triennial Performance Audit recommendation.

This document is the culmination of input from the transit operators in Riverside County and RCTC Rideshare and Specialized Transit staff. It is intended to guide the RCTC transit vision and allocation of the Transportation Development Act (TDA) and Measure “A” extension program over the next 10 years. The direction that is taken will determine where valuable resources will be expended and how technology will be used to improve services.

The RCTC Regional Programs Department is committed to meeting the goals and actively participating in carrying out the initiatives included in the Vision Plan. The collective efforts of RCTC and the County’s eight transit operators will prove vital in meeting the mobility needs of Riverside County citizens. They will also serve to keep Riverside County on the national forefront in the provision of transit services.

Decades of Investment used by today’s commuters

Knowing the importance of mobility to our quality of life and the economy, Riverside County voters approved a one half-cent sales tax in 1988 that is currently funding transportation projects. These include freeway, roadway, and transit projects found throughout the County. Furthermore, local developer fee programs are in place in every city within the County so that new developments pay for their share of regional traffic improvements.

When 78.9% of voters approved Measure “A”, RCTC became the agency charged with making sure the projects and programs voters wanted became a reality. A stated goal in Measure “A”, Ordinance 88-1, is to “Improve and maintain the quality of life in Riverside County by supplementing existing funds for transportation.” The Ordinance identifies specific public transit and rideshare programs by geographic apportionment area as outlined below in Table 1:

Measure A Ord. 88-1 Program	Geographic Apportionment Area		
	Western Riverside County	Coachella Valley	Palo Verde Valley*
Specialized Transit	\$31 M	\$12 M	-
Commuter Buses, Vanpools, & Carpools	\$31 M		-
Commuter Rail	\$100 M	-	-
Bus Replacement & More Service	-	\$12 M	-

*Palo Verde Valley identified the urgent need for Measure A as funding for local streets and roads only.

Riverside County's bus system, comprised of seven operators, is an efficient, technologically up-to-date fleet. Moreover, by taking advantage of existing railways and partnering with neighboring counties, RCTC established a successful commuter rail system, operated by Metrolink, with ridership growing every year.

All in all, we have a transportation system to be proud of—one that reflects Riverside County's high quality of life and entrepreneurial spirit.

Managing Growth

Despite all of the positives, traffic congestion exists today on every Riverside County freeway and major portions of the roadway system. Riverside County's population and employment will keep growing, and traffic congestion will worsen unless we continue to enhance our transportation facilities and services.

Trying to eliminate gridlock by focusing solely on highways is not practical. Building more highways has become very expensive and can take decades – major reasons why, over the past 20 years, the number of motor vehicle-miles traveled has grown some 70 percent while the number of highway-miles has barely changed.¹ This transformation brings challenges since most freeways and roadways have little available right-of-way remaining, leaving limited room to grow. Yet demand for these facilities is projected to keep growing along with population and employment. At the same time, traditional funding sources for public transit and rideshare programs are not keeping pace with growth. Riverside County's local answer to funding needs – the one half-cent sales tax known as Measure "A" – was renewed by voters in 2002 and now extends through 2039.

Driving alone accounts for the highest level of land consumption among all transportation modes. It also generates the highest level of environmental, economic and social impacts. Increasing the use of alternative modes to work (e.g., carpool, transit) is critical to accommodate future growth with less environmental, economic and social impacts.
– State of the Region 2006 (SCAG) page 83

Facing the Future

In addition to the daily activities required to keep Riverside County mobile in 2007, the RCTC is planning for the future. In 2006, the Commission approved a 10-year Western Riverside County Highway Delivery Plan. The purpose of the Transit Vision is to develop a 10-year county-wide transit and rideshare plan that continues to promote transportation options for residents, workers, employers, and visitors.

- The Transit Vision allows Riverside County residents, businesses, and elected officials to look at the big picture and ask key questions about the future. What will Riverside County look like in 10 years? Where will jobs and homes be

¹ AAR: Policy and Economics Department, May 2007

concentrated and how will this affect congestion? What transportation services and facilities will residents and workers need? What are the gaps in planned services? And what are the most efficient and effective ways to meet commuter needs?

Vision 2019 – Guiding Principles

To develop a vision for transit and rideshare programs in Riverside County based on:

- Improved mobility and accessibility for Riverside County residents through working together with our transit partners to provide a safe, integrated, multi-modal transportation system;
- Performance measures for productivity and cost-effectiveness consistent with the Commission adopted Productivity Improvement Program;
- Air quality, energy efficiency, and economic development initiatives;
- Appropriately leverage Measure “A” funds to supplement existing funds for transportation. and
- Allocate Measure “A” and Local Transportation Development funds for the period 2009 – 2019.

The Transit Vision aligns our principles with the following RCTC existing priorities²:

- Promote Mobility – Create a transportation system that promotes efficient mobility both within the County and the region;
- Ensure Improved System Efficiencies – Advocate affordable and advanced transportation technologies to improve safety and reduce congested corridors;
- Foster Environmental Stewardship – Promote environmental stewardship and protect the area’s natural resources and quality of life while achieving mobility goals;
- Encourage Economic Development – Consider economic benefits of improvements and pursue transportation alternatives that enhance or complement economic development; and
- Support Transportation Choices through Intermodalism and Accessibility – Develop transportation alternatives.

Transit Vision Process

The Transit Vision process was conducted from April 2006 through April 2008. The process resulted in the development of near-term initiatives that have support among those who provided input and the transit community as a whole. The process entailed:

- Visioning and priority setting with RCTC rideshare and specialized transit staff and the eight transit operators in Riverside County:
 - City of Banning
 - City of Beaumont

² FY06 Adopted Commission Policies & Goals

- City of Corona
- City of Riverside
- Palo Verde Valley Transit Agency
- Riverside Transit Agency
- SunLine Transit Agency
- Metrolink/RCTC Commuter Rail Program;
- Conducting research on transit “best practices” across the country;
- Professional facilitation of regional transportation needs and identification of service gaps;
- Adoption of the Riverside County Public Transit-Human Services Coordinated Plan; and
- On-going consultation with the RCTC Transit Policy Committee.

Transit Vision Goals

The RCTC Transit Vision is based on five primary goals:

Goal	Expected Outcome by 2019
<p><u>Increase Coordination with the Transit and Rideshare Community:</u> Transit in Riverside County is provided by individual public, private, and non-profit organizations. Respective agencies provide service at regional, municipal, and local levels. Enhanced coordination between the multiple providers and development of public/private partnerships could improve service and intermodal and regional connections, resulting in increased ridership.</p>	<p>↓ Rising Costs of ADA trips by 30% ↑ Local & Regional Service by 30% ↑ Ridership by CAGR 10% ↑ Rideshare Participation by 20%</p>
<p><u>Remove Barriers to Transit Use:</u> Transit passengers oftentimes face barriers to their mobility when they use transit between cities and regions; when they link transit with other modes; and when they are unaware of the full range of transportation options. RCTC seeks to partner with the transit operators to remove these barriers through improved regional and intermodal mobility, fare integration, internal and external communications, and coordination of transit and rideshare resources.</p>	<p>↑ Local & Regional Mobility by 40% ↑ Commuter Rail Service by CAGR 14% ↑ Ridership by CAGR 10%</p>
<p><u>Provide Efficient and Effective Transit and Rideshare Service:</u> RCTC seeks to improve utilization of existing resources and incorporate new technology to provide efficient and effective transit and rideshare services. RCTC performance measures, such as the Productivity Improvement Program, will be used to evaluate the outcome of implementing the initiatives included in the Transit Vision.</p>	<p>↑ Cost Effectiveness by 30% ↑ Productivity of Services by 40% ↑ Ridership by CAGR 10% ↑ Rideshare Participation by 20%</p>
<p><u>Ensure Adequate Funding:</u> Providing transit and rideshare services for the citizens of Riverside County requires a predictable and sufficient funding base to meet increasing service needs. Multiple strategies are required, including an allocation of locally generated funds, coordination of transportation funds from multiple sources, participating in competitive grant application processes, and obtaining continued federal and state support.</p>	<p>↑ Return on Measure “A” by 25% ↑ Expansion of Services by 30% ↑ Ridership by CAGR 10%</p>
<p><u>Promote Energy Efficiency:</u> In 2006, the State passed the Global Warming Solutions Act, AB32. The programs and services outlined in the Transit Vision provide cost-effective reductions of greenhouse gases (GHG).</p>	<p>↓ GHG by at least 20% ↑ Alternative Fuels in All Fleets</p>

The Situation

The transit system in place today includes an extensive network of local bus routes that provide service to most residential and employment areas of the County. There are also express bus routes, and a commuter rail service, with CommuterLink express bus shuttles, that provide for longer distance travel within the County and to neighboring counties.

Bus

There are currently 62 bus routes operating throughout Riverside County, with the majority of the local bus service operating in Western Riverside County. When compared to the Eastern half of the County, the western section is more densely developed, has lower medium incomes, has more households without an automobile, and a more consistent grid-pattern of roadways that lead to an efficient bus routing pattern. In

fact, of the eight transit operators in Riverside County, only two agencies operate in the Eastern half of the County, SunLine Transit and Palo Verde Transit.

- The primary drive alone rate is 79%, 4% lower than 1998;
- Avg commute distance is 25.1 miles, the longest in the region & up from 21.6 in 1998
- Avg commute time to work is 46 minutes, the longest in the region & up from 37 minutes in 1998
- Second highest freeway usage at 65%, up from 59% in 1998
- 47% HOV lane availability, & 74% usage
- The highest percentage of workers that work outside the county where they live at 35%, up from 32% in 1998

- State of the Commute 2006 – SCAG

Express buses combine the use of freeways and limited stops to provide commuters with faster service over longer distances. RTA operates two express bus routes using State Route 91 to connect Riverside County to Orange County. RTA also provides shuttle service timed with commuter rail schedules to carry passengers from the train stations to their places of work in the morning, and back to the stations in the evening. There are currently five shuttles operating in the CommuterLink system that use Interstate 10 and 15, and State Route 60.

Specialized Transit

In addition to traditional local bus or fixed route service, the transit operators provide paratransit (or Dial-a-Ride) service for people unable to use the regular bus service because of a disability. This curb-to-curb service operates in response to requests by qualifying individuals and groups, and meets the requirements of the Americans with Disabilities Act.

In 1988, when voters passed Measure A, the half-cent sales tax for transportation, RCTC was empowered to use a portion of those revenues to provide seniors, persons with disabilities and the truly needy with transportation assistance. In addition to

funding traditional public Dial-a-Ride services, the Commission has granted funds to non-profit agencies to provide transit assistance in hard to serve rural areas, for inter-community travel, and for riders having very special transit needs. As a result, someone who is disabled can go to work on his or her own; someone who is aged can shop at the neighborhood grocery; and someone who is low on cash can get to the doctor. These programs have been successful over the last 20 years in providing improved transit access for western Riverside County residents however more needs to be done.

Demand for local bus service has increased steadily over the past 20 years, reaching the current level of 11 million riders (2007), an increase of 116 percent. Today, the fleet of busses and dial-a-ride vehicles has grown to over 370, an increase of 158 percent since Measure "A" passed in 1988.

Rail

Metrolink operates commuter rail service in Riverside County. Metrolink provides weekday service on three routes through Riverside County: the Riverside Line from Riverside to Los Angeles (12 trains per day), the Inland Empire-Orange County Line from San Bernardino to San Juan Capistrano (16 trains per day); and the 91 Line from Riverside to Los Angeles (nine trains per day). There are five stations (Riverside-Downtown, Pedley, Riverside-La Sierra, West Corona, and North Main Corona) in Riverside County that feed these lines, all owned and operated by RCTC. Amtrak provides limited long distance passenger rail service, which runs two times a day in each direction through Riverside County although Amtrak trains do not stop at every RCTC Metrolink station.

In just over 15 years since service began, the number of Riverside County riders on Metrolink commuter rail has increased from less than 100,000 passengers in 1993/94 to over 2 million passengers in 2006/07. In fact, the Inland Empire-Orange County Line, is the first suburb-to-suburb commuter rail line in the nation.

Rideshare

Commuter Assistance, or Rideshare programs to reduce the number of drive-alone travelers on our roadways, is a mandated part of Measure "A". Recognizing the value of providing additional alternatives to driving alone, RCTC offers a comprehensive commuter assistance program to meet the needs of local employers and commuters and supports other RCTC services including commuter rail and public transit.

Local employers benefit from having a low cost tax free benefit they can offer employees. Large companies who must meet air quality mandates can take advantage of programs that help them fulfill their requirements. Commuters can receive incentives to try ridesharing - everything from carpools and vanpools, to taking Metrolink or riding the bus. There are extensive services that support these programs from ride-matching services, to detailed information on carpool lanes, Park and Ride lots leased by RCTC, and preferred parking at Metrolink stations for those who share the ride to the train.

Improving Air Quality through Cleaner Fuels

The Environmental Protection Agency provides a designation to air basins nationwide. This designation is a legal status (e.g. “attainment” or “non-attainment”) relating to whether an area violates a national ambient air quality standard or contributes to a nearby violation. The designation process plays an important role in letting the public know whether air quality in a given area is healthy.³ There are three Air Basins in Riverside County: South Coast, Salton Sea, and Mojave Desert. All of these Air Basins are designated as “non-attainment” areas for 8-hour ozone and PM10. South Coast Air Basin is also “non-attainment” for PM2.5. In addition, the South Coast has the highest maximum concentration of ozone & PM2.5 in the nation.⁴ Ozone can trigger a variety of health problems including chest pain, coughing, throat irritation, and congestion. PM10 emissions cause adverse respiratory health effects. NOX emissions cause smog. CO emissions are a byproduct of highway vehicle exhaust. VOC emissions cause air pollution. With the exception of ozone, these air pollutants are usually emitted from transportation sources, namely driving.

SunLine is known as a leader in the industry for alternative technology fuels. In 1994, SunLine had the nation’s first fleet to convert overnight to 100% Clean Natural Gas (CNG). Today, among all bus operators throughout the County, 212 buses operate on CNG. Metrolink uses General Motors low-pollution locomotives. They are 40% cleaner than typical passenger engines and produce over 3,000 horsepower.

In 2007, over 1.4 million one-way vehicle trips were reduced through participants in the Rideshare Program. The actions of these participants result in over 343 tons of pollutants removed from the air we breathe.

Trends Affecting Transportation

Population Explosion

Population, employment & households in Riverside County are forecast to grow dramatically in the next 15 years. Riverside County is one of the fastest growing counties in the United States, with a forecast to add almost 1 million more people by 2020, for a total population of almost 3 million. Such rapid growth requires large investments in transportation infrastructure.

Riverside County’s freeway and roadway networks are nearing build-out, in terms of available right-of-way. There are many constraints to physical expansion of these facilities, such as environmental impacts, lack of right-of-way, lack of funding, and community concerns with major widening projects. With travel demand continuing to grow, we must employ multiple strategies to improve our networks and relieve congestion at specific locations. This will improve air quality, make streets more efficient and keep them maintained so that Riverside County residents, workers, and visitors experience a safe, smooth, and minimally congested commute to their destination.

³ <http://www.epa.gov/ozonedesignations>

⁴ State of the Region 2006, SCAG, pgs 101, 104, & 107

Our transit system serves both short and long distance travelers, with a network of local bus routes, express bus routes, specialized transit, and commuter rail service. Demand for local bus service has increased over the past 20 years and a new component of the fixed route service, known as bus rapid transit (BRT), is being developed. BRT combines the flexibility of a busy system with some of the features that are typical of light rail transit, such as signal priority and fewer stops.

Metrolink commuter rail ridership has also grown every year since service began in 1993. In fact, the Metrolink 91 Line is one of the most productive in the regional Metrolink system. Expansion of Metrolink service within Riverside County, including CommuterLink feeder service, is a critical component of the Transit Vision.

RCTC is also exploring its role in various high-speed rail and Maglev proposals that would connect Riverside County with surrounding counties and regions.

There are several trends that will affect the demand for transit in the future. Most significant are the anticipated increases in population and employment (43 percent and 58 percent respectively). This growth will drive demand for increased transit services. It is noteworthy that the number of Riverside County residents 65 years and older is projected to nearly double between 2005 and 2030. While this segment of our population is not necessarily frail and transit-dependent as a whole, it is likely that many 65 and older residents will require greater, specialized transit.

Emergence of Paratransit Needs

Curb-to-curb paratransit service (Dial-A-Ride) is provided for people unable to use the fixed-route bus service due to a disability. RCTC anticipates that demand for paratransit type services will increase substantially over the next 25 years, partially due to the needs of our growing senior population. Unfortunately, the operating costs for Dial-a-Ride services are the highest in the industry. Rising costs coupled with a growing target market are threats to sustainability of this type of service.

Quality of Life Issues: Congestion & Air Quality

Over 1/3rd of the air pollutants we breathe in are from transportation sources. The rapidly worsening traffic congestion poses ongoing air quality challenges and health threats to the public – particularly to children, the elderly, and other at-risk groups.⁵ In 2005, workers in Riverside County continued to have the highest average travel time to work in the region, almost 32 minutes, while Imperial had the lowest at 19 minutes. The State average is 27 minutes and the national average is 25 minutes. Highway congestion causes delays affecting personal mobility & goods movement & results in increased economic & social costs. The number of vehicle miles traveled (VMT) indicates the overall level of highway & automobile usage, & is directly related to mobile source emissions.⁶

⁵ Resolving Regional Challenges Fact Sheet "Traffic Congestion & Air Quality", Spring 2007, SCAG

⁶ State of the Region 2006, SCAG, pg 86

Energy Efficiency

Energy use in California is primarily fossil-fuel based (i.e. petroleum, natural gas & coal). Reliance on fossil fuels contributes significantly to global warming. The combustion of fossil fuels to release their energy creates carbon dioxide (CO₂) emissions, the most significant greenhouse gas that affects global climate change. The transportation sector is the largest user of fossil fuels at 39 percent, followed by the industrial sector at 24 percent.

The passage of AB32 by the State Legislature mandates a reduction in GHG. Riverside County's transit and rideshare programs will contribute to meeting this mandate.

Cleaner fuels continue to be a focus among Riverside County transit operators. The day when hydrogen will be a major fuel source for America's vehicles moved another step closer on November 2, 2006, with the official opening at SunLine headquarters of the nation's first large-scale hydrogen facility in the United States using commercialized technology available for third-party refueling purposes. Also add SunLine is testing Zero Emission Vehicles.

Growth in Information Technology

Riverside County has one of the longest commute times at 101 minutes. Generally, the commute time home is longer than the commute to work. Longer commutes with more commuters in the information age demands an increase in information technology as a tool for both the transit operators and the Rideshare Program. Tools that enable commuters with quick access to travel information, notification of the next bus and train, as well as a universal fare pass, are critical in remaining relevant to today's commuter.

The Roadmap – Laying Out the Plan for Future Services

The Vision Plan focuses on identifying transportation improvements through 2019 that will help put together the pieces of our mobility puzzle. They incorporate plans adopted by the individual transit operators, including the Comprehensive Operational Assessments (COA) of RTA and SunLine as well as the Metrolink Strategic Assessment. The following goals are designed to layer different transportation services onto one another to create a connected grid of transportation options that allow you to move throughout the county.

BUS TRANSIT

Improve Quality of Local Bus Service. Local bus providers and RCTC work together to provide efficient service coordination, and to introduce new technology that will make travel more convenient, such as smart cards that allow seamless transfers. The Universal Fare System will eliminate the need for cash, passes, and tokens on RTA and SunLine buses, municipal buses, and Metrolink. It will improve revenue and ridership data collection and reporting through a central data collection system that will help with financial control and service planning. Examples of proposed routes are below:

* Enhanced Local Services include:

- Banning, Beaumont, & Corona (expanded hours on fixed route)
- PVVTA (expanded hours on fixed route)
- SunLine (expanded hours & Frequency)

* Special & Market Based include:

- Banning, Beaumont, Corona, & Riverside Special Services (ADA expanded hours)
- PVVTA (ADA expanded hours)
- SunLine (community-based & market-based services in the COA)

Increase Express Bus Service. Express Bus Service will increase countywide by 2019. Routes include within the County and external to the County. Examples of proposed routes are below:

* RTA Commuter Link Service

Peak period express bus service in advance of new commuter rail service, adjusted to become express bus service to rail stations as new commuter rail service is implemented

- **East Corridor Commuter Link Service**
 - I-215 Corridor between Temecula & Riverside
 - Service between Hemet & Riverside
 - SR60 Corridor between Banning & Riverside
- **West Corridor Commuter Link Service**
 - I-15 Corridor between Temecula & Riverside
 - Service between Riverside & the Montclair Transit Center
 - Service between Murrieta & the Oceanside Transit Center

* SunLine Transit Agency Express Bus Service

Peak period express bus service in the I-10 Corridor

- Service between Indio & Palm Springs
- Service between Palm Springs & Pass Transit

Introduce Bus Rapid Transit (BRT). As part of a continuous effort to explore transportation alternatives for passengers that use the bus system, a new component of the fixed route bus service, known as BRT, is being introduced. BRT combines the flexibility of a bus system with some of the features that are typical of light rail transit, such as transit signal priority (extends green lights several seconds to allow BRT vehicles to pass through the intersection), queue jump lanes (give BRT vehicles a separate lane at intersections that allows them to enter the intersection prior to regular through traffic), and dedicated mid-block lanes for BRT service. BRT proposals are underway at both RTA and SunLine to provide passengers with improved travel time and better connectivity for easier and more convenient access to the bus system and other modes. Examples of proposed routes are below:

* RTA BRT Limited Service

- 10-minute service frequency
- Magnolia Avenue/6th Street
- Riverside/Moreno Valley
- I-15 Corridor

* SunLine Transit Agency BRT Limited Service

- Hwy 111 between Indio & Palm Springs

SPECIALIZED TRANSIT

Improve Choices for Seniors and the Disabled while Reducing Dial-A-Ride Costs.

Many informal community-based programs have been developed throughout the County to address the needs of seniors and adults with disabilities. These programs add to the traditional transportation services, which often do not meet the needs of its users. These programs provide door-to-door and door-through-door assistance. The TRIP program is one example of this. TRIP is recognized nationally as one of the special services in Riverside County that complements public transportation by reimbursing volunteers to transport individuals where no transit service exists or when the individual is too frail, ill, or unable to use public transportation for other reasons.

** Specialized Transit includes:*

- Mobility Management Program – develop a program utilizing public transit operators, non-profit and for-profit operators to improve the mobility of senior, disabled and truly-needy populations.
- Implement Coordinated Transportation Plan with goal of leveraging Measure “A” to reduce the rising Dial-a-Ride costs by transit operators partnering with community-based programs.

COMMUTER RAIL

Expand Metrolink Service. Measure “A” created the Commuter Rail Program in Riverside County with the goal of providing long distance passenger rail service to Los Angeles and Orange Counties. Commuters will benefit from new trains that expand and improve service within the County. The Perris Valley Line (Downtown Riverside to Perris to relieve congestion on the Interstate 215) and an extension to either San Jacinto or Temecula is planned during the next 10 years. To improve efficiency and reduce travel time, parking expansion will also take place at the Metrolink Stations.

COMMUTER ASSISTANCE PROGRAM

Expand the Countywide Carpool Lane System. RCTC plans to add carpool lanes by 2019, along Interstate 15 and State Route 91. Additional carpool lanes help promote Rideshare Programs such as vanpools. They also help make express bus routes more viable.

Improve Traffic Flow Through System Management. Information and technology, such as real-time management of our roadway system, will play larger roles in getting the most out of our system. Freeway Detection Programs and the implementation traveler information systems such as 511 are planned during this period. Other programs like the Freeway Service Patrol will expand to bring traffic incident relief to more freeways and support freeway construction projects.

Encourage Alternatives to Driving Alone. Providing options to travelers is one way to reduce traffic congestion. Programs that encourage ridesharing, pedestrian travel, and move toward development of a Class I bicycle system will be promoted. RCTC will also expand its park-and-ride facilities. Examples of proposed programs are below:

* Commuter Assistance Program includes:

- Employer Services
- Commuter Mode-Shift Incentives
- Leased Park N Ride Lots
- Regional Rideshare Program
- Toll Road Incentives
- Freeway Detection & Integration
- Vanpool Program

ALL MODES & PROGRAMS

Implement Mechanisms to Link Growth with Transportation Centers and Facilities.

Provide meaningful incentives to better link land use and transportation planning. Examples of proposed facilities are below:

* Transit Centers

- RTA has identified the following Transit Centers:
 - Corona, Hemet, Moreno Valley, Perris, Riverside and Temecula
- SunLine has identified the following Transit Centers:
 - Coachella

* Corporate Yard Improvements - Countywide

* CNG Fueling Stations - Countywide

* Bus Stop Amenities & Shelters - Countywide

* Commuter Rail Stations

- Downtown Riverside, La Sierra, Pedley, West Corona, North Main Corona, Spruce/Palmyrita, University of California Riverside, Fair Isle Drive, Moreno Valley/March Field, Ramona, Downtown Perris, South Perris, Winchester, Hemet, Sun City, Temecula.

Greenhouse Gas Emissions Reduction. The condition of the environment has a significant impact on the quality of life that can be offered to Riverside County’s residents, workers, and visitors. The following strategies help to ensure that environmental conditions within the County will not only be maintained, but see an overall improvement:

- Use Intelligent Transportation Systems (ITS) to increase the efficiency of existing facilities;
- Continue to expand transit options;
- Support the growth of the regional bikeway system and pedestrian walkways;
- Continue to comply with federal, state, and local regulations.

Current Riverside County Transit/Rideshare	Annual Net Reduction in GHG (pounds)
Commuter Rail (3 Lines in Riverside County)	32,380,139
Commuter Assistance Program (Rideshare/Bus)	33,701,795
Total GHG Emission Reduction	66,081,934

Source: Ray Gorski (8/21/07) and SCRRA (4/28/08)

The passage of AB32 provides an opportunity to market public transit and rideshare programs to an expanded audience – one that seeks ways to be more energy efficient.

Increased ridership on all modes coupled with fuel efficient engines/locomotives will generate at least a 20% additional reduction in GHG over the next 10 years.

The Transit Vision Roadmap links to the trends/challenges identified over the next 10 years in the following manner:

Table 3

Roadmap Initiatives	Trends/Challenges				
	Population Explosion	Paratransit Needs	Quality of Life Issues	Energy Efficiency	Information Technology
Bus Transit					
Improve Quality of Local Bus Service	●	●	●	●	●
Increase Express Bus Service	●		●	●	●
Introduce Bus Rapid Transit	●		●	●	●
Specialized Transit					
Improve Choices for Seniors & Disabled while Reducing Rising Dial-A-Ride Costs	●	●	●	●	●
Commuter Rail					
Expand Metrolink Service	●	●	●	●	●
Commuter Assistance Program					
Expand the Carpool Lane System	●		●	●	
Improve Traffic Flow Through IT	●		●		●
Promote Alternatives to Driving Alone	●	●	●	●	
All Modes and Programs					
Link Growth w/Transp. Centers/Facilities	●		●		
Greenhouse Gas Emission Reduction		●	●	●	

Delivering the Goods – the Financial Proposition

The way that transportation projects and services are funded in the new century is evolving. For many years, state and federal taxes on gasoline were the main source of funds for regional transportation projects. Unfortunately, state and federal gas taxes have not kept up with the costs of building new freeway lanes, roadways, or transit projects. Inflation has eroded this traditional source of transportation funds.

At the same time, the number of miles traveled each year by vehicles in California, the Southern California region, and Riverside County has increased as households own more cars and drive further to work and recreational areas. This trend is expected to continue in the future as the distance between major job centers and residential areas grow. This is compounded by more people and more jobs moving into the region. While traditional revenues are declining, the need for new transportation projects continues, and maintenance needs increase because of increased wear and tear on the existing transportation system.

In total, \$2.6 Billion is needed to fund this Plan’s transportation priorities through 2019. The following table summarizes the proposed level of investment for major

transportation programs over the next 10 years. These include the costs of operating the current system and funding new transportation solutions. The types of costs by geographic area at a glance are the following:

Table 4 Roadmap Initiatives	Estimated Costs	
	Total Cost	% of Total
Bus Transit		
<i>Improve Quality of Local Bus Service</i> Coachella Valley = \$276.9 M* Palo Verde Valley = \$15.4 M Western Riverside County = \$690.0 M	\$982.3 M	38.4%
<i>Increase Express Bus Service</i> <i>Introduce Bus Rapid Transit</i> Coachella Valley = \$231.8 M Palo Verde Valley = \$3.6 M Western Riverside County = \$128.8 M	\$364.2 M	14.2%
Specialized Transit (Western Riverside County Only)		
<i>Improve Choices for Seniors & Disabled while Reducing Rising Dial-A-Ride Costs</i>	\$35.0 M	1.4%
Commuter Rail (Western Riverside County Only)		
<i>Existing Metrolink Service</i>	\$771.4 M	30.2%
<i>Expand Metrolink Service</i>	\$316.3 M	12.4%
Commuter Assistance Program (Western Riverside County Only)		
<i>Expand the Carpool Lane System</i> <i>Improve Traffic Flow Through IT</i> <i>Promote Alternatives to Driving Alone</i>	\$28.6 M	1.1%
All Modes and Programs		
<i>Link Growth with Transportation Centers/Facilities</i> Coachella Valley = \$17.5 M Palo Verde Valley = \$2.6 M Western Riverside County = \$39.0 M	\$59.1 M	2.3%
TOTALS	\$2,556.9 M	100.0%

*Includes costs for Specialized Transit in Coachella Valley

Financial Resources

Transportation revenues come from various federal, state, and local sources. Approximately \$1,659.5 million is estimated to be available over the next 10 years to maintain and expand our transit and rideshare system. Much of this funding is generated from ¼ gas tax, Transportation Development Act Funds at \$741.7 million. Also, locally generated is \$194 million through the one half-cent voter initiative, Measure “A”. This and other local sources of revenue such as passenger fares, advertising revenue, and Transportation Uniform Mitigation Fees account for \$457 million – over 38% percent of our total available funding. The remaining 62% percent of transportation funds includes \$264 million of federal and \$741.7 million in State transportation funds.

Table 5

Estimated Revenue Sources* (2009-2019)

Subregions	Federal	TUMF	TDA	Measure A	TOTALS
Coachella Valley					
Bus Transit	\$33.0 M	N/A	\$159 M	\$64 M	\$259 M
Specialized Transit	\$3.0 M	N/A			
Commuter Rail	N/A	N/A	N/A	N/A	N/A
Commuter Assistance Program	N/A	N/A	N/A	N/A	N/A
<i>Subtotal Coachella Valley</i>	<i>\$36.0 M</i>	<i>N/A</i>	<i>\$159 M</i>	<i>\$64 M</i>	<i>\$259 M</i>
Palo Verde Valley					
Bus Transit	Discretionary only	N/A	\$11.5 M	N/A	\$11.5 M
Specialized Transit			N/A		N/A
Commuter Rail			N/A		N/A
Commuter Assistance Program			N/A		N/A
<i>Subtotal Palo Verde Valley</i>	<i>N/A</i>	<i>N/A</i>	<i>\$8.7 M</i>	<i>N/A</i>	<i>\$11.5 M</i>
Western Riverside County					
Bus Transit	\$137.0 M	\$30 M	\$448 M	\$17 M	\$670 M
Specialized Transit	\$10.0 M	N/A		\$28 M	
Commuter Rail	\$81.0 M	N/A	\$126 M	\$68 M	\$275 M
Commuter Assistance Program	Discretionary only	N/A	N/A	\$17 M	\$17 M
<i>Subtotal Western Riverside County</i>	<i>\$228 M</i>	<i>\$30 M</i>	<i>\$574 M</i>	<i>\$130 M</i>	<i>\$962 M</i>
GRAND TOTALS					
Riverside County**	\$264 M	\$30 M	\$741.7 M	\$194 M	\$1,232.5 M

*Net of \$427 M in Farebox Revenues (\$78 M Coachella Valley, \$1.8 M Palo Verde Valley, & \$348 M Western Riverside County)

**Estimates do not include discretionary funds (i.e. New Starts/Small Starts, STIP, CMAQ, STP, and other discretionary state and federal funds)

Local solutions through Measure A

Recognizing the uncertainty of state and federal funds, many counties across California, including Riverside County asked voters to approve local sales taxes with specific purpose of funding transportation projects and services. Many such measures passed and have become a significant source of funds for roadway, highway, and transit projects, allowing local residents to better control their own transportation destiny.

Measure "A" allocates all sales tax revenues to specific Riverside County transportation improvement projects in three major areas-freeways, roadways, and transit. The Measure specifically identifies by apportionment area and purpose:

Coachella Valley – Bus Transit. Since the only transit operator in Coachella Valley is SunLine, it is assumed that these funds are distributed to this agency.

Western Riverside County – Commuter Assistance Program. Measure "A" created this program and it is administered by RCTC and is presumed to continue to be administered by RCTC.

Western Riverside County – Specialized Transit. These funds are administered by RCTC and made available to all Western Riverside County transit operators and non-

profit, community-based organizations to address transportation needs of Seniors and the disabled.

Western Riverside County – Commuter Express Bus. Newly included in the 2009 Measure “A”, these funds are available to support express buses that connect to Metrolink Stations in Riverside County. These supplemental funds will be distributed to the transit operators who provide these services.

Note: Measure “A” does not specify funds for transit in Palo Verde Valley.

Table 6		Recommended Measure A (2009-2019)		
Roadmap Initiatives	Coachella Valley	Palo Verde	WRC	TOTALS
Bus Transit				
Improve Quality of Local Bus Service	\$63 M	N/A	N/A	\$80 M
Increase Express Bus Service		N/A	\$17 M	
Introduce Bus Rapid Transit		N/A		
Specialized Transit				
Improve Choices for Seniors & Disabled while Reducing Rising Dial-A-Ride Costs	* (included in above)	N/A	\$28 M	\$28 M
Commuter Rail				
Expand Metrolink Service	N/A	N/A	\$68 M	\$68 M
Commuter Assistance Program				
Expand the Carpool Lane System	N/A	N/A	\$17 M	\$17 M
Improve Traffic Flow Through IT	N/A	N/A		
Promote Alternatives to Driving Alone	N/A	N/A		
All Modes and Programs				
Link Growth w/Transp. Ctrs & Facilities	N/A	N/A	N/A	N/A
Greenhouse Gas Emission Reduction	* (included in above)	N/A	* (included in above)	*
Measure A (2009-2019) Ord. TOTALS	\$63 M	N/A	\$130 M	\$193 M

Table 7		Cost-Effectiveness (2009-2019)	
Roadmap Initiatives	Ridership	Passenger Miles (PM)	
Bus Transit			
<i>Improve Quality of Local Bus Service</i> Coachella Valley = 46.9 M Palo Verde Valley = 0.9 M Western Riverside County = 113.6 M	217.7 M	1.0 B	
<i>Increase Express Bus Service</i> <i>Introduce Bus Rapid Transit</i> Coachella Valley = 36.9 M Palo Verde Valley = 0.2 M Western Riverside County = 27.5 M	64.6 M	475.6 M	

Specialized Transit (Western Riverside County Only)		
<i>Improve Choices for Seniors & Disabled while Reducing Rising Dial-A-Ride Costs</i>	58.3 M	233.3 M
Commuter Rail (Western Riverside County Only)		
<i>Existing Metrolink Service</i>	62.5 M	2.0 B
<i>Expand Metrolink Service</i>	10.5 M	81.8 M
Commuter Assistance Program (Western Riverside County Only)		
<i>Expand the Carpool Lane System Improve Traffic Flow Through IT Promote Alternatives to Driving Alone</i>	17.6 M	468.2 M
All Modes and Programs		
<i>Link Growth with Transportation Centers/Facilities</i>	These stats are included in categories above.	
TOTALS	431.2 M	4,258.9 M

Measuring the Benefits

With the Transit Vision, RCTC charts a course for mobility for the next 10 years, and establish milestones that allow us to measure progress and refine strategies along the way. Use of public transit and rideshare helps to improve congestion and air quality and decrease energy consumption.

Performance Metric: Improve Mobility

Every resident, worker, and visitor needs the ability to travel an integrated and seamless Riverside County transportation network safely and with minimal congestion. Mobility is the ultimate purpose of Riverside County’s transportation system and Measure “A”. Improving mobility is the cornerstone of the Vision Plan, and its primary goal.

Objectives

- Offer safe and reliable choices
- Provide an accessible transportation network
- Minimize congestion
- Develop an integrated transportation network

We accomplish the goal and objectives by:

- Investing in many modes, such as buses and vans, BRT, commuter rail, and bikeways
- Making transit more efficient, by transitioning high ridership bus lines to BRT, or limited stop service, and using express buses on the carpool lane network;
- Expanding Metrolink to provide a fast, reliable transit backbone within Riverside County
- Informing people of available services and their respective travel time reliability using new technology; and
- Continuing integrated transportation solutions, such as coordinating CommuterLink and Metrolink schedules, universal fare system, and expanding transit centers that serve multiple modes of transportation.

How do we measure progress?

If we can maintain or reduce the average time it takes someone to get to their destination – whether traveling by automobile or transit – then we are making progress. For automobiles, travel time is typically measured by freeway peak speeds, non-freeway travel speeds, and average trip length. In certain instances, the funding source mandates specific measurements such as a farebox recovery ratio of 20 percent. All transit programs will continue to be analyzed using the Commission adopted Productivity Improvement Program in order to measure cost-effectiveness and productivity. In addition, the Commuter Assistance Program has established key performance indicators to measure performance.

Performance Metric: Protect our transportation resources

Riverside County residents have invested in building transportation systems. Protecting our transportation resources by maintaining this system, and finding cost effective solutions to improve its efficiency, is a key goal of the Vision Plan.

Objectives

- Use the existing transportation network efficiently
- Maintain our infrastructure
- Promote cost effective and multi-modal solutions
- Explore creative solutions

We accomplish this goal and objectives by:

- Expanding Metrolink service within Riverside County;
- Supporting continued state funding for freeway maintenance;
- Funding/supporting projects that incorporate innovative technology and integrate between modes;
- Ensuring that we get our fair share of state and federal dollars for transportation; and
- To the extent possible pursue private sector funding and public/private partnerships in order to better supplement and leverage state and federal transportation dollars.

How do we measure progress?

Growth of projects that maximize and maintain the existing system will be evidence of progress in protecting our resources, such as expansion of signal synchronization and adequate maintenance for optimal operation along major travel routes, or added Metrolink services on Riverside County's three rail lines. Additionally, we will see local dollars designated for pavement maintenance and new local funds to match state and federal dollars.

Performance Metric: Enhance the quality of life

Not only is mobility integral to quality of life, but the actions of improving mobility have a ripple effect on issues such as job creation, better goods movement, and community enhancement. Therefore, enhancing the quality of life in Riverside County is an important goal of the Vision Plan.

Objectives

- Promote coordinated transportation and land use planning
- Minimize community impacts
- Support economic growth
- Protect the environment by reducing greenhouse gas emissions

We accomplish this goal and objectives by:

- Working together with key stakeholders such as the public, cities, the County of Riverside, state and federal agencies, transportation partners, planning organizations, and special interest groups;
- Mitigating project impacts where possible;
- Supporting transportation enhancements such as landscaping.

Critical Success Factors

Successful implementation of the Transit Vision relies on the Commission and the eight transit operators in Riverside County. Implementation of the COA's for both RTA and SunLine are also key. Major barriers to further transit system development & higher transit use include an auto-oriented urban structure, inadequate level of service & a lack of geographic coverage (or insufficient destinations).⁷ A significant issue that challenges increased transit use is the coordination of land use and transit.

Some developments make it difficult for transit operators to design effective service leaving potential passengers with little choice but to use an automobile for access to goods and services. Other developments are designed in a way that transit can serve easily, providing effective transportation for a variety of populations and destinations. Considering transit accessibility when making land use decisions can improve the transportation alternatives available to people and increase transit ridership.

Initiatives that can be undertaken to increase the coordination between transit and land use include:

- Initiate cooperative creation of model zoning and local ordinances to facilitate transit oriented development and land use;
- Promote inclusion of transit agencies in land use planning from development of master plans to site plan review;
- Partner local communities with transit operators to make investment choices and policy decisions which encourage, support, and integrate transit services with development, improve access, and thereby increase the use of transit.

Conclusion

By implementing the Vision Plan, RCTC achieves the five fundamental goals: increasing coordination with the transit and rideshare community, removing barriers to transit use, provide efficient and effective transit and rideshare service, ensure adequate funding, and promote energy efficiency. The projects and services in the Vision Plan offer

⁷ State of the Region 2006, SCAG, page 93

residents and workers safe and reliable transportation choices, and greater accessibility because of increased service and improved system-wide efficiency. The Transit Vision also includes considerable investment in maintaining our transportation networks.

Public transit and rideshare will continue to play a vital role in meeting the mobility challenges of Riverside County citizens. Initiatives included in the Transit Vision will complement RCTC's overall 10-year Delivery Plan for Measure "A".

Collectively, the projects in the Transit Vision will minimize increases in congestion and travel time. The goal is to promote mobility and economic growth while minimizing community and environmental impacts. As the elements of the Transit Vision become reality, each project- whether a new bus line, rail car, coordinated signal, carpool lane, or pavement repair project – will contribute to our quality of life and help make Riverside County a great place to live, work, and visit.

To support the Transit Vision, the recommendation is for the Commission to:

- 1) Continue the existing funding formula for the Transportation Development Act (TDA) funds [Local Transportation Funds (LTF) and State Transit Assistance Funds (STA)]:
Coachella Valley – 100% Public Bus Operator;
Palo Verde Valley – 100% Public Bus Operator (subject to the statutory “unmet needs hearing”);
Western Riverside County – 78% Public Bus and 22% Commuter Rail Operator;
- 2) Establish a funding formula for the Western Riverside County “Public Transit Account” of Measure A Ordinance No. 02-001:
Allocate the Commuter Rail and Intercity Bus Service funds – 80% Commuter Rail and 20% Western Riverside County Public Bus Operators;
Allocate 25% of Western Riverside County Specialized Transit funds to the Riverside Transit Agency as the Consolidated Transportation Service Agency for Western Riverside County; and
- 3) Approve a timeline for the TDA and Measure A funding formulas to be reviewed in FY2018/19 with proposed changes to be implemented in FY2020/21.

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	October 9, 2013
TO:	Riverside County Transportation Commission
FROM:	Eastern Riverside County Programs and Projects Committee Sheldon Peterson, Rail Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Rail Service Through the Pass Area to the Coachella Valley

EASTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission:

- 1) Approve the Memorandum of Understanding (MOU) No. 14-25-034-00 between the Commission and the Coachella Valley Association of Governments (CVAG) whereby the Commission shall establish and administer the Coachella Valley Rail fund;
- 2) Authorize the Chair, pursuant to legal counsel review, to execute the agreement on behalf of the Commission;
- 3) Authorize staff to set aside Transportation Development Act (TDA) State Transit Assistance (STA) funding to be utilized specifically for the Coachella Valley in support of the rail program at specified multi-year levels;
- 4) Approve a bus/rail funding split and the terms and conditions;
- 5) Approve an amendment to the Commission's Commuter Rail Short Range Transit Plan (SRTP) to set aside \$4.2 million of Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds to initiate Coachella Valley Rail through the Pass Area;
- 6) Authorize staff to seek approval to apply for a letter of no prejudice (LONP) for Proposition 1B funds to allow the Commission to expend local funds prior to the state bond sale and disbursement;
- 7) Authorize staff to establish a Coachella Valley Rail specific SRTP and establish a separate funding and accounting process at the Commission;
- 8) Authorize the Executive Director to execute a letter of understanding with Caltrans in support of project development;
- 9) Adopt Resolution No. 13-042, "*Resolution of Support to Establish Daily Intercity Rail Service from Los Angeles to the Coachella Valley via the Pass Area*"; and
- 10) Receive an update on next steps for Coachella Valley Rail project development, including the service development plan, alternatives analysis, and discussion on potential for future environmental analysis.

CVAG MOU and TDA Funding

At its September 30, 2013 meeting, the CVAG Executive Committee approved a MOU between the Commission and CVAG to establish a funding split of Coachella Valley TDA funds. All of these TDA funds are currently allocated to SunLine Transit Agency (SunLine), and the intent is to allocate 10 percent of the STA discretionary portion of the TDA funds, using a phased-in approach, in order to support a Coachella Valley Rail program. The intent of the MOU is to allow the Commission to set aside those TDA funds into a Coachella Valley Rail fund to be used only for capital costs to improve stations, staff support, as well as funding for technical studies. This funding split is to be effective beginning in FY 2014/15 using a proposed phased approach, as follows:

Fiscal Year	Coachella Valley Rail Funding
FY 2014/15	5 percent of the STA portion of the TDA funds
FY 2015/16	7 percent of the STA portion of the TDA funds
FY 2016/17 and annually thereafter	10 percent of the STA portion of the TDA funds

In FY 2013/14, 10 percent of Coachella Valley STA portion of the TDA funds is estimated at approximately \$1.2 million.

TDA funds are utilized on a wide variety of transportation programs throughout the state including Riverside County. These activities include planning and programming activities, pedestrian and bicycle facilities, community transit services, public transportation, and bus and rail projects. As an example, in Western Riverside County these funds are split, with 78 percent of the Local Transportation Fund and discretionary STA portions of the TDA funds directed to bus transit services and the remaining 22 percent to passenger rail transit.

In the Coachella Valley, no TDA funds are currently set aside for a passenger rail program. However, an argument can be made that technical work needs to continue on development of the Los Angeles to Coachella Valley corridor in the state rail plan. This work will demonstrate the Coachella Valley's commitment toward implementing a robust rail program and thereby serve as a lever to unlock federal and state sources of funding and other support for necessary environmental work, as well as future operations funding.

SunLine is the only designated public transit operator in the Coachella Valley currently authorized by the state to receive these funds. Accordingly, the establishment of the Coachella Valley bus/rail split will have an impact on bus transit operations. The phased-in approach recommended by staff is intended to provide SunLine with lead time in order to mitigate any potential budgetary impacts.

It should be recognized the STA portion of the Coachella Valley funds to be allocated for rail purposes are now used to fund a wide variety of capital improvement projects at SunLine, including the financing of fleet replacement activities. While not an immediate need, prudent planning requires fleet replacement be considered years in advance to accumulate cash

reserves to finance the purchase of heavy duty buses, light duty ADA vehicles, and necessary support vehicles. SunLine’s fleet plan will need \$3.5 million per year in order to finance fleet replacement vehicles and those necessary for service expansion through 2030. SunLine has been involved in the development of this plan and is working in partnership with the Commission and CVAG in order to promote close coordination of bus and rail needs so that both programs operate successfully.

The MOU with CVAG will support a Coachella Valley Rail fund. These funds would be internally maintained at the Commission in a separate account while expenditures would be authorized by CVAG’s Executive Committee. This would be similar to current arrangements for the Coachella Valley Highway and Regional Arterial program where the Commission acts as a fiscal agent pursuant to Measure A, but actual expenditures are authorized by CVAG in accordance with its Transportation Project Prioritization Study. CVAG Executive Committee decisions regarding the Coachella Valley Rail fund would only impact passenger rail projects to occur within the Coachella Valley. The Coachella Valley Rail fund would initially be used to improve stations with projects that have independent utility, provide funding for technical studies, and limited project management staff support.

Commuter Rail Short Rail Transit Plan Amendments/Proposition 1B Authority

The Commission’s SRTP includes goals for the Commission’s Regional Commuter Rail program and provides detailed information about existing services and facilities, financial forecasts and plans, as well as planned and proposed improvements to be implemented. The Commission oversees transit service in Riverside County primarily through the approval of SRTPs that detail the operating and capital costs planned for transit services. Each operator adopts such a plan and then provides data to the Commission on performance. As SRTPs are based upon estimates of future projects, it is necessary to subsequently amend these documents upon completion or changes to specified projects and circumstances. The Commuter Rail program is thus requesting amendments to its FY 2013/14 Commuter Rail SRTP in order to use state grant funds to preserve local funds.

Staff recommends amending the FY 2013/14 SRTP to allocate the total of unobligated FYs 2010/11 – 2012/13 PTMISEA funds of \$4.2 million to the Coachella Valley Passenger Rail project.

Funding	Year	From	To	Amount
Proposition 1B PTMISEA	FY 2010/11 – 2012/13	Unobligated	Coachella Valley Passenger Rail Project	\$4,200,000

In addition, staff seeks Commission approval to request a LONP for the Proposition 1B funds from the state in order to allow the project to move forward using local Commission funds to initiate work if the state grant funds are delayed. This ensures the Commission will eventually receive the state funding in the future.

Coachella Valley Rail Short Rail Transit Plan and Funding Authority

Transit operators and programs are required to develop SRTPs to identify service plans, capital and operating expenditures, and funding plans for each year. As the project development continues for the Coachella Valley rail service, it is important to establish the program as a unique transportation project that will have its own SRTP and funding program. The Commission's rail staff will develop and update the SRTP annually to bring forward funding and expenditure plans to the Commission for approval. In addition, individual project codes will be established in the Commission's financial system for this program to provide ultimate transparency and clarity in the accumulation and use of Coachella Valley Rail funds. Staff is requesting Commission approval to establish the SRTP and acknowledge the funding program so that clear project reporting will be made available.

Coachella Valley Rail Caltrans Letter of Understanding

As with any major transportation project, there is the need for a strong network of partners. Commission staff has not only been working closely with CVAG but also with Caltrans and the Federal Railroad Administration (FRA). Historically on other corridors, Caltrans has been the project lead and, for this project, it has already initiated an initial planning study and the ongoing commitment to keep the project clearly represented in the state rail plan. Through several planning meetings, it has been determined the best approach going forward would be for the Commission to take a leadership role in the next round of service planning with the close support of Caltrans and FRA. As part of these discussions, Caltrans generously volunteered to use its own resources and contract authority to implement and complete the ridership modeling portion of the service development plan. This model is the only Caltrans and Federal Transit Administration approved ridership model and was developed by AECOM and Amtrak for intercity rail ridership projections using 30-mile station catchment zones. The Commission and Caltrans would like to enter into a letter of understanding that clarifies the respective roles and responsibilities of each agency during the project development phase of this project. Staff is seeking Commission approval to allow the Executive Director to complete negotiations and enter into a letter of understanding with Caltrans.

Coachella Valley Rail Resolution

As the Commission has done for many critical projects in the past, staff is proposing Resolution No. 13-042, "*Resolution of Support to Establish Daily Intercity Rail Service from Los Angeles to the Coachella Valley via the Pass Area*", be adopted. This effort will formalize the support and commitment of the Commission to continue to pursue the passenger rail program that will provide service to the Coachella Valley and Pass Area communities.

Project Description and How it Builds on Past Efforts

Providing some form of passenger rail service to the Coachella Valley has been a long-standing priority for the area for more than two decades with the first studies completed in the early

1990's. Additional studies have been performed over time with one of the more recent efforts completed in April 2010. This study was completed through coordination by CVAG, the Commission, and Schiermeyer Consulting Services and adopted by the CVAG Executive Committee on October 25, 2010. On November 10, 2010 the Commission reaffirmed its formal support for implementation and expansion of intercity Amtrak rail service to the Coachella Valley and directed staff to coordinate with CVAG and local communities to advocate for the service. To follow up on that effort the Commission adopted a formal Resolution No. 11-001 in support of Amtrak's plan to run the Sunset Limited daily through the Coachella Valley.

In May 2013 the state of California Division of Rail (Caltrans) completed the first phase of a planning study and initial alternatives analysis for the rail corridor. This planning study was very supportive of the potential for a viable service, and future studies can expand on this by determining ridership demand and better cost estimates. Caltrans also included an updated project description and analysis of the Coachella Valley service in the latest state rail plan, which was approved on September 5, 2013 by the State Transportation Agency. The next update will take place in 2017.



As the result of past studies from both CVAG and the Commission, it was determined that using state-supported intercity trains presents the best alternative for developing service along the corridor. The 141-mile trip between Los Angeles and the Coachella Valley would cross four counties. Stops and station locations are yet to be determined. Due to the trip length and time of approximately three hours, Amtrak-style service with larger seats and food service would be more appealing to the riders. In addition, the service would operate over Union Pacific and BNSF tracks and, in general, Amtrak has a greater ability to initiate service over freight railroads based on a national agreement. The initial service plan would be for two daily round trips along the corridor. The next round of studies will look at various track alignments, routes, station alternatives and determine ridership forecasts. The primary effort for this will be the initiation of a service development plan.

Next Steps: Service Development Plan

The true success of this effort will be to develop comprehensive and convincing planning documents that will allow Coachella Valley rail to compete for limited state and federal rail funds. The project purpose and need will have to be compelling and the ridership potential thoroughly demonstrated. The FRA staff already made it very clear that several rail alignments and alternatives must be studied and compared in order for the project to be viable. In the July 1, 2010 Federal Register notice on High-Speed Intercity Passenger Rail (HSIPR) program, it clearly outlines the planning process needed to be eligible to for HSIPR Funds. This process identifies the need for a service development plan (SDP) with the following requirements:

- Clearly demonstrate the purpose and need;
- Analyze alternatives for the proposed passenger rail service;
- Identify the alternative that best meets the purpose and need;
- Identify the discrete capital projects required; and
- Demonstrate the operational and financial feasibility.

Both Caltrans and FRA have been working to either develop or approve these SDP’s for various corridors across the state and country and offered some very helpful suggestions on how the Commission can best conduct this planning effort. The following phase that can take place either after or parallel to the SDP process is the need for National Environmental Policy Act (NEPA) documentation with either an environmental assessment or an environmental impact statement. The intent is for Commission staff to initiate a Request for Proposal to hire a highly qualified consulting firm capable of conducting both the SDP and potentially the NEPA documentation in order expedite project development. As with any procurement process the final selection and approval will be brought back to the Commission in early 2014.

Financial Information						
In Fiscal Year Budget:	No	Years:	FY 2013/14	Amount:	\$4,200,000 revenues \$100,000 expenditures	
Source of Funds:	Proposition 1B PTMISEA			Budget Adjustment:	Yes	
GLA No.:	245-25-41501	\$	4,200,000	State revenues		
	245-25-81501	\$	100,000	Special studies expenditures		
Fiscal Procedures Approved:		<i>Alicia Trevino</i>			Date:	10/01/2013

Attachments:

- 1) CVAG/RCTC MOU
- 2) Draft Caltrans Letter of Understanding
- 3) Resolution No. 13-042

**Memorandum of Understanding
between the
Riverside County Transportation Commission
and the
Coachella Valley Association of Governments**

This **Memorandum of Understanding** (MOU), entered into effect on _____, 2013 between the Riverside County Transportation Commission (RCTC) and the Coachella Valley Association of Governments (CVAG) outlines the general responsibilities of each agency and to establish a relationship between RCTC and CVAG to guide coordination regarding future passenger rail service to the Coachella Valley. This service is part of a larger, corridor-wide effort to improve rail transportation in the Southern California region and studies may be required to demonstrate need and viability for service from the Coachella Valley to both Los Angeles and Phoenix. The MOU will act as a guideline for RCTC and CVAG, and is not intended to supplant any of the responsibilities of the parties under other agreements between the parties or applicable state or federal laws. This MOU constitutes a guide to the intentions and strategies of the parties involved and is not a legally binding contract.

Whereas, RCTC funds and administers, in conjunction with other regional partners, a rail program in Western Riverside County, and;

Whereas, RCTC employs staff with rail funding and programming expertise, and;

Whereas, RCTC is authorized by State law to receive and distribute Transit Development Act (TDA) funds for transit and transit related uses in Riverside County, and;

Whereas, RCTC enjoys a long-standing financial partnership with CVAG regarding the portion of the Measure A one-quarter percent State sales tax funds dedicated to Coachella Valley State Highways and Major Regional Road Projects administered by CVAG, and;

Whereas, on April 29, 2013, the CVAG Executive Committee established a 90% Bus Transit/ 10% Passenger Rail Services Split Policy for Coachella Valley TDA funds which would be progressively phased in over a 3-year term, and;

Whereas, RCTC agrees to distribute and utilize the TDA portion of the Coachella Valley Passenger Rail Funds consistent with the directions of the CVAG Executive Committee, or its designee, the CVAG Executive Director, with input from the CVAG Transportation Committee and in compliance with TDA law specifically for and within the Coachella Valley, and;

Whereas, CVAG wishes to establish a similar relationship through this Memorandum of Understanding whereby RCTC will receive and maintain a specific percentage of Transit Development Act funds otherwise authorized to be released for use in the Coachella Valley along with other potential funding sources, such as Proposition 1B monies, Federal Railroad Association monies, and other state and federal grant monies that may become available to RCTC for this purpose, which, jointly together, shall be defined as a distinct Coachella Valley Passenger Rail Fund, and;

Whereas, RCTC's Coachella Valley passenger rail activities are corridor based and may include geographic regions outside of the Coachella Valley in order to determine ridership and revenue feasibility, and;

Whereas, on March 29, 1999, the CVAG Executive Committee authorized formation of the Coachella Valley Intermodal Transportation Authority and adopted Bylaws under authority of SB 459.

Now, therefore, it is agreed by this Memorandum of Understanding;

To allow RCTC to establish the Coachella Valley Passenger Rail Fund by making available and utilizing \$4.2 million in Rail Proposition 1B Public Transportation Modernization Improvement and Service Enhancement Account Program funds, or similar funding sources and amounts, as initial start up funding, and;

Based on the needs of the project Proposition 1B funds have will be used along with Coachella Valley TDA funds for further development and operations of the Coachella Valley Passenger Rail Service. Coachella Valley TDA funds will be made available and used after the capital, operations and fun reserve needs of SunLine Transit Agency are clearly identified, and;

That the 90% bus/ 10% rail split of TDA funding and timing of available funds may be periodically modified by the CVAG Executive Committee and associated provisions of the MOU would be automatically adjusted, and;

To allow RCTC, in consultation with CVAG and SunLine Transit Agency, to direct funds from either the State Transit Assistance (STA) portion or the Local Transportation Fund (LTF) portion of the TDA funds into the Coachella Valley Passenger Rail Fund, however, it is assumed that a majority of such funds will be derived from the STA portion of the TDA funds, and;

To allow RCTC to fund, with the approval and consultation of CVAG's Executive Committee, or designee, the CVAG Executive Director, Station Development or other studies, provide capital funding for approved stations, provide funding to support operations and related services, and;

To allow RCTC to charge the Coachella Valley Passenger Rail Fund for staff time and overhead in an amount not to exceed 10% of any individual project costs. Any amount above 10% shall require prior approval by CVAG. Consultants and contractors retained by RCTC expressly for work on the Coachella Valley Rail Project shall be billed to the Rail Fund at 100% of contractual value and/or actual incurred expense, and;

RCTC will regularly track revenues and expenses of the Coachella Valley Passenger Rail Fund and provide at least annual reports to CVAG on the status of the Fund, and;

If so determined by the CVAG Executive Committee, CVAG agrees to sponsor legislation seeking to modify the Coachella Valley Intermodal Transportation Authority Act, as adopted by CVAG on March 29, 1999, to allow the Intermodal Authority to be recognized under TDA law to directly receive TDA funding and to clarify, by language satisfactory to SunLine Transit Agency, that the Authority was not established to operate a bus transit service in the Coachella Valley. RCTC will act in a support role as necessary. CVAG will propose modifying

language and RCTC staff and/ or lobbyists, on RCTC approval, will attempt the implementation of those changes.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed by their duly authorized representatives on the date first written above:

ATTEST:

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

By: _____
Jennifer Harmon
Clerk of the Board

By: _____
Karen Spiegel
Chair

ATTEST:

CVAG

By: _____
Tom Kirk
Executive Director

By: _____
Don Adolph
Chair

September 19, 2013

-DRAFT-

Mr. William D Bronte
 Ms. Katie Benouar
 California Department of Transportation
 1120 N Street
 Sacramento, CA 95814

Subject: Mutual support for the development of the Coachella Valley Rail Corridor Service Development Planning Study.

Dear Mr. Bronte and Ms. Benouar:

This correspondence is intended to set forth the mutual understanding between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity within the State of California (Commission), and the CALIFORNIA DEPARTMENT OF TRANSPORTATION, a public entity within the State of California (Caltrans) regarding their roles to develop the Coachella Valley Rail Corridor Service Development Planning Study. The Commission is taking the lead on the implementation of a Service Development Planning Study (Study) to deliver rail service in the Coachella Valley Rail Corridor. This Study is intended to be a planning exercise which shall define and analyze several service options which include analysis of: rail capacity, land-use, capital improvements and costs, environmental impacts, operations and maintenance (O&M) costs, and ridership and revenue forecasts. The Commission and Caltrans intend to collaboratively review the work product resulting from the Study. The Commission will fund the Study at its own expense. Caltrans will provide the ridership and revenue modeling component of the Study using the Caltrans/Amtrak intercity rail model. Neither the Commission nor Caltrans shall incur any financial obligation to the other as a result of this effort.

Caltrans will:

- provide guidance for the Study, including project scope and document review, so that the Study is more likely to satisfy Caltrans and FRA expectations;
- support the planning effort by providing the ridership and revenue modeling component of the Study;
- participate in Study related meetings as needed; and
- meet with the Commission to discuss options for future operating and capital state and federal funding for the Coachella Valley service.

The Commission will:

- conduct the Coachella Valley Rail planning development, including issuing an RFP, providing project management and funding the Study;
- coordinate the planning effort with Caltrans, FRA, and other state and local partners;
- provide to Caltrans travel demand, population information, stations and service plans, and any other input needed for ridership and revenue modeling;
- share draft study documents with Caltrans for review and comments prior to documents being finalized;

- provide final documents to Caltrans; and
- identify and manage local funding to be used as match for future state and federal funding.

Your signature below confirms that this letter accurately reflects the roles and responsibilities for the Coachella Valley Rail Corridor Service Development Planning Study between our organizations.

Sincerely,

Anne Mayer, Executive Director
RIVERSIDE COUNTY TRANSPORTATION COMMISSION

I have read the above letter and by signing below I confirm that this letter accurately reflects the roles and responsibilities for the Coachella Valley Rail Corridor Service Development Planning Study between our organizations.

Date_____

Date_____

William D Bronte, Chief
Division of Rail
California Department of Transportation

Katie Benouar, Chief
Division of Transportation Planning
California Department of Transportation

RESOLUTION No. 13-042**RESOLUTION OF SUPPORT TO ESTABLISH DAILY INTERCITY RAIL SERVICE FROM
LOS ANGELES TO THE COACHELLA VALLEY VIA THE PASS AREA**

WHEREAS new regional intercity passenger rail service to the Coachella Valley will ease congestion on local roads and freeways, providing new economic opportunity, improving mobility and the quality of life in the Inland Empire; and

WHEREAS Amtrak currently runs the Sunset Limited train three days a week with service between Los Angeles and Coachella Valley in Riverside County at inconvenient schedules; and

WHEREAS there are limited public transit options exist between Coachella Valley and Los Angeles; and

WHEREAS the need for daily convenient intercity passenger rail service is growing as an environmental friendly alternate to the I-10 freeway; and

WHEREAS the Coachella Valley and the Pass Area are experiencing rapid population growth and demand on this route will continue to increase; and

WHEREAS there is strong local support to establish new intercity rail passenger service in the Coachella Valley and the Pass Area; and

WHEREAS Coachella Valley Association of Governments approved establishing a dedicated source of initial funding for the project; and

WHEREAS Caltrans Division of Rail has included the Coachella Rail Service as a proposed corridor in the latest revision of the State Rail Plan; and

WHEREAS Caltrans Division of Rail completed a Planning Study, which serves as the alternatives analysis which demonstrates significant justification for the project including ridership potential and populations served; and

WHEREAS the development of a full Service Development Plan and initial Environmental Documents in coordination with Caltrans Division of Rail and the Federal Railroad Administration is the next step in making the project eligible for federal transportation funds; and

WHEREAS new service to the Coachella Valley could use the Burlington Northern Santa Fe (BNSF) Route between Los Angeles and Colton, the Union Pacific route from Colton to Indio, and LA Metro owned tracks into LA Union Station; and

WHEREAS the implementation of this service will require the cooperation of Union Pacific, BNSF and LA Metro to operate the trains over the host railroads; and

NOW, THEREFORE BE IT RESOLVED that the Riverside County Transportation Commission does hereby support the establishment of Daily Intercity Rail Service from Los Angeles to the Coachella Valley via the Pass Area; and

BE IT FURTHER RESOLVED that the Riverside County Transportation Commission will actively oversee the completion of the Service Development Plan to directly facilitate progress towards daily rail service.

AGENDA ITEM 11

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	January 27, 2025
TO:	Budget and Implementation Committee
FROM:	Lisa Mobley, Administrative Services Director/Clerk of the Board
THROUGH:	David Knudsen, Deputy Executive Director
SUBJECT:	Election of Officers for the Budget and Implementation Committee

STAFF RECOMMENDATION:

This item is for the Committee to:

- 1) Conduct an election of officers for 2025 – Chair and Vice Chair.

BACKGROUND INFORMATION:

The election of officers for the full Commission and its Committees are held on an annual basis. Commissioners Linda Molina (Chair) and Valerie Vandever (Vice Chair) were elected as the Budget and Implementation Committee’s officers in February 2024. Once the election for 2025 is conducted, the new Chair and Vice Chair will immediately assume the positions.

Past Chairs of the Budget and Implementation Committee are as follows:

- 2024 – Linda Molina, City of Calimesa
- 2023 – Jeremy Smith, City of Canyon Lake
- 2022 – Raymond Gregory, City of Cathedral City
- 2021 – Lloyd White, City of Beaumont
- 2020 – Lloyd White, City of Beaumont
- 2019 – Linda Krupa, City of Hemet
- 2018 – Rusty Bailey, City of Riverside
- 2017 – Jan Harnik, City of Palm Desert
- 2016 – Bob Magee, City of Lake Elsinore
- 2015 – Bob Magee, City of Lake Elsinore
- 2014 – Douglas Hanson, City Indian Wells
- 2013 – Ella Zanowic, City of Calimesa
- 2012 – Rick Gibbs, City of Murrieta
- 2011 – Scott Matas, City of Desert Hot Springs
- 2010 – Greg Pettis, City of Cathedral City
- 2009 – Mary Craton, City of Canyon Lake
- 2008 – Steve Adams, City of Riverside
- 2007 – Rick Gibbs, City of Murrieta