



NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Letter

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Antonio Onorato, Program Manager- Finance
(707) 259-8779 / Email: anonorato@nvta.ca.gov
SUBJECT: Vine Transit Route 25 Intercity Bus Service Financial Alternatives

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board direct staff to implement one or a combination of the funding alternatives to supplement the pending reduction of Federal Transit Administration (FTA) Section 5311(f) Intercity Bus Program funds.

COMMITTEE RECOMMENDATION

None

EXECUTIVE SUMMARY

At the May 17, 2017 Board meeting, staff was directed to analyze several alternative funding scenarios for Vine Transit's Intercity Bus Program. Currently, NVTA deploys two (2) routes which are supported by FTA Section 5311(f) program funds: Route 21 to Fairfield/Suisun City and Route 25 to Sonoma. Caltrans has notified NVTA that funding in Fiscal Year (FY) 2017-18 will be reduced across all participating transit properties by twenty-six percent (26%), compelling the Authority to seek alternative funding or consider augmenting, reducing and/or eliminating service.

PROCEDURAL REQUIREMENTS

1. Staff Report
2. Public Comment
3. Discussion and Vote

FISCAL IMPACT

See the Background and Discussions section for the fiscal impact on alternative funding scenarios.

CEQA REQUIREMENTS

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (California Environmental Quality Act (CEQA) Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On May 17th the Napa Valley Transportation Authority (NVTA) held a public hearing to discontinue the Route 25 service to the City of Sonoma. The NVTA board received a number of comments during the hearing, as well as, letters requesting that the Route 25 be continued. In the wake of the public testimony in favor of retaining the Route 25, NVTA’s Board acted to extend the public comment period and reconvene in September to determine the route’s fate.

Although the funding situation points to eliminating the Route 25, the Board recognizes that the route provides a crucial link in the connectivity of the Bay Area’s regional transit network, and is currently the only route that links Napa and Sonoma Counties – an issue that has come up as part of the State Route 37 (SR 37) policy meetings.

The Table 1 below reflects the cost to provide the service for FY 2015-16. Table 2 on the next page presents several funding alternatives that should be considered for the Intercity Bus Program.

Table 1: Current Intercity Bus Program Costs FY15-16

Expenditure Plan	Route 25	Route 21	Total
Purchase Transportation	\$207,775	\$309,287	\$517,062
Fuel	\$32,094	\$30,341	\$62,435
Total Direct Costs	\$239,869	\$339,628	\$579,497

Financing Plan	Route 25	Route 21	Total
FTA 5311(f)	\$121,834	\$178,166	\$300,000
TDA	\$111,858	\$143,840	\$255,698
STA Contribution	--	\$ 30,000	\$ 30,000
Total Financing	\$233,692	\$352,006	\$585,698

Operating Farebox \$	\$6,177	\$17,622	\$23,799
Operating Farebox Recovery	2.6%	5.1%	4.1%
Statutory Farebox \$	\$6,177	\$47,622	\$53,799
Statutory Farebox Recovery	2.6%	14%*	9.3%

*14% farebox includes of \$30,000 STA contribution

Table 2: Intercity Bus Program Alternatives- Route 21 and 25

Option	Proposal	Description	Potential Outcome(s)
1	Route 25 service and fare parity with Route 21	Raise fares to \$3 per person, no discounts allowed for Commuter/Peak service. Parity may eliminate mid-day service on Route 25, or 1 run per day	<ul style="list-style-type: none"> 35% reduction of adult “choice” riders 100% reduction of senior/disabled “choice” riders Transit dependent riders would decrease long term Total Cost Reduction: \$40,000 Total Farebox Increase: \$10,900
2	Preserve Route 25 by having shortfalls covered by Napa and Sonoma jurisdictions	NVTA could receive contributions from the City of Sonoma, Sonoma County Transit, or Sonoma County Transportation Authority through contractual agreements. Shortfall amounts are proportional based on trip originations of 56% from Sonoma and 44% from Napa.	<ul style="list-style-type: none"> Sonoma shortfall amount: \$58,461 Napa shortfall amount: \$45,933 NVTA would be obligated to cover funding shortages not met by Sonoma jurisdictions
3	Interline with Sonoma County Transit Routes to Napa	NVTA provides a contribution to SCT for running SCT routes 40 and 53 to Napa.	<ul style="list-style-type: none"> Contribution amount to SCT Cost/Savings: To Be Determined
4	Proportionally divide the \$78,000 reduction of 5311f funds to each route- 50/50 split, or \$39,000 reduction for each route	<ul style="list-style-type: none"> Route 21 will have 1,068 less hours than the current 4,745 hours of service per fiscal year or 2 runs per day Route 25 will have 1,020 less hours than the current 3,187 hours of service per fiscal year or 2 runs per day 	<ul style="list-style-type: none"> Reduced service may jeopardize contribution from STA on the Route 21 (\$30,000 annually) 24% cut in service for Route 21 could result in a farebox loss of \$5,815 or 33% 32% cut in service for Route 25 could result in a farebox loss of \$2,880 or 47% \$78,000 reduction in federal funds equates to \$141,000 of decreased operating costs
5	Eliminate Route 25 service to Sonoma, then add frequency to Route 21 with leftover 5311f funds	<ul style="list-style-type: none"> Allocate leftover 5311f funds of \$44,000 or \$79,523 in total operating assistance by providing an additional 1,223 hours or 26% increase to Route 21 service. Additional hours could add 3 extra runs per weekday, or provide limited Saturday service*. 	<ul style="list-style-type: none"> Ridership is expected to increase on Route 21 by 36%, adding to farebox of \$3,500 STA has expressed an interest to contribute up to an additional \$20,000 for Route 21 expansion Saturday service could potentially decrease farebox ratio by converting commuter service into regular service requiring half-fares for senior/disabled populations

Without an additional contribution from Sonoma County, NVTA would be compelled to cover funding shortages in the above scenarios with Transportation Development Act (TDA) funds. Despite a positive economic climate, transit revenues and operating farebox have been relatively stagnant for the past few years while costs have been slowly increasing. NVTA was able to use carryover balances to cover the shortfalls, but those reserves have been exhausted.

Any excess TDA funds not used for transit and planning purposes are currently set-aside for financing the new Vine Transit Bus Maintenance Facility. Dipping into the TDA account to supplement or augment non-productive routes is not advisable. This will place additional fiscal pressures on the public fund which may possibly impede the continuation of other programs and projects budgeted during the fiscal year or planned in future years.

SUPPORTING DOCUMENTS

None