



Date: June 24, 2025

Honorable Mayor and Council Members:

Alfred Knotts, Transportation Program Manager

Title: Fiscal Year 25/26 Request of Transportation Development Act Funds from the Nevada County Transportation Commission and Budget Amendment

Jen Callaway, Town Manager

Recommended Action: The Town Council

- (1) Adopt Resolutions 2025-46 and 2025-47 requesting the Nevada County Transportation Commission allocate Transportation Development Act (TDA) Funds for FY 2025/26 for the Truckee Tahoe Area Regional Transit operations; and
- (2) Amend FY25/26 Transit Budget.

Discussion: There are two sources of TDA (transit) funds; Local Transportation Funds (LTF) generated by a one-fourth cent statewide sales tax and State Transit Assistance Funds (STA) derived from sales tax on gasoline. These funds are collected by the State and returned to Regional Transportation Planning Agencies (RTPA). The Nevada County Transportation Commission (NCTC) is the Town's RTPA and administers and disburses the funding per the California Public Utilities Code.

On May 21, 2025, NCTC adopted the Findings of Apportionment of Transportation Development Act (TDA) Local Transportation Fund (LTF) funds for FY 25/26 based on the determination of populations from the California Department of Finance. LTF funds are generated by a one-fourth cent statewide sales tax, returned to the county of origin, and apportioned based on population. Nevada County Auditor-Controller utilizes the State information to estimate LTF funding apportionments for the ensuing year. A portion of LTF funds is reserved as Community Transit Service (CTS) funds, which can be used to provide intracommunity public transit/paratransit services or can be used for transportation services used exclusively by elderly and disabled persons. The estimated FY 25/26 funding allocations for the Town of Truckee are \$600,231 in LTF and \$31,591 in CTS funds. NCTC has determined that there is an estimated carryover of \$1,080,083 in LTF funds and \$40,834 in CTS funds from FY24/25 that is available to claim in addition to the allocations of \$600,231 and \$31,951, bringing the total claimable amounts for LTF and CTS to \$1,680,314 and \$72,425, respectively.

NCTC has also received estimates of State Transit Assistance (STA) funding (derived from sales tax on gasoline), which identifies the Town's formulaic allocation based on population.

Based on expected revenues from Federal, State, and other local funds, the proposed expense budget, and funds needed to maintain the operating reserves account, the Town's maximum eligibility for TDA funds is \$1,022,807. The Town requests \$927,825 in LTF, \$72,425 in CTS, and \$22,557 in STA funds, totaling the maximum eligibility amount of \$1,022,807.

Each year, NCTC requires an independent audit of the Town's transit related financial activity in compliance with California Code of Regulations, Title 21, section 6662, 6505, and 26909. NCTC hires an independent auditor to conduct the audits for the various agencies receiving Transportation Development

Act funds from NCTC, including the Town. As result of the auditing process, it was determined that in FY 2023/24 there was an operating deficit of \$106,643 that must be reconciled. As such, staff has included the \$106,643 deficit from FY23/24 in this claim from the carryover LTF funds.

It should be noted that following this claim, there will be a balance of approximately \$752,489 in LTF carryover funds held by NCTC to cover operating contingency that could be requested in a revised claim during FY2025/26, should the Town require. Additionally, NCTC retains unclaimed STA funds in an account for regional transportation projects, which the Town can request for capital funding on an as needed basis. In the past few years, the Town has claimed STA funds for use in the Microtransit Pilot Program, Phase 1 of the Railyard Mobility Hub, and the EV charging infrastructure retrofit at the Riverview Corp Yard to support the new electric transit fleet.

Priority:

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|-------------------------------------|---------------------------|-------------------------------------|--------------------------------------|-------------------------------------|--------------|
| <input type="checkbox"/> | Enhanced Communication | <input checked="" type="checkbox"/> | Climate and Greenhouse Gas Reduction | <input type="checkbox"/> | Housing |
| <input checked="" type="checkbox"/> | Infrastructure Investment | <input type="checkbox"/> | Emergency and Wildfire Preparedness | <input checked="" type="checkbox"/> | Core Service |

Fiscal Impact: This claim will result in an amendment to the adopted FY25/26 budget, decreasing estimated Transit Revenues by \$54,987 from \$5,892,817 to \$5,837,830 and increasing Transit expenditures by \$106,643 to account for the operating deficit from FY23/24.

Public Communication: This Staff Report and agenda posting.

Attachments:

Attachment A: Resolution 2025-46

Attachment B: Resolution 2025-47