



## MEETING NOTICE & AGENDA

**DATE:** Thursday, February 15, 2024

**TIME:** 4:00 P.M.

**PLACE:** Board of Supervisors Chambers  
Yuba County Government Center  
915 8<sup>th</sup> Street  
Marysville, California

### I. Call to Order & Roll Call

Kirchner (Chair), Bains (Vice-Chair), Blaser, Buttacavoli, Flores, Fuhrer, Hudson, and Shaw

### II. Public Business from the Floor

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

### III. Consent Calendar

All matters listed under the Consent Calendar are considered routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or public request specific items to be removed from the Consent Calendar for discussion or specific action.

- A. Minutes from the Regular Meeting of January 18, 2024. (Attachment)
- B. Disbursement List for January 2024. (Attachment)
- C. Monthly Performance Report for January 2024. (Attachment)
- D. Feather River Air Quality Management District (FRAQMD) AB 2766 Grant Agreement. (Attachment)
- E. FTA Section 5339(b) Buses and Bus Facilities and Section 5339(c) Low or No Emission Grant Program. (Attachment)

### IV. Reports

- A. **Mid-Year Budget Report for FY 2024 and Budget Preview for FY 2025.** Review of the mid-year financial report and discussion of potential budget issues for FY 2025. (Attachment)

RECOMMENDATION: Direct staff as desired.

- B. **Mid-Year Performance Report for FY 2024.** (Attachment)

RECOMMENDATION: Information Only.

- C. **Project & Program Updates.**

1. Potential Surplus Commuter Bus Sale to Redding Area Bus Authority (RABA) and Fixed Route Bus Lease to Eastern Sierra Transit
2. Caltrans Binney Junction SR70 Project Phase 2 Easements
3. NextGen Transit Facility Project
4. NextGen Transit Plan Implementation

RECOMMENDATION: Information only.

V. Correspondence / Information

VI. Other Business

VII. Adjournment

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, MARCH 21, 2024  
AT 4:00 P.M. IN THE BOARD OF SUPERVISORS CHAMBERS, YUBA COUNTY GOVERNMENT CENTER**

If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or by email at [info@yubasuttertransit.com](mailto:info@yubasuttertransit.com) at least 72 hours in advance so such aids or services can be arranged.

**AGENDA ITEM III – A  
YUBA-SUTTER TRANSIT AUTHORITY  
MEETING MINUTES  
JANUARY 18, 2024**

**I. Call to Order & Roll Call (4:00 P.M.)**

Present: Bains (Chair), Blaser, Buttacavoli, Flores, Fuhrer (Vice Chair), Hudson, Kirchner and Shaw  
Absent:

**II. Board Business**

**A. Nomination and Election of Board Officers 2024.**

Director Buttacavoli made a motion to nominate Director Karm Bains as Chairman. Director Fuhrer seconded the motion. Following discussion, Director Shaw made a motion to nominate Director Wade Kirchner as Chairman. Director Fuhrer seconded the motion. Per legal counsel, a vote was held on the second motion first, as follows:

Roll call vote for Director Kirchner:

Yes: Blaser, Fuhrer, Hudson and Shaw

No: Buttacavoli and Flores

Abstain: Bains and Kirchner

Director Kirchner assumed the Chair from Director Bains.

Director Fuhrer made a motion to nominate Director Karm Bains as Vice-Chair. Director Flores seconded the motion and it carried unanimously.

**B. Statement of Economic Interest for 2024.**

Executive Director Mauk noted that this is a reminder of the requirement to file yearly Form 700 by April 1<sup>st</sup> for ongoing members or alternates and within 30 days from appointment for new members or alternates. A copy of the form should be provided to Lisa O'Leary, Board Clerk, for public record requests and any related questions should be directed to her.

**C. Annual Board Report**

Mauk stated that the annual report is provided for information only and there were no questions from the Board.

**III. Public Business from the Floor**

None.

**IV. Closed Session**

**A. Public Employee Appointment (Pursuant to Government Code Section 54957)**

The Board adjourned to closed session at 4:08 p.m.

The Board reconvened at 4:21 p.m. Legal counsel stating there was no reportable action from the closed session.

**V. Consent Calendar**

Director Bains made a motion to approve the consent calendar. Director Buttacavoli seconded the motion and it carried unanimously.

**VI. Reports**

**A. Fiscal Year (FY) 2023 Financial Audit Report.**

Mauk reported that the full audit was provided in the board packet. It was a clean audit with no findings, comments, or corrective actions recommended. Director Flores congratulated the staff on the clean audit.

**B. Project & Program Updates.**

1. Caltrans Binney Junction SR70 Project Phase 2 Easements

Mauk stated that Caltrans is working the Yuba County Airport to draft a new lease agreement for our overflow parking during Phase 2 of the construction planned for September 2024 through December 2026.

The new lease will likely be under the same payment terms and Caltrans will be paying the fee directly to Yuba County. The staff is preparing a new relocation cost estimate for Caltrans associated with the Phase 2 TCE. Caltrans is working toward having the new lease agreement and draft easement agreement ready for Board review and approval at the February 15<sup>th</sup> meeting.

2. NextGen Transit Facility Project

Mauk reported that a consultant has been hired to support the development of the solicitation for environmental approval and 30% design with no expected timeline to get RFP on the street.

Yuba-Sutter Transit is also receiving bids for conducting a market value appraisal of the current facility.

3. State Transit Funding Update

Mauk reported that the Governor has released the proposed 2025 budget which preserves transit operations funding, specifically the \$5.1 billion for transit operations and capital projects appropriated in last year's budget under SB125.

The budget proposes to extend the timeline for the \$2 billion under the TIRCP program in 2025. Yuba-Sutter Transit was awarded \$13.8 million in Cycle 6 TIRCP grant funding for both the NextGen Transit Facility and zero emission bus purchases. The proposed delay is not expected to impact the construction of awarded projects.

**VII. Correspondence / Information**

None.

**VIII. Other Business**

Mauk stated that the next Board Meeting will be on February 15, 2024, and agenda items will include 2025 budget previews. Director Bains invited everyone to the ribbon cutting at The Refuge located at 1501 Butte House Rd.

**IX. Adjournment**

The meeting was adjourned at 4:29 pm.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, FEBRUARY 15, 2024 AT 4:00 PM IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS UNLESS OTHERWISE NOTICED.**

**AGENDA ITEM III - B  
YUBA-SUTTER TRANSIT  
DISBURSEMENT LIST  
MONTH OF JANUARY 2024**

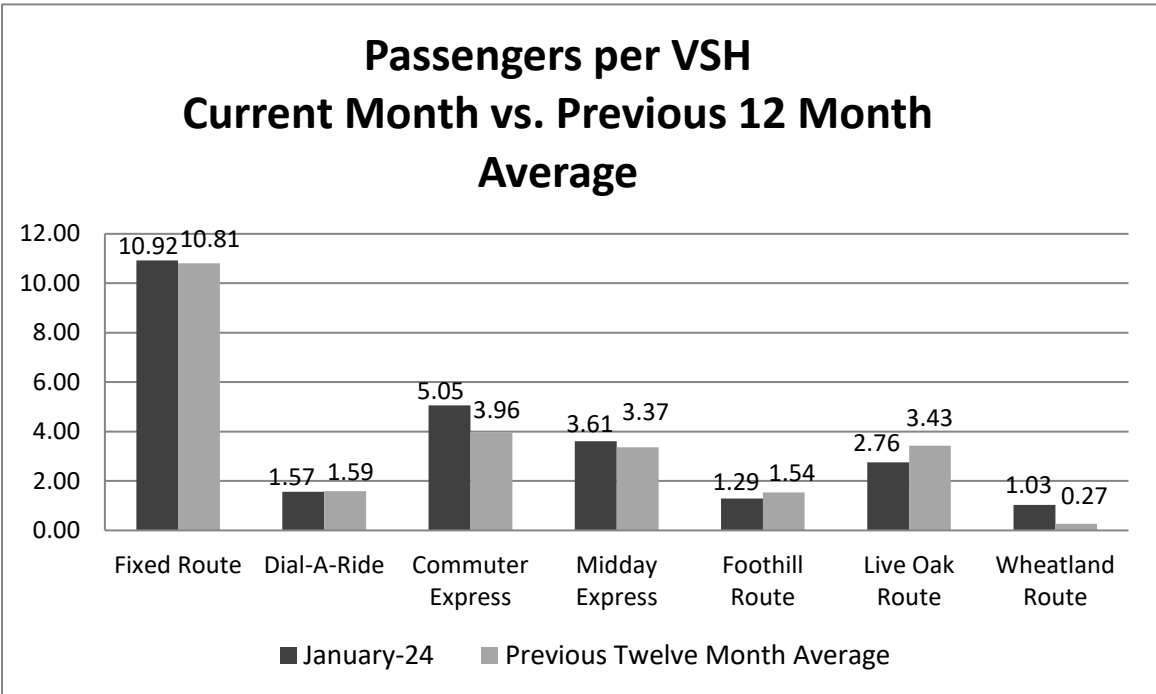
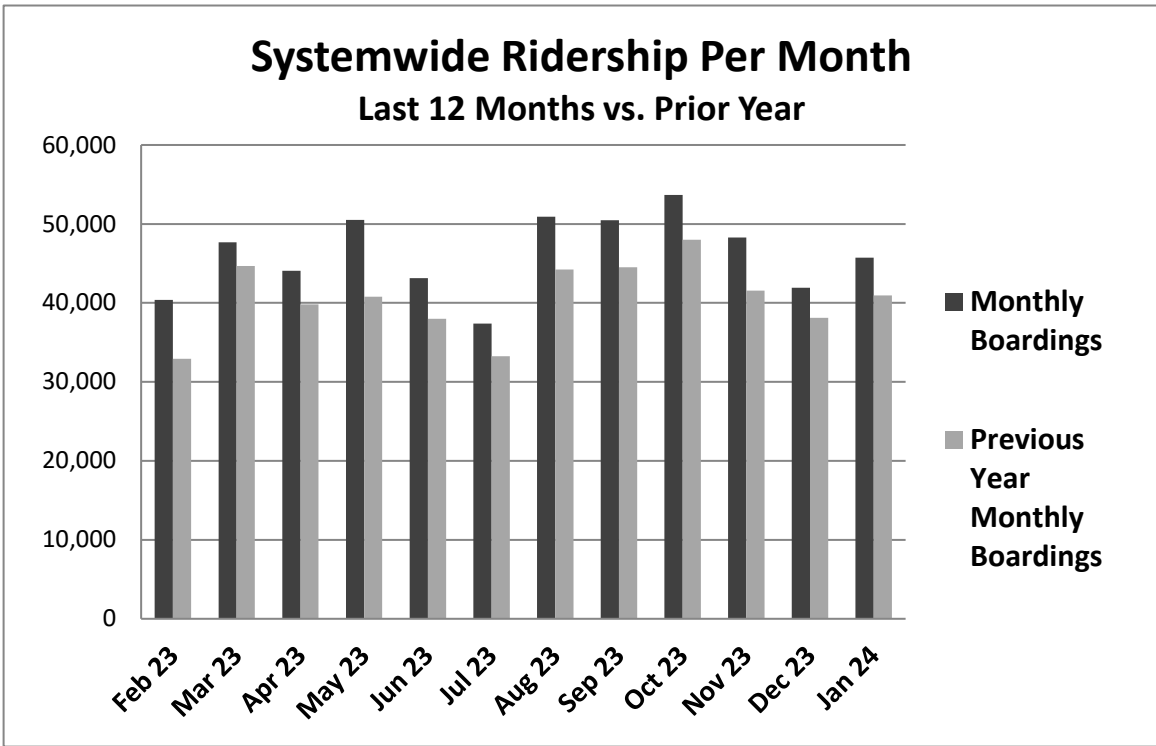
CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 9,155.15	CALPERS HEALTH	HEALTH INSURANCE
EFT	\$ 4,488.06	CALPERS RETIREMENT	RETIREMENT PAYMENT (EMPLOYER SHARE)
EFT	\$ 729.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 47,102.05	PAYROLL	PAYROLL
EFT	\$ 2,047.04	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 36.86	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION - JANUARY 2024
EFT	\$ 299.53	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 4,475.36	PG&E	ELECTRIC #1 12/12/2023 - 1/10/2024
EFT	\$ 56.44	PG&E	ELECTRIC #2 - PARKING LOT LIGHTS - JANUARY 2024
EFT	\$ 1,241.20	PG&E	GAS - DECEMBER 2023
EFT	\$ 100.00	DAVID SHAW	BOARD MEETING - DECEMBER 2023
EFT	\$ 100.00	DON BLASER	BOARD MEETING - DECEMBER 2023
EFT	\$ 100.00	SETH FUHRER	BOARD MEETING - DECEMBER 2023
EFT	\$ 100.00	WADE KIRCHNER	BOARD MEETING - DECEMBER 2023
EFT	\$ 363.25	COMCAST BUSINESS	INTERNET SERVICES - JANUARY 2024
EFT	\$ 390.09	COMCAST BUSINESS	TELEPHONE SERVICES - JANUARY 2024
EFT	\$ 9,172.85	RAMOS OIL COMPANY	BUS FUEL - GAS 12/11/2023 - 12/31/2023
EFT	\$ 3,539.56	RAMOS OIL COMPANY	BUS FUEL - GAS 1/1/2024 - 1/10/2024
EFT	\$ 100.00	BRAD HUDSON	BOARD MEETING - JANUARY 2024
EFT	\$ 100.00	DAVID SHAW	BOARD MEETING - JANUARY 2024
EFT	\$ 100.00	DON BLASER	BOARD MEETING - JANUARY 2024
EFT	\$ 100.00	KARM BAINS	BOARD MEETING - JANUARY 2024
EFT	\$ 100.00	SETH FUHRER	BOARD MEETING - JANUARY 2024
EFT	\$ 100.00	WADE KIRCHNER	BOARD MEETING - JANUARY 2024
EFT	\$ 750.00	RICH, FUIDGE, BORDSEN & GALYEAN, INC	LEGAL SERVICES 12/15/2023 - 1/15/2024
EFT	\$ 1,367.68	STATE COMPENSATION INSURANCE FUND	PREMIUM CHARGE & NEW POLICY CHARGE 1/1 TO 4/1/24
EFT	\$ 333.41	MACQUARIE EQUIPMENT CAPITAL INC	COPY MACHINE RENTAL - DECEMBER 2023
EFT	\$ 688.07	CARDMEMBER SERVICES	CREDIT CARD - SUBSCRIPTIONS, TRAINING & TRAVEL
EFT	\$ 238.83	UTILITY MANAGEMENT SERVICES	SEWER - JANUARY 2024
EFT	\$ 221.60	PRIMEPAY	PAYROLL FEES - DECEMBER 2023
EFT	\$ 136.50	ELAVON	MERCHANT SERVICE FEE - JANUARY 2024
18679	\$ 317.65	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINES CHARGES - DECEMBER 2023
18680	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING & WEED CONTROL - DECEMBER 2023
18681	\$ 1,589.34	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - DECEMBER 2023
18682	\$ 100.00	DAN FLORES	BOARD MEETING - DECEMBER 2023
18683	\$ 331.65	HANCOCK PETROLEUM ENGINEERING	REPAIR ON PUMPS #3 & #4
18684	\$ 86.79	JANET FRYE	MILEAGE REIMBURSEMENT 7/2023 TO 12/2023
18685	\$ 356.64	MR ROOTER PLUMBING	CLEAR BLOCKAGE IN SEWER LINE IN OPERATIONS
18686	\$ 426.86	QUILL CORPORATION	OFFICE SUPPLIES: RECEIPT BOOKS, PAPER, TAPE, PENS
18687	\$ 510,607.50	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE - 11/2023
18688	\$ 535.00	STREAMLINE	WEBSITE SERVICES - JANUARY 2024
18689	\$ 49.16	SUTTER COUNTY LIBRARY	CONNECT CARD SALES COMMISSION - DEC 2023
18690	\$ 1,670.20	T-MOBILE	WIFI SERVICES FOR BUSES - DECEMBER 2023
18691	\$ 2,888.97	TEHAMA TIRE SERVICE INC	TUBES/TIRES
18692	\$ 1,945.00	ALLIANT NETWORKING SERVICES INC	IT SERVICES - FEBRUARY 2024
18692	\$ 1,759.50	ALLIANT NETWORKING SERVICES INC	ADMIN - OFFICE LAPTOP
18693	\$ 100.00	BRUCE BUTTACAVOLI	BOARD MEETING - JANUARY 2024
18694	\$ 100.00	DAN FLORES	BOARD MEETING - JANUARY 2024
18695	\$ 24,535.46	HUNT & SONS INC	BUS FUEL - DYED DIESEL
18696	\$ 310.00	LAMAR ADVERTISING	COMMUTER BUS ADS
18697	\$ 1,646.55	QuEST	MAINTENANCE OF BUS STOPS/SHELTERS - 12/23
18698	\$ 1,100.00	RC JANITORIAL	JANITORIAL SERVICES - DECEMBER 2023
18699	\$ 1,623.31	SC FUELS	DEF FLUID
18700	\$ 565.47	SECURITAS TECHNOLOGY CORPORATION	SECURITY SERVICES - FEBRUARY 2024
18701	\$ 55.00	SHELBY'S PEST CONTROL	PEST CONTROL SERVICES - JANUARY 2024
18702	\$ 507,859.97	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE - 12/2023
18702	\$ 31,984.07	STORER TRANSIT SYSTEMS	REPAIR BUS #3230 - HEAD GASKET
18702	\$ 18,535.75	STORER TRANSIT SYSTEMS	REPAIR BUS #3238 - TRANSMISSION
18702	\$ 19,298.92	STORER TRANSIT SYSTEMS	REPAIR BUS #1681 - FUEL INJECTION SYSTEM
18702	\$ 1,655.93	STORER TRANSIT SYSTEMS	REIMBURSEMENT - REPLACEMENT TRANSMISSION JACK
18703	\$ 715.52	TEHAMA TIRE SERVICE INC	TUBES/TIRES
	\$ 1,220,757.74		

**LAIF  
TRANSFERS**

**AGENDA ITEM III - C**  
**JANUARY 2024 PERFORMANCE REPORT**

	<b>January-24</b>	<b>Previous Twelve Month Average</b>	<b>Fiscal YTD</b>	<b>Previous Fiscal YTD</b>
<b>Ridership:</b>				
Fixed Route	39,300	39,423	283,809	249,295
Dial-A-Ride	2,429	2,592	17,438	16,938
Commuter Express	3,196	2,824	20,668	18,518
Midday Express	411	509	3,361	3,244
Foothill Route	125	133	974	730
Live Oak Route	231	286	1,979	1,755
Wheatland Route	53	13	139	95
<b>Total Ridership:</b>	<b>45,745</b>	<b>45,780</b>	<b>328,368</b>	<b>290,575</b>
<b>Vehicle Service Hours:</b>				
Fixed Route	3,597.69	3,645.89	25,597.40	25,511.44
Dial-A-Ride	1,550.07	1,632.36	11,682.85	9,209.77
Commuter Express	632.44	712.79	4,809.29	5,027.87
Midday Express	113.70	151.09	966.20	1,120.33
Foothill Route	96.88	86.37	615.34	597.56
Live Oak Route	83.84	83.43	597.74	521.48
Wheatland Route	51.56	47.76	342.38	343.93
<b>Total VSH's:</b>	<b>6,126.18</b>	<b>6,359.68</b>	<b>44,611.20</b>	<b>42,332.38</b>
<b>Passengers Per Hour:</b>				
Fixed Route	10.92	10.81	11.09	9.77
Dial-A-Ride	1.57	1.59	1.49	1.84
Commuter Express	5.05	3.96	4.30	3.68
Midday Express	3.61	3.37	3.48	2.90
Foothill Route	1.29	1.54	1.58	1.22
Live Oak Route	2.76	3.43	3.31	3.37
Wheatland Route	1.03	0.27	0.41	0.28
<b>Total Passengers Per VSH:</b>	<b>7.47</b>	<b>7.20</b>	<b>7.36</b>	<b>6.86</b>

## JANUARY 2024 PERFORMANCE REPORT





AGENDA ITEM III – D  
STAFF REPORT

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT (FRAQMD)  
AB 2766 GRANT AGREEMENT**

Attached for Board review and approval is Feather River Air Quality Management District (FRAQMD) Grant Agreement #VF23-04 to continue the existing Discount Monthly Pass Program. This grant was approved by FRAQMD in December for \$98,000 of the requested \$100,000 to extend the program for one year from April 1, 2024, through March 31, 2025. This extremely successful program, which has long been supported by FRAQMD funding, would otherwise end on March 31, 2024.

The primary objective of the Discount Monthly Bus Pass Program continues to be a reduction in vehicle trips and vehicle miles traveled by encouraging youth (ages 5 – 18), seniors (age 65 and over), and eligible persons with disabilities to ride public transportation as much as possible. This is to be accomplished by continuing to reduce the regular \$15 price of Yuba-Sutter Transit's unlimited use discount monthly local and rural fixed route bus pass to just \$5 using the requested FRAQMD funds to off-set the \$10 in lost fare revenue on each pass sold.

The success of this project will be measured by comparing the number of passes sold and the trips provided to prior years whether by individual eligibility category or for all categories combined. Based on current pass sales and ridership data allowing for anticipated growth as the Yuba-Sutter Transit system continues to move toward pre-pandemic ridership levels, the one-year program is expected to result in the sale of up to 9,800 discount monthly bus passes and provide approximately 200,000 passenger trips to area youth, seniors, and persons with disabilities. Each discount pass is valid for unlimited use of Yuba-Sutter Transit's local fixed routes and three rural routes for a calendar month. All related marketing and administrative support expenses will be provided by Yuba-Sutter Transit as an in-kind contribution.

This is a standard FRAQMD grant agreement that will be subject to review by legal counsel prior to the execution. Staff will be prepared at the meeting to discuss both the agreement and the project in detail.

RECOMMENDATION:                      Authorize execution of FRAQMD Grant Agreement #VF23-04.

## **AGREEMENT FOR USE OF MOTOR-VEHICLE REGISTRATION SURCHARGE FEES**

### **FRAQMD Agreement No. VF23-04**

This Agreement, dated December 4, 2023, is between the Yuba Sutter Transit Authority (“Participant”), a public agency of the State of California, and the Feather River Air Quality Management District (“FRAQMD”), a body corporate and politic and a public agency of the State of California.

### **RECITALS**

- A. Participant proposes the Discount Monthly Bus Pass Program, to discount the cost of the monthly bus pass for Yuba and Sutter County area youth, seniors, and eligible persons with disabilities, from April 1, 2024, to March 31, 2025.
- B. As part of its effort to reduce local air pollution from motor vehicles, FRAQMD is willing to fund a portion of this work from revenues it may receive under Chapter 7 of Part 5 of Division 26 (commencing with section 44220) of the Health and Safety Code, subject to the terms and conditions herein.

### **TERMS AND CONDITIONS**

1. FRAQMD shall pay to Participant a total amount not to exceed \$98,000, within thirty days of receiving Participant's written invoice for the work described in section 2. Payment shall be made exclusively from revenues as specified in section B above and is conditioned upon such revenues being available. Participant may submit partial invoices as work is completed throughout the term of the Agreement.
2. Participant shall use the funds paid under section 1 solely for the Discount Monthly Bus Pass Program, as further described in Exhibit A, which is attached to this agreement and made part of it.
3. Participant shall include mention of FRAQMD’s Blue Sky Program as a funding source for the Discount Monthly Bus Pass Program project in all press releases, advertisements and other public outreach for the Discount Monthly Bus Pass Program project. Participant shall provide FRAQMD notification of all such outreach prior to publication.
4. Participant shall submit a final “Project Evaluation” report that details the results of the Discount Monthly Bus Pass Program project objectives as further described in said Exhibit A, **with the final invoice**, within 90 days of project completion.
5. Participant acknowledges that in order to comply with Chapter 7 of Part 5 of Division 26 (commencing with Section 44220) of the Health and Safety Code the funds paid under section 1 must be used solely to reduce air pollution from motor vehicles, and for related planning, monitoring, enforcement, and technical studies necessary to implement the California Clean Air

Act of 1988. Participant agrees to use all funds paid hereunder for such purposes.

6. Participant shall complete the work described in paragraph 2 by **March 31, 2025**. If all or a portion of the work described in paragraph 2 is not complete, the funding allocated to the incomplete portion shall revert to back to the FRAQMD on July 1, 2025. Further, Participant shall refund to FRAQMD any funds paid hereunder which are not expended solely for the work described in paragraph 2, together with accrued interest, within 30 days of FRAQMD's written demand therefore.

7. If Participant requires an amendment to the agreement either to extend the grant beyond March 31, 2025, to complete the work described in paragraph 2, or for any other reason, then an extension request must be received by the FRAQMD no later than January 10, 2025.

8. Participant agrees to indemnify, defend (upon FRAQMD's written request), protect, and hold harmless FRAQMD and FRAQMD's officers, employees, and agents against all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final appeal) that arise in any way from acts or omissions by Participant or Participant's officers, employees, or agents while performing under this agreement. Participant's obligation under this section covers but is not limited to liabilities, claims, demands, damages, and costs arising from injury to, or death of, any person and from damage to, or destruction of, any property. Participant's obligation under this section will survive this agreement.

9. If Participant materially breaches this agreement, then FRAQMD may demand in writing that the breach be cured. If, within ten days after receiving such demand, Participant has failed to cure the breach to FRAQMD's reasonable satisfaction, then FRAQMD may give Participant written notice of termination. Upon such termination, Participant must submit to FRAQMD a final written report prepared in accordance with section 3 and must return to FRAQMD all funds paid under section 1 which have not been expended on the Discount Monthly Bus Pass Program project. As used in this section, "material breach" includes but is not limited to Participant's use of funds paid under section 1 in a manner inconsistent with Chapter 7. FRAQMD's failure to insist on strict performance of this agreement, or to exercise any right or remedy upon breach of this agreement, shall not constitute a waiver of such performance, right, or remedy. No waiver is binding unless in writing, signed by FRAQMD.

10. Participant acknowledges that FRAQMD's sole responsibility concerning the Discount Monthly Bus Pass Program project described in section 2 is to contribute a portion of the program costs. FRAQMD has no responsibility for, or control over, development, implementation, and promotion of the Discount Monthly Bus Pass Program project.

11. All correspondence regarding this agreement, including invoices, payments, and notices, shall be directed to the following persons at the following addresses and phone numbers:

Yuba Sutter Transit Authority	Matthew Mauk, Executive Director 2100 B Street, Marysville, CA 95901 (530) 634-6880
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FRAQMD:	Christopher D. Brown, AICP, Air Pollution Control Officer 541 Washington Avenue, Yuba City, California 95991 (530) 634-7659
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If written, correspondence shall be sent either by personal delivery (including overnight delivery service) or by U. S. Mail, postage prepaid, and shall be considered delivered when actually received.

12. For a period of three years after final payment to Participant, this agreement shall be subject to the examination and audit of the State Auditor or independent auditor selected by FRAQMD, whether at FRAQMD's request or as part of any audit of FRAQMD, and Participant shall retain copies of all documents and records pertinent to this agreement for such period.

13. This agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply in interpreting this Agreement.

14. This agreement shall be interpreted and applied in accordance with California law. If any conflict arises between sections 1 through 13 and Exhibit A, then sections 1 through 13 shall govern. Any litigation concerning it shall be brought in the Superior Court of Sutter County. The prevailing party in any such litigation shall be entitled to recover reasonable attorneys' fees in addition to any other relief to which it may be entitled.

15. This agreement sets forth the parties' entire understanding regarding the matters set forth in sections 1 through 14. It supersedes all prior agreements and representations, written and oral, and may be modified only by a written agreement signed by Participant and FRAQMD.

APPROVED FOR LEGAL FORM

FEATHER RIVER AIR QUALITY  
MANAGEMENT DISTRICT

By: \_\_\_\_\_  
District Counsel

By: \_\_\_\_\_  
Christopher D. Brown, AICP, APCO

YUBA SUTTER TRANSIT AUTHORITY

By: \_\_\_\_\_  
Matthew Mauk, Executive Director



October 9, 2023

Stuart Gilchrist, Chairman  
Feather River Air Quality Management District  
541 Washington Avenue  
Yuba City CA 95991

RECEIVED

OCT 09 2023

FEATHER RIVER  
AQMD

RE: 2023/2024 Blue Sky (AB 2766) Program Grant Application  
Discount Monthly Bus Pass Program

Dear Chairman Gilchrist:

On behalf of the Yuba-Sutter Transit Board of Directors, I am pleased to submit the attached application for \$100,000 in 2023/2024 Blue Sky (AB 2766) Program funds to extend the existing Discount Monthly Bus Pass Program for another twelve months from April 2024 through March 2025. Unless extended, this extremely successful program, which has long been supported by FRAQMD funding, will now end on March 31, 2024.

The primary objective of the Discount Monthly Bus Pass Program continues to be a reduction in vehicle trips and vehicle miles traveled by encouraging youth (ages 5 – 18), seniors (age 65 and over), and eligible persons with disabilities to ride public transportation as much as possible. This is to be accomplished by continuing to reduce the regular \$15 price of Yuba-Sutter Transit's unlimited use discount monthly local and rural fixed route bus pass to just \$5 using the requested FRAQMD funds to off-set the \$10 in lost fare revenue on each pass sold.

The success of this project will be measured by comparing the number of passes sold and the trips provided to prior years whether by individual eligibility category or for all categories combined. Based on current pass sales and ridership data allowing for anticipated growth as the Yuba-Sutter Transit system continues to recover from pandemic, the proposed one-year program is expected to result in the sale of up to 10,000 discount monthly bus passes and provide approximately 200,000 passenger trips to area youth, seniors, and persons with disabilities.

Thank you for your consideration and please feel free to contact me if you have any questions or need additional information.



MATTHEW MAUK  
Executive Director

Attachment

F:\USERS\Common\FRAQMD\Discount Pass Cover Letter 10-9-23\



541 Washington Avenue  
Yuba City, CA 95991  
(530) 634-7659  
FAX (530) 634-7660  
[www.fraqmd.org](http://www.fraqmd.org)

Christopher D. Brown, AICP  
Air Pollution Control Officer

**BLUE SKY PROGRAM PROPOSAL APPLICATION FORM AB 2766  
Fiscal Year 2023/2024**

PROJECT TITLE Discount Monthly Bus Pass Program

Agency/Company Name: Yuba-Sutter Transit Authority

Mailing Address: 2100 B Street, Marysville, CA 95901

Contact Person Name: Matthew Mauk Title: Executive Director

Phone Number: (530) 634-6880 Fax Number: (530) 634-6888

Physical Address (if different from above):  
\_\_\_\_\_

E-Mail Address: matt@yubasuttertransit.com

**FUNDING REQUESTED**

AB2766 Funding: \$ 1 00 , 00 OR AB 923 Funding: \$ \_\_\_\_\_

**PROJECT TYPE (check one)**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Alternative Fuel Infrastructure          | <input type="checkbox"/> Bicycle or Pedestrian        | <input type="checkbox"/> Public Transit              |
| <input type="checkbox"/> Public Education or Outreach             | <input type="checkbox"/> Vanpool/Shuttle              | <input type="checkbox"/> Clean Fuel Vehicle Purchase |
| <input checked="" type="checkbox"/> Public Transit Fare Reduction | <input type="checkbox"/> Employer Rideshare Incentive | <input type="checkbox"/> Other                       |

Authorized Representative who will sign the Grant Agreement:

Name: <u>Matthew Mauk</u>	Title: <u>Executive Director</u>
Signature of Representativ 	Date: <u>October 9, 2023</u>

**Applicant Funding Disclosure:**

Has the project in this application been awarded funding or is being considered for funding from another public agency? If yes, please provide agency name, amount of funding, and status of application for funding:

No

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**Application Statement:**

All information provided in this application will be used by the FRAQMD to evaluate the eligibility of your proposed project to receive grant funding. The FRAQMD reserves the right to request additional information and can deny the application if such requested information is not provided. An incomplete application is an application that is missing information critical to the evaluation of the project. If the applicant does not respond within 30 days, the application will be automatically terminated.

- I certify to the best of my knowledge that the information contained in this application is true and accurate.
- I certify that the existing vehicles/equipment/engines referred to in this application are operational.
- I understand that all technologies must either be verified or certified by CARB to reduce Oxides of Nitrogen and/or other criteria pollutants.
- I understand that there will be conditions upon receiving grant funding and agree to refund these funds if it is found that at any time the conditions/contract are not met, and if so directed by the District.
- I understand as a participant that programs have limited funds and shall terminate upon depletion of those funds. The FRAQMD shall be under no obligation to honor requests received following depletion of program funding. I acknowledge that in accepting any incentive funding, I will be prohibited from applying for any other form of emission reduction credits from the District.
- In the event that the project does not complete the minimum term of any agreement eventually reached from this application I agree to return to the FRAQMD a pro-rated portion of incentive received based on activity and/or usage up to and including the full amount of the original incentive provided as directed by the FRAQMD. I understand that the FRAQMD may relieve this obligation to return the funds depending on the circumstances.
- I understand I must be in compliance with all applicable federal, state, and local air quality rules and regulations.

  
 \_\_\_\_\_  
 Authorized Signature

October 9, 2023  
 \_\_\_\_\_  
 Date

Matthew Mauk  
 \_\_\_\_\_  
 Authorized Representative's Name

Executive Director  
 \_\_\_\_\_  
 Title

**STATEMENT OF OBJECTIVES (fill out all sections that are applicable)**

<b>Description of Proposal:</b> One year extension of the existing Discount Monthly Bus Pass Program for area youth, seniors, and persons with disabilities
<b>Explain the Need for this Project:</b> To reduce vehicle miles traveled by encouraging and reinforcing greater transit ridership among area youth, seniors, and persons with disabilities
<b>Estimated Emission Reductions/Vehicle Trip Reductions/Project Benefit:</b> Unknown
<b>Estimated Number of People Served:</b> The program is expected to result in the sale of 10,000 monthly bus passes and provide 200,000 passenger trips.
<b>Regional Benefit of Proposal:</b> Reduced number of vehicle trips and vehicle miles traveled for reduced air emissions and improved air quality.
<b>Describe Previous Funding Received by Project from the Blue Sky Program:</b> Blue Sky grants have been received for similar transit fare reduction projects beginning with youth in September 2005 which was expanded over time to include seniors and persons with disabilities.
<b>Number of Years to Achieve Estimated Emission Reductions/VMT Reductions/Benefits:</b> One year

**FUNDING REQUEST**

<b>Total Project Costs:</b> \$103,000
<b>List Project Costs by Tasks, Phase, and Alternative Funding Levels (if applicable):</b> Fare Replacement (Sale of 10,000 monthly passes) - \$100,000 / Project Management (20 Hours at \$75/Hr) - \$1,500 / Direct Promotional Expenses - \$1,500 / Total - \$103,000
<b>List all funding sources including direct and in-kind (non-dollar) contributions and sources:</b> Blue Sky Grant - \$100,000 / Yuba-Sutter Transit - \$3,000 / Total - \$103,000
<b>Itemized list of equipment to be purchased and proportion of cost to be funded by Blue Sky Grant:</b> Not Applicable
<b>Percent or Amount of Funding Requested that is for Project Administration:</b> 0%
<b>Names of any subcontractors, hourly or daily rates of compensation and number of hours. If specific contractors not yet known, list minimum qualifications:</b> None



**PROJECT ORGANIZATION (if not government agency)**

Project Proponents Management Structure:

Not Applicable (Public Agency)

Project Proponents Tax Status (501 (C) 3, etc.) Not Applicable (Public Agency)

Proposal Monitoring Procedures:

Project monitoring will be conducted by comparing the number of passes sold and the number of passenger trips provided to prior years by individual fare category and by all categories combined.

Description of Facilities Available (if applicable):

Not Applicable

**WORK STATEMENT**

*Describe each phase of the work to be performed, including tasks within each phase of work, the sequence of work activities (including starting and completion dates), and how the evaluation and monitoring of the work shall determine effectiveness of the proposal. Include all relevant information including the technology and parties involved. NOTE: The work statement, subject to modification by the Committee, Board, or FRAQMD staff, will be attached to the contract for successful applicants. The final report submitted to the FRAQMD will describe the success in implementing the work statement.*

The proposed project would extend the existing Discount Monthly Bus Pass Program by one year from April 2024 through March 2025. The requested funds would be used to replace the lost fare revenue that would result from deeply discounting the regular \$15 price for unlimited use monthly bus passes for area youth (ages 5 - 18), seniors (age 65 and over), and eligible persons with disabilities to just \$5. Based on current trends, the project is expected to result in the sale of 10,000 discount monthly bus passes and the provision of approximately 200,000 passenger trips.

The primary objective of this project is to reduce the number of vehicle trips and vehicle miles traveled in the Yuba-Sutter area for the purposes of reducing vehicle emissions and improving local air quality. The secondary objective is to continuously introduce and reinforce the use of public transit as a viable alternative mode of transportation to the large and growing population of youth, seniors, and persons with disabilities.

Discount monthly bus passes are accepted on Yuba-Sutter Transit's six local and three rural routes. All direct and indirect project coordination and promotional expenses will be provided by Yuba-Sutter Transit. Alternative funding levels are possible by changing the proposed project scope (fewer passes), term (fewer months), and/or pass subsidy amount (lower value).

Project Schedule:

Beginning of the Extended Discount Monthly Bus Pass Program - April 1, 2024  
Completion of the Proposed Project Period - March 31, 2025  
Final Report & Project Closeout - May 31, 2025

## ADDITIONAL INFORMATION ON SPECIFIC PROJECT TYPES

### Alternative fuel infrastructure for CNG, LNG, or EVSE.

Fueling station address/city/ZIP: Not Applicable	
Estimated date of operation:	Total Cost:
Number of vehicles it will serve:	
Regional benefit of project:	
Will the fueling station be accessible to the public? If yes, describe accessibility (24/7; M-F, etc):	

### EMPLOYER RIDESHARE INCENTIVE PROJECTS

Employer/TMA Name: Not Applicable	
Number of employees to be served:	Length of Project:
How will project encourage alternative commute modes:	

### BICYCLE OR PEDESTRIAN FACILITIES OR IMPROVEMENTS

Description of Location and Major Origins and Destinations (attach map): Not Applicable
Commuter or Recreational Focus:
Describe Consistency or Implementation w/Adopted Bicycle or Other Plan:

### EXPANSION OF TRANSIT SERVICES

Description of Bus Routes and Major Origins, Connections, and Destinations (attach map): Not Applicable
For New Service, Estimated Number of Passengers Per Trip:

### PUBLIC EDUCATION/OUTREACH/INFORMATION

Target Audience: Not Applicable
Message to be Delivered:
How Message Results in Reduced Emissions:

**VANPOOL/SHUTTLES**

Describe the Proposed Route (attach map): Not Applicable	
Vehicle Capacity:	Vehicle Fuel Type:
Number of Vans/Shuttles:	Daily VMT for Each Van/Shuttle:
Submit copies of manufacture's descriptive literature that includes the vehicle GVWR, engine make, emissions certification or Executive Order (EO) and picture of proposed vehicle.	

**TRANSIT FARE REDUCTION**

Amount of Fare Reduction: \$10 reduction on the sale of each \$15 discount monthly bus pass
Estimated Number of Riders to Benefit: 10,000 passes sold and 200,000 passenger trips provided
Describe Type of Routes, Riders, or Service Eligible for Fare Reduction: Discount monthly bus passes are accepted on Yuba-Sutter Transit's six local and three rural routes serving the Marysville/Yuba City urban area, Live Oak, Wheatland, and the Yuba County foothills.

**CLEAN FUEL VEHICLES PROJECTS (excluding School buses):**

*Project types include: replacement of existing vehicle with new OEM low-emission vehicle; repowering or retrofitting existing on-road vehicles with cleaner engines or other low-emission technology.*

Existing Vehicle Type: Not Applicable	
Existing Vehicle VIN:	
Average Annual Miles Traveled (miles):	
Does the vehicle operate in an <a href="#">AB 1550</a> area? If yes, please indicate address or lat/long coordinates:  <a href="https://www3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm">https://www3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm</a>	
Existing Vehicle Manufacturer:	
Existing Vehicle Model:	
Existing Vehicle Model Year:	Existing Vehicle License Plate:
Existing Vehicle Odometer:	Existing Vehicle GVWR:
Existing Engine Manufacturer:	Existing Engine Model:
Existing Engine Serial Number:	Existing Engine Horsepower:
Existing Engine CARB Executive Order Number:	

Existing Engine Model Year:	Existing Engine Fuel:
New Vehicle Manufacturer:	
New Vehicle VIN, ID Number, or License Plate (if known):	
New Vehicle Model:	New Vehicle Fuel Type:
New Vehicle Model Year:	New Vehicle GVWR:
New Vehicle Type:	Estimated Date of Delivery:
New Engine Manufacturer:	New Engine Model:
New Engine Model Year:	New Engine Horsepower:
New Engine CARB Executive Order Number:	
Incremental Cost of Project (cost difference between conventionally fueled new vehicle and the low emission vehicle):	
Number of Years Project to be under Contract:	

**Project Requirements:**

- i. All new vehicles must be Original Equipment Manufacturer (OEM) and the vehicles (or any conversion kit) must be certified by the California Air Resources Board to be cleaner than the standard (base) gasoline or diesel vehicle.
- ii. Electric vehicles must meet all state and federal standards for on-road operation.
- iii. Submit copies of the new vehicle manufacturer's descriptive literature that includes the engine make and series, certification standard and a picture of the proposed vehicle.
- iv. Submit a copy of existing vehicle registration showing registration in CA for previous 24 months, proof of insurance for previous 24 months, existing engine Executive Order, new vehicle quote from vender, new vehicle warranty information, and new engine/retrofit Executive Order.

AGENDA ITEM III – E  
STAFF REPORT

**FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5339(b) BUSES AND BUS FACILITIES AND SECTION 5339(C) LOW OR NO EMISSION GRANT PROGRAM**

On February 8, 2024, FTA released the Notice of Funding Opportunity (NOFO) for the annual Department of Transportation National Infrastructure Investments known as the Buses and Bus Facilities Competitive Program and the Low or No Emission (Low-No) Grant Program. These competitive grant programs will award a combined total of nearly \$1.5 billion as part of the federal Infrastructure Investments & Jobs Act (also known as the Bipartisan Infrastructure Law) for eligible capital investments in public transportation buses and bus facilities. This total includes \$390 million (down \$196 million from 2023) for the Buses and Bus Facilities Program and \$1.1 billion for the Low-No Program. These are highly competitive programs which in recent years have awarded projects to approximately 18 percent and 40 percent of applicants, respectively. Most projects will require a minimum of 20 percent non-federal local match. Grant applications are due April 25<sup>th</sup> with awards expected to be announced by June.

The Buses and Bus Facilities Program has long been identified as a potential major source of funding for the Next Generation Zero-Emission Maintenance, Operations and Administration Facility and unsuccessful applications were submitted for the last three grant cycles. The follow-up FTA debrief on the 2023 application indicated that Yuba-Sutter Transit's application scored "highly recommended" in three of the six criteria but had an overall score of "not recommended" which only underscores the highly competitive nature of the program. However, Yuba-Sutter Transit's absolute near-term need for a new facility to incorporate zero emission buses into the fleet continues to be a compelling story. The clean-transit nature of the project and the site location within the service area also address many of the greenhouse gas reduction and disadvantaged population benefit goals of the grant program to further enhance the quality of the proposed application. In addition, the fact that an award from this program may complete the funding package (last-dollar) and advance the project to construction (shovel-ready), the application will likely be more competitive.

Staff is now recommending that a grant application be submitted to both programs for the facility project in response to the new NOFO. A joint application only requires the answer to one additional question to apply for both grant programs. With this approach, the application will now include a submission under the Low-No Program to acquire small battery electric buses (BEBs) to implement the NextGen Transit Plan. Staff expects to recommend a request for between \$9 and \$14 million in federal funding from the Bus Facilities Program to fund a major portion of the design and construction of the Next Generation Transit Facility.

With Board approval, staff will amend the 2023 application and engage a consultant to assist with specific technical aspects of the application package. This will likely be the same firm that assisted in the preparation of the previous Buses and Bus Facilities grant applications, two federal RAISE grant applications, and two state TIRCP grant applications for the facility. Work from these previous applications will be heavily leveraged for this new application to limit the time and cost of this effort. Assuming approval, a formal authorizing resolution will be presented at the March meeting for consideration.

**RECOMMENDATION:** Direct staff to prepare a joint grant application to the 2024 Buses and Bus Facilities Competitive Program and the Low or No Emission (Low-No) Grant Program for design and construction of the Next Generation Transit Facility and purchase of small BEBs to implement the NextGen Transit Plan.

AGENDA ITEM IV – A  
STAFF REPORT

**MID-YEAR BUDGET REPORT FOR FY 2024 AND BUDGET PREVIEW FOR FY 2025**

**Background**

The Yuba-Sutter Transit Joint Powers Agreement (JPA) stipulates that a proposed budget be submitted to the Board by the end of March prior to the start of each fiscal year and that the budget be adopted by the end of May. This adoption schedule provides early notice to the member jurisdictions of the annual apportionment of Local Transportation Fund (LTF) contributions for inclusion in their own budget process.

The purpose of this agenda item is to provide a mid-year status report on the current budget cycle, to review potential issues related to the upcoming cycle, and to invite input on other issues that the Board would like staff to consider when preparing the preliminary draft budget for presentation at the March meeting. The list of financial, service, policy, and planning related issues for the FY 2025 budget process include, but are certainly not limited to, the following:

- Projected year-end revenues and expenses for FY 2024
- Federal, state, and local operating and capital funding outlook for FY 2025 and beyond
- Storer Transit Systems contract extended through September 30, 2025
- Temporary construction easements and related offsite parking effective September 2024
- Funding and implementation schedule for the transit facility project
- Funding and implementation schedule for compliance with the zero-emission bus mandate
- Implementation schedule for the adopted Yuba-Sutter NextGen Transit Plan
- End of the contract staffing relationship with the Regional Waste Management Authority

**Projected Year-End Revenues and Expenses for FY 2024**

Yuba-Sutter Transit's current year-end operating expense and revenue projections by line-item for FY 2024 are attached for Board review. Projected year-end operating expenses for FY 2024 are now expected to be around \$21,000 (.23 percent) less than the adopted \$8,937,000 budget. Most notable operations expense fluctuations are services and other materials, up \$49,000 (14 percent) due to bus repairs and vegetation maintenance at the new Avondale property; tires, down \$20,000 (22 percent) due to lower average tire prices as compared to FY 2023; and Storer contract operating expenses (vehicle insurance, contract services, and out of contract service) are up \$58,000 (1 percent) due to operating more vehicle service hours and maintaining a larger fleet, yet operating fewer out of contract vehicle service hours. Fuel expenses are currently projected to end the year near the budgeted amount of \$1,005,000 and utilities are up \$5,000 (6 percent) due to increased energy costs. Of the administration expenditures, the notable fluctuations are a projected \$135,000 (14 percent) savings in salaries and benefits due to outsourcing information technology (IT) and marketing services needed for the NextGen Transit Plan and adding only one employee at the Program Analyst level. Due to a CalPERS valuation, we saved \$5,000 (100 percent) by not having an unfunded liability payment in FY 2024, however, this item can fluctuate greatly from year to year due to CalPERS calculations. Insurance premiums were up \$22,000 (49 percent) due to few carriers and increased rates available state-wide. Staff expects even higher insurance rates for FY 2025.

FY 2024 operating revenues include a projected \$79,000 (10% percent) increase in fares and special fares, which more than offsets the increase in contractor costs; a \$25,000 (45 percent) increase in interest revenue due to continued higher interest rates, and a \$10,000 (8 percent) increase in Non-Transportation Revenue, which

includes buses leased, temporary construction easements, and RWMA contract personnel revenue. Any savings resulting from the combination of lower than budgeted expenses and higher than budgeted revenues will allow more State Transit Assistance (STA) Funds from FY 2024 to be carried over to FY 2025, assuming current trends hold through June.

Capital expenditures through the end of the current fiscal year include final payment for the recently delivered six demand response buses (\$730,000 Federal, STA) that were continued from FY 2023 (\$550,000 PTMISEA), the budgeted allowances for start-up costs for the on-demand service technology (\$30,000 STA), and facility and office equipment and furnishings (\$50,000 STA). Although the FY 2024 budget was adopted assuming the commencement of the early design and engineering phase of the NextGen Transit Facility project, significant capital expenditures related to the project are unlikely within the current fiscal year. The environmental/preliminary design phase expenditures are now expected to begin summer 2024.

### **Federal, State and Local Operating and Capital Funding Outlook for FY 2025 and Beyond**

On November 15, 2021, President Biden signed a five-year transportation funding reauthorization measure called the Infrastructure Investments & Jobs Act (IIJA) which is also known as the Bipartisan Infrastructure Law (BIL). The IIJA significantly increased the total funding authorization over the previous reauthorization measure known as the Fixing America's Surface Transportation (FAST) Act. Yuba-Sutter Transit receives annual apportionments for both urban (Section 5307) and rural (Section 5311) transit assistance which can be used for both operating and capital purposes. In addition to these formula programs, discretionary federal capital program funding levels have also been increased significantly which has improved Yuba-Sutter Transit's chances for grants for both the Next Generation Transit Facility and future fleet replacement projects.

Most federal funds can be used for either operating or capital purposes. The relative allocation of federal funds will be determined annually due to the massive upcoming capital expenses associated specifically with the replacement of the current operating and maintenance facility and the state's zero-emission fleet requirement.

State Transit Assistance (STA) revenue is the single on-going state transit funding source that Yuba-Sutter Transit has historically used as the primary source of local matching funds for federal capital grants. SB 1 (2017) resulted in a significant expansion in the amount of STA funding available through an increase in the sales tax on diesel and a portion of an increase in vehicle registration fees. STA funds are available exclusively for transit operating or capital purposes with minimal restrictions. Due to the extraordinary capital needs cited above, staff will continue to be cautious about how much of these funds will be programmed for operating purposes in FY 2025 and beyond.

A major portion of the annual operating budget is funded by Local Transportation Funds (LTF) that are contributed by the member jurisdictions. LTF revenue is derived from a one-quarter percent sales tax that is returned to the county of origin and distributed to the jurisdictions therein by population. These funds must be used first to meet local transit needs with the remainder, if any, made available for the maintenance of local streets and roads. LTF funds are traditionally used by Yuba-Sutter Transit to balance the annual operating budget after all other available revenue sources have been applied. For FY 2024, \$4 million from this source has been claimed by Yuba-Sutter Transit for operating purposes which represents 50 percent of the combined available LTF apportionment for the four member jurisdictions. As discussed in prior years, with a greater share of other funding sources to be allocated for capital purposes, more LTF revenue is needed to be allocated for Yuba-Sutter Transit to back-fill the operating budget.

### **Storer Transit Systems Contract Extended Through September 30, 2025**

The initial four-year contract with Storer Transit Systems expired on September 30, 2023, though it was extended by Yuba-Sutter Transit with the first of two available two-year options (for a maximum of eight years). The Caltrans approved contract provides for cost adjustments during each extension year based on changes in the Consumer Price Index with a minimum of two percent and a maximum of four percent each year.

### **Temporary Construction Easements and Related Offsite Parking Effective September 2024**

The State Route 70 Binney Junction Roadway and Complete Streets Project started in July 2023. The first phase of construction work on the project involves the installation of pump stations at each of the two railroad under crossings since State Route 70 will be lowered at both locations to provide more clearance under the railroad tracks. A Temporary Construction Easement (TCE #37882-4) was executed with the California Department of Transportation (Caltrans) District 3, and subsequently extended, to allow access to a major portion of Yuba-Sutter Transit's northern bus parking area through March 2024.

The TCE for phase two of the construction, which will take over significant portions of both the north and south yards, is planned for September 2024 through December 2026. The terms of the phase 2 TCE are still under negotiations with Caltrans but will include just compensation for the additional operating expenses Yuba-Sutter Transit will incur from storing its entire fixed route bus fleet at an offsite location for the 2+ years of planned construction. Initial estimates for the additional costs associated with the displacement caused by the TCE exceed \$500k and include anticipated expenses for extra labor hours and fuel. Temporary facilities and significant security upgrades to the proposed temporary parking location will also be required.

### **Funding and Implementation Schedule for the Transit Facility Project**

The Next Generation Transit Facility Site Study resulted in the July 2021 purchase of a 19.7-acre parcel at 6035 Avondale Avenue in Linda. The need for this project resulted from the state requirement for the purchase of zero-emission buses (ZEBs) beginning as early as January 2026 as the existing undersized and functionally obsolete facility cannot support the large-scale operation of ZEBs. Staff has secured \$41 million to date and is continually working to complete the estimated \$55 million funding package from federal, state, regional, and local sources to design and construct the facility. Another major grant application under the federal Buses & Bus Facilities Grant program is discussed earlier on this agenda. The environmental and preliminary design phase is expected to begin in summer 2024 and the final design and engineering work will begin during 2024 or early 2025.

### **Funding and Implementation Schedule for Compliance with the Zero-Emission Bus Mandate**

The Innovative Clean Transit (ICT) rule that was adopted by the California Air Resources Board (CARB) in 2018 requires that only zero-emission buses (ZEBs) be ordered by public transit operators effective January 1, 2029, with the goal of eliminating internal combustion engines in public transit use by 2040. The first compliance date is January 1, 2026, when 25 percent of all buses ordered must be ZEBs. The ICT rule started a chain-reaction that will impact budget decisions for the next several years including, for Yuba-Sutter Transit, the need for a replacement transit facility. Even if the existing fleet is extended well beyond its useful life, new buses and charging systems (and a new transit facility) will ultimately be necessary. In addition, if funding is available for the new facility and for the incremental cost of ZEBs, the Board has committed to the early transition to ZEB operation by 2035 to position the agency in a more favorable position for competitive grant applications. Staff has secured \$4,430,422 to date and is continually working to develop a funding package from federal, state, regional, and local sources to purchase zero-emission buses. The Low or No Emission and Grants for Buses & Bus Facilities grant application discussed earlier on this agenda will include funds for ZEBs.



### **Implementation Schedule for the Adopted Yuba-Sutter NextGen Transit Plan**

The Yuba-Sutter NextGen Transit Plan was adopted in May 2023. The plan-related focus for FY 2024 will be in preparation for the recommended service changes to come and are not expected to have an immediate net cost impact. However, significant changes to the existing operation are expected to be implemented in FY 2025 and beyond. These include elimination of 4 of the 6 current local fixed routes and replacement with an on-demand service for the general public. Phase 1 of the plan is anticipated to be rolled out August 2024, and includes on-demand service in the largest population center in the service area, Yuba City. The new on-demand service will be provided by a mix of the current fleet and new buses that were received in January 2024. A new interregional route from Marysville to Roseville is anticipated to start August 2024.

Phase 2, scheduled for the Summer of 2025, will implement the on-demand service in Marysville and Linda, while Phase 3 will implement the on-demand service in the community of Linda in the Summer of 2027. The existing and continuing services to be provided include the remaining two fixed routes (an east/west trunk route and a north/South trunk route), three rural services (Wheatland, Live Oak and Foothills routes), along with the Sacramento Commuter Service.

### **End of the Contract Staffing Relationship with the Regional Waste Management Authority**

Since March 1988, Yuba-Sutter Transit staff has provided administrative support for the Regional Waste Management Authority (RWMA). While this approach had been mutually beneficial, it was ultimately not sustainable due to significant changes in waste management regulations and anticipated staffing changes. As a result, the RWMA has hired its first direct employees and Yuba-Sutter Transit's role was reduced in FY 2023 to providing bookkeeping and basic administrative support on a month-to-month basis, with continued accounting support through completion of the FY 2023 financial audit in January 2024. The work associated with this staffing agreement has begun to decrease and will likely conclude by June 30, 2025.

Board input is now being requested for the development of the preliminary draft budget regarding the above or any other issues that members may desire staff to investigate prior to the March meeting. If so directed, staff will outline the related budget, service, or policy review process that may be necessary for each as part of the preliminary draft budget. While a special Board workshop has been held at times in the past to focus on the details of the draft budget prior to final consideration in May, the relative need and possible dates and times for such a meeting will also be discussed at the March meeting.

Staff will be prepared at the meeting to discuss these and other budget related issues in more detail as desired.

RECOMMENDATION: Direct staff as desired.

**YUBA-SUTTER TRANSIT AUTHORITY  
FY 2024 MID-YEAR BUDGET REVIEW**

Prepared 2-8-2024

	FY 2024 Budget	7/1/23-12/31/23 Year to Date	% of Budget	FY 2024 Projected
<b>OPERATING BUDGET</b>				
Operations Expenditures				
Services - Other Maintenance	\$ 236,000	\$ 140,295	59%	\$ 280,000
Fuel and Lubricants	1,005,000	461,078	46%	1,005,000
Tires and Tubes	90,000	32,245	36%	70,000
Other Materials and Supplies Consumed	112,000	58,476	52%	117,000
Utilities - Electric and Gas	67,000	33,627	50%	71,000
Utilities - Water and Sewer	9,000	3,686	41%	9,000
Utilities - Telephone & Internet <i>(formerly in Administration Expenditures)</i>	9,000	4,540	50%	10,000
Casualty and Liability Costs - Operations	293,000	140,762	48%	299,000
Services - Contract Operations	5,805,000	2,931,658	51%	5,880,000
Services - Out of Contract	43,000	16,549	38%	20,000
<b>Subtotal - Operations</b>	<b>\$ 7,669,000</b>	<b>\$ 3,822,916</b>	<b>50%</b>	<b>\$ 7,761,000</b>
Administration Expenditures				
Salaries and Wages - Admin. Staff	\$ 670,000	\$ 288,056	43%	\$ 580,000
Fringe Benefits - Admin. Staff	250,000	96,724	39%	210,000
Fringe Benefits - Unfunded CalPERS Liability Payments	5,000	-	0%	-
Services - Accounting	6,000	2,721	45%	6,000
Services - Legal	12,000	2,755	23%	12,000
Services - Printing and Copying	24,000	11,273	47%	24,000
Services - Miscellaneous Professional	200,000	17,812	9%	200,000
Materials and Supplies - Office & Postage	12,000	4,973	41%	12,000
Miscellaneous Expense - Insurance and Bond	45,000	66,686	148%	67,000
Miscellaneous Expense - Dues & Subscriptions	7,000	5,855	84%	7,000
Miscellaneous Expense - Travel and Meetings	6,000	5,906	98%	8,000
Miscellaneous Expense - Board of Directors	11,000	3,000	27%	9,000
Miscellaneous Expense - Media Adv. and Promo.	15,000	2,044	14%	15,000
Miscellaneous Expense - Other	5,000	1,779	36%	5,000
<b>Subtotal - Administration</b>	<b>\$ 1,268,000</b>	<b>\$ 509,584</b>	<b>40%</b>	<b>\$ 1,155,000</b>
<b>Total Operating Expenditures</b>	<b>\$ 8,937,000</b>	<b>\$ 4,332,500</b>	<b>48%</b>	<b>\$ 8,916,000</b>
Operating Revenue				
Passenger Fares	\$ 790,000	\$ 431,416	55%	\$ 863,000
Special Transit Fares	30,000	26,654	89%	36,000
Auxiliary Revenue (Bus, Shelter & Bench Advertising)	40,000	21,953	55%	40,000
Non-Transportation Revenue (Interest)	55,000	46,848	85%	80,000
Non-Transportation Revenue (RWMA, Misc.)	125,000	125,259	100%	135,000
Local Transportation Funds (LTF)	4,000,000	2,000,000	50%	4,000,000
Local Cash Grants/Reimbursements	43,000	21,411	50%	43,000
State Transit Assistance Funds (STA)	1,454,000	458,959	32%	1,319,000
State Cash Grants/Reimbursements	-	-		-
General Operating Assistance - FTA Sect. 5307 (Urban)	2,200,000	1,100,000	50%	2,200,000
General Operating Assistance - FTA Sect. 5311 (Rural)	200,000	100,000	50%	200,000
<b>Total Operating Revenue</b>	<b>\$ 8,937,000</b>	<b>\$ 4,332,500</b>	<b>48%</b>	<b>\$ 8,916,000</b>
<b>CAPITAL BUDGET</b>				
Capital Expenditures				
Maintenance and Operations Facility	\$ 2,500,000	\$ -	0%	\$ -
Vehicle Purchase/Replacement	730,000	7,236	1%	730,000
Miscellaneous Capital	80,000	-	0%	80,000
<b>Total Capital Expenditures</b>	<b>\$ 3,310,000</b>	<b>\$ 7,236</b>	<b>0%</b>	<b>\$ 810,000</b>
Capital Revenues				
Federal (5307, 5310, 5311, 5317, 5339)	\$ 2,037,569	\$ 7,236	0%	\$ 709,449
State Transit Assistance (STA)	303,629	-	0%	100,551
State Transit Assistance (SGR)	968,802	-	0%	-
<b>Total Capital Revenue</b>	<b>\$ 3,310,000</b>	<b>\$ 7,236</b>	<b>0%</b>	<b>\$ 810,000</b>

AGENDA ITEM IV – B  
STAFF REPORT

**MID-YEAR PERFORMANCE REPORT FOR FY 2024**

Attached is the systemwide performance report for the services operated by Yuba-Sutter Transit for the first half of FY 2024 (July 2023 through December 2023) presented in comparison with the performance for the same period in the previous fiscal year. This report marks the half-way point of the fourth fiscal year since the onset of the COVID-19 pandemic in March 2020, and illustrates the extent to which ridership levels are recovering from the extended impacts of the pandemic.

Systemwide ridership continued its steady growth trend through the half of FY 2024, with 282,623 systemwide passenger trips representing a 13.2 percent increase over the same period in FY 2023. For some perspective, the systemwide ridership was just 65 percent of the 436,533 passenger trips that were provided in first half of FY 2020 (the last pre-pandemic fiscal year). Yuba-Sutter Transit's overall ridership recovery rate generally mirrors that of other transit systems regionally and across the country, especially when comparing similar services. It's worth noting that local service ridership demand has rebounded more than the commuter services to date, but an increasing number of former commuter riders are reporting that employers are requiring their presence in the office at least a few days per week.

Compared to the increase in ridership, the number of vehicle service hours (VSH) operated systemwide was up only 5.9 percent compared to the same period in FY 2023 indicating an increase in productivity as demonstrated by the 6.9 percent increase in passengers per VSH. A considerable portion of this increase in service hours was attributable to the Dial-A-Ride service for which VSHs increased by 31 percent. With higher ridership relative to service hours, the systemwide financial indicators improved in the first half of FY 2024 except for the farebox recovery ratio which decreased marginally from 11.1 percent to 10.1 percent. This is due in part to a comparative increase in operating cost per vehicle service hour during the reporting period.

Looking forward, while the positive systemwide month-over-month trend is expected to continue, ridership is still likely to remain below pre-pandemic levels through the remainder of FY 2024. In response to the persistent post-pandemic ridership trends, the agency adopted the Yuba-Sutter NextGen Transit Plan (Plan) in May 2023 to reshape the service over the next 5 to 10 years. The Plan includes modifications to existing routes, new service areas, alternative service models, and more modern technology-based transportation delivery tools. With full implementation, Yuba-Sutter Transit's ridership is projected to increase by 45 percent and its coverage area will increase by 60 percent at approximately the same operating cost (inflation adjusted).

Staff will be prepared to discuss the performance summary in detail at the meeting.

RECOMMENDATION: Information only.

Attachments: FY 2024 Mid-Year Performance Report

**MID-YEAR PERFORMANCE REPORT  
FISCAL YEAR 2023-2024**

	<b>Passenger Trips</b>	<b>Vehicle Serv. Hours</b>	<b>Pass. Trips Per VSH</b>	<b>Est. Fare Revenue</b>	<b>Fare Rev. Per VSH</b>	<b>Est. Farebox Ratio</b>
<b>Fixed Route:</b>						
July 2023 - December 2023	244,509	21,999.71	11.11	\$297,644	\$13.53	11.5%
July 2022 - December 2022	214,101	22,055.29	9.71	\$270,707	\$12.27	12.9%
Percent Change	14.2%	-0.3%	14.5%	10.0%	10.3%	-11.1%
<b>Dial-A-Ride:</b>						
July 2023 - December 2023	15,009	10,132.78	1.48	\$52,525	\$5.18	4.4%
July 2022 - December 2022	14,381	7,735.25	1.86	\$47,772	\$6.18	6.5%
Percent Change	4.4%	31.0%	-20.4%	10.0%	-16.1%	-32.4%
<b>Sacramento Services (Commuter &amp; Midday):</b>						
July 2023 - December 2023	20,422	5,029.35	4.06	\$105,719	\$21.02	17.8%
July 2022 - December 2022	18,890	5,299.47	3.56	\$98,820	\$18.65	19.6%
Percent Change	8.1%	-5.1%	14.1%	7.0%	12.7%	-9.1%
<b>Foothill Route:</b>						
July 2023 - December 2023	849	518.46	1.64	\$800	\$1.54	1.3%
July 2022 - December 2022	637	507.92	1.25	\$518	\$1.02	1.1%
Percent Change	33.3%	2.1%	31.0%	54.3%	51.2%	18.8%
<b>Live Oak Route:</b>						
July 2023 - December 2023	1,748	513.90	3.40	\$1,292	\$2.51	2.1%
July 2022 - December 2022	1,547	448.29	3.45	\$1,113	\$2.48	2.6%
Percent Change	13.0%	14.6%	-1.4%	16.0%	1.3%	-18.1%
<b>Wheatland Route:</b>						
July 2023 - December 2023	86	290.82	0.30	\$92	\$0.31	0.3%
July 2022 - December 2022	87	295.41	0.29	\$65	\$0.22	0.2%
Percent Change	-1.1%	-1.6%	2.0%	40.8%	43.0%	33.3%
<b>Systemwide Summary:</b>						
July 2023 - December 2023	282,623	38,485.02	7.34	\$458,071	\$11.90	10.1%
July 2022 - December 2022	249,643	36,341.63	6.87	\$418,995	\$10.51	11.1%
Percent Change	13.2%	5.9%	6.9%	9.3%	13.2%	-9.1%

Notes:

1. All financial calculations are estimates pending final fiscal audits.