

STAFF REPORT



MEETING DATE:	June 5, 2019
SUBJECT:	Approve Allocating Fiscal Year 2018/19 Low Carbon Transit Operations Program Funds to the Regional Reduced and Free Transit Fare Program
AGENDA ITEM:	3
STAFF CONTACT:	Sean Tiedgen, AICP, Senior Transportation Planner

SUMMARY:

Fiscal Year (FY) 2017/18 Low Carbon Transit Operations Program (LCTOP) funds totaling \$231,865 have been approved by Caltrans toward the first year of the two-year Sunday Transit Demonstration Project. On March 28, 2019, SRTA requested Caltrans LCTOP staff allocate SRTA's FY 2018/19 LCTOP funds totaling \$329,232 toward the second year of the project. Due to timing of when the service would start and grant spending requirements, LCTOP staff indicated allocation of FY 2018/19 LCTOP funds is premature but supports SRTA allocating FY 2019/20 funds available July 1, 2020. LCTOP staff requested SRTA identify a new eligible project to allocate the \$329,232 in FY 2018/19 funds so they are not lost to the region.

STAFF RECOMMENDATION:

It is recommended that the board of directors adopt Resolution 19-10, allocating FY 2018/19 LCTOP funds totaling \$329,232 to the Regional Reduced and Free Transit Fare Program, and authorize the executive director to sign the Certifications and Assurances and Authorized Agent forms for the LCTOP application, including any amendments as may be necessary to obtain the funds.

DISCUSSION:

LCTOP provides public transportation funding for new or enhanced transit services that reduce greenhouse gas emissions and improve mobility. LCTOP funds can be used for projects such as purchasing clean fuels, providing reduced or free fares, or purchase of hybrid or all-electric transit vehicles that replace existing gas/diesel vehicles. LCTOP funds cannot supplant existing funds.

Sunday Transit Demonstration Project – Consistent with previous direction from the board, SRTA is requesting LCTOP funds for the two-year Sunday Transit Demonstration Project estimated at \$611,416. FY 2017/18 Low Carbon Transit Operations Program (LCTOP) funds totaling \$231,865 have already been requested and approved by LCTOP staff toward the first year of the two-year Sunday Transit Demonstration Project.

Staff submitted an application to LCTOP staff requesting SRTA's FY 2018/19 LCTOP allocation of \$329,232 be applied in advance toward second year of the two-year Sunday Transit Demonstration Project, on March 28, 2019. At the time of application LCTOP staff didn't indicate any issues with this approach. On May 21, 2019, LCTOP staff indicated they would not support awarding the FY 2018/19 funds toward Year 2 of the Sunday Transit Demonstration Project. Given our discussions with LCTOP staff over the last two years regarding this project, this was

unexpected and came about late in the process necessitating this special meeting of the SRTA Board of Directors.

LCTOP staff stated their primary reason for this action was that the grant program requires SRTA to start using those awarded funds by December 2019. Because Year 1 of the Sunday Transit Demonstration Project is not planned to start until September 8, 2019, they consider awarding of Year 2 funds premature. LCTOP staff suggested SRTA request their FY 2019/20 allocation next year toward Year 2 of the Sunday Transit Demonstration Project. They also requested SRTA submit a new application for a different eligible project to allocate the FY 2018/19 LCTOP funds by June 7, 2019, or risk losing the funds.

Regional Reduced and Free Transit Fare Program – Staff reviewed LCTOP program guidelines, asked for input from regional partners, and discussed project ideas with LCTOP staff to see what projects they would support given the strict eligibility requirements of the program. LCTOP staff expressed support for staff's proposal for a Regional Reduced and Free Transit Fare Program.

This would be a new two-year program providing reduced or free fares and passes for Redding Area Bus Authority (RABA) and Dignity Health Connected Living (DHCL) transit riders. It would also provide some funding for marketing materials to promote reduced/free fare events and to administer the program. The program would help RABA and DHCL by reducing individual fares by \$0.75 – \$5.00 and reducing the cost of monthly passes by \$24.00 – \$82.00. Benefits from the program include the following:

- Flexibility in where, when and how much subsidy SRTA, RABA and DHCL may apply towards fares and passes to ensure it's equitable to all riders;
- Lowers the transportation costs for all riders, including low-income and fixed-income earners;
- Promotes increased transit use by existing and potential new riders;
- Provides additional farebox revenue, which in turn helps avoid potential farebox penalties;
- Can be applied to targeted groups such as veterans, seniors, and students; and
- Helps temporarily mitigate any future fare increases to transit riders.

SRTA staff will work out the final details to implement the program with RABA and DHCL staff this summer. We anticipate starting the program by December 2019 or sooner.

ALTERNATIVES:

The board of directors may request modifications to the proposed project within LCTOP eligibility limits.

OTHER AGENCY INVOLVEMENT:

Caltrans and the California Air Resources Board administer the LCTOP funds. Staff updated RABA and DHCL on the status of LCTOP funding and consulted them regarding the project. Staff also consulted with city/county public work directors at a May 30, 2019, transit coordination meeting. The staff recommendation is supported by those agencies.

FISCAL IMPACT:

SRTA's FY 2018/19 LCTOP funding totals \$329,232, of which \$269,232 will be allocated towards reduced/free fares and \$60,000 towards development of marketing materials and program administration. Funds would be provided in July 2019 and held by SRTA until expended.

Estimated project costs for the Sunday Transit Demonstration Project total \$611,416. Below is an updated revenue/expenditure breakdown. No cash flow gaps are anticipated. Staff has submitted a Corrective Action Plan requesting reallocation of FY 2016/17 LCTOP funds, which is under review by LCTOP staff.

Sunday Transit Demonstration Project Cost Estimates				
	LCTOP Funds			
Project Costs	FY 2016/17	FY 2017/18	FY 2019/20	Total:
Administration and Marketing	\$86,156.89	-	\$60,000	\$146,156.89
Software	-	\$36,000	\$2,500	\$38,500
Start-up Costs	-	\$25,000	-	\$25,000
Free Fares	-	\$170,865	\$230,895	\$401,760
Total:	\$86,156.89*	\$231,865*	\$293,395**	\$611,416.89
*Funds currently held by SRTA				
**Estimated funds available July 2020				


For Daniel S. Little, AICP, Executive Director

Attachments:

Resolution 19-10

FY 2018/19 LCTOP Authorized Agent Form (Revised)



RESOLUTION

RESOLUTION NUMBER:	19-10
SUBJECT:	Authorization for the Execution of the Certifications and Assurances and Authorized Agent Forms for the Low Carbon Transit Operations Program for the following Project: Regional Reduced and Free Transit Fare Program, for \$329,232

WHEREAS, the Shasta Regional Transportation Agency (SRTA) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

WHEREAS, Caltrans has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors; and

WHEREAS, the SRTA Board of Directors wishes to delegate authorization to execute the fiscal year 2018/19 LCTOP Certifications, Assurances and Authorized Agent Forms and any amendments thereto to the executive director; and

WHEREAS, the SRTA Board of Directors wishes to implement the LCTOP project listed above.

NOW, THEREFORE, BE IT RESOLVED that the Shasta Regional Transportation Agency:

1. Agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for LCTOP funded transit projects; and
2. Authorizes the executive director to execute all required documents of the LCTOP program and any amendments thereto with Caltrans; and
3. Authorizes submittal of the following project nomination and allocation request to Caltrans in FY 2018/19 LCTOP funds:

Project Name: Regional Reduced and Free Transit Fare Program

Amount of LCTOP funds requested: \$329,232

Short description of project: Provide reduced and free fares for transit riders

Benefit to a Priority Population: Reduced fares and increased access to public transportation

PASSED AND ADOPTED this 5th day of June 2019, by the Shasta Regional Transportation Agency.

Kristen Schreder, Chair
Shasta Regional Transportation Agency



FY 2018-2019 LCTOP

Authorized Agent

AS THE **Executive Director**

(Chief Executive Officer/Director/President/Secretary)

OF THE **Shasta Regional Transportation Agency (SRTA)**

(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Daniel S. Little, Executive Director

(Name and Title of Authorized Agent)

OR

Click here to enter text.

(Name and Title of Authorized Agent)

OR

Click here to enter text.

(Name and Title of Authorized Agent)

OR

Click here to enter text.

(Name and Title of Authorized Agent)

OR

Daniel S. Little

(Print Name)

Executive Director

(Title)

(Signature)

Approved this 5 day of June, 2019



FY 2018-2019 LCTOP Certifications and Assurances

Lead Agency: Shasta Regional Transportation Agency (SRTA)

Project Title: Regional Reduced and Free Transit Fare Program

Prepared by: Sean Tiedgen

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).



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Certifications and Assurances

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
 - d. Project Outcome Reporting as defined by CARB Funding Guidelines.
2. Other Reporting Requirements: CARB is developing Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with

Certifications and Assurances

Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

A. Record Retention

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance



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of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Daniel S. Little

(Print Authorized Agent)

(Signature)

Executive Director

(Title)

June 5, 2019

(Date)



FY 2018-2019 LCTOP Allocation

Lead Agency: Shasta Regional Transportation Agency (SRTA)

Project Title: Regional Reduced and Free Transit Fare Program

Regional

Entity: Shasta Regional Transportation Agency

County: Shasta

Lead Agency: I certify the scope, cost, schedule, and benefits as identified in the attached Allocation Request (Request) and attachments are true and accurate and demonstrate a fully funded operable project. I understand the Request is subject to any additional restrictions, limitations or conditions that may be enacted by the State Legislature, including the State's budgetary process and/or auction receipts. In the event the project cannot be completed as originally scoped, scheduled and estimated, or the project is terminated prior to completion, Lead Agency shall, at its own expense, ensure that the project is in a safe and operable condition for the public. I understand this project will be monitored by the California Department of Transportation - Division of Rail and Mass Transportation.

Authorized Agent: Daniel S. Little

Title: Executive Director

Lead Agency: Shasta Regional Transportation Agency (SRTA)

Signature:

PUC Funds Type: 99313 \$ 329,232

PUC Funds Type: 99314 \$ 0

Contributing Sponsor(s): The contributing sponsor is an entity that passes funds to the Lead Agency to support a project. The contributing sponsor could be the regional entity (PUC 99313) passing their funds to a recipient agency within their region or a recipient agency (PUC 99314) passing their funds through to either a regional entity or a recipient agency within their region. The contributing sponsor(s) must also sign and state the amount and type of LCTOP funds (PUC Sections 99313 and 99314) they are contributing the project. Sign below or attach a separate officially signed letter providing that information. If there is more than one contributing sponsor, please submit additional page, or a letter from the additional Contributing Sponsors.

Authorized Agent: Authorized Agent

Title: Authorized Agent's Title

Lead Agency: Lead Agency.

Signature:

PUC Funds Type: 99313 \$ Amount of 99313 Funds

PUC Funds Type: 99314 \$ Amount of 99314 Funds