

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda

**Monday, September 13, 2021
10:00 AM**

*******SPECIAL BOARD RETREAT MEETING*******

Westin Verasa

1314 McKinstry St., Napa CA 94558

NVTA Board of Directors - Tax Agency (NVTA-TA)

*****COVID-19 SPECIAL NOTICE*****

PUBLIC MEETING GUIDELINES FOR PARTICIPATING VIA PHONE/VIDEO CONFERENCING

Consistent with Governor's Executive Orders No. N-25-20 and N-29-20 from the State of California and Napa County's workplace restrictions, the NVTA-TA Board of Directors meeting will be held virtually. To maximize public safety while still maintaining transparency, members of the public are invited to participate at the noticed meeting time via the methods below, barring technical difficulties:

- 1) To join the meeting via Zoom video conference from your PC, Mac, iPad, iPhone or Android: go to <https://zoom.us/join> and enter meeting ID 997 5007 2830
- 2) To join the Zoom meeting by phone: dial 1-669-900-6833, enter meeting ID: 997 5007 2830 If asked for the participant ID or code, press #.
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Public Comments: Members of the public may comment on matters within the subject matter of the Board's jurisdiction that are not on the meeting agenda during the general public comment item at the beginning of the meeting. Comments related to a specific item on the agenda must be reserved until the time the agenda item is considered and the Chair invites public comment. (Members of the public are welcome to address the Board, however, under the Brown Act Board members may not deliberate or take action on items not on the agenda, and generally may only listen.)

Instructions for submitting a Public Comment are on the next page.

Members of the public may submit a public comment in writing by emailing info@nvta.ca.gov by 5:00 p.m. the day prior to the meeting with PUBLIC COMMENT as the subject line (for comments related to an agenda item, please include the item number). All written comments should be 350 words or less, which corresponds to approximately 3 minutes or less of speaking time. Public comments emailed to info@nvta.ca.gov after 5:00p .m. the day before the meeting will be entered into the record but not read out loud. If authors of the written correspondence would like to speak, they are free to do so and should raise their hand and the Chair will call upon them at the appropriate time.

Instructions on how to join a Zoom video conference meeting are available at: <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>

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Note: The methods of observing, listening, or providing public comment to the meeting may be altered due to technical difficulties or the meeting may be cancelled, if needed.

All materials relating to an agenda item for an open session of a regular meeting of the NVTA-TA are posted on the NVTA website 72 hours prior to the meeting at: <https://nctpa.legistar.com/Calendar.aspx> or by emailing info@nvta.ca.gov to request a copy of the agenda.

Materials distributed to the members of the Committee present at the meeting will be available for public inspection after the meeting. Availability of materials related to agenda items for public inspection does not include materials which are exempt from public disclosure under Government Code sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22.

Americans with Disabilities Act (ADA): This Agenda shall be made available upon request in alternate formats to persons with a disability. Persons requesting a disability-related modification or accommodation should contact Laura Sanderlin, NVTA Board Secretary, at (707) 259-8633 during regular business hours, at least 48 hours prior to the time of the meeting.

Note: Where times are indicated for agenda items, they are approximate and intended as estimates only, and may be shorter or longer as needed.

Acceso y el Título VI: La NVTA puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Autoridad. Para solicitar asistencia, por favor llame al número (707) 259-8633. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Ang Accessibility at Title VI: Ang NVTA ay nagkakaloob ng mga serbisyo/akomodasyon kung hilingin ang mga ito, ng mga taong may kapansanan at mga indibiduwal na may limitadong kaalaman sa wikang Ingles, na nais na matugunan ang mga bagay-bagay na may kinalaman sa NVTA-TA. Para sa mga tulong sa akomodasyon o pagsasalin-wika, mangyari lang tumawag sa (707) 259-8633. Kakailanganin namin ng paunang abiso na tatlong araw na may pasok sa trabaho para matugunan ang inyong kahilingan.

1. Call to Order
2. Roll Call
3. Adoption of the Agenda
4. Public Comment

Note: Where times are indicated for the agenda items, they are approximate and intended as estimates only and may be shorter or longer as needed.

5. CONSENT AGENDA ITEMS (5.1)

5.1 Meeting Minutes of July 21, 2021 (Laura Sanderlin) (Pages 5-6)

Recommendation: Board action will approve the meeting minutes of July 21, 2021.

Estimated Time: 10:30 a.m.

Attachments: [Draft Minutes](#)

6. RETREAT AGENDA ITEMS - SOLVING FOR "X"

6.1 NVTA-TA Board Retreat - Solving for "X" (Kate Miller) (Pages 7-13)

Recommendation: Information only. The Board will discuss a possible sales tax measure to replace the existing Measure T in order to improve the outcomes of the ½ cent sales tax for transportation. The discussion topics will include:

- Bonding against future revenues to bring funding forward
- Evaluating formulas for distributing local streets and road revenues
- Funding multi-modal infrastructure projects
- Other changes to improve sales tax measure performance

Estimated Time: 10:45 a.m.

Attachments: [Staff Report](#)

7. FUTURE AGENDA ITEMS

8. ADJOURNMENT

8.1 Approval of Next Regular Meeting Date of October 20, 2021 and Adjournment

I hereby certify that the agenda for the above stated meeting was posted at a location freely accessible to members of the public at the NVTA Offices, 625 Burnell Street, Napa, CA and at the Westin Verasa, 1314 McKinstry Street, Napa Ca by 5:00 p.m. by Thursday, September 9, 2021.

Laura Sanderlin (e-sign)
Laura M. Sanderlin, NVTA-TA Board Secretary

Glossary of Acronyms

AB 32	Global Warming Solutions Act	GGRF	Greenhouse Gas Reduction Fund
ABAG	Association of Bay Area Governments	GTFS	General Transit Feed Specification
ADA	American with Disabilities Act	HBP	Highway Bridge Program
ATAC	Active Transportation Advisory Committee	HBRR	Highway Bridge Replacement and Rehabilitation Program
ATP	Active Transportation Program	HIP	Housing Incentive Program
BAAQMD	Bay Area Air Quality Management District	HOT	High Occupancy Toll
BART	Bay Area Rapid Transit District	HOV	High Occupancy Vehicle
BATA	Bay Area Toll Authority	HR3	High Risk Rural Roads
BRT	Bus Rapid Transit	HSIP	Highway Safety Improvement Program
BUILD	Better Utilizing Investments to Leverage Development	HTF	Highway Trust Fund
CAC	Citizen Advisory Committee	HUTA	Highway Users Tax Account
CAP	Climate Action Plan	IFB	Invitation for Bid
Caltrans	California Department of Transportation	ITIP	State Interregional Transportation Improvement Program
CASA	Committee to House the Bay Area	ITOC	Independent Taxpayer Oversight Committee
CEQA	California Environmental Quality Act	IS/MND	Initial Study/Mitigated Negative Declaration
CIP	Capital Investment Program	JARC	Job Access and Reverse Commute
CMA	Congestion Management Agency	LCTOP	Low Carbon Transit Operations Program
CMAQ	Congestion Mitigation and Air Quality Improvement Program	LIFT	Low-Income Flexible Transportation
CMP	Congestion Management Program	LOS	Level of Service
CalSTA	California State Transportation Agency	LS&R	Local Streets & Roads
CTP	Countywide Transportation Plan	MaaS	Mobility as a Service
COC	Communities of Concern	MAP 21	Moving Ahead for Progress in the 21 st Century Act
CTC	California Transportation Commission	MPO	Metropolitan Planning Organization
DAA	Design Alternative Analyst	MTC	Metropolitan Transportation Commission
DBB	Design-Bid-Build	MTS	Metropolitan Transportation System
DBF	Design-Build-Finance	ND	Negative Declaration
DBFOM	Design-Build-Finance-Operate-Maintain	NEPA	National Environmental Policy Act
DED	Draft Environmental Document	NOAH	Natural Occurring Affordable Housing
EIR	Environmental Impact Report	NOC	Notice of Completion
EJ	Environmental Justice	NOD	Notice of Determination
FAS	Federal Aid Secondary	NOP	Notice of Preparation
FAST	Fixing America's Surface Transportation Act	NVTA	Napa Valley Transportation Authority
FHWA	Federal Highway Administration	NVTA-TA	Napa Valley Transportation Authority-Tax Agency
FTA	Federal Transit Administration	OBAG	One Bay Area Grant
FY	Fiscal Year	PA&ED	Project Approval Environmental Document
GHG	Greenhouse Gas		

Glossary of Acronyms

P3 or PPP	Public-Private Partnership	SOV	Single-Occupant Vehicle
PCC	Paratransit Coordination Council	STA	State Transit Assistance
PCI	Pavement Condition Index	STIC	Small Transit Intensive Cities
PCA	Priority Conservation Area	STIP	State Transportation Improvement Program
PDA	Priority Development Areas	STP	Surface Transportation Program
PIR	Project Initiation Report	TAC	Technical Advisory Committee
PMS	Pavement Management System	TCM	Transportation Control Measure
Prop. 42	Statewide Initiative that requires a portion of gasoline sales tax revenues be designated to transportation purposes	TCRP	Traffic Congestion Relief Program
PSE	Plans, Specifications and Estimates	TDA	Transportation Development Act
PSR	Project Study Report	TDM	Transportation Demand Management Transportation Demand Model
PTA	Public Transportation Account	TE	Transportation Enhancement
RACC	Regional Agency Coordinating Committee	TEA	Transportation Enhancement Activities
RFP	Request for Proposal	TEA 21	Transportation Equity Act for the 21 st Century
RFQ	Request for Qualifications	TFCA	Transportation Fund for Clean Air
RHNA	Regional Housing Needs Allocation	TIGER	Transportation Investments Generation Economic Recovery
RM2	Regional Measure 2 (Bridge Toll)	TIP	Transportation Improvement Program
RM3	Regional Measure 3	TIRCP	Transit and Intercity Rail Capital Program
RMRP	Road Maintenance and Rehabilitation Program	TLC	Transportation for Livable Communities
ROW	Right of Way	TLU	Transportation and Land Use
RTEP	Regional Transit Expansion Program	TMP	Traffic Management Plan
RTIP	Regional Transportation Improvement Program	TMS	Transportation Management System
RTP	Regional Transportation Plan	TNC	Transportation Network Companies
SAFE	Service Authority for Freeways and Expressways	TOAH	Transit Oriented Affordable Housing
SAFETEA-LU	Safe, Accountable, Flexible, and Efficient Transportation Equity Act-A Legacy for Users	TOD	Transit-Oriented Development
SB 375	Sustainable Communities and Climate Protection Act 2008	TOS	Transportation Operations Systems
SB 1	The Road Repair and Accountability Act of 2017	TPA	Transit Priority Area
SCS	Sustainable Community Strategy	TPI	Transit Performance Initiative
SHA	State Highway Account	TPP	Transit Priority Project Areas
SHOPP	State Highway Operation and Protection Program	VHD	Vehicle Hours of Delay
SNTDM	Solano Napa Travel Demand Model	VMT	Vehicle Miles Traveled
SR	State Route		
SRTS	Safe Routes to School		

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559

Meeting Minutes NVTB Board of Directors - Tax Agency (NVTB-TA)

Wednesday, July 21, 2021

1:00 PM

REFER TO COVID-19 SPECIAL NOTICE

1. Call to Order

Chair Pedroza called the meeting to order at 1:02 p.m.

2. Pledge of Allegiance

Chair Pedroza led the Pledge of Allegiance.

3. Roll Call

Present: 11 - Alfredo Pedroza
Belia Ramos
Chris Canning
Leon Garcia
Paul Dohring
Kerri Dorman
Mark Joseph
Gary Kraus
Liz Alessio
Scott Sedgley
Anna Chouteau

Absent: 1 - John F. Dunbar

4. Adoption of the Agenda

Motion MOVED by GARCIA, SECONDED by CANNING to APPROVE adoption of the agenda.

Motion carried by the following vote:

Aye: 10 - Board Member Pedroza, Board Member Ramos, Board Member Canning, Board Member Garcia, Alternate Member Dohring, Board Member Dorman, Board Member Joseph, Board Member Alessio, Board Member Sedgley, and Board Member Chouteau

Absent: 2 - Board Member Dunbar, and Board Member Kraus

5. Public Comment

Public Comment was provided by Justin Hole, Napa resident.

6. CONSENT AGENDA ITEMS

Motion MOVED by GARCIA, SECONDED by KRAUS to APPROVE, with CHOUTREAU ABSTAINING, Consent Item 6.1. Motion carried by the following roll call vote:

Aye: 11 - Board Member Pedroza, Board Member Ramos, Board Member Canning, Board Member Garcia, Alternate Member Dohring, Board Member Dorman, Board Member Joseph, Board Member Kraus, Board Member Alessio, Board Member Sedgley, and Board Member Chouteau

Absent: 1 - Board Member Dunbar

6.1 Meeting Minutes of April 21, 2021 (Laura Sanderlin) (Pages 5-6)

Attachments: [Draft Minutes](#)

Board action approved the meeting minutes of April 21, 2020.

7. REGULAR AGENDA ITEMS

7.1 City of Napa Five-Year Project List Update (Alberto Esqueda) (Pages 7-15)

Attachments: [Staff Report](#)

Staff from the City of Napa reviewed the City's of updated Measure T Five-Year Project list.

Motion MOVED JOSEPH, SECONDED by SEDGLEY to APPROVE the City of Napa's Measure T Five-year Project List. Motion carried by the following roll call vote:

Aye: 11 - Board Member Pedroza, Board Member Ramos, Board Member Canning, Board Member Garcia, Alternate Member Dohring, Board Member Dorman, Board Member Joseph, Board Member Kraus, Board Member Alessio, Board Member Sedgley, and Board Member Chouteau

Absent: 1 - Board Member Dunbar

8. FUTURE AGENDA ITEMS

9. ADJOURNMENT

10.1 Approval of Next Special Meeting Date of September 13, 2021 and Adjournment

A Special Meeting is scheduled for Monday, September 13, 2021.

Chair Pedroza adjourned the meeting at 1:26 p.m.

Karalyn E. Sanderlin, Acting Board Secretary



September 13, 2021
NVRTA-TA Agenda Item 6.1

Continued From: New
Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: NVRTA-TA Board Retreat – Solving for “X”

RECOMMENDATION

Information only – staff is requesting feedback on a proposed sales tax measure.

COMMITTEE RECOMMENDATION

None

EXECUTIVE SUMMARY

NVRTA staff have been working for over a year with the Measure X Ad Hoc Committee which is comprised of each jurisdictions’ public works directors, the chair of the Independent Taxpayer Oversight Committee (ITOC), and the executive director of the Napa Bicycle Coalition to evaluate a potential new sales tax measure that would replace Measure T. During the Retreat, staff will share financial and pavement modeling findings and summarize opportunities and recommended changes. The board will also receive a presentation from TBWBH on the polling results.

BACKGROUND AND DISCUSSION

Measure T was approved by the voters in 2012 and became operative in 2018. It provides roughly \$20 million per year for local streets and road rehabilitation. The funds are distributed on a fixed percentage to the six jurisdictions, 1% to NVRTA for administration, and \$70,000 a year, adjusted for inflation, for audits and other costs associated with the work performed by the Independent Taxpayer Oversight Committee (ITOC). ITOC is an independent body that validates Measure T projects and agency performance. The measure also includes a Maintenance of Effort (MOE) requirement and a provision where

the city/county jurisdictions and NVTA collectively commit to expend 6.67% of the value of Measure T revenue generations in other qualified funding (i.e. not Measure T) on Class 1 separated pedestrian/bicycle facilities.

Staff has been mulling over changes to the measure for several reasons. The primary reason is that the existing Measure does not allow for bonding, and consequently, the jurisdictions are not making the necessary progress on local street and road deferred maintenance. Staff has dubbed this effort “Measure X”.

Staff convened a small working group comprised of the public works directors for each jurisdiction, the executive director of the bicycle coalition, and the chair of the ITOC to review potential changes to the ½ sales tax measure. The group has reviewed a plethora of financial analyses showing revenue generations under various scenarios, including bonding, extending, and increasing the measure. The group also discussed potential highway, transit, and bicycle/pedestrian projects that could be funded by the measure in addition to the current local street and road eligibility and formula. This information was used to create a voter poll, and working with a consultant team, a poll was disseminated to Napa County voters in May 2021. The polling data will be presented by the consulting team at the Board Retreat by the consultant team.

What follows is a summary of NVTA’s staff’s analysis and considerations that will be made to the NVTA-TA Board at the September 13th Retreat.

1. Bonding

Governments bond against future revenue to finance and reduce the cost of large capital projects to address accelerating construction escalation costs and inflation. The cumulative road rehabilitation and maintenance need over the next 30 years for all Napa County jurisdictions is roughly \$1.5 billion. The current Measure revenues are paid to the jurisdictions on a quarterly basis. The revenue amounts and how the funds flow are insufficient to meet rehabilitation needs. Consequently, funds are frequently banked until revenues are sufficient to meet project costs. While the revenues are deposited in very secure interest bearing accounts, the amount of interest does not compensate for inflation and construction escalation rates – the former currently in excess of 6% and the latter 4-8% annually. The value of revenues will decline significantly over the 25-year life of the measure. Simply stated, the current purchasing power of the dollar in 2021 will buy significantly more road maintenance than the dollar in 2043 – at the end of the Measure T program.

Bonding against future Measure T revenue will bring the funds forward when they are needed which will reduce the long term costs of rehabilitation and increase all jurisdictions’ pavement management scores. It will also aid jurisdictions to address big paving projects, facilitate improved coordination between jurisdictions on shared roadways and increase the potential for joint contracting resulting in additional savings.

2. Extending

Measure T became operative in 2018 and will sunset in 2043. If there is an interest by the NVTA-TA Board to make other changes to the Local Streets and Road sales tax measure, staff recommends replacing Measure T with a 30-year measure, beginning in FY 2026.

3. Project Diversity

There is significant need to fund capital programs in Napa Valley. Local sales tax is frequently used in other counties to match state and federal funding programs on large capital projects.

Highway funding comes into the county in several ways: formula programs, state competitive programs, federal competitive programs, and regional competitive programs. NVTA receives revenues from three formula programs – the Regional Transportation Improvement Program (RTIP), One Bay Area Grant Program (OBAG), and the Local Partnership Program (LPP). The first two programs are administered by the Metropolitan Transportation Commission (MTC) and combined are roughly \$3-6 million annually, the third program, administered by the California Transportation Commission, generates roughly \$400,000 annually and is based on the amount of local sales tax generated in relationship to the eligible sales tax generations for county and regional transportation agencies state-wide.

The most significant awards are federal and state competitive grant funds. As the smallest county in the San Francisco Bay Area, and one of the smallest counties in the state, competing for funding is challenging for the primary reason that scoring is frequently based on the level of improvements measured by congestion relief and safety – a central city freeway, therefore, would generally compete much better than a rural highway on net traffic counts alone. Another grant criterion is the percentage of the project funded by non-federal and non-state matching funds. Having another source of matching funds would provide an additional edge when competing for grant funds.

By allocating some sales tax measure revenues directly towards capital projects, staff may leverage these competitive state and federal grant funding opportunities. The existing funding that NVTA receives is frequently not sufficient to match federal/state grant opportunities. The Soscol Junction project required that NVTA advance four cycles of RTIP funds which was instrumental in securing the \$25 million Solutions for Congested Corridor award. And while this is an effective approach to project delivery, advancing funds has opportunity costs in that there is no funding for other capital project needs for four cycles.

Having a local source for capital projects will provide alternative resources for project development. Planning, environment studies and design phases can cost as much

as 20% of the project, and there are very few competitive programs that fund these phases. Getting projects “shelf-ready” would render projects more competitive in the state and federal funding spheres. Finally, if even \$1 of sales tax is committed to a capital project, Caltrans must limit its hourly costs to 10% of indirect costs. Caltrans plays a significant role in approving and overseeing capital projects in state right-of-way. Even if the project is administered by NVTA, Caltrans’ staff review documents and administer certain project elements which can cost over 2% of the project.

Projects and programs that NVTA polled voters about include:

- SR 29/Airport-Jameson – would include improvements at Airport Devlin and Jameson/Kelly
- SR 29 American Canyon Improvements
- SR 29/Carneros Highway
- Completing the Napa Valley Vine Trail
- Silverado 5-Way Intersection
- Highway and Emergency Operations Center
- Veterans and Low Income Transit Fare Subsidies
- Safe Routes to School
- Vine Express Bus Expansion

4. Simplify and Improve

There are a number of elements in the Measure such as legacy agreements that are permanently embedded in the ordinance. Some elements are hard to administer, some of the language is arcane and difficult to decipher, and the ordinance is absent of options that would aid project delivery in the county. They include:

- 6.67% Measure T Equivalent – as previously mentioned, this element requires NVTA and the jurisdictions to collectively identify the equivalent of 6.67% of the annual Measure T generations in other eligible funding to be committed to Class 1 facilities. Eligible funding includes general funds and other funding not specifically committed to Class 1 facilities. As an example, NVTA could use highway and transit funds that would *normally* be used for other purposes to meet the requirement. At the time that this requirement was agreed to, counties received additional formula funding that would have been eligible to meet the 6.67% Measure T Equivalent requirement. Shortly after Measure T passed, these funds were redirected to the State’s Active Transportation Program, which is a competitive grant program and no longer meets the 6.67% Measure T Equivalent requirement. NVTA has responded to this requirement by manually tracking the funding that meets the requirement, which generally includes funding to address shortfalls on projects, primarily the Napa Valley Vine Trail. Such funding for this project would have had to been committed,

whether the requirement was in place or not. In short, we are not making the intended headway on expanding Class 1 facilities just because this requirement is in place. The 6.67% requirement Measure T revenues, which is equivalent to roughly \$1.3 million annually, would only fund a mile or less of a Class 1 facility. Consequently, the effect of the requirement contradicts its intention. The requirement is more likely suppressing the investments that the jurisdictions would otherwise make rather than expanding these types of facilities. Finally, staff questions the efficacy of including a requirement in a sales tax measure that is not linked to the revenues it generates. Instead, several options have been proposed to replace the 6.67% requirement including prioritizing the completion of the Napa Valley Vine Trail in tandem with other contributions from the Measure capital program and considering other arrangements outside of the sales tax measure that could aid in building out the bicycle and pedestrian network countywide.

- Fixed percent distribution over the Measure Time Horizon – Table 1 below shows the distribution of revenues by jurisdiction which is fixed for the 25-year Measure.

Table 1: Measure T Distribution

Jurisdiction	Percentage Distribution
American Canyon	7.70%
Calistoga	2.70%
City of Napa	40.35%
Napa County	39.65%
St. Helena	5.90%
Yountville	2.70%

Much discussion has occurred between NVTA staff and jurisdictions about the formula source(s). Initially, NVTA staff were told that the formula was based on a hybrid of population and lane miles, and more recently the discussion has revolved around return to source (sales tax generations). NVTA staff was unable to replicate the current Measure T formula, and staff is proposing a new formula which is outlined below. What has also been agreed to by participants of the Measure X Working Group is that the distribution should be updated every five years to recognize changes in development that could influence vehicle miles traveled, lane miles and sales tax generations, and that the newly proposed formula should be used to identify the percentage that each jurisdiction receives.

NVTA ran various analyses on factors that could serve as a proxy for “Measure X” to update the Measure T formula. These included population, vehicle miles traveled, lane miles, return to source (sale tax generations), and need (based on lane miles, type of lane miles, condition of pavement, total of all revenues for maintenance and rehabilitation). NVTA staff also ran a number of hybrid analyses using these factors to understand which formula optimizes individual and

collective pavement management scores. The analyses takes under consideration a subset of the estimated revenues for rehabilitation purposes (acknowledging that some funds should be used for transportation capital projects), as well as costs for administration and bonding. It should also be acknowledged that each jurisdiction differs significantly and that the proxies - other than lane miles and vehicle miles traveled – favor the city/town jurisdictions over the County. Staff fully recognizes the challenges of reconciling these differences but would underscore that county roads are used by all jurisdictions, their visitors, and commercial traffic, and therefore there must be a reconciliatory factor that balances the interest of the cities/town with the County's. Based on feedback from the Measure X Working Group, staff is recommending using a return to source formula for the city/town jurisdictions and a hybrid of return to source/lane miles for the County. This formula makes minor adjustments to the County and City formulas – slightly reducing the former and increasing the latter.

- Expand flexibility to use revenues to advance capital projects also funded elsewhere

Many local sales tax measures for transportation around the state include provisions that would allow a jurisdiction to advance projects that are included in the measure and have committed funding elsewhere that will be available at a future date. This mechanism is often referred to as a *funding exchange*. Eligible projects have committed funding in an established formula program, such as the RTIP, and are ready to commence construction but must wait for the funding to be available – which could be years in the future. Using local funding to advance such a project could reduce the capital cost of that project because it's being delivered sooner. Another eligible Measure project would then be replaced in the established funding program. The provision would need to factor in inflationary and investment opportunity costs and timing considered to ensure revenue factors are being optimized.

- Increase administration oversight from 1% to 2%

Administration oversight around the state for similar measures range between 2% to 5%. NVRTA staff has been able to manage the oversight expenses because the current measure is based on a formula. If the NVRTA-TA Board is interested in pursuing changes, such as bonding and including capital projects, then additional revenues will be needed to oversee Measure X complexities.

5. Increase

Sales tax measures around the state range between ½% to 2%. NVRTA staff acknowledges that increasing taxes in Napa County is difficult, and that Measure T's success was somewhat based on appending it onto the back end of Measure A, the Flood program, when it expired in 2018. Coupled with the timing of when the poll was

completed (May 2021), staff decided to delay questions related to an increase and instead focused on other elements to understand what might be accomplished without additional taxation. That said, staff will elicit the NVTA-TA Board's input on a ¼% to ½% increase at the retreat.

Next Steps

NVTA staff will be eliciting the Board's input for direction at its September 13 meeting on:

- Its interest to change Measure T; and if supportive, a targeted election date
- Its interest on what to change based on the above discussion
- The local streets and road formula
- Direction on additional polling and organizing

ATTACHMENTS

None