

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda

**Wednesday, September 1, 2021
5:00 PM**

REFER TO COVID-19 SPECIAL NOTICE

Citizen Advisory Committee (CAC)

*****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 (NVTA) Citizen Advisory Committee (CAC) 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 94573100120
- 2) To join the Zoom meeting by phone - dial 1-669-900-6833, enter meeting ID: 945 7310 0120 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 12:00 p.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 12 p.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 CAC 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.

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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 CAC. 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 iny

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. CONSENT AGENDA**6.1 Meeting Minutes of May 5, 2021 (Laura Sanderlin) (Pages 8-10)**

Recommendation: CAC action will approve the meeting minutes of May 5, 2021.

Estimated Time: 5:10 p.m.

Attachments: [Draft Minutes](#)

6.2 Meeting Minutes of July 7, 2021 (Laura Sanderlin) (Pages 11-13)

Recommendation: Board action will approve the July 7, 2021 meeting minutes.

Estimated Time: 5:10 p.m.

Attachments: [Draft minutes](#)

7. REGULAR AGENDA ITEMS**7.1 Executive Director Report (Kate Miller) (Pages 14-18)**

Recommendation: Information only

Estimated Time: 5:20 p.m.

Attachments: [Staff Report](#)

7.2 Annual Report Financial Highlights for the Napa Valley Transportation Authority (NVRTA) and the Napa Valley Transportation Authority-Tax Agency (NVRTA-TA) (Antonio Onorato) (Pages 19-50)

Recommendation: Information only

Estimated Time: 5:35 p.m.

Attachments: [Staff Report](#)

7.3 Vine Transit Update (Rebecca Schenck) (Pages 51-56)

Recommendation: Information only. This report will provide an update on the operational performance for Vine Transit services covering the fourth quarter of Fiscal Year (FY) 2020-21. The report will also provide an update on operational and service changes related to the pandemic.

Estimated Time: 5:55 p.m.

Attachments: [Staff Report](#)

7.4 NVRTA-TA Board Retreat - "Solving for X" (Kate Miller) (Pages 57-63)

Recommendation: Information Only

Estimated Time: 6:10 p.m.

Attachments: [Staff Report](#)

8. FUTURE AGENDA ITEMS

9. ADJOURNMENT

9.1 Approval of Next Regular Meeting Date of November 3, 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 27, 2021.

Laura Sanderlin (e-sign)

Laura M. Sanderlin , NVTa 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 Citizen Advisory Committee (CAC)

Wednesday, May 5, 2021

5:00 PM

REFER TO COVID-19 SPECIAL NOTICE

1. Call To Order

Chair Baldini called the meeting to order at 5:01pm.

2. Roll Call

Present: 11 - Jean Vincent Deale
Larry Kromann
Aisha Nasir
Patricia Lynch
Gary Woodruff
Alex Crown
Jessica Penman
Hans Korge
Doug Weir
Michael Baldini
Matthew Schmitz

Absent: 1 - Linsey Gallagher

3. Introductions

None

4. Public Comment

None

5. Committee Member and Staff Comments

Member Crown inquired about contributions to Vision Zero.

6. CONSENT AGENDA

Motion MOVED by WEIR, SECONDED by KROMANN to approve Consent Item 6.1. Motion PASSED with the following vote:

Aye: 9 - Member Deale, Member Kromann, Member Lynch, Member Crown, Member Penman, Korge, Weir, Baldini, and Schmitz

Absent: 3 - Vice Chair Nasir, Member Woodruff, and Gallagher

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

Attachments: [Draft Minutes](#)

7. REGULAR AGENDA ITEMS**7.1 Executive Director's Report (Kate Miller) (Pages 11-13)**

Attachments: [Staff Report](#)

Information Only/No Action Taken

Director Miller provided updates for:

- MTC
- Blue Ribbon Task Force
- Overall Work Plan
- Public Transit Operators vaccination update

{Vice Chair Nasir entered the meeting at 5:16pm}

7.2 Federal Surface Transportation Reauthorization Project (Kate Miller) (Pages 14-15)

Attachments: [Staff Report](#)

Information Only/No Action Taken

7.3 Federal Stimulus Funding Update (Antonio Onorato) (Pages 16-19)

Attachments: [Staff Report](#)

Information Only/No Action Taken

NVTA Staff provided COVID 19 emergency funding updates from:

- CARES Act
- MTC and Caltrans
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
- American Recovery Act
- American Jobs Act

7.4 Safe Routes to School (SRTS) Program Overview (Patrick Band/Diana Meehan) (Pages 20-22)

Attachments: [Staff Report](#)

Information Only/No Action taken

Presentation by Executive Director of Napa Valley Bicycle Coalition, Patrick Band.

7.5 Countywide Transportation Plan (CTP) - Advancing Mobility 2045: Outreach (Alberto Esqueda) (Pages 23-25)

Attachments: [Staff Report](#)

Information Only/No Action Taken

7.6 Vine Transit Update (Rebecca Schenck) (Pages 26-32)

Attachments: [Staff Report](#)

Information Only/No Action Taken

7.7 Construction Costs Versus Engineer's Estimates (Sanjay Mishra) (Pages 33-34)

Attachments: [Staff Report](#)

Information Only/No Action Taken

8. FUTURE AGENDA ITEMS

- Vision Zero
- State Route 29 Roundabout Project
- State Route 29 Bid Process

9. ADJOURNMENT**9.1 Approval of Next Regular Meeting Date of July 7, 2021 and Adjournment.**

Chair Baldini adjourned the meeting 6:22pm.

Laura M. Sanderlin, NVTB Board Secretary

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559

Meeting Minutes Citizen Advisory Committee (CAC)

Wednesday, July 7, 2021

5:00 PM

REFER TO COVID-19 SPECIAL NOTICE

1. Call To Order

Chair Baldini called the meeting to order at 5:05pm.

2. Roll Call

Present: 6 - Jean Vincent Deale
Gary Woodruff
Michael Baldini
Doug Weir
Hans Korve
Nicole Cummings

Absent: 7 - Larry Kromann
Aisha Nasir
Patricia Lynch
Alex Crown
Jessica Penman
Matthew Schmitz
Linsey Gallagher

3. Introductions

None

4. Public Comment

None

5. Committee Member and Staff Comments

None

6. QUARTERLY PROJECT UPDATE (Sanjay Mishra)

6.1 Soscol Junction Project

Vine Trail St. Helena to Calistoga

Bus Maintenance Facility

SR 29 American Canyon Project Initiation Documents

Imola Avenue Complete Street Improvements

SR 29 Adaptive Signal Control and Transit Signal Priority

Imola Avenue Park and Ride

Napa Forward - SR 29 Intersection Improvements

SR 37 Corridor Improvements

Chair Baldini inquired about the impact of rider delays during construction of Soscol Junction Project and harvesting rainwater at the Bus Maintenance Facility.

7. CONSENT AGENDA**7.1** Meeting Minutes of May 5, 2021 (Laura Sanderlin) (Pages 8-10)

Attachments: [Draft Minutes](#)

Due to no quorum, Consent Agenda Item 7.1 was continued to September 1, 2021 meeting.

8. REGULAR AGENDA ITEMS**8.1** Executive Director Report (Kate Miller) (Pages 11-20)

Attachments: [Staff Report](#)

Director Miller provided updates on:

-Mask requirements at the NVTa office

-Bike to Work Month

-June 22 Public Hearing regarding Transportation Infrastructure Finance and Innovation Act (TIFIA)

-MTC recent activities

-North Bay Transportation recent activities

-Federal and State legislative update

8.2 Vision Zero Overview (Diana Meehan) (Pages 21-24)

Attachments: [Staff Report](#)

Information Only/No Action taken

8.3 Vine Transit Service Update (Rebecca Schenck) (Pages 25-29)

Attachments: [Staff Report](#)

Information Only/No Action taken

9. FUTURE AGENDA ITEMS

- Budget Highlights of NVTa Annual Report
- District Four Pedestrian Plan

10. ADJOURNMENT

Chair Baldini adjourned the meeting at 6:18pm.

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

Laura Sanderlin, NVTa Board Secretary



September 1, 2021
ITOC Agenda Item 7.1
Continued From: New

Action Requested: **INFORMATION**

NAPA VALLEY TRANSPORTATION AUTHORITY Citizen Advisory Committee 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 IJJ 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
IJJ 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 - Blue Ribbon Task Force and related Collaboration - Transit Sustainability Project (TSP) - Synchronize Schedule changes across operators - Operator's Schedule and Hub transfer coordination improvements - Operator's Transit Hub Coordination Framework - Transit Connectivity Tool (Software) - Regional Annual Transit Passenger Survey	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	\$
V. Funding The Bay Area's transit system uses its existing resources more efficiently and secures new, dedicated revenue to meet its capital and operating needs	Funding Advocacy	Continue State and Federal Advocacy efforts for Increased Transit Funding				

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



NAPA VALLEY TRANSPORTATION AUTHORITY

Citizen Advisory Committee Agenda Letter

TO: Board of Directors

FROM: Kate Miller, Executive Director

REPORT BY: Antonio Onorato, Director of Administration, Finance and Policy
(707) 259-8779 / Email: aonorato@nvta.ca.gov

SUBJECT: Annual Report Financial Highlights for the Napa Valley Transportation Authority (NVTA) and the Napa Valley Transportation Authority-Tax Agency (NVTA-TA)

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

The NVTA undergoes an annual financial audit for the transportation authority (NVTA) and the tax agency (NVTA-TA). Attachment 1 presents the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2020 and 2019 (Attachment 1) for the Napa Valley Transportation Authority and Attachment 2 presents the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2020 and 2019 (Attachment 2) for the Napa Valley Transportation Authority- Tax Agency.

BACKGROUND AND DISCUSSION

NVTA's and NVTA-TA's annual audit was prepared in accordance with auditing standards generally accepted in the United States. The report includes a Management Discussion and Analysis section, basic financial statements including government-wide and fund financial statements, notes to the statements, and other Required Supplementary Information.

NVTA Financial Highlights

As of June 30, 2020, NVTA's governmental activities reported an ending fund balance of \$2,286,459 or 40% of total governmental fund expenditures.

Business-type activity (Transit Fund) expenses increased from \$13,937,571 in fiscal year 2018-2019 to \$14,064,048 in fiscal year 2019-2020 which is an overall increase of 0.9%. The growth is accounted for by increases in operating expenses, namely purchase transportation and fuel.

NVTA financial activities are separated into three (3) fund types:

1. **Governmental Fund:** This fund type accounts for all of the non-trust, non-transit, non-capital activities of NVTA, also known as the General Fund or Planning Fund. It includes agency administration, salaries, pass through activities, and planning costs.

The Governmental activities Net Position slightly decreased to \$2,286,459 from \$2,440,230 in the previous fiscal year. This is largely the result of spending planning funds that had accumulated over the previous fiscal years.

2. **Proprietary Fund (or Enterprise Fund):** This fund accounts for the financial activity of all public transit service programs. At the end of FY 2019-18, the enterprise fund decreased assets by \$378,657. The reason for the decrease was due to the disposal of the New Flyer hybrid buses which was offset by lower expenses due to the pandemic.

Financial: There were no financial findings.

Federal Award Findings and Questioned Costs: There were no findings.

Material Weakness: No material weaknesses were noted.

Recommendations: There were no recommendations noted.

NVTA-TA Financial Highlights

The Napa Valley Transportation Authority financial reporting entity consists of the agency government and its Component Units. Component Units are legally separate organizations for which the NVTA is financially accountable.

There are two types of Component Units: Blended and Discretely Presented. A Blended Component Unit's financial information is reported within the agency's financial statements as if it were a part of the NVTA. This is because even though the Component Unit is a separate legal entity, it provides services exclusively to the agency.

A Discretely Presented Component Unit does not provide services exclusively to the NVTA, and its financial information is reported in a separate column on the government-wide financial statements. According to the Government Accounting Standard Board

(GASB), Measure T is a Discretely Presented Component Unit of the Napa Valley Transportation Authority.

NVTA-TA's audit was prepared in accordance with auditing standards generally accepted in the United States. There were no findings or recommendations for the audit.

Financial Analysis of Measure T for the Year Ending June 30, 2020

Due to COVID-19, the State of California and Napa County officials declared a stay-at-home order in mid-March triggering the closure of numerous non-essential businesses. The consequences were significant. Initial forecasts of the economic calamity indicated sales tax revenue projections could be decimated by up to twenty-five percent (25%) from the previous year.

The pandemic's effects posed a grave financial threat to Napa County, especially critical sales tax revenue-generating industries such as service, leisure, and hospitality. The lockdowns meant substantially less revenues for the jurisdictions with high reliance on sales taxes. The shelter-in-place orders and resulting unemployment in some sectors had a two-pronged effect on jurisdictions: on one hand, less sales tax funding was being generated; and on the other hand, public demand for essential services persisted and increased in some cases. Fortunately, a few main sectors have generated revenue increases to partially offset the revenue declines such as the food and drug sector and e-commerce. Sales tax revenues from on-line sales have surged since mid-March and revenues are now generated locally for businesses with on-line sales in excess of \$500,000 annually as a result of the U.S. Supreme Court's South Dakota v. Wayfair decision.

As a result, once the final sales tax amounts for the fiscal year were announced, total Measure T losses were a modest six percent (6%) lower than budgeted revenues. The new fiscal year also looks promising as monthly revenues came in much higher than the reduced forecast which meant funding could be restored for some at-risk projects.

The complex trajectory of the pandemic and of state/county responses suggest that there will be significant movement in sales tax revenues over the next several months. The gradual re-opening of businesses will lead to some growth in sales tax revenues, albeit uneven, but that too will depend on the future path of the pandemic.

Table 1 compares actual revenues and expenditures for the fiscal year ending June 30, 2020 compared to budget and compared to revenue projections.

Table 1: Actuals vs. Projections vs. Budget

	FY2020	FY2019	Actuals v. Projections More/(Less)	% Inc/(Dec)
Revenues	\$18,597,396	\$19,669,765	(\$1,072,369)	(6%)
Interest	42,459	36,893	5,566	15%
Total Revenues	\$18,639,855	\$19,706,658	(\$1,066,803)	(5%)
Expenditures				
Administration	\$171,402	\$154,363	\$17,039	11%
Maintenance	18,380,489	19,438,739	(1,058,250)	(-5%)
Total Expenditures	\$18,551,891	\$19,593,102	(\$1,041,211)	(-5%)
Details of Proceeds				
American Canyon	1,429,863	1,511,945	(\$82,082)	(5%)
Calistoga	501,381	530,162	(\$28,781)	(5%)
Napa	7,492,856	7,922,984	(430,128)	(5%)
Napa County	7,359,399	7,784,982	(425,583)	(5%)
St. Helena	1,095,610	1,158,503	(\$62,893)	(5%)
Yountville	501,381	530,162	(\$28,781)	(5%)

ATTACHMENTS

- (1) NVTA Audit Report for Fiscal Years Ended June 30, 2020 and 2019
- (2) NVTA-TA Audit Report for Fiscal Years Ended June 30, 2020 and 2019

NVTA AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 AND 2019

February 17, 2021



FY20 VS FY19 SUMMARY COMPARISON

Revenues	FYE20 Audited Actuals	FYE19 Audited Actuals	More/(Less)
CMA	\$ 5,630,178	\$ 7,144,419	(\$1,514,240)
Public Transit	13,685,391	11,196,171	\$2,489,220
Total	\$ 19,315,569	\$18,340,590	\$974,979

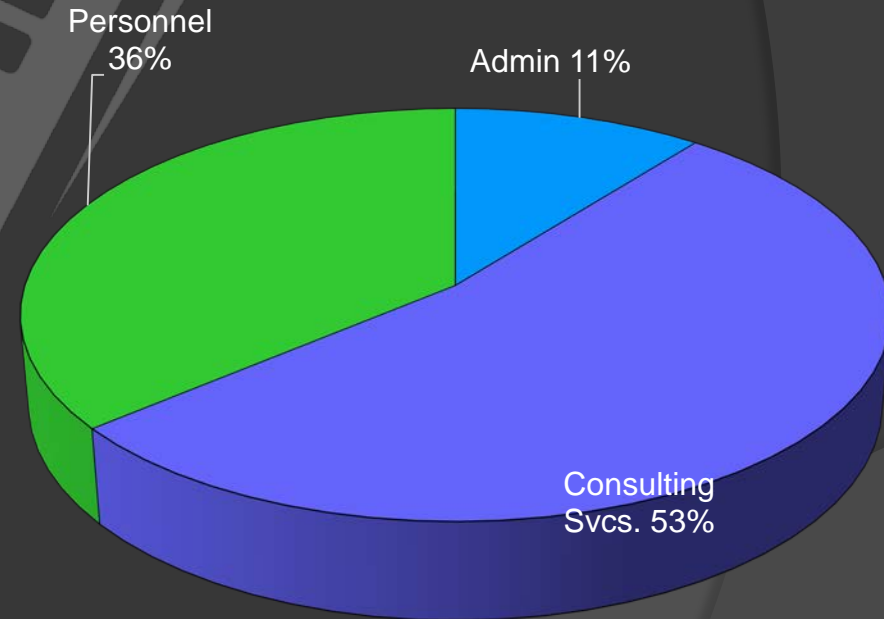
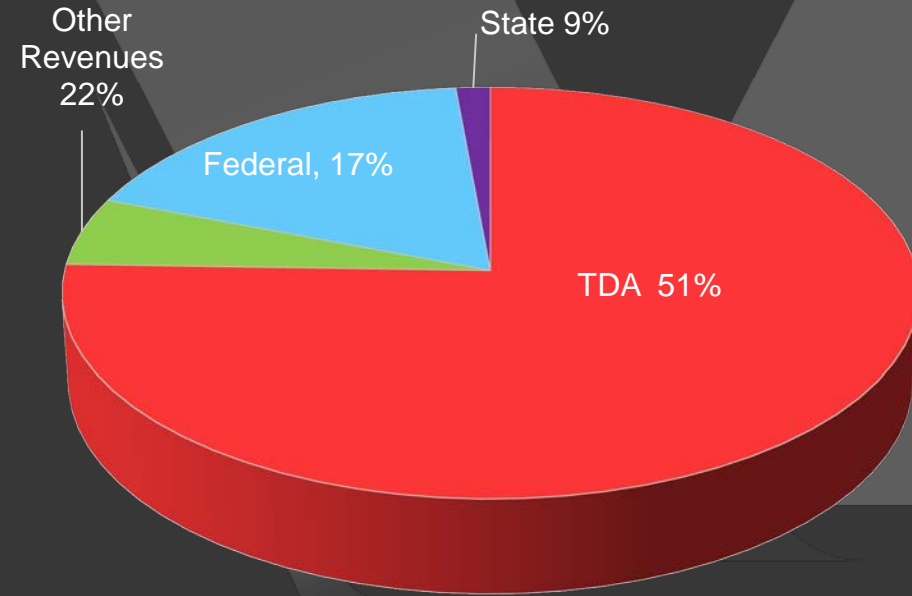
Expenditures			
CMA	\$ 5,599,999	\$5,010,463	\$589,563
Public Transit	11,428,239	11,261,321	\$166,918
Capital	2,098,284	58,016	\$2,040,268
Depreciation	2,635,809	2,676,250	(\$40,441)
Total	\$ 21,762,331	\$19,006,050	\$2,756,281

Net Position			
CMA	2,286,459	2,440,230	(\$153,771)
Public Transit	23,368,007	23,746,664	(\$378,657)
Total	\$ 25,654,466	\$ 26,186,894	(\$532,428)

FYE20 CMA

Revenues

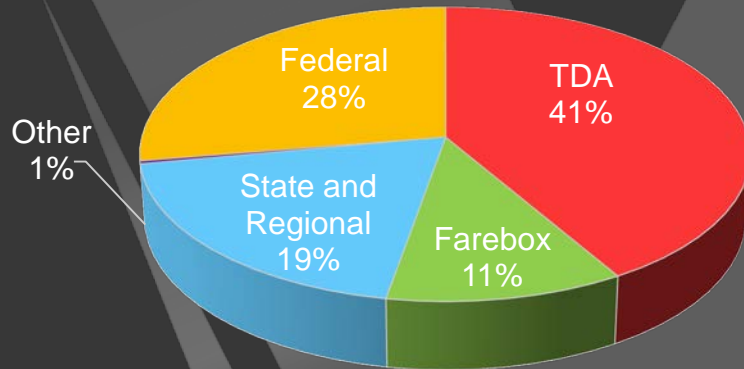
Expenditures



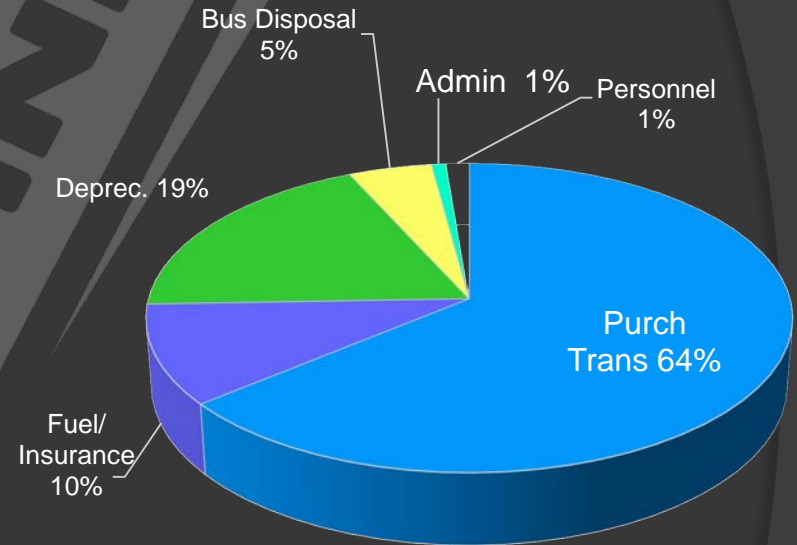
Total Revenues: \$5,630m
Total Expenditures: \$5,783m

FYE20 PUBLIC TRANSIT

Revenues
\$13,685m



Expenditures
\$14,064m



FISCAL YEAR 2019-20 CAPITAL PURCHASES

- Real Estate at the corner of Devlin Rd. and Sheehy Ct.
- 4 Glaval vehicles for the fixed route system
- Transit equipment upgrades

FISCAL YEAR 2019-20 MANAGEMENT LETTER

- Current Year Findings and Recommendations: None

QUESTIONS?





**NAPA VALLEY TRANSPORTATION
AUTHORITY – TAX AGENCY**

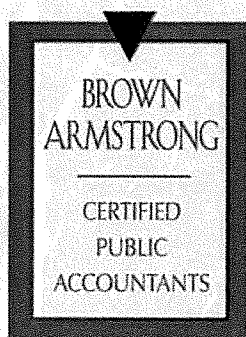
**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2020 AND JUNE 30, 2019**

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of the Napa Valley Transportation Authority)
FOR THE YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019

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BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Napa Valley Transportation Authority – Tax Agency
Napa, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Napa Valley Transportation Authority – Tax Agency (NVTA-TA), a component unit of the Napa Valley Transportation Authority (NVTA), as of and for the years ended June 30, 2020 and June 30, 2019, and the related notes to the financial statements, which collectively comprise the NVTA-TA's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to NVTA-TA's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NVTA-TA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the NVTA-TA as of June 30, 2020 and June 30, 2019, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the NVTA-TA and do not purport to, and do not, present fairly the financial positions of NVTA as of June 30, 2020 and June 20, 2019, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise NVTA-TA's basic financial statements. The Statement of Revenue, Expenditures, and Changes in Net Position – Budget and Actual and Measure T Revenue Allocation Tracking is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Statement of Revenue, Expenditures, and Changes in Net Position – Budget and Actual and Measure T Revenue Allocation Tracking is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statement of Revenue, Expenditures, and Changes in Net Position – Budget and Actual is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020, on our consideration of NVTA-TA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NVTA-TA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 22, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

The following discussion and analysis of the financial performance and activity of the Napa Valley Transportation Authority – Tax Agency (NVTa-TA) Basic Financial Statements provides an introduction and understanding of the basic financial statements of the Tax Agency. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

On November 6, 2012, the voters of Napa County approved the Napa Countywide Road Maintenance Act, commonly known as Measure T, which imposes a half cent transaction and use (sales) tax to provide supplemental funding for road maintenance as detailed in the Measure T Expenditure Plan in Ordinance 2012-01. The funds will be used for projects that will improve the pavement conditions of streets, sidewalks, and related street infrastructure projects. The NVTa-TA is the designated agency that administers and oversees Measure T revenues.

Measure T requires each jurisdiction within its boundaries, the Cities of Napa, American Canyon, Calistoga, and St. Helena; the Town of Yountville; and the County of Napa, to continue to maintain their pre-existing expenditure level efforts on road maintenance as measured by the average general fund expenditures on pavement maintenance activities during Fiscal Year 2007-08, Fiscal Year 2008-09, and Fiscal Year 2009-10. Beginning in Fiscal Year 2018-19, this amount - known as Maintenance of Effort (MOE) - must also be spent by the jurisdictions in the form of general fund expenditures each year to remain eligible to receive Measure T funds. The process to approve the MOE is a one-time process. Once the MOE is established, each jurisdiction is then required to submit an annual Resolution to the Independent Taxpayer Oversight Committee (ITOC) certifying that the MOE was met.

The Financial Statements

NVTa-TA's basic financial statements include (1) the Statements of Net Position, (2) the Statements of Revenues, Expenditures, and Changes in Net Position, and (3) the Notes to the Financial Statements. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statements of Net Position report assets, liabilities, and the difference between the two as net position. The equity section is combined to report total net position and is displayed as restricted net position. Restricted net position consists of assets where constraints on their use are externally imposed by imposed by the ordinance.

The Statements of Revenues, Expenses, and Changes in Net Position are reported using the accrual basis of accounting. Under this method, revenues are reported when earned and expenses are reported when incurred, regardless of when cash is received or paid. Revenues and expenses are categorized as either operating or non-operating based upon definitions provided by the Governmental Accounting Standards Board.

Financial Highlights

- Total net position for the year ended June 30, 2020, was \$201,520 and consisted of restricted net position.
- Net position increased \$87,964 during Fiscal Year 2019-20.

The Effects of COVID-19 on Measure T

The State of California and Napa County officials declared a shelter-in-place in mid-March, triggering the closure of numerous non-essential businesses. The consequences were significant. Initial forecasts of the economic calamity indicated sales tax revenue projections could be decimated by up to twenty-five percent (25%) from the previous year.

Napa County's heavy reliance on its tourism industry created an unusual economic dichotomy. Unemployment spikes were felt primarily by low-wage workers in the service sectors, which generally produce a smaller share of total sales tax revenues. On the other hand, other workers who were able to retain employment and work from home generally experienced more discretionary spending due to reduced commute and work-related costs as well as fewer entertainment and travel options.

Though much of the government relief payments were spent largely on rents, utilities, debt, and supplemental savings, the stimulus was not distributed proportionally to income losses, thereby also triggering temporary increases in discretionary income for some recipients. Low interest rates and favorable lending practices have also instigated more discretionary spending on more expensive items such as autos and home improvements by higher-wage earners typically. California extended sales tax filing and payment deadlines and/or waived penalties and interest to help businesses mitigate the financial impact of the COVID-19 pandemic. Those timing shifts produced steep revenue declines in Napa, particularly in the late spring and early summer months.

The shelter-in-place orders prevented many people from leaving their homes for non-essential purposes. For this reason, tourism related sectors of casual and fine dining, hotels, and wineries were largely affected and therefore reported substantial sales tax reductions.

The COVID-19 pandemic posed a grave financial threat to Napa County, especially critical sales tax revenue-generating industries such as service, leisure, and hospitality. The lockdowns meant substantially less revenues for the jurisdictions with higher reliance on sales taxes. The shelter-in-place orders and resulting unemployment in some sectors had a two-pronged effect on jurisdictions: on one hand, less sales tax funding was being generated; and on the other hand, public demand for essential services persisted and increased in some cases.

Fortunately, a few main sectors have generated revenue increases to offset the revenue declines partially, such as the food and drug sector and e-commerce. Online sales have surged since mid-March, and, thanks to the U.S. Supreme Court's Wayfair decision, states are able to collect sales taxes from online transactions. These sales tax revenues are distributed accordingly to counties and jurisdictions.

As a result, once the final sales tax amounts for the fiscal year were announced, total Measure T losses were a modest six percent (6%) from the budget. The new fiscal year also looks promising as monthly revenues came in much higher than the reduced forecast, which meant funding could be restored for some at-risk projects.

The complex trajectory of the pandemic and of state/county responses suggest that there will be significant movement in sales tax revenues over the next several months. The gradual re-opening of businesses will lead to some growth in sales tax revenues, albeit uneven, but that too will depend on the future path of the pandemic.

Statement of Net Position

The Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e., year-end). A summary of NVTa-TA's Statement of Net Position as of June 30, 2020, with comparative totals as of June 30, 2019, is as follows:

	<u>2020</u>	<u>2019</u>
Assets		
Cash and investments	\$ 2,165,720	\$ 2,936,413
Intergovernmental receivables	<u>3,163,383</u>	<u>3,338,529</u>
Total assets	<u>5,329,103</u>	<u>6,274,942</u>
Liabilities		
Accounts payable	<u>5,127,583</u>	<u>6,161,386</u>
Total liabilities	<u>5,127,583</u>	<u>6,161,386</u>
Net position		
Restricted	<u>201,520</u>	<u>113,556</u>
Total net position	<u>\$ 201,520</u>	<u>\$ 113,556</u>

Restricted Net Position is composed of unused funding for Measure T administrative purposes and Independent Taxpayer Oversight Committee obligations. Usage and recognition of expenditures is expected to occur in future periods.

FINANCIAL STATEMENTS

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of the Napa Valley Transportation Authority)
STATEMENTS OF NET POSITION
JUNE 30, 2020 AND JUNE 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and investments	\$ 2,165,720	\$ 2,936,413
Intergovernmental receivables	<u>3,163,383</u>	<u>3,338,529</u>
Total assets	<u>5,329,103</u>	<u>6,274,942</u>
Liabilities		
Accounts payable	<u>5,127,583</u>	<u>6,161,386</u>
Total liabilities	<u>5,127,583</u>	<u>6,161,386</u>
Net position		
Restricted	<u>201,520</u>	<u>113,556</u>
Total net position	<u><u>\$ 201,520</u></u>	<u><u>\$ 113,556</u></u>

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of the Napa Valley Transportation Authority)
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Measure T revenue	\$ 18,597,396	\$ 19,669,765
Interest income	<u>42,459</u>	<u>36,893</u>
Total revenues	<u>18,639,855</u>	<u>19,706,658</u>
Expenditures		
Administration	171,402	154,363
Maintenance	<u>18,380,489</u>	<u>19,438,739</u>
Total expenditures	<u>18,551,891</u>	<u>19,593,102</u>
Change in net position	87,964	113,556
Net position, beginning of year	<u>113,556</u>	<u>-</u>
Net position, end of year	<u><u>\$ 201,520</u></u>	<u><u>\$ 113,556</u></u>

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Napa Valley Transportation Authority – Tax Agency (NVTA-TA) is the local transportation sales tax authority. The NVTA-TA is responsible for the oversight and administration of Napa Countywide Maintenance Act, commonly known as Measure T, the 25-year, ½% sales tax for street and road improvements approved by the voters on November 6, 2012. Measure T became effective on July 1, 2018.

All transactions of the NVTA-TA are included as an enterprise fund in the basic financial statements of the NVTA. The accompanying financial statements are for the NVTA-TA only and are not intended to fairly present the financial position or results of operations of the NVTA.

Separate financial statements are provided for the NVTA-TA's major governmental funds and are reported as separate columns in the fund financial statements.

The NVTA exercises significant management and financial control over the NVTA-TA. As such, the NVTA-TA is considered a component unit of the NVTA.

B. Basis of Presentation and Measurement Focus

The NVTA-TA uses an enterprise fund format to report its activities for financial statement purposes. The accompanying financial statements are prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded at the time liabilities are incurred regardless of when the related cash flows take place.

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

D. Net Position

The restricted net position category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

E. New Accounting Pronouncements – Implemented

GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance.* The requirements of this standard are effective immediately. The objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by extending the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018. There was no effect on NVTA-TA's accounting and financial reporting as a result of implementing this standard.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Future Accounting Pronouncements

GASB Statement No. 84 – *Fiduciary Activities*. The requirements for this statement are effective for periods beginning after December 15, 2018. GASB Statement No. 95 delayed the effective date to December 15, 2019. NVTA-TA will implement GASB Statement No. 84 if and where applicable.

GASB Statement No. 87 – *Leases*. The requirements of this statement were originally effective for periods beginning after December 15, 2019. GASB Statement No. 95 delayed the effective date to June 15, 2021. The NVTA-TA will implement GASB Statement No. 87 if and where applicable.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The requirements of this statement were originally effective for periods beginning after December 15, 2019. GASB Statement No. 95 delayed the effective date to December 15, 2020. NVTA-TA will implement GASB Statement No. 89 if and where applicable.

GASB Statement No. 90 – *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61*. The requirements of this statement were originally effective for periods beginning after December 15, 2018. GASB Statement No. 95 delayed the effective date to December 15, 2019. NVTA-TA will implement GASB Statement No. 90 if and where applicable.

GASB Statement No. 91 – *Conduit Debt Obligations*. The requirements of this statement were originally effective for periods beginning after December 15, 2020. GASB Statement No. 95 delayed the effective date to December 15, 2021. The NVTA-TA will implement GASB Statement No. 91 if and where applicable.

GASB Statement No. 92 – *Omnibus 2020*. The requirements of this statement were originally effective for periods beginning after June 15, 2020. GASB Statement No. 95 delayed the effective date to June 15, 2021. NVTA-TA will implement GASB Statement No. 92 if and where applicable.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates*. The requirements of this statement were originally effective for periods beginning after June 15, 2020. GASB Statement No. 95 delayed the effective date to June 15, 2021. NVTA-TA will implement GASB Statement No. 93 if and where applicable.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for periods beginning after June 15, 2022. NVTA-TA will implement GASB Statement No. 94 if and where applicable.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for periods beginning after June 15, 2022. NVTA-TA will implement GASB Statement No. 96 if and where applicable.

GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The requirements of this statement are effective for periods beginning after June 15, 2021. NVTA-TA will implement GASB Statement No. 97 if and where applicable.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments are maintained with the County Treasurer in a cash and investment pool. See the NVTA's basic financial statements for disclosures related to the cash and investments as prescribed by GASB Statement No. 40. The basic financial statements may be obtained from the NVTA at 625 Burnell Street, Napa, CA 94559.

NOTE 3 – INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables of \$3,163,383 and \$3,338,529, respectively, represent the Measure T allocations for fiscal years 2020 and 2019 that were received by the State of California Department of Tax and Fee Administration after June 30, 2020 and June 30, 2019.

SUPPLEMENTAL INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Measure T revenue	\$ 19,826,444	\$ 19,826,444	\$ 18,597,396	\$ (1,229,048)
Interest income	-	-	42,459	42,459
Total revenues	<u>19,826,444</u>	<u>19,826,444</u>	<u>18,639,855</u>	<u>(1,186,589)</u>
Expenditures				
Administration	269,297	269,297	171,402	97,895
Maintenance	<u>19,557,147</u>	<u>19,557,147</u>	<u>18,380,489</u>	<u>1,176,658</u>
Total expenditures	<u>19,826,444</u>	<u>19,826,444</u>	<u>18,551,891</u>	<u>\$ 1,274,553</u>
Change in net position	-	-	87,964	
Net position, beginning of year	<u>113,556</u>	<u>113,556</u>	<u>113,556</u>	
Net position, end of year	<u>\$ 113,556</u>	<u>\$ 113,556</u>	<u>\$ 201,520</u>	

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY (A Component Unit of the Napa Valley Transportation Authority) MEASURE T REVENUE ALLOCATION TRACKING FOR THE YEAR ENDED JUNE 30, 2020

Napa County Auditor-Controller
Measure T Revenue Allocation

Fiscal Year 2019-20

Agency Fund 9502-95020-25

NVTA-TA Special Revenue Fund 8110

Transaction Date	AF Journal Entry	Transaction Type	Total	Subdivision 81100-01	Subdivision 81100-00	Subdivision 81100-05	Subdivision 81100-06	Subdivision 81100-07	Subdivision 81100-08	Subdivision 81100-09	Subdivision 81100-10	Total
				ITOC 70,000.00 (100.00%)	Administration 1,000	County of Napa 399,655	American Canyon 7,720	City of Napa 30,145	Yountville 2,720	St. Helena 3,900	Calistoga 2,720	
Sales Tax Receipts												
09/24/19	AF000317617 & 0000317699	July 2019	1,673,471.99	70,000.00	15,034.73	635,776.64	133,467.14	647,000.95	43,293.74	94,604.85	43,293.74	1,603,471.99
10/24/19	AF000318746 & 0000318370	August	1,792,807.09	-	17,928.07	710,849.01	138,046.15	723,397.65	48,405.79	105,775.62	48,405.79	1,792,807.09
11/25/19	AF000319739 & 0000319842	September	1,872,917.34	-	18,729.16	742,611.73	144,214.64	755,722.15	50,568.77	110,502.12	50,568.77	1,872,917.34
		Total Sales Tax Receipts Quarter	5,339,196.42	70,000.00	52,691.96	2,089,236.38	415,727.93	2,126,120.75	142,268.30	310,882.59	142,268.30	5,265,196.42
12/26/19	AF000320570 & 0000320613	October	1,599,731.53	-	15,997.32	634,789.55	133,179.33	645,491.67	43,192.75	94,384.16	43,192.75	1,599,731.53
01/27/20	AF000321673 & 0000321792	November	1,665,942.09	-	16,659.42	660,548.04	138,277.54	672,207.63	44,980.44	98,350.58	44,980.44	1,665,942.09
02/25/20	AF000322605 & 0000322600	December	2,087,069.56	-	20,870.69	837,523.08	160,704.36	841,132.57	56,330.88	123,137.10	56,330.88	2,087,069.56
		Total Sales Tax Receipts Quarter	5,352,744.28	-	52,627.44	2,132,666.67	432,161.23	2,214,811.32	144,503.62	316,868.24	144,503.62	5,352,744.28
03/26/20	AF000323549 & 0000323677	January 2020	1,401,867.87	-	14,018.68	555,540.61	107,943.83	565,653.69	37,850.43	82,710.20	37,850.43	1,401,867.87
04/27/20	AF000324516 & 0000324808	February	1,224,357.72	-	12,243.57	485,457.84	94,275.54	494,028.34	33,057.66	72,237.11	33,057.66	1,224,357.72
05/27/20	AF000325407 & 0000325462	March	784,357.76	-	7,843.57	310,997.85	60,195.55	316,488.36	21,177.66	46,277.11	21,177.66	784,357.76
		Total Sales Tax Receipts Quarter	3,410,583.35	-	34,065.82	1,352,596.90	262,414.92	1,376,176.39	92,085.75	201,224.42	92,085.75	3,410,583.35
06/24/20	AF000326339 & 0000326391	April	1,331,489.57	-	13,314.90	527,935.61	102,524.70	537,256.04	35,950.72	76,557.88	35,950.72	1,331,489.57
07/24/20	AF000327436 & 0000327491	May	1,870,631.13	-	18,706.31	741,705.24	144,038.60	754,799.66	50,507.04	110,367.24	50,507.04	1,870,631.13
08/25/20	AF000328597 & 0000328557	June	1,292,752.23	-	12,927.53	512,576.26	99,541.92	521,495.52	34,904.31	76,273.38	34,904.31	1,292,752.23
		Total Sales Tax Receipts Quarter	4,494,872.93	-	44,948.74	1,782,117.11	346,105.12	1,811,481.22	121,361.07	266,147.50	121,361.07	4,494,872.93
		Total Sales Tax	18,597,395.88	70,000.00	185,773.95	7,346,117.46	1,426,609.50	7,475,804.24	500,239.69	1,099,116.35	500,239.69	18,597,395.88
Interest Earnings												
09/30/19	2020Q1INTN	1st Qtr 2019-20	8,306.95	461.16	266.06	1,379.10	811.99	4,155.03	284.72	622.17	284.72	7,841.79
12/31/19	2020Q2INTN	2nd Qtr	14,960.64	785.53	462.93	4,974.54	1,081.71	5,668.48	379.30	828.85	379.30	13,775.11
03/31/20	2020Q3INTN	3rd Qtr	10,926.82	466.84	381.08	3,995.24	776.57	4,069.45	272.30	595.04	272.30	10,361.95
06/30/20	2020Q4INTN	4th Qtr	8,762.89	635.31	8,127.58	2,937.32	583.65	3,058.48	204.66	447.11	204.66	8,127.58
		Total Interest Earnings:	42,457.30	2,350.84	40,106.46	13,286.20	3,253.92	17,051.44	1,140.98	2,493.17	1,140.98	40,106.46
		Total Receipts:	18,639,853.18	72,350.84	187,015.42	7,359,398.66	1,429,863.42	7,492,855.68	501,380.67	1,099,609.62	501,380.67	18,597,504.32
Allocate Disbursements												
10/15/19	AF000318440 & 0000318423	Disbursement	1,673,471.99	70,000.00	16,034.73	635,776.64	133,467.14	647,000.95	43,293.74	94,604.85	43,293.74	1,603,471.99
01/16/20	AF000321318 & 0000321300	Disbursement	5,273,762.91	461.16	52,660.61	2,089,432.39	406,252.11	2,126,866.01	142,452.03	311,284.07	142,452.03	5,273,762.91
04/07/20	AF000323841 & 0000323820	Disbursement	5,169,440.16	785.53	52,011.72	2,048,884.27	398,007.44	2,085,662.37	139,561.05	304,966.73	139,561.05	5,165,654.63
07/09/20	AF000326833 & 0000326862	Disbursement	9,351,034.87	466.84	33,763.12	1,338,358.54	257,972.86	1,351,842.19	90,457.84	197,667.14	90,457.84	9,349,667.03
08/27/20	AF000328771 & 0000328643	Disbursement	3,172,146.25	635.31	32,325.44	1,257,218.82	244,164.17	1,279,483.65	85,616.01	187,086.83	85,616.01	3,171,510.94
		Total Disbursements:	18,639,853.18	72,350.84	187,015.42	7,359,398.66	1,429,863.42	7,492,855.68	501,380.67	1,099,609.62	501,380.67	18,597,504.32
		Total Net (Receipts/Disbursements)	-	-	-	-	-	-	-	-	-	-

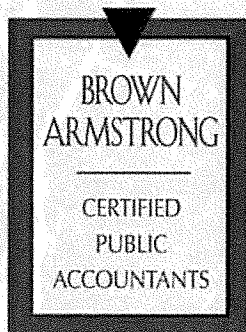
NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of the Napa Valley Transportation Authority)
MEASURE T REVENUE ALLOCATION TRACKING
FOR THE YEAR ENDED JUNE 30, 2019

Napa County Auditor-Controller
Measure T Revenue Allocation
Fiscal Year 2018-19
Agency Fund 9502-95020-25

NVTA-TA Special Revenue Fund 8310

Transaction Date	AR-Journal IDs	Transaction Type	Subdivision	Total	ITOC	Subdivision 70,000-CPI (1st qtr)	Subdivision 83100-01	Total less ITOC	Administration	Subdivision 83100-00	County of Napa	Subdivision 83100-05	American Canyon	City of Napa	Subdivision 83100-06	Yountville	Subdivision 83100-08	St. Helena	Subdivision 83100-09	Subdivision 83100-10	Total
Sales Tax Receipts																					
09/28/18	AR00305786-0000305718	July 2018	Subdivision 83100-01	1,231,229.47	70,000.00	1,161,229.47	1,161,229.47	1,161,229.47	11,612.29	460,427.48	89,414.67	587,182.06	114,030.31	597,548.45	39,984.65	87,373.88	39,984.65	1,480,913.14	1,480,913.14	1,480,913.14	1,480,913.14
10/29/18	AR00306787-0000306843	August	Subdivision 83100-01	1,480,913.14	-	1,480,913.14	1,480,913.14	1,480,913.14	14,809.14	587,182.06	114,030.31	597,548.45	114,030.31	597,548.45	39,984.65	87,373.88	39,984.65	1,480,913.14	1,480,913.14	1,480,913.14	1,480,913.14
12/03/18	AR00307651-0000308160	September	Subdivision 83100-01	2,122,667.30	-	2,122,667.30	2,122,667.30	2,122,667.30	21,226.67	841,637.58	163,445.38	856,496.26	57,312.02	125,237.37	57,312.02	125,237.37	57,312.02	2,122,667.30	2,122,667.30	2,122,667.30	2,122,667.30
Total Sales Tax 1st Quarter																					
12/31/18	AR00308392-0000308519	October	Subdivision 83100-01	4,834,809.91	70,000.00	4,764,809.91	4,764,809.91	4,764,809.91	47,648.10	1,889,247.12	366,890.36	1,927,600.80	128,649.87	781,121.70	128,649.87	781,121.70	128,649.87	4,764,809.91	4,764,809.91	4,764,809.91	4,764,809.91
01/25/19	AR00309237-0000309272	November	Subdivision 83100-01	1,433,728.21	-	1,433,728.21	1,433,728.21	1,433,728.21	14,337.29	568,473.24	110,397.07	578,509.33	38,710.66	84,589.96	38,710.66	84,589.96	38,710.66	1,433,728.21	1,433,728.21	1,433,728.21	1,433,728.21
02/20/19	AR00310013-0000310157	December	Subdivision 83100-01	1,523,936.83	-	1,523,936.83	1,523,936.83	1,523,936.83	15,239.38	604,240.95	117,243.14	614,908.51	41,146.29	89,912.27	41,146.29	89,912.27	41,146.29	1,523,936.83	1,523,936.83	1,523,936.83	1,523,936.83
Total Sales Tax 2nd Quarter																					
03/25/19	AR00310961-0000311154	January 2019	Subdivision 83100-01	2,251,377.58	-	2,251,377.58	2,251,377.58	2,251,377.58	22,513.79	891,671.21	173,356.07	908,430.85	60,787.19	132,831.28	60,787.19	132,831.28	60,787.19	2,251,377.58	2,251,377.58	2,251,377.58	2,251,377.58
04/20/19	AR00311953-0000312031	February	Subdivision 83100-01	1,508,285.66	-	1,508,285.66	1,508,285.66	1,508,285.66	15,082.87	595,035.26	116,138.00	608,593.26	40,723.71	88,988.85	40,723.71	88,988.85	40,723.71	1,508,285.66	1,508,285.66	1,508,285.66	1,508,285.66
05/28/19	AR00312933-0000313027	March	Subdivision 83100-01	1,604,237.57	-	1,604,237.57	1,604,237.57	1,604,237.57	16,042.38	636,080.20	123,526.29	647,309.86	43,314.41	94,650.02	43,314.41	94,650.02	43,314.41	1,604,237.57	1,604,237.57	1,604,237.57	1,604,237.57
Total Sales Tax 3rd Quarter																					
06/24/19	AR00313820-0000314316	April	Subdivision 83100-01	4,572,058.79	-	4,572,058.79	4,572,058.79	4,572,058.79	45,720.61	1,812,821.30	352,048.53	1,844,925.72	123,445.58	266,751.47	123,445.58	266,751.47	123,445.58	4,572,058.79	4,572,058.79	4,572,058.79	4,572,058.79
07/20/19	AR00315151-0000315133	May	Subdivision 83100-01	1,715,324.54	-	1,715,324.54	1,715,324.54	1,715,324.54	17,153.25	680,176.18	132,079.99	692,133.45	46,111.76	101,204.15	46,111.76	101,204.15	46,111.76	1,715,324.54	1,715,324.54	1,715,324.54	1,715,324.54
08/20/19	AR00316498-0000316560	June	Subdivision 83100-01	1,835,855.79	-	1,835,855.79	1,835,855.79	1,835,855.79	18,358.55	727,916.82	141,360.90	740,767.81	49,568.11	108,315.49	49,568.11	108,315.49	49,568.11	1,835,855.79	1,835,855.79	1,835,855.79	1,835,855.79
Total Sales Tax 4th Quarter																					
09/02/19	AR00318498-0000318498	July 2019	Subdivision 83100-01	1,502,673.37	-	1,502,673.37	1,502,673.37	1,502,673.37	15,026.74	595,800.99	115,705.85	606,328.70	40,571.18	88,657.73	40,571.18	88,657.73	40,571.18	1,502,673.37	1,502,673.37	1,502,673.37	1,502,673.37
Total Sales Tax																					
				19,669,765.02	70,000.00	19,599,765.02	19,599,765.02	19,599,765.02	195,997.71	7,771,306.81	1,509,181.91	7,908,505.17	529,193.64	1,156,386.14	529,193.64	1,156,386.14	529,193.64	19,599,765.02	19,599,765.02	19,599,765.02	19,599,765.02
Interest Earnings																					
09/30/18	20191QINTN	1st Qtr 2018-19	Subdivision 83100-01	157.93	8.98	148.95	148.95	148.95	1.46	59.07	11.47	60.12	4.02	8.79	4.02	8.79	4.02	148.95	148.95	148.95	148.95
12/31/18	20192QINTN	2nd Qtr	Subdivision 83100-01	10,909.71	383.10	10,526.61	10,526.61	10,526.61	154.19	4,154.21	806.74	4,227.55	282.88	618.16	282.88	618.16	282.88	10,526.61	10,526.61	10,526.61	10,526.61
03/31/19	20193QINTN	3rd Qtr	Subdivision 83100-01	17,453.80	301.42	17,152.38	17,152.38	17,152.38	363.49	4,604.37	932.11	4,884.51	326.84	714.27	326.84	714.27	326.84	17,152.38	17,152.38	17,152.38	17,152.38
06/30/19	20194QINTN	4th Qtr	Subdivision 83100-01	13,371.79	366.04	13,005.75	13,005.75	13,005.75	343.25	4,856.87	1,012.69	5,306.78	355.10	775.96	355.10	775.96	355.10	13,005.75	13,005.75	13,005.75	13,005.75
Total Interest Earnings																					
				36,893.23	1,059.54	35,833.69	35,833.69	35,833.69	862.39	11,674.52	2,763.01	14,478.96	968.84	2,117.13	968.84	2,117.13	968.84	35,833.69	35,833.69	35,833.69	35,833.69
Total Receipts																					
				19,706,658.25	71,059.54	19,635,598.71	19,635,598.71	19,635,598.71	196,860.10	7,784,981.33	1,511,944.92	7,922,584.13	530,162.48	1,158,503.27	530,162.48	1,158,503.27	530,162.48	19,635,598.71	19,635,598.71	19,635,598.71	19,635,598.71
Allocate Disbursements																					
10/20/18	AP00306393-0000306393	Disbursement	Subdivision 83100-01	1,231,229.47	70,000.00	1,161,229.47	1,161,229.47	1,161,229.47	11,612.29	460,427.48	89,414.67	587,182.06	114,030.31	597,548.45	39,984.65	87,373.88	39,984.65	1,480,913.14	1,480,913.14	1,480,913.14	1,480,913.14
01/10/19	AP00308759-0000308759	Disbursement	Subdivision 83100-01	5,037,466.58	8.98	5,037,475.56	5,037,475.56	5,037,475.56	50,374.56	1,997,351.95	387,884.23	2,032,614.16	136,011.35	297,210.00	136,011.35	297,210.00	136,011.35	5,037,475.56	5,037,475.56	5,037,475.56	5,037,475.56
04/11/19	AP00311591-0000311591	Disbursement	Subdivision 83100-01	5,294,509.78	383.10	5,294,126.68	5,294,126.68	5,294,126.68	52,990.23	2,099,101.63	407,640.37	2,136,160.17	142,940.07	312,350.56	142,940.07	312,350.56	142,940.07	5,294,126.68	5,294,126.68	5,294,126.68	5,294,126.68
07/11/19	AP00314548-0000314548	Disbursement	Subdivision 83100-01	4,791,551.47	301.42	4,791,250.05	4,791,250.05	4,791,250.05	48,154.48	1,895,516.59	368,972.63	1,933,250.42	129,362.47	283,680.99	129,362.47	283,680.99	129,362.47	4,791,250.05	4,791,250.05	4,791,250.05	4,791,250.05
09/02/19	AP00318498-0000318498	Disbursement	Subdivision 83100-01	3,351,900.95	366.04	3,351,534.91	3,351,534.91	3,351,534.91	33,728.54	1,328,583.88	238,079.44	2,352,403.29	90,493.39	197,749.18	90,493.39	197,749.18	90,493.39	3,351,534.91	3,351,534.91	3,351,534.91	3,351,534.91
Total Disbursements																					
				19,706,658.25	71,059.54	19,635,598.71	19,635,598.71	19,635,598.71	196,860.10	7,784,981.33	1,511,944.92	7,922,584.13	530,162.48	1,158,503.27	530,162.48	1,158,503.27	530,162.48	19,635,598.71	19,635,598.71	19,635,598.71	19,635,598.71
Total Net (Receipts/Disbursements)																					
				-	-	-	-	-	(0.00)	(0.00)	0.00	(0.00)	0.00	0.00	(0.00)	0.00	0.00	-	-	-	(0.00)

OTHER REPORT



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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Napa Valley Transportation Authority
Napa, California

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We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Napa Valley Transportation Authority – Tax Agency (NVTA-TA), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the NVTA-TA's basic financial statements, and have issued our report thereon dated December 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the NVTA-TA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NVTA-TA's internal control. Accordingly, we do not express an opinion on the effectiveness of the NVTA-TA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the NVTA-TA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NVTA-TA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The result of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the NVTA-TA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NVTA-TA's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 22, 2020



NAPA VALLEY TRANSPORTATION AUTHORITY

Citizen Advisory Committee Agenda Letter

TO: Citizen Advisory Committee
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Transit Manager
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Vine Transit Update

RECOMMENDATION

Information only. This report will provide an update on the operational performance for Vine Transit services covering the fourth quarter of Fiscal Year (FY) 2020-21. The report will also provide an update on operational and service changes related to the pandemic.

EXECUTIVE SUMMARY

This report summarizes the Vine's operational performance during the fourth quarter for Fiscal Year (FY) 2020-21, covering the period of April 1 to June 30, 2021, and provides an update on service changes in response to growing ridership trends. The board memo compares the fourth quarter of FY 2021 (April – June) to both the fourth quarter of FY 2020 and to the previous quarter (Jan - Mar) to highlight the differences between the same time period last year and to recent months of the COVID-19 pandemic.

FISCAL IMPACT

Is there a fiscal impact? No

BACKGROUND & DISCUSSION

Summary of Pandemic-related Operational Changes

In March 2020, NVRTA made a number of service changes in response to reduced ridership demand associated with the coronavirus pandemic and public health orders issued by the State and County of Napa. Specifically, service hours were reduced, fare payment was suspended, seat spacing was introduced, and buses began using rear door only boarding whenever feasible to ensure the safety of riders and drivers.

In mid-March, weekday service hours on Routes 10 and 11 were reduced to a Saturday schedule. Routes 10X and 11X were suspended – after already showing mixed ridership performance in the months preceding the pandemic. On April 27th 2020, local fixed route services in the City of Napa (A-H) were suspended and transitioned to Stop to Stop On-Demand service for local trips. On May 13th 2020, following the County of Napa's revised Shelter at Home order, NVRTA posted notices requiring the use of face coverings by passengers and staff. All of these service changes remained in effect during Q4 of FY21.

Napa On-Demand riders pay the same local \$1.60 full fare, \$1.10 student fare, and \$0.80 reduced fare for elderly and disabled riders that were previously established for local routes; 20-ride, and 31-day fare passes are also accepted. The Clipper fare card is encouraged and NVRTA, in partnership with MTC and other transit operators, rolled out a full Clipper marketing campaign to introduce the new Clipper-START program, which launched in January 2021 and provides subsidized fares for eligible low-income adults. Staff continues to coordinate with MTC on the next generation of Clipper (Clipper 2.0) and as a first step on the long road to Clipper 2.0, a new Clipper Mobile app was released in April 2021.

Throughout Q4 FY 2020-21, NVRTA continued to support auxiliary Emergency Operation Center (EOC) functions that include meal delivery to residents in isolation and quarantine sites, food bank distribution while centers are closed to the public, and related transportation. These operations will cease in August of 2021 as NVRTA returns to higher level of service and Napa County EOC operations slow down.

On April 7, 2021, the State of California moved Napa County from Substantial Risk Level (Red Tier) to the less restrictive Orange Tier. Then on June 15, 2021, the State of California reopened and nearly all of the restrictions were lifted. As a result of reopening of the California economy and increased ridership in the fourth quarter of FY 2020-21, NVRTA added additional service on May 9, 2021 and on August 15, 2021.

On May 9, 2021, the Vine returned to a weekday schedule on the Routes 10 and 11 (had been running on Saturday schedules since March 2020); implement a fixed-route/on-demand hybrid which introduced two new fixed routes (Routes N and S) and maintained the existing on-demand service in the City of Napa; and extended hours on Friday and Saturday nights in Yountville and Calistoga by two additional hours.

Finally, on August 15th the Vine reintroduced the Route 11X in response to the Vallejo Ferry new service in July; added the Routes E and Route W in the City of Napa; added a second shuttle in Calistoga and American Canyon and reinstituted the fixed route school tripper in St Helena and American Canyon. Operational data on the August changes are not yet available.

Vine Transit Performance

The first four tables compare ridership across different services in the fourth quarter of FY 2020-21 (April to June) to the same period in the prior fiscal year. Table 1 shows a 5.9% decrease in ridership from 18,740 to 17,628 in the City of Napa during the fourth quarter of FY 2019-20 to the current fiscal year.

Table 1: City of Napa – Comparing Q4 of FY20 & FY21

	FY 19/20	FY 20/21	% Difference	Numerical Difference
Total	18,740	17,628	-5.9%	-1,112

Table 2 indicates an increase in ridership on the regional and express routes (10, 11, 21 and 29) in contrast to the local routes. The increase in the fourth quarter between fiscal years 2019-20 and 2020-21 was 18.75% percent. Routes 10 showed the largest percentage increase in ridership (37.92%) of all of the regional and express routes.

Table 2: Routes 10, 11, 21 and 29 Ridership – Comparing Q4 of FY20 & FY21

	FY 19/20	FY 20/21	% Difference	Numerical Difference
Route 10	20,432	28,180	37.92%	7,748
Route 11	22,525	24,040	6.73%	1,515
Route 21	4,189	4,845	15.66%	656
Route 29	7,718	8,087	4.78%	369
Total	54,864	65,152	18.75%	10,288

Part of the reason for the decrease in the City of Napa ridership compared to the significant increase in Regional ridership is that the number of revenue hours across these four regional routes returned to pre-COVID levels in the middle of Q4 on May 9, 2021. Meanwhile, the revenue hours on the local routes remained well below pre pandemic levels and will only return to comparable levels on August 15, 2021.

Table 3 shows the ridership patterns on the four community shuttles. The combined ridership is up 112% compared to the same quarter in the prior fiscal year. Ridership increased across all the community shuttles in the fourth quarter of the current fiscal year.

Table 3: Community Shuttles– Comparing Q4 of FY20 & FY21

	FY 19/20	FY 20/21	% Difference	Numerical Difference
Calistoga Shuttle	1,308	2,923	123%	1,615
St. Helena Shuttle	665	1,121	69%	456
Yountville Trolley	290	1,553	436%	1,263

American Canyon Transit	1,292	1,932	50%	640
Total	3,555	7,529	112%	3,974

VineGo ridership is also starting to rebound (42.88%) compared to the same time last year as shown in Table 4. NVTa still has a reduced number of vehicles serving VineGo as ridership remains well below pre-COVID. Many of the customers who use VineGo travel for programs that remain suspended during the pandemic such as Collabria Day Program, Napa Senior Center events, and Clinic Olé classes.

Table 4: VineGo Ridership – Comparing Q4 of FY20 & FY21

	FY 19/20	FY 20/21	% Difference	Numerical Difference
VineGo	723	1,033	42.88%	310

Tables 5, 6 and 7, compare the third quarter of FY 2020-21 to the fourth quarter of FY 2020-21 to provide additional context on ridership during the COVID-19 pandemic. Table 5 shows a solid increase in ridership in the City of Napa between the last two quarters. This is most likely caused by the movement of Napa County from the Substantial Risk Level (Red Tier) to the Moderate Risk Level (Orange Tier) on April 7, 2021, along with the overall reopening of the State of California on June 15, 2021. The less restrictive Orange Tier meant that most activities reopened in the County with various modifications, resulting in an overall increase in ridership.

Table 5 City of Napa Ridership – Comparing Q3 of FY21 & Q4 of FY21

	Q3 FY 21	Q4 FY 21	% Difference	Numerical Difference
Napa Local On-Demand	13,361	13,294	-0.50%	-67
Route N (started May 9th)	N/A	2,995	N/A	N/A
Route S (started May 9th)	N/A	1,339	N/A	N/A
Total	13,361	17,628	31.9%	4,267

Ridership increased over the prior quarter on the regional routes by 27.64% as seen in Table 6. This is most likely caused by Napa moving into the Orange Tier and then fully reopening causing some commuters to return to the office.

Table 6: Routes 10, 11, 21 & 29 Ridership – Comparing Q3 of FY21 & Q4 of FY21

	Q3 FY 21	Q4 FY 21	% Difference	Numerical Difference
Route 10	20,225	28,180	39.33%	7,955
Route 11	19,876	24,040	20.95%	4,164
Route 21	4,014	4,845	20.69%	831

Route 29	6,928	8,087	16.73%	1,159
Total	51,044	65,152	27.64%	14,108

For the community shuttles, ridership increased on all services compared to the third quarter of the current fiscal year as seen in Table 7 as tourists began to return to Napa Valley and locals began to take more trips.

Table 7: Community Shuttles– Comparing Q3 of FY21 & Q4 of FY21

	Q3 FY 21	Q4 FY 21	% Difference	Numerical Difference
Calistoga Shuttle	1,541	2,923	89.68%	1,382
St. Helena Shuttle	1,060	1,121	5.75%	61
Yountville Trolley	1,154	1,553	34.58%	399
American Canyon Transit	1,679	1,932	15.07%	253
Total	5,434	7,529	38.55%	2,095

VineGo ridership increased by 328 passengers when compared to the third quarter of the current fiscal year as seen in Table 8. NVRTA has also seen an uptick in VineGo applications and renewals so VineGo ridership should continue to rise and more people become eligible.

Table 8: VineGo Ridership – Comparing Q3 of FY21 & Q4 of FY21

	Q3 FY 21	Q4 FY 21	% Difference	Numerical Difference
VineGo	705	1,033	46.52%	328

The final table (Table 9) shows the on-time performance for the six fixed route services that NVRTA is currently operating. The N and S Routes in the City of Napa are showing an acceptable level of on-time performance at 87.90%, but the Route 21 remains a problem. Changes were made to Route 21 schedule on May 9, 2021 to trying an improve on-time performance, but it barely changed. This is something that will be a top priority with the installation of the new CAD/AVL system in the second quarter of FY 2021-22. The new CAD/AVL system will be increasingly accurate and allow NVRTA and dispatchers to pinpoint specific trips and driver actions that may cause the poor on-time performance

Table 9: On-Time Performance for June 2021

	On-Time	Late	Early
Route N	88.00%	8.60%	3.40%
Route S	87.80%	9.60%	2.60%
Route 10 N	57.20%	18.60%	24.20%

Route 10 S	66.70%	24.30%	9.10%
Route 11 N	51.90%	26.50%	21.60%
Route 11 S	58.90%	16.50%	24.70%
Route 21 N	42.60%	10.90%	46.50%
Route 21 S	60.20%	18.40%	21.40%
Route 29 N	79.40%	20.60%	0.00%
Route S	61.40%	23.10%	15.50%
Average	73.84%	14.48%	11.69%

August Service Changes to Accommodate Anticipated Ridership Increases

In response to increased ridership and the start of the school year, the Napa Valley Transportation Authority (NVTA) will implement two new fixed-route services in the City of Napa, expand local service hours and provide express service for commuters to the Vallejo Ferry Terminal beginning on August 15, 2021.

NVTA will operate longer hours on the Routes N, S, and Vine on-demand service. In addition, two new City of Napa routes, Route E and Route W, will serve the Shurtleff and Westwood neighborhoods. The new local routes offer a convenient option for riders in the high-demand areas and allow Vine Transit to continue to offer on-demand service in areas with lower demand.

NVTA continues to follow recommended health and sanitation requirements. As mandated by the Transportation Security Administration, face masks are required on Vine vehicles, at bus stops, and all facilities.

ATTACHMENT(S)

None



September 1, 2021
CAC Agenda Item 7.4
Continued From: New

Action Requested: **INFORMATION**

NAPA VALLEY TRANSPORTATION AUTHORITY

Citizen Advisory Committee 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: NVRTA-TA Board Retreat – Solving for “X”

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

A NVRTA-Tax Agency Board Retreat will be held on Monday, 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

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), 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 NVRTA 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 NVTAs staff’s analysis and considerations that will be made to the NVTAs 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 NVTAs 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 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
- 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