

MEMORANDUM

DEPARTMENT OF PUBLIC WORKS
County of Placer

TO: BOARD OF SUPERVISORS DATE: August 4, 2015

FROM: KEN GREHM / WILL GARNER

SUBJECT: **SACRAMENTO AREA COUNCIL OF GOVERNMENTS MEMORANDUM OF UNDERSTANDING**

ACTION REQUESTED / RECOMMENDATION

Approve and authorize the CEO to sign a Memorandum of Understanding (MOU) with the Sacramento Area Council of Governments (SACOG) regarding the coordination of ongoing transit planning and programming of Federal Transit Administration (FTA) funds in the Sacramento Urbanized Area on an ongoing basis.

BACKGROUND / SUMMARY

Placer County is a recipient of FTA 5307 funds which are distributed to public transit operators in the Sacramento urbanized area. SACOG is the Metropolitan Planning Organization (MPO) for the Sacramento region and is responsible for the planning and programming of these funds.

The FTA requires that MPO's enter into an agreement with all local jurisdictions receiving FTA funds to specify the procedures for carrying out transportation planning and programming of funds. Placer County has been part of such an agreement since 2004. After the urbanized area was modified in 2012, SACOG and the local transit agencies worked together to develop a clear method to allocate funds among the urbanized transit operators. The primary allocation is a performance based formula allocation for 88 percent of the FTA 5307 funds based on transit system service data such as population, vehicle hours, vehicle miles and ridership. The remaining 12 percent is allocated as a competitive allocation every two years. This method of programming the funds is formalized in a new MOU between SACOG and all of the urbanized transit operators and local governments participating in transit funding in the urbanized area. The funding allocation method was developed cooperatively among the transit operators in the Sacramento urbanized area, and fairly represents Placer County's contribution to transit services in the region.

ENVIRONMENTAL

The MOU is statutorily exempt from CEQA pursuant to section 21080(b)(10), as it is a project to provide passenger service.

FISCAL IMPACT

The approval of the MOU with SACOG will result in Placer County's formal participation in the planning and programming process related to the allocation of FTA funds. Contingent upon the amount of FTA funds appropriated by Congress each year, Placer County will receive between \$750,000 and \$850,000 annually for Placer County Transit operations. In Prior years the County received between \$500,000 and \$650,000. These funds are budgeted annually. Placer County will also be eligible to compete for the discretionary portion of the FTA funds.

Attachment 1 - SACOG MOU

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

SACRAMENTO AREA COUNCIL OF GOVERNMENTS

AND

THE CITY OF CITRUS HEIGHTS, THE EL DORADO COUNTY TRANSIT AUTHORITY, THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF LINCOLN, THE TOWN OF LOOMIS, THE CITY OF ROCKLIN, THE CITY OF ROSEVILLE, THE COUNTY OF PLACER, SACRAMENTO REGIONAL TRANSIT DISTRICT, THE YOLO COUNTY TRANSPORTATION DISTRICT, AND THE YUBA-SUTTER TRANSIT AUTHORITY.

“Regarding the Coordination of Ongoing Transit Planning and Programming of Federal Funds in order to Support the Ongoing and Future Deployment of Transit Services affecting the Sacramento Urbanized Area.”

This Memorandum of Understanding (MOU) is entered into between the SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) and the CITY OF CITRUS HEIGHTS, the EL DORADO COUNTY TRANSIT AUTHORITY (EDCTA), the CITY OF ELK GROVE, the CITY OF FOLSOM, the CITY OF LINCOLN, the TOWN OF LOOMIS, the CITY OF ROCKLIN, the CITY OF ROSEVILLE, the COUNTY OF PLACER, the SACRAMENTO REGIONAL TRANSIT DISTRICT (RT), the YOLO COUNTY TRANSPORTATION DISTRICT (YCTD), and the YUBA-SUTTER TRANSIT AUTHORITY, hereinafter referred to collectively as the (Parties) and singularly as (Party), as of this ___ day of _____, 2014.

This MOU is supplementary to other MOUs between the Parties and does not intend to replace or supersede any other MOU or Master Agreement that may be in existence between the Parties.

WITNESSES THAT:

WHEREAS, RT, EDCTA, the City of Elk Grove, the City of Folsom, the County of Placer, the City of Roseville, RT, YCTD, and the Yuba-Sutter Transit Authority are public transportation operators in the Sacramento urbanized area and are eligible to apply for and receive Federal Transit Administration (FTA) and/or Federal Highways Administration (FHWA) transit funding for capital, operating, and planning assistance for the delivery of public mass transportation; and

WHEREAS, all powers of the City of Citrus Heights, the City of Elk Grove, the City of Folsom, the City of Lincoln, the Town of Loomis, the City of Rocklin, and the City of Roseville are vested in a duly comprised city council of elected officials empowered to perform all duties of and obligations of the respective City as imposed by State law, and all powers of the County of Placer are vested in a duly comprised Board of Supervisors of elected officials empowered to perform all duties and obligations of the County of Placer as imposed by State law, and all powers of EDCTA, RT, YCTD, and Yuba-Sutter Transit Authority are vested in a duly comprised Board of Directors empowered to perform all duties of the Transit District or Authority as imposed by State law; and

WHEREAS, SACOG is the Regional Transportation Planning Agency (RTPA) for the counties of Sacramento, Sutter, Yolo, and Yuba, and the cities therein, and is the Metropolitan Planning Organization (MPO) for the Sacramento region, directed by a duly comprised Board of Directors made up of elected

officials with a committee structure to advise the SACOG Board on all planning and policy questions, including a Transit Coordinating Committee (TCC) for transit issues of regional concern; and

WHEREAS, SACOG has memoranda of understanding with the El Dorado County Transportation Commission (EDCTC) and the Placer County Transportation Planning Agency (PCTPA) that describe the planning and programming relationship between those agencies; and

WHEREAS, the Federal Transportation Moving Ahead for Progress in the 21st Century Act (MAP-21) requires MPOs to work cooperatively with public transit operators to develop Regional Transportation Plans (RTPs) and the Federal Transportation Improvement Programs (FTIPs) through performance-based planning and programming for urbanized areas, which are intended to improve the safety of the nation's public transportation systems, ensure that those systems are in a state of good repair, and provide increased transparency into agencies' budgetary decision-making processes; and

WHEREAS, the FTA in 23 CFR Section 450.314(a), requires either an MOU or a unified planning work program between the MPO and all local authorities and transit operators receiving FTA funds to specify the procedures for carrying out transportation planning and fund programming; and

WHEREAS, SACOG, the City of Citrus Heights, EDCTA, the City of Elk Grove, the City of Folsom, the City of Lincoln, the Town of Loomis, the County of Placer, the City of Rocklin, the City of Roseville, RT, YCTD, and Yuba-Sutter Transit Authority rely upon a cooperative relationship to foster comprehensive regional transit planning which feeds directly into State and national planning;

WHEREAS, SACOG has worked cooperatively with the Parties to establish a process and a set of criteria for the selection of transit projects to be included in the TIP;

WHEREAS, the process and criteria to be used in the selection and ranking of projects are set forth in Exhibit A, which is incorporated herein;

NOW, THEREFORE, in consideration of the mutual benefits to the Parties hereto, and in consideration of the covenants and conditions herein contained, the Parties agree as follows:

SECTION 1: Cooperative Relationship

1.1 MOU Purpose and Intent

The purposes of this MOU are to:

- a) Foster a cooperative and mutually beneficial working relationship between the Parties for the provision of comprehensive, effective, and coordinated transit planning between each jurisdiction's public mass transportation system; and
- b) Identify the regional transit planning responsibilities, in coordination with the State of California, for programming federal funds within the SACOG Federal Transportation Improvement Program (FTIP), commonly referred to as the Metropolitan Transportation Improvement Program (MTIP) developed by SACOG; and
- c) Codify the process and the criteria for selection of transit projects and sub-allocation of federal funds in the Sacramento urbanized area (UZA); and

- d) Ensure that federal transit funds are distributed in the region in compliance with federal requirements; and

The intent of this MOU is to:

- a) Maintain flexibility in funding in order to allow large projects to receive adequate funding in the required years; and
- b) Support implementation of a performance-based approach to transportation decision-making; and
- c) Foster economies of scale through assistance in the coordination of funding for mutually beneficial capital projects, including shared transit facilities and bus purchase contracts; and
- d) Provide for coordinated planning and foster coordinated services; and
- e) Apply federal transit dollars to implement transit priorities identified in the SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).

1.2 Representation on SACOG Transit Coordinating Committee (Sacramento Urbanized Area)

All Parties except for SACOG shall provide one (1) representative and one (1) alternate to serve as a voting member on SACOG's TCC on matters that pertain to this MOU, or shall identify a TCC representative from another jurisdiction to serve as their representative. SACOG shall coordinate and facilitate activities related to the TCC.

1.3 Communication and Agreements

A critical component of coordination involves open and productive communication. SACOG is required to update the FTIP/MTIP every even-numbered year and the MTP every four (4) years. Responsive communication between the Parties is imperative in order to meet this mandate.

Within the designated Sacramento urbanized area, RT and other transit operators that meet the applicable federal requirements are eligible to apply for FTA and/or FHWA transit funding for capital, operating, and planning assistance for the delivery of public mass transportation under arrangements made through an MOU between the Parties and SACOG consistent with FTA and FHWA requirements or MOUs between Parties who will be recipients of federal funds. If new FTA and/or FHWA funding opportunities become available for operators and jurisdictions, new MOUs or amendments to existing MOUs may be needed.

Annual Certifications and Assurances Regarding FTA Grant Programs

By signing this Agreement, each Party, and its sub-recipients, certifies to comply with the applicable Annual Certifications and Assurances for FTA Grant Programs, including the Urbanized Area Formula Grants (5307), published annually in the Federal Register, and agree to forward to SACOG a signed copy of the Certifications and Assurances form for each year prior to the time the Party receives its first FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Programs grant award for the year.

FTA Public Involvement Process

To receive a FTA grant, a grant applicant must meet certain public participation requirements in development of the FTA programs. Per FTA Circular 9030.1D, Chapter IV, FTA considers a grantee to have met the public participation requirements associated with the annual development of the Program of Projects (POP)

when the grantee follows the public involvement process outlined in the FHWA/FTA planning regulations for the TIP (see MOU Section 3, 3.2).

National Transit Database

The NTD is FTA's primary source for information and statistics collected from transit systems that receive FTA formula funding under the Urbanized Area Formula Program (Sec. 5307 and 5339)

Transit operators receiving funds from these programs are required by statute and FTA guidance to submit annual reports to the National Transit Database. (FTA Circular C 9030.1 E, Section V-2.) Service factors reported in the Urbanized Area determines the amounts of FTA Section 5307 and 5339 funds generated in the region. SACOG staff will work with the Parties to coordinate reporting of service factors to maximize the amount of funds generated in the region and to determine urbanized area eligibility.

1.4 Responsibilities

The Chief Executive Officer (CEO) of SACOG, Executive Director of EDCTA, the General Manager/CEO of RT, the Executive Director of YCTD, the Transit Manager of Yuba-Sutter Transit Authority, the County Executive of the County of Placer, and the City Managers/Managing Executives of the Cities of Citrus Heights, Elk Grove, Folsom, Lincoln, Rocklin, Roseville, and the Town of Loomis are the primary individuals responsible for ensuring compliance with the provisions specified in this MOU.

SECTION 2: Transit Planning

2.1 Planning Assistance

Upon request, or in order to maintain eligibility for federal funds, SACOG will assist in the development of transit planning documents produced by each Party. The type of assistance provided by SACOG will include, but is not limited to, the following:

- a) Assist in securing funds (e.g., research funding options, grant writing) to conduct required planning studies, including transit demand studies and in-depth analysis of transit ridership;
- b) Obtain and analyze data from various sources to develop concrete demographic, growth, and use assumptions for the purpose of transit forecasting and development (e.g., trip generation tables, census information, maps);
- c) Assist in obtaining state and federal funding of projects consistent with the SACOG MTP/SCS and FTIP/MTIP (e.g., completing paper work, facilitating FTIP/MTIP amendments, FTA billing process);
- d) Provide a program through the FTIP/MTIP or Overall Work Program (OWP) through which federal funds can be authorized for expenditure; and
- e) Support operators in compliance with MAP-21 mandates such as development of transit operators' Transit Asset Management Plans and targets, as well as Transit Agency Safety Plans and targets.

A final copy of all transit planning documents, including FTA Triennial Audits, National Transit Database, and State Controller Reports, as well as the transit asset management plans and safety plans produced by the Parties, will be forwarded by each Party to SACOG. This will assist SACOG in overall transit planning coordination as well as ensuring that FTA and FHWA transit funds are used as planned, as per FTA and FHWA requirements.

2.2 Regional Planning

SACOG will provide a forum that will foster partnerships and coordination in the development of public transit services throughout the SACOG region. As part of SACOG's MPO role, SACOG will continue the cooperative and coordinated planning of the transportation system in each jurisdiction Party to this MOU and the relationship of the regional and interregional transit network within the regional transportation system.

SACOG will be responsible for the development of regional planning documents that are required to be developed by it as the MPO for the Sacramento region, such as the MTP/SCS. Each Party will provide technical information during the development of these regional planning documents through the SACOG committee structure.

2.3 Long-Range Regional Transportation Plan - Metropolitan Transportation Plan

In accordance with the planning regulations and FTA and FHWA guidance, the Parties to this MOU will participate in the development of SACOG's Long-Range Regional Transportation Plan (RTP), referred to as the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). The MTP/SCS will assess the transportation needs of the region and set forth improvements necessary to address those needs over a minimum twenty (20) year period. SACOG updates its MTP/SCS every four (4) years, consistent with federal and state guidelines.

In order to comply with the planning regulations and federal guidance for the development of the MTP/SCS, the Parties will cooperate in providing the information required to fully comply with the federal requirements. Examples of the type of information required to be provided to SACOG by transit operators include, but are not limited to, the following:

- a) FTA Triennial Audits, National Transit Database and State Controller Reports;
- b) An overview of key performance measures of existing transit systems;
- c) Transit demand projections;
- d) Anticipated fleet replacement and expansion needs (Transit Asset Management Plan and targets and Agency Safety Plans and targets);
- e) Anticipated equipment replacement and rehabilitation needs;
- f) Anticipated facility needs;
- g) System improvement strategies with time frames for action;
- h) A financial plan, including expected revenues, planned expenditures, documentation of fiscal ability to operate and expand services and strategies to deal with potential funding support changes; and
- i) Documentation of the public participation process used to develop the local inputs to the MTP/SCS.

To the extent that a current, adopted Short-Range Transit Plan, required by FTA for direct receipt of federal transit funding, includes the foregoing information, then providing SACOG with a copy of a Short-Range Transit Plan will be deemed compliance with the MTP/RTP information submittal requirements.

2.4 Short-Range Transit Plan

In response to FTA and FHWA planning regulations and guidance, the Parties will prepare Short-Range Transit Plans (SRTPs) that set out transit planning and programming for a five- to seven-year period. These

SRTPs will provide input for SACOG's preparation of the Transportation Improvement Program. The SRTPs will address unmet transit needs and service level sustainment, in addition to other agency-specific concerns. Future SRTPs shall contain a list of projects for future FTA and FHWA transit funding. The project list shall:

- a) Identify and describe the scope of the specific projects and services, which address ongoing and increased transit demands. These projects and services, which include but are not limited to, Americans with Disabilities Act (ADA) and Transportation Control Measures (TCMs), shall be described with sufficient detail (design, concept, and scope) to permit air quality conformity analysis to be performed by SACOG. The list shall also address the issues related to unmet transit needs that are reasonable to meet.
- b) Identify the amount and type of federal and non-federal funds required to support the projects for each year represented in the Plan. In addition, the list shall identify anticipated discretionary funding estimates for the FTIP/MTIP.

SACOG will work cooperatively with the Parties, PCTPA and EDCTC in their efforts to generate information needed to prepare their SRTPs and future updates.

For those Parties that are not subject to the requirement to prepare SRTPs, SACOG, in association with PCTPA or EDCTC, as appropriate, will assist them in preparing a five-year list of planned capital maintenance and operational expenditures for use in the programming efforts described in Section 3 of this MOU.

SECTION 3: Programming of Federal Funds

3.1 Federal Funds Sub-Allocation Process

FTA planning guidelines state that using a predetermined split or formula for sub-allocating funds in the Urbanized Area (UZA) is not necessarily consistent with the goals of the metropolitan planning process. Therefore, to sub-allocate FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Program funds, SACOG, in cooperation and coordination with the Parties (direct and/or sub-recipients of the Federal formula funds in the Sacramento UZA), developed a locally-acceptable methodology which is divided in two parts, the "Earned Share" and the "Discretionary." This methodology was created through a comprehensive planning process and is documented in Exhibit A of this MOU. Changes to this methodology that are approved by the Parties through regular TCC meetings will be reflected in future updates of Exhibit A and do not require a full MOU amendment.

3.2 Federal Transportation Improvement Program (FTIP) Programming

The parties agree to use the Earned Share Sub-allocation process as the focal point for making an annual determination regarding the distribution of federal funds available for allocation by SACOG within the Sacramento Urbanized Area. The Parties agree that it is desirable to ensure that a stable funding stream is

available for all area operators that allows the operators to carry out coordinated services throughout the urbanized area.

SACOG will use the Sub-Allocation process to develop its biennial program of projects for FTA formula funds. Following direct consultation among the Parties to this MOU, SACOG distributes notices of intent to develop or amend the FTIP/MTIP, publishes the proposed program of projects to be adopted, and carries out a public involvement and review process for FTIP/MTIP adoption or amendment, in compliance with 23 CFR Sections 450.312 and 450.324. The same notices of intent, publication of proposed projects, and public involvement and review also shall be used to fulfill the public hearing requirements of 49 USC Section 5307, covering review and approval of FTA grant applications for FTIP/MTIP projects. Parties to this agreement that require FTIP/MTIP programming and subsequent grant approvals will provide SACOG with sufficient project detail to convey understanding of the projects by all interested agencies and persons, meet FTA grant application requirements, and provide a clear linkage to FTIP/MTIP project descriptions. SACOG will adjust FTIP/MTIP project descriptions to a standard format to accomplish these three objectives. Using the approved descriptions, all Parties will then advertise the proposed public hearing(s), projects to be programmed, and fund amounts to be programmed through their existing public participation processes.

No later than June every other year, the Parties shall meet to draft a program of projects for the following two (2) federal fiscal years. Following the enactment of an annual federal budget and publication of funding apportionments in the Federal Register, SACOG shall inform the Parties of the amounts of the formula and other designated federal funds coming to the Sacramento UZA. SACOG will then re-convene the Parties to finalize the programming of those funds into the FTIP/MTIP, making adjustments as necessary to the draft program of projects completed earlier.

As part of the FTIP/MTIP process, projects are programmed in the MTIP on behalf of all transit providers receiving federal funds. SACOG and the Parties shall meet biennially to use the locally-developed Sub-Allocation process and recommend a prioritized list of projects for the allocation of FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Program funds apportioned to the Sacramento UZA, plus additional federal funds that may be available for distribution from FTA and FHWA. The project list advances to the SACOG Board for approval. The SACOG Board shall have the final decision on the recommended program of projects.

The process for the programming of FTA and FHWA transit funding agreed to in the Exhibit A of this MOU is not intended to, nor does it replace the procedures for programming other federal funds or the procedures described in the MOUs between SACOG and PCTPA and EDCTC.

3.3 Applications for Transit Funding

RT is the designated recipient for federal formula funds allocated under the Federal Transit Act, as amended, in the Sacramento UZA. Should this change, the Parties shall meet and confer to determine the appropriate party for this role.

After the completion of the Sub-allocation process, each Party seeking federal transit funding, in association with the other transit operators and jurisdictions, will prepare applications to the FTA or FHWA for federal transit funding. Draft applications will be submitted to SACOG using the FTA Transportation Electronic Award and Management (TEAM) system or TrAMS, FTA's next generation of TEAM or another mutually agreed upon method, in advance of the FTA or FHWA submittal to confirm accuracy and consistency with

FTIP/MTIP programming requirements and with the local SRTP and SACOG's MTP/SCS, as required by federal guidelines.

All Parties agree to work in good faith to develop consistent programming, documentation, and funding requests in a manner consistent with FTA or FHWA requirements.

SECTION 4: FTIP Project Monitoring & Maintenance

4.1 Progress Reporting

SACOG is responsible for tracking the overall progress of all projects in the FTIP/MTIP and is required to produce an annual list of projects for which federal funds have been obligated in the preceding year and will ensure that it is made available for public review.

Each Party will assist SACOG's efforts to track the overall progress of transit projects in the FTIP/MTIP through providing basic access to their FTA TEAM accounts. At a minimum, milestone/progress reports submitted to FTA and reviewed by SACOG shall contain all of the information required in FTA Circular 5010, as amended, for grant administration procedures. If project specific questions are raised by FTA or SACOG that cannot be answered through review of the TEAM documentation, the affected Party will, upon request, provide SACOG or RT, as applicable, additional information. Examples of information that may be periodically requested and may include the following:

- a) A classification of the projects by the individual categories, as identified in the FTIP/MTIP;
- b) A documentation of the stage of project implementation;
- c) An explanation for any project delays if the project is behind schedule;
- d) The reasons for any cost overruns if the project is over budget;
- e) A status update on the amount of federal funding obligated, received, and used to support projects;
- f) Any identified needs for an FTIP/MTIP amendment; and
- g) Project savings to be reverted, if any, at project completion;

4.2 FTIP/MTIP Amendments

SACOG processes FTIP/MTIP modifications and amendments periodically. Parties must put in a formal request to SACOG for changes in project funding, cost, scope, or schedule in order for those changes to be incorporated in an amendment. FTIP/MTIP amendments may be needed to address issues such as funding shortfalls, delays in project implementation and/or new projects that need to be included in the FTIP/MTIP.

As a part of the quarterly progress report, or more frequent reporting if required, each Party will alert SACOG, and as appropriate PCTPA or EDCTC, regarding the reasons an amendment or other minor modification to the FTIP/MTIP is needed.

Each Party is responsible for notifying SACOG, and, as appropriate, PCTPA or EDCTC, if there is the need to amend the FTIP/MTIP. Amendments may require anywhere from two (2) weeks to eight (8) months for approval, depending on the type and complexity of the change. If STIP funds are involved the Parties should allow plenty of time and engage SACOG early.

SECTION 5: Additional Terms and Conditions of the MOU

Participation in this MOU is required for the receipt of Federal FTA and/or FHWA funds, specifically the FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Programs.

5.1 MOU Amendments

This MOU may be amended by the written consent of all Parties. Amendments must be approved by SACOG and the respective Board of Directors or City Council representing Parties to this MOU, unless such Board or City Council has delegated amendment authority to their respective Chief Executive Officer, Executive Director, General Manager, or City Manager.

5.2 MOU Withdrawal; MOU Termination

Any Party, upon ninety (90) days advance written notice to all other Parties, may withdraw its participation in this MOU. Any Party that withdraws from the MOU forfeits its eligibility to receive FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Programs funds for the Sacramento UZA. Withdrawal by any single Party does not affect the continuing validity of the MOU for the remaining Parties. Should a majority of the Parties withdraw from the MOU, the remaining Parties shall meet and confer to determine how best to continue the purpose and intent of this MOU.

5.3 Notice

Any notice under this MOU shall be in writing and either personally delivered or sent by First Class U.S. Mail, postage pre-paid, addressed as follows:

SACOG

Mike McKeever
Chief Executive Officer
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

CITY OF CITRUS HEIGHTS

Henry Tingle
City of Citrus Heights
6237 Fountain Square Drive
Citrus Heights, CA 95621

EL DORADO COUNTY TRANSIT AUTHORITY

Mindy Jackson
Executive Director
El Dorado Transit
6565 Commerce Way
Diamond Springs, CA 95619-945

CITY OF ELK GROVE

Laura S. Gill
City Manager
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

CITY OF FOLSOM

Evert Palmer
City Manager
City of Folsom
Folsom City Hall
50 Natoma Street
Folsom, CA 95630

CITY OF LINCOLN

Matt Brower
City Manager
City of Lincoln
600 Sixth Street
Lincoln, CA 95648

TOWN OF LOOMIS

Rick Angelocci
Town Manager
3665 Taylor Road
Loomis, CA 95650

CITY OF ROCKLIN

Ricky A. Horst
City Manager
City of Rocklin
3970 Rocklin Road
Rocklin, CA, 95677

CITY OF ROSEVILLE

Ray Kerridge
City Manager
City of Roseville
311 Vernon Street
Roseville, CA 95678

COUNTY OF PLACER

David Boesch
Chief Executive Officer
Placer County
175 Fulweiler Avenue
Auburn, CA 95603

SACRAMENTO REGIONAL TRANSIT DISTRICT

Michael R. Wiley
General Manager/CEO
Sacramento Regional Transit District
P.O. Box 2110
Sacramento, CA 95812-2110

YUBA-SUTTER TRANSIT AUTHORITY

Keith Martin
Transit Manager
2100 B Street
Marysville, CA 95901

YOLO COUNTY TRANSPORTATION DISTRICT

Terry Bassett
Executive Director
Yolo County Transportation District
350 Industrial Way
Woodland, CA 95776

5.4 Counterparts

The Parties agree that this MOU may be signed in one or more counterparts, each of which will constitute an original and all of which taken together shall constitute one and the same instrument.

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Laura S. Gill Date
City Manager, Elk Grove

APPROVE AS TO FORM:

Jonathan P. Hobbs Date
City Attorney, Elk Grove

Ricky A. Horst Date
City Manager, Rocklin

APPROVE AS TO FORM:

Russell Hildebrand Date
City Attorney, Rocklin

Rick Angelocci Date
Town Manager, Loomis

Keith Martin Date
YSTA, Transit Manager

Evert Palmer Date
City Manager, Folsom

APPROVE AS TO FORM:

Bruce Cline Date
City Attorney, Folsom

David Boesch Date
Chief Executive Officer, Placer

APPROVE AS TO FORM:

Gerald O. Carden Date
County Counsel, Placer

Mindy Jackson Date
El Dorado Transit, Director

Matt Brower
City Manager, Lincoln

EXHIBIT A

Sacramento Urbanized Area

The Federal Transit Administration (FTA) apportions Urbanized Area Formula Grants (Section 5307) and Bus and Bus Facilities (Section 5339) to the Sacramento Regional Transit District which is the designated recipient (DR) in the Sacramento urbanized area (UZA).

FTA requires that the sub-allocation of formula funds should be based on a financially constrained Transportation Improvement Program (TIP) and that the Metropolitan Planning Organization (MPO), in cooperation with the public transportation operator, work through a planning process consistent with the goals of the metropolitan planning process to allocate the funds. FTA does not prescribe a specific methodology to sub-allocate formula funds within a UZA. This is a local decision.

Since the Sacramento UZA has multiple FTA Sections 5307 and 5339 fund recipients, the Sacramento Area Council of Governments (SACOG) as the MPO for the six-county region formed a sub-group of the Transit Coordinating Committee ("TCC" called the "Working Group") which included the DR and eight eligible public transportation operators to address FTA's requirement. SACOG coordinates and facilitates Working Group activities. Using a collaborative process, the Working Group developed a sub-allocation methodology to divide Sections 5307 and 5339 funds (collectively "Sacramento UZA Funds"). The Sacramento UZA Working Group is comprised of the following public transit operators:

- 1- El Dorado Transit
- 2- Elk Grove Transit (e-tran)
- 3- Folsom Stage Lines
- 4- Lincoln Transit
- 5- Placer County Transit
- 6- Roseville Transit
- 7- Sacramento Regional Transit District (RT)
- 8- Yolo County Transportation District
- 9- Yuba –Sutter Transit

Sub-Allocation of Sections 5307 and 5339 Funds

In this region, Sections 5307 and 5339 funds are used to support public transit capital projects, including vehicle, facility and equipment purchases, preventive maintenance, and other eligible expenses.

After the implementation of MAP 21, the repeal of the Job Access Reverse Commute (JARC) program and the consolidation of the eligible activities of JARC under the 5307 funding program, the process related to the sub-allocation of 5307 funds became more

complex and challenging. Without a substantial increase in 5307 formula funds, the consolidation of JARC funds has increased the number of public transportation providers that must share the funds. The proposed methodology is designed to allow the previous recipients of JARC funds to have the opportunity to compete for a portion of the 5307 funds.

Sub-Allocation Methodology

The Sacramento UZA transit operators, in collaboration with SACOG, developed a performance/service measure based on a competitive process that identifies projects to be funded with federal formula funds. SACOG supported the process by facilitating the discussions, analyzing/ quantifying various alternatives and explaining the impacts to the affected parties. The following section outlines the selected “local approach” and the sub-allocation process of FTA Sections 5307 and 5339 funds. This methodology was approved by the Sacramento UZA Working Group in December 2013 and will be phased in over a four year period. The programming of projects will be processed bi-annually.

The sub-allocation methodology is comprised of two parts: “Service Based Earned Share” and the “Discretionary Share.”

Service Based Earned Share involves the allocation of 88% of Sacramento UZA Funds based on transit system service data. The performance/operating data are derived from the National Transit Database (NTD) which summarizes individual agencies’ information from their annual data submittals as required by the FTA. The most current and available NTD data are used to generate the Service Based Earned Share. The service and performance attributes used are: vehicle revenue miles, vehicle revenue hours, population and unlinked passenger trips. This process will result in a list of transit projects being incorporated into the Metropolitan Transportation Improvement Program (MTIP).

The following table is an illustration of the Earned Share methodology spread over the 4 year phased implementation using the 2011/2012 NTD data.

Scenario 12					
Available funding is distributed based on % of 2010 population (13%), % of FY 11/12 vehicle revenue hours (29%), % of FY 11/12 vehicle revenue miles (29%), and % of FY 11/12 unlinked passenger trips (29%).					
Agency	% of Total	Year 1 Earned Share	Year 2 Earned Share	Year 3 Earned Share	Year 4 Earned Share
El Dorado Transit	1.7%	\$ 244,855	\$ 293,747	\$ 343,593	\$ 394,406
Elk Grove	5.7%	\$ 836,187	\$ 988,182	\$ 1,143,133	\$ 1,301,084
Folsom	1.3%	\$ 389,764	\$ 356,297	\$ 322,121	\$ 287,227
Lincoln	0.8%	\$ 152,909	\$ 2 163,820	\$ 174,934	\$ 186,253
PCT	3.6%	\$ 587,840	\$ 664,019	\$ 741,662	\$ 820,792
Roseville	3.6%	\$ 724,176	\$ 760,838	\$ 798,162	\$ 836,155
SRTD & PI	80.2%	\$ 18,194,146	\$ 18,273,178	\$ 18,351,971	\$ 18,430,513
YCTD	3.1%	\$ 1,165,115	\$ 1,017,862	\$ 867,547	\$ 259,14,124
Total	100%	\$ 22,294,993	\$ 22,517,943	\$ 22,743,122	\$ 22,970,553

Discretionary Share distributes the remaining 12% of the Sacramento UZA Funds based on a regional competition for projects. Similar to SACOG's Regional/Local funding rounds, this process creates a regional competition for a portion of the estimated FTA Sections 5307 and 5339 formula funds. The process involves a Call for Projects, in which transit operators are asked to identify and submit project applications. The project application was developed and approved by the Working Group (sample application is shown in Attachment 1).

SACOG staff is responsible for the technical evaluation of projects and scoring the project applications using the adopted "Project Evaluation Criteria" (Attachment 2). The criteria were also developed and agreed upon by the Working Group and are based on the approved policies of SACOG's MTP/SCS (Attachment 3) and transit operators' Short Range Transit Plans.

When the scoring process is complete, the Transit Coordinating Committee (TCC) will review and prioritize the project list and SACOG staff will submit a funding recommendation to the SACOG Transportation Committee and SACOG Board of Directors.

This practice will allow SACOG to assist in the prioritization of the projects and with the implementation of "performance based planning" required under MAP-21 and also recommended as part of the SACOG Triennial TDA Audit.

The Sacramento UZA Working Group approved the Earned Share and Discretionary sub-allocation process subject to the list of compromise outlined in the following page.

SACRAMENTO URBANIZED AREA 5307/5339 COMPROMISE (APPROVED 11/20/2013)

Scenario 12 (Earned Share allocation), subject to the following:

1. The Sacramento Urbanized Area operators are locked into those relative shares (4-yr phase in methodology approved previously, Years 1 and 2), assuming they come from the 88% 5307/5339 Sacramento urbanized area split, for Federal Fiscal years 2014 and 2015.
2. An acceptable competitive evaluation process is developed for the remaining 12%. This 12% selection process would also be biennial, unless there is a significant change in the funding program.
3. YCTD will not be eligible for any of the 12% discretionary funding amount for Federal FY 2014 AND 2015, unless that total increases by 10% or more above the current SACOG estimate
4. Every transit operator may choose to update its UZA service distributions every two years (the next update year would be the FY 13/14 reporting year), consistent with written FTA suggested NTD methodologies
5. Around March, 2015, the TCC Sacramento Urbanized Area Working Group will meet again to assess the revised NTD data and its impact on FTA Sacramento Urbanized Area Section 5307 funds coming to the region. Both the 88% and 12% distribution methodologies will be reassessed at that time for Federal Fiscal years subsequent to 2014 and 2015.
6. Once number 5 above is completed, SACOG will start using an agreed upon set of percentages for every two years' worth of Sacramento urbanized area programming. If NTD numbers are used, FY 2013/14 validated numbers would be used for FFY 2016 and 2017, FY 2015/16 validated numbers would be used for FFY 2018 and 2019, and so on.
7. YCTD and SACOG agree to meet in good faith to seek and obtain transit operating subsidies from Sacramento International Airport towards Yolobus Route 42.

