

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda

**Wednesday, September 1, 2021
2:00 PM**

REFER TO COVID-19 SPECIAL NOTICE

Independent Taxpayer Oversight Committee (ITOC)

*****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 Napa Valley Transportation Authority – Tax Agency (NVTa-TA) Independent Taxpayer Oversight Committee (ITOC) meeting will be held virtually. To maximize public safety while still maintaining transparency, members of the public may observe and participate in the meeting from home. The public is invited to participate telephonically or electronically via the methods below, barring technical difficulties:

- 1) To join the meeting via Zoom video conference from your PC, Mac, iPad, iPhone or Android at the noticed meeting time, go to <https://zoom.us/join> and enter meeting ID 965 8603 8637
- 2) To join the Zoom meeting by phone - dial 1-669-900-6833 at the noticed meeting time, then enter meeting ID: 965 8603 8637 If asked for the participant ID or code, press #.

Public Comments

Members of the public may comment on matters within the purview of the Committee 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 Committee, however, under the Brown Act Committee 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 10:00 a.m. on the day of 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 10 a.m. the day of 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.

1. To comment during a virtual meeting (Zoom), click the "Raise Your Hand" button (click on the "Participants" tab) to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself when it is your turn to make your comment for up to 3 minutes. After the allotted time, you will then be re-muted. Instructions for how to "Raise Your Hand" are available at <https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar>.

2. To comment by phone, press "*9" to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself by pressing "*6" when it is your turn to make your comment, for up to 3 minutes. After the allotted time, you will be re-muted.

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>

Instructions on how to join a Zoom video conference meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663-Joining-a-meeting-by-phone>

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 ITOC 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 ITOC. 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. Introductions
4. Public Comment
5. Committee Member and Staff Comments

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.

6. PRESENTATIONS

6.1 Project Overview by Jurisdictions on Measure T Projects

Recommendation: Staff from the County of Napa will provide an overview of their Measure T Projects.

Estimated Time: 2:10 p.m.

7. CONSENT AGENDA

7.1 Meeting Minutes of June 2, 2021 (Laura Sanderlin) (Pages 8-10)

Recommendation: ITOC action will approve the meeting minutes of June 2, 2021.

Estimated Time: 2:30 p.m.

Attachments: [Meeting Minutes](#)

7.2 Measure T Website Usage Analytics (Robin Craig) (Pages 11-12)

Recommendation: Information only. The ITOC will review the Measure T website usage data.

Estimated Time: 2:30 p.m.

Attachments: [Staff Report](#)

8. REGULAR AGENDA ITEMS

8.1 Executive Director's Report (Kate Miller) (Pages 13-17)

Recommendation: Information only.

Estimated Time: 2:35 p.m.

Attachments: [Staff Report](#)

8.2 Fiscal Year 2020-21 Year-To-Date Financial Update (Antonio Onorato) (Pages 18-22)

Recommendation: That the ITOC review a report on Measure T sales tax revenues provided by the Auditor-Controller which presents the actual revenues-to-date compared to projections for FY 2020-21.

Estimated Time: 2:50 p.m.

Attachments: [Staff Report](#)

8.3 Measure T Compliance And Performance Audit Work Plan for County of Napa and City of St. Helena (Antonio Onorato) (Pages 23-26)

Recommendation: That the ITOC discuss the audit work plan for any compliance or performance audits that is scheduled for the audit review period and recommend an approach to NVTa staff.

Estimated Time: 3:10 p.m.

Attachments: [Staff Report](#)

8.4 NVTa-TA Board Retreat - "Solving for X" (Kate Miller) (Pages 27-33)

Recommendation: Information Only

Estimated Time: 3:20 p.m.

Attachments: [Staff Report](#)

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

10.1 Approval of Next Regular Meeting Date of December 1, 2021 and Adjournment.

I, Laura M. Sanderlin, 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 by 5:00 p.m., on Friday, August 27th 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 Independent Taxpayer Oversight Committee (ITOC)

Wednesday, June 2, 2021

2:00 PM

JoAnn Busenbark Board Room

1. Call To Order

Chair Kindig called the meeting to order at 2 p.m.

2. Roll Call

Present: 4 - Pamela Kindig
Chuck McMinn
Robert Peterson
Jill Barwick

Non-Voting: 3 - Kate Miller
Alfredo Pedroza
Joe Tagliaboschi

Absent: 3 - Kevin Alfaro
Valerie Zizack-Morais
Tracy Schulze

3. Introductions

Chair Kindig introduced Jill Barwick, appointed by the NVT-A Board to serve on the ITOC representing a bona fide taxpayers association.

4. Public Comment

None

5. Committee Member and Staff Comments

None

6. PRESENTATIONS

6.1 Project Overview by Jurisdictions on Measure T Projects

Rosalba Ramirez, City of Napa, and Derek Rayner, City of Calistoga, provided updates on Measure T Projects.

7. CONSENT AGENDA

7.1 Meeting Minutes of March 3, 2021 (Laura Sanderlin) (Pages 8-10)

Attachments: [Draft Minutes](#)

MOTION by PETERSON, SECOND by MCMINN to APPROVE the March 3, 2021 Meeting Minutes.
Motion passed with the following vote:

AYES: Kindig, McMinn, Peterson
NAYS: None
ABSTAIN: Barwick
ABSENT: Alfaro, Zizack-Morais

8. REGULAR AGENDA ITEMS

8.1 Executive Director's Report (Kate Miller) (Pages 11-15)

Attachments: [Staff Report](#)

Director Miller provided updates on:

- NVTa projects
- Vine Transit
- State and Federal policy and legislative activities related to Measure T Projects

8.2 Fiscal Year (FY) 2020-21 Year-To-Date Financial Update (Antonio Onorato) (Pages 16-20)

Attachments: [Staff Report](#)

Antonio Onorato reported on Measure T sales tax revenues-to-date and included a comparison to the FY 2020-21 projections.

Vice Chair McMinn excused himself from the meeting at 3 p.m.

8.3 Measure T Website Usage Analytics (Robin Craig) (Pages 21-22)

Attachments: [Staff Report](#)

Robin Craig provided a report on the usage analytics of the Measure T website.

8.4 Measure T Project Progress Reports: July 1, 2020-December 31, 2020 (Alberto Esqueda) (Pages 23-43)

Attachments: [Staff Report](#)

Alberto Esqueda provided an overview of the July 1, 2020 - December 31, 2020 Progress Reports.

Chair Kindig commented that the reports are difficult to read when the columns are spread over several pages.

9. FUTURE AGENDA ITEMS

- Member-at-large vacancy update
- Project update - County of Napa

10. ADJOURNMENT

10.1 Approval of Next Regular Meeting Date of September 1, 2021 and Adjournment.

Chair Kindig adjourned the meeting at 3:11 p.m.

Laura M. Sanderlin , NVTA-TA Board Secretary



NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY ITOC Agenda Letter

TO: Independent Taxpayer Oversight Committee
FROM: Kate Miller, Executive Director
REPORT BY: Robin Craig, Marketing and Communications Officer
(707) 259-253-4599 / Email: rcraig@nvta.ca.gov
SUBJECT: Measure T Website Usage Analytics

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

Measure T website usage data is provided on Attachment 1. For the period of April 30, 2021 - August 17, 2021, the website had 240 page views with users spending an average of 1 minute, 3 seconds on each page viewed. Most visitors (61.97%) visited only the Measure T Projects page (nvta.ca.gov/measure-t) and did not explore any other pages on the NVRTA website before leaving. This indicates that most users arrived on the Measure T page from our outreach materials, which link to the Projects page, and that the majority of users were more interested in project details than administrative details.

FISCAL IMPACT

Is there a Fiscal Impact? No

ATTACHMENT(S)

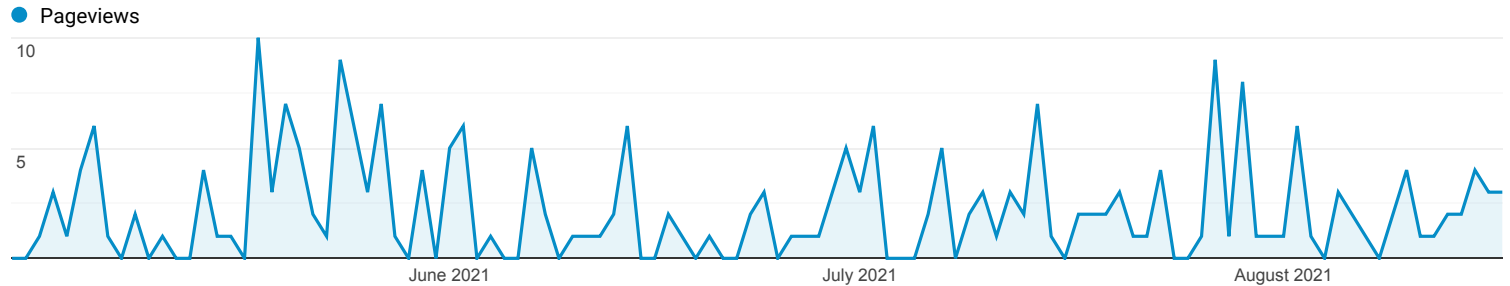
(1) Measure T Website Analytics

Measure T Report 2

All Users
1.06% Pageviews

Apr 30, 2021 - Aug 17, 2021

Report Tab



Page	Pageviews	Unique Pageviews	Avg. Time on Page	Entrances	Bounce Rate	% Exit	Page Value
	240 % of Total: 1.06% (22,600)	189 % of Total: 1.00% (18,947)	00:01:03 Avg for View: 00:01:59 (-46.93%)	71 % of Total: 0.52% (13,608)	61.97% Avg for View: 64.65% (-4.15%)	35.83% Avg for View: 60.21% (-40.49%)	\$0.00 % of Total: 0.00% (\$0.00)
1. /measure-t	240 (100.00%)	189 (100.00%)	00:01:03	71 (100.00%)	61.97%	35.83%	\$0.00 (0.00%)

Rows 1 - 1 of 1

DEFINITIONS

PAGEVIEWS: A view of a page on your site that is being tracked by the Analytics tracking code. If a user clicks reload after reaching the page, this is counted as an additional pageview.

UNIQUE PAGEVIEWS: A unique pageview represents the number of sessions during which that page was viewed one or more times.

AVERAGE TIME ON PAGE: Average time on page is simply the average amount of time all users spend on a single page.

ENTRANCES: Entrances means the total number of visitors who entered your website on a specific page.

BOUNCE RATE: Bounce rate is the percentage of single page visits (or web sessions). It is the percentage of visits in which a person leaves your website from the landing page without browsing any further.

% EXIT: The Exit Pages section of Google Analytics allows you to see which pages people most frequently end their sessions on or leave the site after viewing.

PAGE VALUE: Page Value is the average value for a page that a user visited before landing on the goal page or completing an Ecommerce transaction (or both). This value is intended to give you an idea of which page in your site contributed more to your site's revenue.



September 1, 2021
ITOC Agenda Item 8.1
Continued From: New

Action Requested: **INFORMATION**

NAPA VALLEY TRANSPORTATION AUTHORITY–TAX AGENCY ITOC Agenda Letter

TO: Citizens Advisory Committee
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: Executive Director Report

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

Changes to Center for Disease Control COVID-19 guidelines released on July 27 are recommending that even fully vaccinated individuals wear masks in public in *areas of substantial or high transmission* may prompt changes to the federal Transportation Security Administration's (TSA) mask mandate on federally regulated transportation systems, such as the Vine, that expires on September 13th. On August 20, 2021 TSA extended the Mask Requirement through January 18, 2022. Given the politics associated with the upcoming recall election, it's unclear how the CDC's new guidelines will influence additional guidance from the State and whether the executive order associated with the Brown Act will be extended beyond October 1st. For now, NVTA intends to hold meetings in person beginning October 1st but will require that participants and attendees wear masks in public areas.

Additional highlights in this Executive Director include:

- NVTA awarded the contract for the Imola Park and Ride to O.C. Jones and Sons at its special meeting on August 18th.
- NVTA listed the Vine Maintenance Facility Invitation for Bid (IFB). Bids are due on September 8, 2021 at 2 PM.
- The agency has a new staff member, Victoria Ortiz, who will oversee the Measure T program which has become more time intensive as the program ramps up to full speed.

- At its July meeting, the NVTa awarded a 5-7 year contract worth over \$80 million to Transdev North America to operate Vine Transit Services and approved moving forward with the financing package for the Vine Transit Maintenance Facility.
- The Blue Ribbon Task Force held its final meeting on July 26 and has set 27 action to be taken by MTC and partnering agencies. A copy of the Action Matrix is attached to this memo.

FISCAL IMPACT

None

BACKGROUND AND DISCUSSION

NVTa Highlights

- NVTa released the IFB for the Imola Park and Ride July 16th. The Bid opening was August 4th at 2 PM. The engineering estimate for the project was \$2.7 million and the low bid from O.C. Jones and Sons was \$2.4 million. The NVTa Board approved awarding the contract to O.C. Jones and Sons at its special meeting on August 18th.
- The board approved a financing approach for the Vine Maintenance Facility at its July 21st meeting which authorized staff to submit final documents to the Build America Bureau and the Bank of Marin for their approval. This action further authorized staff to release the Maintenance Facility IFB. The financing package includes a loan of roughly \$20 million from the Federal Build American Bureau's Transportation Infrastructure Finance and Innovation Act (TIFIA) program and \$5 million from the Bank of Marin. The bid amount is needed to finalize the agreement with the financing parties.
- The NVTa board approved a five year contract award with two 1 year options to Transdev North American, the Vine current contractor in an amount of \$81.4 million. Three bids total were received. NVTa staff, Soltrans Staff, and member Patricia Lynch of NVTa's Citizen Advisory Committee reviewed and scored the bids.
- On July 2nd, the eve of the Independence Day holiday weekend, Transdev, NVTa's service provider was one of several hundred companies that downloaded the Kaseya software upgrade and became victim to the ransomware attack. This resulted in Vine phones, dispatch and ADA scheduling software being down for over 24 hours. Staff immediately sent out rider alerts, announcements on social media, and 511 and redirected riders to call the ticket office at the Soscil Gateway

Transit Center to arrange rides. Transdev was able to restore services the next day, prioritizing NVRTA because so much of its service is on-demand and relies on the phone system for rider services.

- On Sunday, July 18th, NVRTA and Transdev staff attended the an event celebrating the lives of the 9 VTA transit workers who tragically lost their lives during the mass shooting event at VTA on May 26th. A Vine bus was part of a bus procession of VTA and other transit operators' buses from around the Bay Area, Sacramento, Monterey and Santa Cruz Counties.
- Victoria Ortiz will fill the Assistant Planning position overseeing Measure T. Victoria comes to NVRTA with experience from the City of Cupertino, the City of San Diego, and the San Diego Association of Government (SANDAG). Victoria has a degree in urban planning and political science from the University of California, San Diego, is a resident of Fairfield and a fluent Spanish speaker.

Metropolitan Transportation Commission (MTC) Highlights

The Blue Ribbon Task Force wound down its efforts and held its last meeting on July 27. This body that was convened by the Metropolitan Transportation Commission (MTC) to address the immediate crisis and longer term performance of the region's public transit systems. The committee approved a network management structure that would involve 7 public transit general managers and 7 other organizations that would include MTC, business organizations, and advocates. The group's focus will include the following areas:

State Highlights

On June 28, 2021, the Governor signed AB 128, the original budget bill approved by the Legislature in mid-June and the Legislature approved a revised budget bill, SB 129, which makes further adjustments to the budget. The revised budget includes an expansion of Medi-Cal coverage for undocumented immigrants age 50+, repayment of \$11 billion in K-14 education funding deferrals, 200,000 childcare slots for low-income households, and \$6 billion to expand access to broadband over multiple years. SB 129 also includes over \$1.2 billion in legislator requests ranging from affordable housing to libraries to fire prevention to transportation. Included in the \$1.2 billion line item requests is approximately \$47 million for Bay Area transportation projects, and \$41 million is provided for housing and homelessness projects. Included in the \$47 million is \$3 million for design of the SR 37 interim project, \$7.6 million for the County of Napa for fuel reduction, suppression, and critical drinking water supply and wildfire safety improvements. There are also continue negotiations associated with High Speed Rail funding which may result in additional – for lack of a better term – earmarking for transportation projects.

Federal Highlights

A bi-partisan agreement on an infrastructure package (Infrastructure Investment and Jobs Act H.R. 3684 or IIJ Act) was reached on July 28. The infrastructure packages includes renewal of the Fixing America's Surface Transportation Act or FAST Act, the Surface Transportation Authorization Legislation. Table 1 provides a high level summary of the programs that would be funded through the Act.

Table 1: Infrastructure Investment and Jobs Act Summary

Infrastructure and Jobs Act Spending Categories \$ in Billions (estimated funding amounts)	
Surface Transportation	\$632
FAST Act Reauthorization	475
IIJ Act Stimulus (supplemental spending)	157
Airports	25
Ports and Waterways	17
Power Infrastructure	65
Broadband	65
Water Infrastructure	55
Resilience, Western Water Storage and Environmental Remediation	71
Total	\$930

Transportation

The bill combines a roughly \$475 billion five-year surface transportation reauthorization—a 56 percent increase above Congress's last five-year transportation bill, the Fixing America's Surface Transportation (FAST) Act—with approximately \$157 billion in supplemental one-time stimulus funding to be distributed to more than two dozen programs over five years. The bill would provide roughly \$4.5 billion in "guaranteed" funding for the Bay Area via the highway and transit formula funds that the Metropolitan Transportation Commission distributes. Bay Area projects could receive a share of the state's \$4.5 billion in bridge repair funds and dedicated resources for EV charging and resilience projects. Perhaps the most unique/unprecedented element of the deal would on the discretionary grant side; the bill includes more than \$100 billion in "guaranteed" funding for grants that could help fund projects in the Bay Area. The bill would also provide funding for airports, ports and waterways.

SUPPORTING DOCUMENTS

Attachments: (1) MTC Blue Ribbon Task Force Action Matrix

Agenda Item 6a Attament 3

Blue Ribbon Transit Recovery Task Force - Action Matrix

UPDATED and REVISED- July 21, 2021

Proposed substantive edits are represented in red based on Actions that were presented in June to the Task Force

The completion of these Actions by the listed target completion dates is subject to change and dependent upon sufficient funding, staffing resources, and continued collaboration on delivery.

Key to Estimated Range of Funding Needs:
\$ = \$0 - 10 million
\$ = \$10 - 50 million
\$ = \$51 - 100 million
\$ = \$101 - 200 million
\$ = \$200+ million
TBD = Estimate not currently available

Network Management Outcomes	Associated Roles & Responsibilities	Active Network Management Efforts	Recommended Near-Term Actions	Target Completion Date*	Key Action Partners	Est. Funding Needs
I. Fares and Payment Simpler, consistent and equitable fare and payment options attract more riders	- Fare Integration Policy - Branding, Mapping and Wayfinding - Technology and Mobile Standards - Marketing/ Public Information	- Clipper - Clipper START - Inter-operator Transfer Policies - Mobile Payment Apps - Return-to-Transit Campaign and future regional marketing campaigns - 511 Infrastructure - Business Groups' Employer Surveys - BART's Station Access, Signage & Wayfinding Standards Update/ Implementation	1) Act on the Fare Coordination and Integration Study (FCIS) recommendations, including selecting and funding pilot projects.	December 2021	MTC, Transit Agencies	TBD
			2) Determine whether existing authority is sufficient to support uniform implementation of FCIS recommendations.	December 2021	MTC, Transit Agencies	\$
			3) Seek state legislation for additional authority, if needed, to ensure uniform and timely implementation of FCIS recommendations.	Mid-2022	MTC, State Legislators	\$
II. Customer Information Integrated mapping, signage and real-time schedule information makes transit easier to navigate and more convenient for both new and existing riders			4) Fund and finalize regional mapping and wayfinding standards for application across all operator service areas.	Mid-2023	MTC, Transit Agencies	\$
			5) Fund and complete 1-3 consistently-branded North and East Bay subregional mapping and wayfinding pilot projects and adopt timeline for subsequent regionwide deployment across all service areas.	December 2024	MTC, Sonoma, Solano, Eastern Alameda and Contra Costa Counties	\$
			6) Fund and develop a regional mapping data services digital platform, to enable the standardization and routine updating of digital and paper maps across all transit services.	Late 2023 -2024	MTC, Transit Agencies	\$
III. Transit Network Bay Area transit services are equitably planned and integrally managed as a unified, efficient, and reliable network.	- Bus/Rail Network Management Reform - Connected Network Planning - Capital Project Prioritization - Bus Transit Priority - Station Hub Design Review - Data Collection and Coordination	- Regional Transit Priority and Arterial Investment Programs - SFMTA Emergency Transit Lanes - Bay Bridge and Dumbarton Forward Projects	Bus Transit Priority (Speed and Reliability) 7) Request a Caltrans Deputy Directive that expedites State right-of-way bus priority Design Exceptions. 8) Sponsor legislation to remove barriers to transit priority implementation. 9) Fund the design and delivery of prioritized near-term-Bay-Area-Forward transit corridor projects. 10) Select near-term HOV lane operating policies to advance to the State. 11) Define a Cooperative Agreement process that expedites travel time improvements on arterials and bus rights-of-way. 12) Fund, develop and adopt a Transit Priority Policy and Corridor Assessment for improving bus speed and reliability on Blue-Rapid-Transit Network-feeder-on high-transit volume corridors and arterials, including identification of current bus speeds to establish a baseline.	December 2021 Early 2022 Mid-2022 Mid-2022 Late 2022 Late 2023	CalSTA, MTC MTC, Transit Agencies MTC, Transit Agencies, CTAs MTC, Transit Agencies, CTAs MTC, Caltrans, CTAs, Transit Agencies, Cities MTC, Caltrans, CTAs, Transit Agencies, Cities	\$ \$ \$\$\$\$ \$ \$ \$
			Bus/Rail Network Management Reform 13) Fund and complete a Business Case analysis of potential network management reforms, including resource requirements and implementation steps. 14) Establish and support an MTC advisory group to guide the Network Management Business Case analysis. 15) Provide financial incentives for Solano and Sonoma counties to complete their Integration Efficiency Initiatives. 16) Deliver Phase 1 Rail Partnership and Governance Assessment grant by late 2021 and Final Assessment by Mid-2023 17) Adopt Transit Equity Principles and a process for applying them.	Early Mid-2022 October 2021 December 2021 Late 2021/ Mid-2023 Mid-202	MTC MTC MTC, CTAs MTC MTC, Transit Agencies, CTAs	\$ \$ \$ \$ \$
			Connected Network Planning 18) Fund, develop and adopt a Bay Area Connected Network Plan that includes transit service and hub categories, core service networks (such as Rapid Transit), funding requirements and next steps. 19) Adopt a standardized transit hub toolkit to optimize station design and connectivity review-framework-that includes coordination with local community access plans and policies.	Late 2024-2023	MTC, Transit Agencies	\$
			Data Collection and Coordination 20) Establish common-platform-protocols and implement uniform CUES-Realtime and transit pathway data collection as a foundation for providing consistent and accurate customer information.-Fund-technical-support-needed-to-bring-all-agencies-to-unity	Late 2023	MTC, Transit Agencies	\$
			21) Designate a Mobility Manager to coordinate rides and function as a liaison between transit agencies in each county, consistent with the 2018 Coordinated Plan.	Mid-2022	MTC, Transit Agencies, CTAs	\$
			22) Fund additional subregional one-seat paratransit pilot projects and develop cost-sharing policies for cross jurisdictional paratransit trips.	Late 2022	MTC, Transit Agencies, East Bay, Sonoma County, SF / Peninsula	\$
			23) Identify the next steps for the full integration of ADA-paratransit services on Clipper Next Generation.	Late 2022	MTC, Transit Agencies, Paratransit Providers	\$
			24) Identify key paratransit challenges and recommend reforms through the Coordinated Plan update.	Early 2023	MTC, Paratransit Providers	\$
			25) Adopt standardized eligibility practices for programs that benefit people with disabilities (paratransit and Clipper RTC).	Late 2022	MTC, Bay Area Partnership Accessibility Committee	\$
			26) Identify cost-saving efficiencies and Network Management funding needs as part of Business Case analysis.	Early 2022	MTC, Transit Agencies	\$
IV. Accessibility Transit services for older adults, people with disabilities, and those with lower incomes are coordinated efficiently	- Accessible Services (including Paratransit) - Centralized Program Eligibility Verification	- Regional Transit Connection Card (RTC discount) - Integration of Paratransit on Clipper Next Generation	27) Support efforts to Convene stakeholders to identify priorities and a funding framework for organize a transportation funding ballot measure that includes new funding for transit.	November-2024 Late 2023	MTC, Transit Agencies, CTAs, Stakeholder, the Public, NGOs	\$

*Target Completion dates are preliminary and subject to continued evaluation and refinement.



September 1, 2021
ITOC Agenda Item 8.2
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY ITOC Agenda Letter

TO: Independent Taxpayer Oversight Committee
FROM: Kate Miller, Executive Director
REPORT BY: Antonio Onorato, Director, Administration, Finance, and Policy
(707) 259-8779 / Email: anonorato@nvta.ca.gov
SUBJECT: Fiscal Year 2020-21 Year-To-Date Financial Update

RECOMMENDATION

That the ITOC review a report on Measure T sales tax revenues provided by the Auditor-Controller which presents the actual revenues-to-date compared to projections for FY 2020-21.

EXECUTIVE SUMMARY

The Auditor-Controller will provide detailed handouts showing actual revenues received and allocations made to the member jurisdictions. The Background and Discussion section of this memo presents revenues received year-to-date compared to projections and the five (5) year revenue outlook. Additionally, HdL Companies, NVTA's sales tax consultant, has provided the most recent quarterly sales tax update for the quarter period of October – December 2020.

BACKGROUND AND DISCUSSION

NVTA's receipts from January through March 2021 were 32.6% above the first sales period in 2020; inflated by payments missing from the comparable quarter due to the Governor's deferral program. Excluding reporting aberrations, actual sales were up 2.7%.

Wineries were slightly down for the transaction tax, as a large portion of the county's sales were shipped to locations outside the county. New and used motor vehicle sales were boosted by the historic high prices and strong demand; the autos-transportation group posted gains of 24%. Building materials followed the statewide trend of solid gains.

Service stations receipts were down during this period as prices were still lower. Restaurants-hotels were down 18% as expected because the second shelter-in-place prohibited on-site dining for a portion of this quarter.

In the comparable quarter the beginning of the Covid restrictions required businesses that were deemed non-essential to temporarily close. This temporary closure reduced returns for that quarter. The 21% growth in general consumer goods is partially related to those lower returns, but also to the continued surge in online shopping.

Table 1 presents the FY 2020-21 projections compared to actual revenues year-to-date.

Table 1: FY2020-21 Projection vs. Actuals Year-To-Date

MONTH	Projection	Actual	Difference \$	Difference %
July	\$1,320,000	\$1,780,214	\$460,214	34.9%
August	1,450,000	1,974,972	524,972	36.2%
September	1,501,000	1,137,412	(363,588)	(24.2%)
Quarter Total	\$4,271,000	\$4,892,598	621,598	12.7%
October	\$1,631,200	\$1,631,879	\$679	.0%
November	1,412,000	1,610,520	198,520	14.1%
December	1,500,000	1,439,979	(60,021)	(4%)
Quarter Total	\$4,543,200	\$4,682,378	139,178	3.1%
January	1,400,000	\$1,483,302	83,302	6%
February	1,350,000	1,568,455	218,455	16.2%
March	1,430,000	1,554,534	124,534	8.7%
Quarter Total	\$4,180,000	\$4,606,291	\$426,291	10.2%
April	1,400,000	\$1,690,919	290,919	20.8%
May	1,500,000	2,023,930	523,930	34.9%
June	1,600,000	-	-	%
Quarter Total	\$4,500,000	\$-	\$-	%
Total Revenues (To Date)	\$17,494,200	\$17,896,116	\$-	9%

Table 2 provides actual revenues for FYs 2018-19 and 2019-20 and revenue projections for the next five years. Revenues are expected to increase slightly in FY2020-21 and FY2021-22, then reach pre-pandemic levels by FY 2022-23. With assistance from HdL, staff is monitoring the projections carefully which may change as the economic conditions evolves.

Table 2: Current and five (5) year revenue projection

Actual	Actual	Projection				
2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$19,667,929	\$18,597,428	\$17,494,200	\$19,464,500	\$20,676,000	\$21,104,600	\$21,442,200

ATTACHMENTS

- (1) NVTAs Sales Tax Update – Newsletter
- (2) Handouts will provided at the meeting

NVTA

SALES TAX UPDATE

1Q 2021 (JANUARY - MARCH)



NVTA

TOTAL: \$ 4,477,853

2.7%
1Q2021



2.3%
COUNTY



9.5%
STATE



*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA) HIGHLIGHTS

Napa Valley Transportation Authority (NVTA)'s receipts from January through March were 32.6% above the first sales period in 2020; inflated by payments missing from the comparable quarter due to the Governor's deferral program. Excluding reporting aberrations, actual sales were up 2.7%.

Wineries were slightly down for the

transaction tax, as a large portion of the county's sales were shipped to locations outside the county. New and used motor vehicle sales were boosted by the historic high prices and strong demand; the autos-transportation group posted gains of 24%. Building materials followed the statewide trend of solid gains.

Service stations receipts were down during this period as prices were still lower. Restaurants-hotels were down 18% as expected because the second shelter-in-place prohibited on-site dining for a portion of this quarter.

In the comparable quarter the beginning of the Covid restrictions required businesses that were deemed non-essential to temporarily close. This temporary closure reduced returns for that quarter. The 21% growth in general consumer goods is partially related to those lower returns, but also to the continued surge in online shopping.

Net of aberrations, taxable sales for all of Napa County grew 2.3% over the comparable time period; the Bay Area was up 0.8%.

TOP NON-CONFIDENTIAL BUSINESS TYPES

Napa Valley Transportation Authority (NVTA)			HdL State		
Business Type	Q1 '21*	Change		Change	
Wineries	619.6	-1.8%	↓	0.8%	↑
New Motor Vehicle Dealers	374.1	23.0%	↑	33.2%	↑
Building Materials	279.5	12.5%	↑	19.0%	↑
General Merchandise	231.3	35.8%	↑	7.1%	↑
Service Stations	224.3	-4.9%	↓	-4.0%	↓
Casual Dining	205.0	-5.0%	↓	-18.9%	↓
Discount Dept Stores	185.4	9.9%	↑	8.4%	↑
Contractors	129.6	-20.6%	↓	3.6%	↑
Grocery Stores	114.5	-2.5%	↓	-6.2%	↓
Home Furnishings	113.1	20.4%	↑	19.3%	↑

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars



STATEWIDE RESULTS

The local one cent sales and use tax from sales occurring January through March, was 9.5% higher than the same quarter one year ago after factoring for accounting anomalies and back payments from previous quarters.

The Shelter-In-Place directive began one year ago which had the impact of immediate store and restaurant closures combined with remote/work from home options for employees which significantly reduced commuting traffic and fuel sales. When comparing to current period data, percentage gains are more dramatic. Furthermore, this pandemic dynamic combined with the Governor's first Executive Order of last spring allowing for deferral of sales tax remittances explained why non-adjusted cash results were actually up 33%.

These initial recovery gains were not the same everywhere. Inland regions like Sacramento, San Joaquin Valley, Sierras, Far North and the Inland Empire area of Southern California performed much stronger than the Bay Area, Central Coast and metro areas of Southern California.

Within the results, solid performance by the auto-transportation and building-construction industries really helped push receipts higher. Weak inventories and scarcity for products increased the taxable price of vehicles (new & used), RV's, boats and lumber which appeared to be a major driving force for these improved returns. Even though e-commerce sales activity continued to rise, brick and mortar general consumer retailers also showed solid improvement of 11% statewide.

An expected change occurred this quarter as a portion of use tax dollars previously distributed through the countywide pools was redirected to specific local jurisdictions. Changes in business structure required a taxpayer to determine where merchandise was inventoried at the time orders were made. Therefore, rather than apportion sales to the county pool representing where the merchandise was shipped, goods held in California facilities required allocations be made to the agency where the warehouse resides. With this modification, the business and industry category jumped 18% inclusive of steady gains by fulfillment centers, medical-biotech and garden-agricultural

suppliers. Even after the change noted, county pools surged 18% which demonstrated consumers continued desire to make purchases online.

Although indoor dining was available in many counties, the recovery for restaurants and hotels still lagged other major categories. Similarly, while commuters and travelers slowly began returning to the road, the rebound for gas stations and jet fuel is trailing as well. Both sectors are expected to see revenues climb in the coming quarters as commuters and summer tourism heats up.

Looking ahead, sustained growth is anticipated through the end of the 2021 calendar year. As a mild head wind, pent up demand for travel and experiences may begin shifting consumer dollars away from taxable goods; this behavior modification could have a positive outcome for tourist areas within the state.

MAJOR BUSINESS GROUP TRENDS BY COUNTY

Percent Change from 1st Quarter 2020 *

	Autos/Tran.	Bldg/Const	Bus/ind.	Food/Drug	Fuel	Cons. Goods	Restaurants
Alameda Co.	13.6%	3.4%	-6.7%	-7.9%	-12.7%	1.7%	-18.9%
Contra Costa Co.	19.8%	26.6%	26.4%	-0.3%	-8.4%	11.3%	-11.2%
Marin Co.	42.1%	8.2%	2.2%	-8.9%	-4.7%	13.0%	-16.2%
Napa Co.	8.4%	7.0%	3.3%	-2.3%	-4.7%	5.4%	-18.4%
San Francisco Co.	13.0%	-11.5%	-25.5%	-18.8%	-35.9%	-17.4%	-53.8%
San Mateo Co.	7.0%	6.3%	56.1%	-11.4%	-26.8%	2.2%	-29.3%
Santa Clara Co.	11.1%	4.7%	15.2%	-11.0%	-14.6%	-2.6%	-25.1%
Solano Co.	33.8%	9.5%	7.6%	1.0%	-2.8%	14.8%	-2.1%
Sonoma Co.	14.4%	1.9%	1.0%	-3.3%	-3.9%	7.0%	-12.9%

*Allocation aberrations have been adjusted to reflect sales activity



NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY ITOC Agenda Letter

TO: Independent Taxpayer Oversight Committee
FROM: Kate Miller, Executive Director
REPORT BY: Antonio Onorato, Director of Administration, Finance, and Policy
(707) 259-8779 / Email: anonorato@nvta.ca.gov
SUBJECT: Measure T Compliance and Performance Audit Work Plan for County of Napa and City of St. Helena

RECOMMENDATION

That the ITOC discuss the audit work plan for any compliance or performance audits that is scheduled for the audit review period and recommend an approach to NVRTA staff.

EXECUTIVE SUMMARY

Measure T is subject to three types of audits: the annual financial audit, performance audits, and compliance audits. Staff will need to inform the Certified Public Accountants (CPAs) on the number of performance and compliance audits the ITOC will want to undertake during the fiscal year in consideration of financial resources available.

FISCAL IMPACT

Is there a fiscal impact? Not for this report.

BACKGROUND AND DISCUSSION

The language in Measure T necessitates completing a financial audit and a compliance audit although the ordinance was silent on the timeframe of those reviews. At the July 11, 2019 ITOC meeting, the committee approved a rotating schedule for the compliance and performance audits.

The audit schedule is as follows:

FY 2019-20: City of Napa, County of Yountville

FY 2020-21: County of Napa, St. Helena

FY 2021-22: American Canyon, Calistoga

Measure T auditing firm, Brown Armstrong Accountancy, has informed staff that they are planning their audit schedule and work plan for Fiscal Year 2020-21. To inform the auditor's schedule, ITOC will need to determine the number of compliance and performance audits that the auditors should perform to ensure adequate resources are available for fieldwork scheduled for of July 1, 2018 to June 30, 2021, a three year audit period.

Projects in early stages of delivery are not likely to have many or any transactions for auditors to review. Therefore, staff is recommending that the ITOC consider a sampling of the number of projects completed or in the event that no projects have been closed out to date, a sampling of projects in advanced stages of delivery, or a combination thereof. Staff is recommending the ITOC select two projects from the County and one project from St. Helena from the list below. The ITOC should also keep in mind the limited resources to complete the audits. Staff is recommending St. Helena project 19549 and County projects 19517 and 19575.

	Project #	Project Name	Project Cost	Measure T funds	Start/End Date	Status
City of St. Helena	19550	R19-02 Hunt Avenue Sidewalk Gap Closure	\$306,980	\$231,980	1/2019-3/2020	Complete
City of St. Helena	19549	R18-81 DownCounty Sidewalks Improvement-HWY29/Main Street from Mitchell Drive to Britton Way/Pine Street	\$1,862,500	\$175,000	2/2019-7/2021	In-progress
City of St. Helena	20508	R19-05 Grayson and South Crane Rehab/Design only-Grayson Ave from Main Street to South Crane	\$100,000	\$100,000	6/2020-6/2021	I-progress
County of Napa	19506	Imola Area Roadway Rehabilitation Project	\$395,299	\$395,299	7/2018-10/2019	Complete
County of Napa	19517	Sunnyhill Drive Storm Damage Repair	\$703,076	\$379,483	7/2018-9/2019	Complete
County of Napa	19518	Ridgecrest Drive Storm Damage Repair- 25' Span-Bridge	\$752,293	\$498,147	7/2018-7/2019	Complete
County of Napa	19575	Berryessa/Knoxville Rd MPM 20.5- 22 Storm Damage Repair	\$1,178,614	\$1,108,000	2/2019-12/2020	In-progress

The auditors will be able to plan for these audits if a schedule is known beforehand and sampling can occur prior to fieldwork giving jurisdiction staff notice and adequate time to prepare the documentation.

A compliance audit is a comprehensive review of an organization's adherence to ordinance and guidelines. Audit reports could evaluate a number of factors such as the strength and thoroughness of compliance preparations, security policies, user access controls and risk management procedures over the course of a compliance audit. Compliance auditors provide details about the organization's level of compliance adherence, any violations and suggestions for improvement.

A performance audit is an assessment of an entity's operations to determine if specific programs or functions are working as intended to achieve stated goals. The audit may assess the overall jurisdictions performance or a specific project. A performance audit examines a program, function, operation or the management systems and procedures of a governmental or non-profit entity to assess whether the entity is achieving economy, efficiency and effectiveness in the employment of available resources.

The audits will focus on eight areas of performance/compliance, specifically:

- a) Maintenance of Effort - The City/County certified to NVTA-TA that it met its Maintenance of Effort (MOE) provision of the average general fund expenditures spent in fiscal years 2007-08, 2008-09, 2009-10 on local streets and roads maintenance and supporting infrastructure. The City/County must certify annually to NVTA-TA that it met its MOE expenditures the previous fiscal year, by January 1st.
- b) Five-year project list - The City/County submitted a copy of their five-year list of projects to be funded with Measure T revenues by No later than March 1, 2018, and at least biennially thereafter on January 1st.
- c) Project Implementation & Reporting – The City/County submitted a semi-annual update on projects and expenses by September 30th and March 31st of every year.
- d) Attribution and Signage – For projects with funding above \$250,000, verify City/County installed and maintained a sign at the construction site, utilizing the adopted Measure T logo and text, identifying the City/County and NVTA-TA.
- e) Establishment of Separate Accounting – City/County shall have its revenues deposited in a separate interest bearing Transportation Improvement Fund and segregated in a Special Revenue Fund specifically for Local Streets and Roads.
- f) Recordkeeping – The City/County shall keep the records using accrual accounting, setting up both receivables and payables as of June 30 of each year. As such, expenditures within the Special Revenue Fund, shall include “transfers out” to other funds for the monies being used within a capital project that was approved by the Master Funding Agreement. The City/County accounted for and tracked its capital projects in a Capital Project Fund. All costs charged to projects are supported by properly prepared and documented time records, invoices, vouchers,

or other documentation evidencing in detail the nature and propriety of the charges and a process in place to retain all records for five years after project closeout.

- g) Financial Reporting and Audits – Confirm City/County submitted by January 1st of the following year a copy of their annual independent financial statement audit that includes Measure T funds recorded in a separate special revenue fund and the State Controller's Street Report to NVTA-TA.
- h) 6.67% Equivalent Funds Requirement – Review if City/County has committed any revenues to meet the 6.67% Equivalent Fund for Class 1 bicycle facilities cumulative requirement.

Table 2 below outlines the costs for each audit type. The ITOCs budget will fund the cost of each audit that is commissioned. After other operating deductions, the ITOC currently has roughly \$200,000 banked from FY 2019 - FY 2021 combined.

Table 2: Audit Costs by Category

Audit Category	Amount
NVTA TA Financial Audit	\$ 5,460
NVTA-TA Compliance Audit	
City of Napa	\$ 3,100
County of Napa	\$ 3,100
City of American Canyon	\$ 3,100
County of Yountville	\$ 3,100
City of Saint Helena	\$ 3,100
City of Calistoga	\$ 3,100
NVTA	\$ 3,100
NVTA-TA	\$ 3,100
NVTA TA Performance Audit	
City of Napa	\$ 3,100
County of Napa	\$ 3,100
City of American Canyon	\$ 3,100
County of Yountville	\$ 3,100
City of Saint Helena	\$ 3,100
City of Calistoga	\$ 3,100
Minor Projects	
Per Project	\$ 3,100
TBD/Other	\$ 3,100

ATTACHMENTS

None



September 1, 2021
ITOC Agenda Item 8.4
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY-TAX AGENCY ITOC Agenda Letter

TO: Independent Taxpayer Oversight Committee
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8779 / Email: kmiller@nvta.ca.gov
SUBJECT: NVTA-TA Board Retreat – “Solving for X”

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

A NVTA-Tax Agency (NVTA-TA) Board Retreat will be held on September 13 from 10 AM to 2 PM to discuss pursuing changes to the existing ½ cent Measure T sales tax. The Retreat will be held at the Westin Verasa, Napa.

FISCAL IMPACT

None

BACKGROUND AND DISCUSSION

As a reminder, 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 NVTA 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). 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 was prompted to consider 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”. The Board Retreat is titled “Solving for 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 – 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 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 revenues that are currently generated is insufficient to meet rehabilitation needs. Consequently, funds are 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 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 with larger counties 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 Soscot 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 Improvement
- Highway and Emergency Operations Center
- Veterans and Low Income Transit Fare Subsidies
- 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. Staff is recommending prioritizing the completion of the Napa Valley Vine Trail in tandem with other contributions from the Measure capital program.

- 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 discussions about what it should be based on are ongoing. What has 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 some proxy for distributing the funds should be agreed upon prior to going to the voters.

NVTa has run various analyses on factors that could serve as a proxy for “Measure X” to update the Measure T formula. These include population, vehicle miles traveled, lane miles, return to source (sales 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 of 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, one possibility is 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.

- No existing opportunity to use revenues to advance “Non-Measure T” projects

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%. NVTa staff has been able to manage the oversight expenses because the current measure is based on a formula. If the NVTa-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%. NVTa 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 will ask the NVTa-TA board for direction at its September 13 meeting on:

- Their interest to change Measure T; and if supportive, a targeted election date
- Their interest on what to change based on the above discussion
- Seek input on the local streets and road formula
- Seek further direction on additional polling and organizing

ATTACHMENTS

None