STAFF REPORT
Board Meeting of November 29, 2023

AGENDA ITEM: 5-D

PREPARED BY: Natalia Austin, Senior Regional Planner

SUBJECT:

Proposed SB 125 Transit Program Project List and Funding Allocations for the Madera Region

Enclosure: Yes

Action: Approve the SB 125 Transit Program regional project list and funding allocations by Resolution 23-13 and direct staff to submit an Initial Allocation Package to the California State Transportation Agency by December 31, 2023

BACKGROUND:
SB 125 is providing $5.1 billion to fund transformative capital improvements that modernize California's intercity transit, commuter, ferry, and rail systems through a formula-based Transit and Intercity Rail Capital Program (TIRCP) and a new Zero Emission Transit Capital Program (ZETCP).

The main objectives of the funding are to:

1. provide one-time multiyear bridge funding for transit operators to address operational costs until long-term transit sustainability solutions are identified
2. assist transit operators in preventing service cuts and increasing ridership
3. prioritize the availability of transit for riders who are transit dependent
4. prioritize transit agencies representing a significant percentage of the region's ridership

These funds are also intended to provide a direct benefit to disadvantaged communities or priority populations which include low-income communities and low-income households. Funding distributions will only be made to Regional Transportation Planning Agencies (RTPA). Since MCTC is the RTPA for the Madera County region, MCTC will be the recipient of the funds.

The Madera County region has the potential to receive $18,811,248 over the next four fiscal years. Once an allocation package has been approved by the California State Transportation

Agency (CalSTA), the funding will be directly transferred to MCTC, which will in turn make funding available to the public transit agencies.

An estimate of the amount of funding that MCTC can receive is shown in the following table:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	Grand Total
TIRCP	$8,254,231	$8,274,315	None	None	
ZETCP	$850,825	$477,292	$477,292	$477,292	
TOTAL	$9,105,056	$8,751,607	$477,292	$477,292	$18,811,248

PROPOSED REGIONAL PROJECT SUMMARIES:

It is the intention of the SB 125 Transit Program that the RTPAs formulate a plan for the use of the funds in consultation and coordination with its transit operators. In accordance with that intention, over the past two months, MCTC held several meetings to collaborate with the region's transit agencies and the San Joaquin Joint Powers Authority (SJJPA) to develop a funding allocation plan for submittal. On November 27, 2023, the transit agencies and MCTC staff will also meet with staff with CalSTA to receive technical assistance to ensure that the proposed projects align with the program goals.

MCTC – One percent of the total funding or $188,112 may be programmed by MCTC for RTPA administration of SB 125 funding across both the TIRCP and ZETCP, and for planning expenses related to preparing and implementing the initial short-term financial plan, updates to the short-term financial plan, and the long-term financial plan that the RTPA's are tasked with developing for the region. This funding request will be submitted in the Initial Allocation Package covering FY 23-24 funding from the ZETCP due on December 31, 2023, as an operating project associated with MCTC, as most funding will be drawn from the Public Transportation Account resources only available in that year. The long-term financial plan must be submitted and approved by CalSTA by June 30, 2026. The plan will address the approach to sustain the region's transit operations without additional discretionary or nonformula State funding to maintain eligibility for future TIRCP funding in the 2026-27 fiscal year and beyond. The long-term financial plan will include, but is not limited to:

- Demonstration of the implementation of ridership retention and recovery strategies, including, but not limited to, policies that prioritize safety and cleanliness and streamlined coordination between transit operators, such as schedule coordination, reduced boarding times, operational management, and site sharing, to improve rider experience.
- A five-year forecast of operating funding requirements with detail on all sources of funding proposed for operations, including any new local and regional funding sources being pursued and the progress and improvements implemented since the last submitted regional short-term financial plan.

Madera Rail Station Relocation Project - SJJPA is requesting a minimum of $8,000,000 in SB 125 TIRCP funding for Phase 1 (Relocation of Madera San Joaquins Station to Avenue 12). The funding will mitigate cost escalation and support the construction of improvements which would be utilized initially by the San Joaquins and then by High-Speed Rail passengers once the future Madera High-Speed Rail Station begins operations. This funding will help to ensure the schedule is maintained to complete Phase 1 by mid-2025. Since the Madera Rail Station Relocation is an existing TIRCP project, having received TIRCP funding in 2018 and additional TIRCP funding in early 2023 as part of the special round for Existing TIRCP Projects, it is in harmony with the SB 125 program goals to prioritize this project. It is understood that TIRCP-funded capital projects that are already substantially funded and in need of additional resources for completion are expected to be prioritized over beginning new projects. This project is eligible for SB 125 funding and is strongly supported by the State.

Madera County – Madera County is requesting $2,855,761 in TIRCP funding and $699,239 in ZETCP funding for a total of $3,555,000 to purchase five electric buses, sixteen electric bus chargers and for the installation of eight satellite charging stations. These funds will assist with the County's Transit Electrification project, funding the purchase and installation of additional battery-electric buses, vehicle chargers, and related infrastructure. This will enable the County to complete Federal and State requirements to convert its transit fleet to zero-emission buses. These efforts will be promoted to the public, setting an example for the community and thereby increasing awareness of the benefits of public transit. This will be leveraged in the County's marketing program to increase ridership and attract many new bus riders to the services, which will in turn reduce vehicle emissions countywide.

City of Chowchilla – The City of Chowchilla's projects are crucial to help the city and the Madera County region reach California's goal of reducing carbon emissions by 2030. The City has set a clear objective to modernize and improve its transportation system. The City of Chowchilla is requesting $810,725 in TIRCP funding and $895,350 in ZETCP funding for a total of $1,706,075 to improve its transportation system by upgrading the fare collection system and purchasing two electric buses along with the required infrastructure.

- ***Two cutaways or small bus/van -*** *The City of Chowchilla requests the purchase of two small electric buses to replace the existing fleet and ensure there is adequate vehicle availability to limit service interruptions. These vehicles are consistent with the City's Zero Emission Transition Plan submitted to CARB and would help the City evaluate its capability to convert fully to zero emission.*

- ***Charging infrastructure (Two dual dispenser compatible level 3 chargers) - I****nfrastructure is needed to charge the electric vehicles purchased. Allowing for two dual dispensers will maximize performance and facilitate future build out of the fleet.*

- ***Engineering design and installation of chargers -*** *Design and installation of the chargers will require utility company coordination to ensure the electricity load/demand can be met, as well as confirming the selected location is best suited for the city. The location of these chargers and future infrastructure will be coordinated with Madera County and any other relevant service providers.*

- ***Mobile payment/contactless payment solution*** *- Updating the ability for fare payment via mobile/contactless options on-board will modernize the transit services provided in Chowchilla, improving the transit rider experience, and increasing service accessibility. The fare payment method will be selected from the California Integrated Travel Project's (Cal-ITP) technology procurement and will be coordinated with regional transit services to ensure maximum compatibility.*

City of Madera - The City of Madera is requesting $500,000 in ZETCP funds for the future purchase of electric vehicles and required charging stations. On December 6, 2023, during the Madera City Council meeting, City staff will propose updating the existing Madera Metro Transit System with a full or hybrid microtransit system.

The City currently operates a Fixed Route and a Dial-A-Ride public transit system. Recently, the City added an additional route to its Fixed Route system increasing the total routes to four. This increase in routes was largely focused on improving an equitable public transit system for the current riders. Despite this overhaul of the Fixed Route system, current ridership of the Fixed Route system is lower than pre-pandemic levels. However, the City has noticed a continuous uptick in riders utilizing the Dial-A- Ride system. This prompted the City to begin considering what many other transit agencies have already implemented – a microtransit public transit system.

A change in the public transit system would benefit the riders by eliminating the time spent waiting for a bus, eliminating the time spent on a bus between stops (while approaching a destination), and would allow the riders to benefit from a stop-to-stop system.

If approved, the City foresees purchasing several electric vehicles and implementing a pilot microtransit program. The City believes this option is imperative to meeting the electric vehicle requirements. At present, charging infrastructure for an electric bus is simply not viable at the City's Transit Center due to electric grid challenges. The City must develop a plan to meet electric vehicle requirements, while maintaining the current needs of the riders at the forefront. Therefore, replacing the existing fleet with electric vehicles may be a more viable option to ensure compliance.

PROPOSED FUNDING ALLOCATION:

MCTC staff and the local transit agencies are recommending the following projects receive SB 125 funding as allocated in the attached table entitled *Madera County Region SB 125 Transit Program Proposed Projects and Funding Allocation*, with the understanding that the final project list and funding distribution are subject to approval by CalSTA.

NEXT STEPS:

Once the regional project list and funding amounts have been approved by the MCTC Policy Board, an Initial Allocation Package will be submitted to CalSTA for approval by the program deadline of December 31, 2023. If the package is incomplete or if any projects are found to be ineligible, then MCTC will be provided an opportunity to choose between either remedying the ineligible project (or replacing it with another) prior to having the entire package approved or advancing all projects that are eligible and addressing the ineligible project in a future Updated Allocation Package.

The first year of funding for TIRCP and the ZETCP is already available for distribution once the required materials are submitted and approved by CalSTA. The requested funding will be allocated by CalSTA to MCTC no later than April 30, 2024. Once the funds are allocated and distributed, MCTC, the local transit agencies, and SJJPA will continue to work together through final project delivery and reporting for the duration of the program in compliance with SB 125 Transit Program Guidelines found here.

FISCAL IMPACT:

Subject to approval by CalSTA, $188,112 of ZETCP funding will be added to the FY 2023-24 MCTC budget for program administration and to complete a long-range transit plan.