September 2019
SJCOG Board

STAFF REPORT

SUBJECT: Proposed Modifications to the Local Transportation Fund (LTF) Policies Regarding Claims and Apportionments

RECOMMENDED ACTION: Motion to Approve Following Policy Change:

- Over four years reduce the eligibility of cities of 50,000 or greater to claim LTF for Road and Street purposes. The limit would be no more than 75% for roads and streets the first year (2020-21), 50% the second, 25% the third and 0% the fourth.
- For cities under 50,000 populations but 25,000 or greater, the first and second year limits would be 75% and 50% respectively, but they would still be eligible to claim up to 50% for roads and streets in the third year and into the future.
- For cities of under 25,000, the first-year limit would be 75% and that would not change in succeeding years.
- Because of the substantial increase in LTF funding realized and projected for 2019-20, the first year limits would be suspended for all claimants. Realistically this would only impact Ripon and Lathrop. The impact is quite small.
- Cities would remain the decision-maker within existing laws and policies to determine what transit purposes to claim LTF.
- The San Joaquin Regional Transit District and cities are encouraged to enter into an agreement defining scope of intercity services and an appropriate LTF contribution toward service costs.

SUMMARY:

Attached are the PowerPoint presentation including the recommendations for changing our Local Transportation Fund policy, and the issue paper outlining the challenges and opportunities that have to lead us to this recommendation.

The recommendation represents a small change from last month's recommendation.

1. The first change is that we have split the small city category into cities of 25,000 but less than 50,000 and cities of under 25,000. Lathrop would remain unchanged from last month in how the policy impacts it, but Ripon and Escalon would now be eligible to claim up to 75% for road and street purposes from the second fiscal year on.

2. The second change is that in the first year of the four year transition we are recommending suspending the policy due to the small impact it has on shifting dollars to public transit. The only jurisdictions impacted are Lathrop and Ripon and the total amount of funding impacted is $375.000. Due to the sizeable increase in revenue received in 2018-19 in LTF and the increase in the estimate for 2019-20 (totaling about $4 million), we recommend the policy be suspended in just that first year.

Otherwise, the recommendation remains the same.

On pages 11 and 12 of the PowerPoint are estimates of how much funding will be shifted from roads and streets to public transit and how much funding will be eligible for roads and streets over the four-year transition. These are just estimates and is certainly an underestimate of both since it does not include the new revenue estimates for LTF in 2018-19 and 2019-20.

During last month's committee and board discussions, there were suggestions made on how to change the staff recommendations beyond the change made. These involved:

- Having no jurisdiction fall below 25% as being eligible for road and street claims.
- Requiring all funds shifted to transit to be invested in regional transit services
- Simply requesting claimants to make a "good faith" effort to invest in transit services, but not requiring them to do so.

There were also many positive comments on the staff recommendation though it would be difficult to characterize any as enthusiastic. For many the comments were more along the lines that this is a good compromise; it is where we will have to go anyway, or staff has done the best to balance all interests.

As of this writing, it is likely that the Transit District will still oppose the recommendation. Even though this option provides for a likely additional $7.7 million in new transit funding over the next four years, they are still concerned that it does not provide a guarantee that all, or a significant portion of these funds to regional transit. The Transit District though does appear prepared to negotiate an agreement for intercity transit with medium and small cities in San Joaquin County.

The option you have in front of you has gone through a number of iterations over the past year and a half. It is anticipated that the Board of Directors will be considering this for a vote in September. All committee comments will be summarized and submitted to the Board before their vote.

Staff Recommendation:

- ➨ Over four years reduce the eligibility of cities of 50,000 or greater to claim LTF for Road and Street purposes. The limit would be no more than 75% for roads and streets the first year (2020-21), 50% the second, 25% the third and 0% the fourth.

- For cities under 50,000 populations but 25,000 or greater, the first and second year limits would be 75% and 50% respectively, but they would still be eligible to claim up to 50% for roads and streets in the third year and into the future.
- For cities of under 25,000, the first-year limit would be 75% and that would not change in succeeding years.
- Because of the substantial increase in LTF funding realized and projected for 2019-20, the first year limits would be suspended for all claimants. Realistically this would only impact Ripon and Lathrop. The impact is quite small.
- Cities would remain the decision-maker within existing laws and policies to determine what transit purposes to claim LTF.
- The San Joaquin Regional Transit District and cities are encouraged to enter into an agreement defining scope of intercity services and an appropriate LTF contribution toward service costs.

Attachments:

Power Point
LTF Paper

Prepared by: Andrew Chesley, Executive Director

Local Transportation Fund Policy Change Proposal

September San Joaquin COG Committee Meetings and Board Meeting

The following will be recommended by SJCOG staff to the COG Board

- Over four years reduce the eligibility of cities of 50,000 or greater to claim LTF for Road and Street purposes. The limit would be no more than 75% for roads and streets the first year (2020-21), 50% the second, 25% the third and 0% the fourth.
- For cities under 50,000 population but 25,000 or greater, the first and second year limits would be 75% and 50% respectively, but they would still be eligible to claim up to 50% for roads and streets in the third year and into the future.
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- The San Joaquin Regional Transit District and cities are encouraged to enter into an agreement defining scope of intercity services and an appropriate LTF contribution toward service costs.

For the Last Three Years We Have Staved Off Another 2016

- Small steps have assisted transit programs like SJRTD's and SJRRC:

- Created a CTSA
- LTF has grown at rate higher than expected
- FTA 5307 Monies have been more widely distributed
- State Transit Assistance Funds have been distributed differently
- A short time different distribution of LCTOP

Transit Purposes

- Cities will have the ability to claim transit funds for:
  - Their own transit programs
  - The Transit District's service(s) in their city
  - The Rail Commission's service(s) in their city
  - Capital transit projects such as stations, transit stops and signage, etc.
  - Regional transit purposes
  - And/or build up a sinking fund for future transit capital expenses

Road and Street Funding: Medium Cities

- The cities of Tracy, Manteca and Lodi will no longer be able to claim LTF for road and street purposes after four years.
- Lodi has claimed between 0 and 20% for road and street purposes. In 2023-24 this will end.
- Tracy has claimed about 50% for roads and streets though the percentage has been dropping. The effect will likely hit in 2022-23. It is likely that around 2025 Tracy will hit 100,000 in population and no longer be able to claim road and street funding.
- Manteca has claimed from 50 to 70% for road and street funding. The impact may be felt in the second year of the transition but certainly in the third year. Manteca, if it continues to grow at about 3% would likely reach 100,000 in population in 2025 or 2026.

Road and Street Funding Small and Very Small Cities

- Lathrop (24,936 population) would feel the impact immediately in the first year, and Ripon (population 16,613) as well. COG staff is recommending that the policy be suspended in the first year (2020-21). The amount of funding effected would be small (about $375,000). Lathrop likely exceeds 25,000 population today and will, in the second year have to direct 50% of their claim to public transit. Ripon would remain at 75% for public transit likely well into the future.
- Lathrop and Ripon claim 100% for roads and streets. Each has the opportunity for substantial transit related expenses but has not claimed LTF for those purposes. Ripon operates a small transit service and is seeking to construct a downtown transit center anticipating future rail service. Lathrop does not operate transit and is likely to have two new rail stations in the future. Both are serviced by the San Joaquin Regional Transit District.
- Escalon (population about 7,800) claims about 70% for road and street purposes, with the remainder for public transit. They would effectively not have to change their claim process to comply with this policy.

The Value in Making this Change

- The Rail Commission has already indicated that it will have to ask for more than the 11.5% target in the future from LTF. With the growth in ridership and the expansion of the service to other counties as well as the expansion of stations and parking in Tracy, Lathrop, Manteca, Lodi and Ripon, it is hard to argue that there is not justification.
- If the Rail Commission is authorized to claim more than the 11.5% figure, it will have a negative impact on all claimants but most notably the Transit District which will pick up roughly 61% of the financial impact.
- If the Board holds the Rail Commission to the 11.5%, and adopts this policy it provides another way for the Rail Commission to meet its future needs in partnership with local governing councils.
- Lastly, the Transit District and city councils have an opportunity with this policy to form a new partnership over intercity transit.

Commonly Expressed Concerns Over Changing the Policy

- A City Manager suggested that we need a new revenue source and not a policy that shifts dollars from one purpose to another.
  - While a new half cent sales tax initiative would meet this call, there is not one yet scheduled or in the works.
- Several public works officials lament that increase in SB 1 local gas tax funding will be offset or even eliminated with this policy change
  - The impact will vary between cities, but there will be an impact. LTF was meant to meet public transit purposes. This policy change is an effort to take the statutory language literally.
- Several comments over the past few years have argued that transit programs should cut back their budgets rather than rely on LTF that has been going to roads and streets.
  - This is not unreasonable, but the Transportation Development Act is not designed to constrain reasonable transit expenses. In fact it encourages investment in public transit. The Rail Commission's LTF claims for almost twenty years remained static; first as part of the County's claim and then later on their own claim. The Transit District has relied upon annual growth in Measure K and LTF for revenue increases as federal and state sources have remained static or diminished over much of the last twenty years. A reduction in LTF would hit their largest and most flexible funding source.

Commonly Expressed Concerns Over Changing the Policy

- This policy does not guarantee that the Transit District will be made whole if the Rail Commission claims more funding
  - This is true. But it provides an alternative vehicle to meeting Transit District and Rail Commission needs.
- This policy moves too fast (public works departments) or too slow (Transit District and Rail Commission) in transitioning over time
  - Certainly one can understand each perspective.
- There needs to be an option for regional transit services to claim "off the top" like the Rail Commission is allowed to do.
  - The Rail Commission sought and secured legislation to change the procedures for claiming LTF. This can not be done by legislation and does not have a regional consensus.

Alternatives to this Policy Change

- Leave the Process As Is
- Restrict all LTF to public transit and adopt a regional process for distributing LTF to transit providers. (variation on the Stanislaus model)
- Seek legislative change to secure Transit District funding from year to year.
- Consolidate in some fashion regional transit services.
- Wait for another Half Cent Sales Tax or other initiative

Total Dollars Eligible for Roads and Streets

Estimate of Dollars Available for Road and Street Purposes (in constant 2019 dollars)							
As a Result of the Policy Recommended by SJCOG Staff							
(in thousands)							Road
		FY 21	FY 22	FY 23	FY 24		Pct. FY 24*
Jurisdiction							
Escalon		$284,000	$213,000	$213,000	$213,000		75%
Lathrop		$910,700	$455,350	$455,350	$455,350		50%
Lodi		$1,889,100	$1,259,400	$629,700	$0		0%
Manteca		$2,289,375	$1,526,250	$763,125	$0		0%
Ripon		$594,700	$446,025	$446,025	$446,025		75%
Tracy		$2,604,825	$1,736,550	$868,275	$0		0%
Stockton		$0	$0	$0	$0		0%
San Joaquin Co.		$0	$0	$0	$0		0%
Total		$8,572,700	$5,636,575	$3,375,475	$1,114,375		
* Uses the following estimates of road and street claims as a percentage							
of total LTF apportionments for FY 2023-24							

Total in FY 21 and 22 that will be claimed for road and street purpose will actually be less. This is just what is eligible.

Shift of Dollars from Roads and Streets to Public Transit

Estimate of Dollars No Longer Available for Road and Street Purposes (in constant 2019 dollars)

As a Result of the Policy Recommended by SJCOG Staff

Jurisdiction	FY 21	FY 22	FY 23	FY 24	Road Pct. *
Escalon	$0	$0	$0	$0	70%
Lathrop	$0	$455,000	$455,000	$455,000	100%
Lodi	$0	$0	$0	$504,000	20%
Manteca	$0	$306,000	$763,000	$1,832,000	60%
Ripon	$0	$149,000	$149,000	$149,000	100%
Tracy	$0	$0	$868,000	$1,737,000	50%
Stockton	$0	$0	$0	$0	0%
San Joaquin Co.	$0	$0	$0	$0	0%
Total	$0	$910,000	$2,235,000	$4,677,000	

* Uses the following estimates of road and street claims as a percentage of total LTF apportionments for FY 2019-20

SJCOG staff recommends:

- Over four years reduce the eligibility of cities of 50,000 or greater to claim LTF for Road and Street purposes. The limit would be no more than 75% for roads and streets the first year (2020-21), 50% the second, 25% the third and 0% the fourth.
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THE LOCAL TRANSPORTATION FUND QUESTION: IS IT TIME TO REQUIRE ALL CLAIMS BE SOLELY FOR PUBLIC TRANSIT RELATED PURPOSES IN THE SAN JOAQUIN REGION?

REVISED DRAFT

San Joaquin Council of Governments
Updated September, 2019

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Introduction

San Joaquin Council of Governments (SJCOG) staff is putting forward for the San Joaquin Council of Governments (SJCOG) Board of Directors' (Board) consideration a policy change in the apportionment of Local Transportation Funds (LTF). The proposal before the SJCOG Board is not the result of a legal requirement, but the result of a request from the SJCOG Board of Directors. In 2016, the SJCOG Board was faced with a decision to increase the apportionment of LTF to one transit provider resulting in the decrease of funding to another. The SJCOG Board received a request from the San Joaquin Regional Rail Commission (Rail Commission) to increase its annual funding of LTF from $700,000 to $4,000,000. The effect of doing so would have reduced the amount of LTF available to all claimants but have most significantly affected the San Joaquin Regional Transit District (RTD). The issue was resolved through a compromise, but that does not effectively eliminate the issue in the future. This was a situation that appeared contrary to the spirit of the Transportation Development Act (TDA) but consistent with its statutory and administrative guidelines. The SJCOG Board has sought alternatives to this dilemma so as not to have to face the prospect of benefiting one public transit provider at the expense of another.

This paper outlines a number of alternatives to the SJCOG/TDA present apportionment of Local Transportation Funds with a specific recommendation from staff.

The Transportation Development Act created the Local Transportation Fund and its clearly stated mission is to fund public transit.

PUC 99222 – Legislative Intent

The Legislature hereby finds and declares that:

(a) It is in the interest of the state funds available for transit development be fully expended to meet the transit needs that exist in California.

(b) Such funds be expended for physical improvement to improve the movement of transit vehicles, the comfort of the patrons, and the exchange of patrons from one transportation mode to another.
(Page 34 of the 2018 Transportation Development Act (TDA) Statutes and California Code of Regulations, Caltrans, July 2018)

The situation where a claim for additional funding by one transit provider deleteriously impacting another transit provider while still providing funding for road and street purposes appears contrary to the intent of the Transportation Development Act. Yet that was the situation faced by the SJCOG Board of Directors due to the language in the Act itself.

Chapter One: The Transportation Development Act and the San Joaquin Experience

The Transportation Development Act (TDA) was passed in 1971 as the Mills-Alquist-Deddeh Act to improve public transportation in California. The Act created two funding sources. The first was the Local Transportation Fund (LTF) which is funded by a ¼% of the general sales tax in California. The second is the State Transit Assistance Fund which is derived from a portion of the statewide sales tax on diesel fuel.

The Act was specifically passed for the purpose of public transportation. At the time of its passing, the law required that nine of California's counties, the counties that exceeded 500,000 in population in 1970, be required to spend these funds on the administration of the Act, transportation planning, bicycle and pedestrian transportation as specified in the Act and public transportation. The Act did not allow for the purpose of roads and streets in these nine counties. However, in counties of under 500,000 in 1970, the Local Transportation Fund could be expended for road and street purposes once a finding that all unmet transit needs that could be reasonably met had been met.

Since the passage of the Act, there have been numerous changes. Among the many changes the Act was also amended such that cities reaching a population of 100,000 can no longer claim Local Transportation Funding for road and street purposes, and only for the purposes of public transit. (See PUC 99232.1 and 99232.2).

In San Joaquin County, the Act is administered by the San Joaquin Council of Governments, the Regional Transportation Planning Agency for the County. The apportionment of funds among eligible applicants is made by the COG in accordance with the requirements of the Act.

Eligible jurisdictions are:

The San Joaquin Regional Transit District
The San Joaquin Regional Rail Commission

The County of San Joaquin
The City of Stockton
The City of Tracy
The City of Manteca
The City of Lodi
The City of Lathrop
The City of Ripon
The City of Escalon
The San Joaquin Council of Governments (for administration and transportation planning purposes)
The San Joaquin County Auditor Controller (for administration purposes)

The apportionment process is laid out in the law, and a diagram is attached and can be found on pages 18 and 19 of the TDA Guidebook. Those pages are Attachments One to this paper.

Step One: TDA Administration expenses by the Regional Transportation Planning Agency and the County Auditor-Controller.
Step Two: Transportation Planning and Programming to be claimed by the Regional Transportation Planning Agency. (Roughly 2.9% in 2019/20)
Step Three: Pedestrian and Bicycle Facilities. SJCOG (the RTPA) sets aside 2% to be distributed among the cities and the county for the purpose of funding bicycle and pedestrian facilities allocated on the basis of population.
Step Four: Rail Passenger Service Operations and Capital Improvements. The San Joaquin Regional Rail Commission is the only potential applicant for this in San Joaquin County at the present time.
Step Five: Does not apply to San Joaquin County.
Step Six: Consolidated Transit Service Agency. In San Joaquin County the Regional Transit District is designated by SJCOG as this agency and is eligible to receive up to 5% of the funds remaining at this point in the apportionment process. SJRTD presently claims only 2%.

At this point, the remaining non-apportioned Local Transportation Funds are apportioned by population to the local jurisdictions of Lodi, Tracy, Manteca, Lathrop, Escalon and Ripon, Stockton and San Joaquin County. The apportionments for Stockton and San Joaquin County are only available to the San Joaquin Regional Transit District (RTD). These monies may be claimed by the individual jurisdictions for the purposes described in the Act under Articles 4 and 8. These cover a wide range of eligible activities but in San Joaquin County the relevant purposes are:

- supplying public transportation services,
- contracting for public transportation services, or
- providing for road and street purposes so long as no unmet transit need that can reasonably be met is found in the jurisdiction to be unaddressed.

The staff report that annually outlines the apportionment of these dollars is included in Attachment Two to this document.

A ten year history of the purposes for which these funds have been claimed for public transit and road and street purposes by the member jurisdictions is in Attachment Three.

Chapter 2: 2016 Apportionment and the Policy Dilemma

In the fall of 2015, the San Joaquin Regional Rail Commission (Rail Commission) let it be known that it was going to request a sizeable increase in its apportionment of Local Transportation Funds. The Rail Commission cited several reasons for the request:

- It had not requested an increase in twelve years above $700,000. Even though LTF had grown incrementally over the years (with the exception of the initial recession years).
- It was finding it exceptionally difficult to match federal and state capital grant funding.
- Passenger ridership growth was steady but revenue growth was not.

There was little argument that the Rail Commission could use additional revenue and the Rail Commission staff had been signaling that they would need more LTF for almost a year, but, the ask of $4 million was a jump of over 500%. The Rail Commission could justify how it would use the increased revenue but the impact on the Local Transportation Fund was significant. The Local Transportation Fund itself was anticipated to grow by no more than one million dollars, so the additional $3 million would have to come from existing claimants.

The evolution of the SJCOG Board's deliberations over the course of nine months was a difficult one. While all claimants were impacted by the request, the San Joaquin Regional Transit District had, by far, the biggest hit. RTD claims approximately 61% of all the remaining LTF after the Rail Commission is accounted for. Thus, RTD would not only see no increase in LTF, they would face a greater than $1.8 million decrease from their previous year's claim. RTD was aggressive in opposing the request and then in suggesting alternative scenarios to spread the impact of the cuts onto other claimants. The Transit District argued that a funding source, whose purpose is public transit, should not, (whether deliberate or not), provide for one transit provider at the expense of another while still allowing for road and street funding to continue. SJCOG staff attempted to lay out alternative funding scenarios as well, but LTF is among the most flexible of monies and both the Regional Transit District and the Regional Rail Commission were reluctant to cede their claims to this funding source.

It is not necessary to lay out all the challenging discussions that occurred in this apportionment. For purposes of this paper it is important to say that the SJCOG Board of Directors was clear in its direction to staff that they did not want to go through a similar apportionment battle in the future.

The issue was resolved, at least for the time being, in June of 2016 when an apportionment was adopted by the SJCOG Board that resulted in an increase for all claimants over the previous year; and an increase in funding to the Rail Commission though at a level less than they had requested.

This was achieved through a variety of steps:
1. There was a fortuitously larger than expected increase in LTF revenue over expectations from the previous fiscal year.
2. The Rail Commission took a less than requested amount of LTF, and capped future requests at a percentage of LTF.
3. The Rail Commission's payments on their Measure K loan were deferred though not forgiven, creating a future liability.
4. All claimants, including the Transit District accepted the increase in LTF even though it would be at a lesser amount than if the Rail Commission had not submitted their request.

The understanding at the time was that the action would effectively only temporarily solve the problem. In the ensuing years the SJCOG Board has taken further small steps to address the challenge of public transit funding into the future. These have involved:

- A reconsideration of the distribution of State Transit Assistance Funding and the growth of funding under SB 1.
- A reconsideration of the funding distribution of specialty transit programs like the Low Carbon Transit Operations Program (LCTOP).
- Adoption of guidelines for more relevant Short Range Transit Plans
- The designation of the Transit District as the Consolidated Transportation Services Agency.
- A reconsideration of the programming of Federal 5307 funding in the Manteca and Tracy Urbanized Areas.

PUBLIC TRANSIT

None of this eliminates the coming demand for greater public transit funding requests. It has only delayed it.

The following reasons outline why a review of the SJCOG LTF policy regarding public transit is timely and necessary. This is also the time to bring to the SJCOG Board of Directors, per their direction, a strategy for avoiding the apportionment experience of 2016.

1. The creation of a Consolidated Transportation Services Agency. The initial action by the SJCOG Board to appoint RTD and the efforts of RTD to build local consensus on this matter will lead to more opportunities to coordinate transit service in San Joaquin County and to points beyond. While this will lead to some efficiencies it will also lead to service expansion. Presently RTD claims only the bare minimum of 2% to operate the program. As stated by SJCOG staff when the Board approved the creation this percentage will very likely increase to a maximum of 5% in the future.

2. Unmet Transit Needs. While transit ridership is down, that in no way diminishes the point that we will be experiencing a greater demand for transit related services but in new and different ways. This past year saw a dramatic increase in the number of unmet transit need requests (to over 3,000). That does not automatically mean more transit needs that are reasonable to meet but certainly increases the prospects.
3. The Rail Commission's Altamont Corridor Express (ACE) Expansion. The passage of SB 132 and the funding of the Sacramento extension for ACE services is almost entirely in capital expenses, and each of these extensions will be searching for resources to assure the projects are completed on time. While the operating costs will be spread over three additional counties, there will be a share to be borne by San Joaquin County that will demand more funding.
4. Federal Transit Administration (FTA) 5307 match. There is a sizeable balance of federal transit funding in two Urbanized Areas: Tracy and Manteca. SJCOG and the relevant jurisdictions are working on a strategy to spend these down but, at present, these will require local match of anywhere from $3 million to $6 million.
5. Tri-Valley, San Joaquin Valley Regional Rail Authority. We do not have a feasibility report yet for how this entity will address its mission of BART to ACE service. However, the authority, due to the actions of the BART Board of Directors is now poised to capture up to $600 million in primarily capital funding for service that is expected to run from Dublin to Lathrop. In reality, such a service on a likely Diesel Multiple Unit/Electric Multiple Unit (DMU/EMU) system is seven to ten years out, but expectations in the southwest part of our county are already running high. The legislation creating the Authority places constraints on its ability to access LTF funding. Saying that, there is no identified way to fund the service's operations, and in due time LTF will no doubt become a consideration.
6. Others. Tracy is anticipating an almost doubling of its transit operating expenses in the coming five years, and soon after is likely to reach 100,000 in population. Once that population threshold is reached, Tracy will be ineligible to spend LTF on roads and streets. State greenhouse gas emission reduction goals are straining all regions to find ways to manage the growth in vehicle miles of travel. Public transit is a small but important part of attempting to achieve these goals. As such, there will be growing pressure for more transit opportunities. With new technologies public transit, like most aspects of transportation, will see big changes that will require new, and as yet, unanticipated infrastructure investments.

The public transit operations in San Joaquin County number seven (eight if counting the nascent Tri-Valley, San Joaquin Valley Regional Rail Authority (the Authority)). They range from the Escalon contracted service (with RTD), the Ripon two bus specialized service to the mid-sized services in Lodi, Manteca and Tracy to the 3.5 million passengers a year San Joaquin Regional Transit District. It also includes the four times a day round trip passenger rail Altamont Corridor Express (ACE) providing primarily commuter service. Attachments Three, Four and Five contain information on these services included operating and capital budget, passenger ridership and LTF claims. Lathrop does not have a local transit system, but is within the Stockton Urbanized Area for federal funding. RTD serves all the cities of San Joaquin County with interregional service as well as bus service to BART in Alameda County. It also provides specialized transit service throughout the county. The Regional Rail Commission has ACE stations in Stockton, Lathrop/Manteca and Tracy with plans for platform/stations in Lodi and Ripon.

Attachments Three, Four and Five have a substantial amount of data regarding these services.

ROADS AND STREETS
The Local Transportation Fund has been an important part of the budget for road and street maintenance for a number of cities and the County of San Joaquin over time. A number of factors have reduced that role for several jurisdictions and it is anticipated that as transit funding demand increases the overall impact of LTF on road and street budgets will diminish. However, this will happen to varying degrees depending upon jurisdiction. Some of the factors impacting road and street funding from LTF:

- Increasing city transit budget demands.
- Tracy will soon reach 100,000 in population and be ineligible for road and street funding.
- A likely increase in unmet transit needs that are reasonable to meet.
- The County is no longer claiming LTF for roads and streets
- The expansion of regional passenger rail service will increase demand on LTF funding.

Will there be a decrease in the need for local road and street maintenance funding? No. The passage of SB 1 will increase local road and street funding from the state gas tax by 87% on average, per jurisdiction. This will be a boon to public works' department budgets but will not resolve our ever growing backlog of road and street maintenance.

It is worthwhile at this point to revisit the conditions under which road and street funding is eligible for Local Transportation Fund monies.

PUC 99401.6 – Unmet Transit Needs Finding Documentation
Upon adoption of a finding, pursuant to subdivision (d) of Section 99401.5 that there are no unmet transit needs or that there are no unmet transit needs that are reasonable to meet, the transportation planning agency may allocate funds for local streets and roads.
(2018 TDA Book page 112.)

As Attachment Five demonstrates, the jurisdictions eligible to process claims for roads and streets usually request between 50% and 70% of their LTF for road and street maintenance purposes. The road and street request is generally in the $5.5 million range. FY 2017/18 has been a somewhat different year with the amount being $7.75 million and just under 50% going to roads and streets. This is an odd year though in that two claimants have an exceptionally large amount of carryover.

The Cities of Lathrop and Ripon claim 100% of their LTF for road and street purposes. Escalon claims 80% for that purpose. This amounts to $1.525 million between the three. Tracy, Lodi, and Manteca claim 42%, 34%, and 64% respectively for road and street purposes. This amounts in total to $6.22 million. But once again this number is high because both Lodi and Tracy claimed substantial amounts of unexpended carryover from the previous year.

This is a substantial amount of funding, but these numbers are likely to decrease over time. Ripon is beginning the process of building an intermodal facility that will act as a train and transit hub in the future. Manteca is embarking on upgrading their downtown transit station to serve rail passenger traffic when the ACE service is extended to Modesto. Lathrop already shares a station with Manteca but the Rail Commission has plans to build a new station in city boundaries. Tracy's draft Short Range Transit Plan contains a hefty increase in transit expenditures and has been the strongest advocate for the Valley Link service.

For the jurisdictions of Stockton and the County of San Joaquin, all LTF is being apportioned to the San Joaquin Regional Transit District. As a result, none of those funds are available for road and street purposes. For the City of Lodi, the amount of LTF going to roads and streets has been small due to the nature of their transit service. However, for the Cities of Lathrop, Tracy, Manteca, Ripon and Escalon, the portion of LTF going to roads and streets has been substantial. These jurisdictions' road and street maintenance will be most impacted by a change in LTF policy away from that purpose. But there is not an equivalency between public transit claims which, as shown in Attachment One, have a higher priority ranking, and road and street maintenance claims when it comes to LTF. Reinforcing this message is another line from the Act itself: **"An agency's determination of needs that are reasonable to meet shall not be made by comparing unmet transit needs with the need for streets and roads."** (Page 111, 2018 TDA Guidebook)

Chapter 3: Monterey and Stanislaus

The following two counties took different approaches to the question of how to resolve public transit and road and street funding through the Local Transportation Fund. There may or may not be lessons to be learned from their experience.

Monterey County

By policy, the Transportation Agency for Monterey County (TAMC) eliminated the option of local jurisdictions claiming LTF for road and street purposes. Monterey County is smaller in population than San Joaquin County but larger geographically. The southern, more rural part of the county desired expanded transit service and a coalition was put together that built a consensus around it. The result was that TAMC now, by policy, directs all its area apportionment funds to public transit. This has been in place now for eight years. The regional agency decides how to distribute the LTF among transit providers. This is not too large a challenge since the Monterey-Salinas Transit Agency is the only provider of public transit services in Monterey County. There has been no challenge to the policy and its implementation has been free of controversy.

In Stanislaus County they took a different approach. They have a number of claimants but needed a process to resolve a thorny challenge of dividing transit funding between Stanislaus Regional Transit and the systems in Modesto, Ceres and Turlock. In the end the agency wrote their own legislation which creates their own steps for distributing LTF area apportionment funds. Before doing the area apportionment, StanCOG apportions LTF among the transit providers based on a cost sharing formula that is regularly examined. Whatever remains after that is distributed on an area basis and can be used for road and street purposes. This past year, StanCOG decided to reserve LTF money for future ACE expansion to Modesto and not distribute dollars for road and street purposes. This decision was not easy and remains somewhat controversial.

These are just two examples of ways regional agencies have managed the question of funding public transit from LTF. We are not alone in this question of the distribution of LTF funding either. Ventura County and Solano Counties have also faced dilemmas associated with LTF.

Chapter 4: Options for San Joaquin County

The following outlines the policy options for the SJCOG Board of Directors.

Option One:
Leave the process as it is. This would reject the idea of a need for any policy or legislative change to the existing process at this time. Possible arguments for this position would be:

- ✓ Public transit funding needs can be met through other funding sources. For instance, a reallocation of Measure K funding might be considered.
- ✓ Another position might advocate that more could be done to reallocate State Transit Assistance to transit properties with the greatest need.
- ✓ Cuts to "unnecessary" public transit services might be argued.

This option might invite the argument that road and street needs are too great to see this funding source withdrawn. This though has difficulty reconciling itself with the purpose of the Act itself and the direction in the Act that road and street needs are not to be compared with transit needs.

It may also be argued that the Board can wait a few more years if the growth in LTF remains high and if the need for rail funding proves to be not as imminent as expected.

Option Two:
Restrict the use of LTF area apportionments to only public transit but leave it in the hands of claimants how to invest those dollars in public transit. This could be done by policy or legislatively.
Possible arguments for this position would be:

- ✓ The purpose of the Act is for public transit, and that those needs are only going to grow in the future.
- ✓ The expansion of the ACE passenger rail service to Sacramento and Merced is going to put increased pressure on LTF for operating purposes.
- ✓ Unmet Transit Needs are only growing.
- ✓ The creation of a Consolidated Transit Agency will likely necessitate more LTF to public transit, not less, though it may result in greater efficiencies.
- ✓ The potential for the Tri-Valley, San Joaquin Valley Regional Rail Authority to supply public transit service in the county in the next five to ten years.
- ✓ No transit system should see LTF cut solely to benefit another transit system.

Tracy may wish to invest in efforts to promote ACE/Valley Link options. Manteca and Ripon may wish to invest in ACE and transit maintenance. Lodi may wish to invest in SJRTD service to Stockton. This would be done by policy which would require an amendment to the Regional Transportation Plan.

Option Three:
Restrict the use of LTF area apportionments to public transit and develop regional priorities process for investing those funds in public transit. This would be similar to the process used by Stanislaus County and would be guided by a Regional Short Range Transit Plan. This may require a legislative change specific to San Joaquin County. That is the process that Stanislaus County used.

Possible arguments for this position would be similar to Option Two. Added to this would be:

- ✓ Regional transit needs across the region would best be served by one source of decision making regarding public transit across providers.
- ✓ Fragmented decision making across jurisdictions would discourage coordination and even potential consolidation of transit service.

Option Four:

This option would provide local agencies an alternative to Options Two or Three. It would provide the option to local agencies to consolidate local transit programs with the San Joaquin Regional Transit District. This would be done voluntarily. An incentive would be provided to the local agency of keeping a portion of their LTF apportionment for road and street purposes in exchange for increasing regional efficiency of transit operations. Consolidation of transit services makes sense when it increases efficiency of the service, improves transit options for passengers and provides for participation of local agencies in the governance of the system.

Chapter Five: SJCOG Staff Recommendation

SJCOG staff makes this recommendation primarily for the following reasons:

- Over four years reduce the eligibility of cities of 50,000 or greater to claim LTF for Road and Street purposes. The limit would be no more than 75% for roads and streets the first year (2020-21), 50% the second, 25% the third and 0% the fourth.
- For cities under 50,000 populations but 25,000 or greater, the first and second year limits would be 75% and 50% respectively, but they would still be eligible to claim up to 50% for roads and streets in the third year and into the future.
- For cities of under 25,000 the first year limit would be 75% and that would not change in succeeding years.
- Because of the substantial increase in LTF funding realized and projected for 2019-20, the first year limits would be suspended for all claimants. Realistically this would only impact Ripon and Lathrop. The impact is quite small.
- Cities would remain the decision maker within existing laws and policies to determine what transit purposes to claim LTF.
- The San Joaquin Regional Transit District and cities are encouraged to enter into an agreement defining scope of intercity services and an appropriate LTF contribution toward service costs.

In spite of dropping transit ridership in the county, unmet transit needs that are reasonable to meet will continue to grow

The previous year, the unmet transit needs process generated over 3,000 responses from the public. Most were not unmet needs and almost all were not reasonable to meet, but the amount of responses is increasing from year to year. The effect of the last two years was to find three unmet transit needs that were reasonable to meet. All were extra-jurisdictional and served in the region as a whole or the south county in large part. **The operating cost of these new services will range from $200,000 to $400,000 in total**. If recent history is a guide more additional service may be found as reasonable to meet.

Passenger rail service is extending to Merced and Sacramento and possible on a new route to BART.

The capital funding committed from the state of California for the extended service to Merced and to Sacramento is $900,000,000. Capital improvements in San Joaquin County such as track upgrades, stations and train equipment will be largely paid for from this source, but not entirely. It is estimated that the dedicated capital funding is not enough to deliver on the rail plans. It is anticipated that new stations in Lathrop, Ripon and outside of Lodi will need local funding. And that is not to mention the operating costs which are not covered under any existing agreement with the state or the neighboring counties. The San Joaquin Regional Rail Commission is utilizing a little over $3 million in LTF for operating expenses, and this is not enough to address the deferred payments on their Measure K loan, which would add another million dollars to their

LTF funding requirement. A doubling of service (which is what the extension to Merced and Sacramento represents) could easily result in a doubling of their LTF needs. **An additional $4 million dollar request would not be unreasonable and would take down about two thirds of the LTF annually going to roads and streets in San Joaquin County, and that is before Tracy reaches 100,000 in population.** Once that occurs, the $4 million would be roughly equal to the road and street claims annually. ACE Service to Sacramento could begin as soon as 2021, and service to Modesto as early as 2023, with Merced likely by 2026.

None of this addresses the capital and operating challenge posed by the Tri-Valley, San Joaquin Valley Regional Rail Authority whose mission is to develop a rail service that connects BART and ACE across the Altamont Pass. The estimated $1.8 billion capital cost is only partially addressed by the diversion of roughly $400 million of previous funding to BART for a Livermore extension and $200 million from tolls. The remainder will have to come from state or federal sources and/or new sources of local funding. There are provisions in the enabling legislation for the Authority (AB 758) that hamper their use of Transportation Development Act funding. Nonetheless, if the region wishes to see the benefits of such a system local sources of funding will need to be explored and that means Local Transportation Funds will be on the table. How much is purely speculative at this time but the needs of the San Joaquin Regional Rail Commission could be used as guidance. The Authority's Valley Link system could be up and operating in six years, but its capital expenditures, could begin within the next two years.

Use of Federal Transit Administration 5307 Monies in the Tracy and Manteca Urbanized Areas will require LTF matching funds to be fully utilized for capital and operations.

In 2018, there was over $15 million in unexpended FTA 5307 monies in the Tracy and Manteca urbanized areas combined. We are well on our way to spending down those balances which require a match of 50% for operating expenses and 20% for capital expenses. These funds could come from sources other than Local Transportation Funds but it is anticipated that LTF will be the main source. **It is estimated, based on the agreements reached in these urban areas that this could amount to between $3 million and $6 million in LTF as a match.** There are ways to reduce those numbers but the argument remains that spending down the balance will require more public transit LTF resources and then a continuing commitment of roughly a million dollars a year to keep from building such a large balance. Today, there is still a balance remaining in each of the urbanized areas though the concern over lapsing has been eliminated.

Creation of Consolidated Transit Services Agency (CTSA) is going to see an eventual increase in LTF dedicated to this purpose.

The initial claim by the San Joaquin Regional Transit District for services as the CTSA was for 2% of the remaining LTF for apportionment. This amounted to $554,000 in FY 2018-19. The District has no plans for requesting a higher percentage, but SJCOG staff indicated in our staff report and presentation to the SJCOG Board that this percentage will likely increase over time due to the demands of a CTSA. While much of the request actually reduces the area apportionment to the Transit District, the growing need in this area is likely to increase the percentage to 5% at some point recreating to a small extent the very issue faced with the Rail

Commission request. While the District will have some control over this matter, it does not diminish the demand for public transit funding. **A five percent request in 2018-19 would have been an additional $781,000**. This is only meant to give a relative picture of a possible claim against the LTF in the future.

It is far past time for the local cities served by intercity service provided by the San Joaquin Regional Transit District to have a say and a stake in that service. There is no disagreement from the Transit District to each city that such an agreement is important. There is presently no LTF from any of the medium sized and small sized cities to the is service. In fact, it can be argued that there is something of a cross subsidy occurring from the LTF raised in the Transit District's service boundaries to these cities. An agreement in place with all jurisdictions will help enhance revenue to the District while at the same time creating greater buy in from the cities.

Attachment One

The Local Transportation Fund Allocations

Priority	Purpose	PUC Section	Eligible Claimants	Amount Available
1	TDA administration	99233.1	County Auditor & the TPA	As necessary
2	Planning & Programming	99233.2	El Dorado County TPA Monterey County TPA Metropolitan Transportation Com. Nevada County TPA Orange CTC Placer County TPA Riverside CTC San Bernardino CTC Santa Cruz County RTC Tahoe Regional Planning Agency	≤ 3% of revenues
		130050	Ventura CTC	≤ 2% of revenues
		130004	Los Angeles County Metropolitan Transportation Authority	≤ 1% of revenues
			Southern California Association of Governments	≤ ¾ of 1% & ≤ $1 million of revenues
3	Pedestrian & bicycle facilities	99233.3 99234	Cities & Counties	Countywide, 2% of remaining money
4	Rail passenger service operations & capital improvements	99233.4 99234.9	Cities, Counties, CTC's or Operators	≤ apportionment
5	Long-term planning	99233.5 (a)	San Diego Association of Governments	
	San Diego MTDB administrative & planning functions; construction & acquisition programs	99233.5 (b)	San Diego Metropolitan Transit Development Board	≤ 10% of remaining money for area of MTDB
6	Community Transit Services	Article 4.5, 99233.7	Cities, Counties, Operators & CTSA's	Countywide, ≤ 5% of remaining money

(Cont. on next page)

PRIORITY	PURPOSE	PUC SECTION	Eligible Claimants	Amount Available
7	Article 4-Public Transportation,	99233.8	Operators	≤ Area Apportionment
	Support of public transportation systems	99260(a) 99262	Operators	≤ Area Apportionment
	Aid to research & development projects	99260(b)	Operators	≤ Area Apportionment
	Grade separation projects	99260(c)	Operators	≤ Area Apportionment
	Peak hour service contract	99260.2(a)	Operators	≤ Area Apportionment
	Rail passenger ticket purchases	99260.2(b)	Transit Districts	≤ Area Apportionment
	Payments to railroad corporation	99260.5	Transit Districts, Cities, Counties	≤ Area Apportionment
	Rail passenger service	99260.6, 99234.9	Cities & Counties, CTC, Operators	≤ Area Apportionment
	Claims for separate service to elderly & elderly	99260.7	Cities & Counties with a Joint Power Agency agreement	≤ Area Apportionment
8	Article 8-Other Allocation	99233.9	Cities & Counties where not restricted	≤ Area Apportionment
	Local streets & roads; pedestrian & bicycle projects	99400(a), 99402, 99407	Cities & Counties where not restricted	≤ Area Apportionment
	Commuter ferry services		Cities within the County of San Diego	≤ Area Apportionment
	Rail Passenger service operations & capital improvements	99400(b)	Cities & Counties	≤ Area Apportionment
	Public or special group transportation service contract	99400 (c,d,e)	Transit Districts, Cities & Counties	≤ Area Apportionment
	Multimodal transportation terminal	99400.5	Cities & Counties	≤ Area Apportionment
	Express bus & van pool services	99400.6	County of San Diego	≤ Area Apportionment

Attachment Two

TABLE 1

LOCAL TRANSPORTATION FUND
REVISED REVENUE ESTIMATE AND APPORTIONMENT
FISCAL YEAR: 2018-19

ESTIMATED REVENUE FY 2018-19		$ 33,120,000
RECOMMENDATIONS		
I. LESS ADMINISTRATIVE ALLOCATIONS		
COUNTY AUDITOR*	2,000	
COG TDA ADMINISTRATION*	290,000	
A. COG TRANSPORTATION PLANNING 2.9% PLANNING APPORTIONMENT**	960,480	
		31,867,520
B. COUNTY AND CITIES 2% BICYCLE/PEDESTRIAN** APPORTIONMENT	637,350	31,230,170
C. SAN JOAQUIN REGIONAL RAIL COMMISSION **	11.50% 3,591,470	
		27,638,700
D. ARTICLE 4.5 -Consolidated Transportation Service Agency 2% APPORTIONMENT		552,774
II. BALANCE AVAILABLE FOR 2018-19 BY AREA APPORTIONMENT ARTICLE 4 AND ARTICLE 8 PURPOSES**		27,085,926

*Upon adoption by the COG Board, these amounts are fixed and will be apportioned "off the top".
**These amounts will vary with actual revenues received.
See Table 2 for breakdown of 2% bicycle/pedestrian funds and general purpose revenues.

TABLE 2

REVISED LOCAL TRANSPORTATION FUND AREA APPORTIONMENT

FISCAL YEAR: 2018-19

CLAIMANTS	POPULATION ESTIMATE*	%	BIKE/PED APPT.	ARTICLE 4 OR 8	SJCOG PLANNING	TOTAL APPT.
SAN JOAQUIN REGIONAL TRANSIT DISTRICT **	470,226	0.62960	0	17,053,223	533,920	17,053,223
LATHROP	23,110	0.03094	19,721	838,108	26,240	857,829
LODI	64,058	0.08577	54,665	2,323,128	72,735	2,377,793
MANTECA	76,247	0.10209	65,066	2,765,175	86,575	2,830,241
TRACY	90,890	0.12169	77,562	3,296,218	103,201	3,373,780
RIPON	15,132	0.02026	12,913	548,777	17,182	561,690
ESCALON	7,205	0.00965	6,148	261,297	8,181	267,445
UNINCORPORATED**	0	0.00000	127,725	0	0	127,725
SAN JOAQUIN REG. RAIL COMM	0	0.00000	0	3,591,470	112,445	3,591,470
STOCKTON	0	0.00000	273,549	0		273,549
COUNCIL OF GOVT'S		1.00000			960,480	
TRANSPORTATION PLANNING		0.00000				
TOTAL	746,868	2.00000	637,350	30,677,396	960,480	31,314,746

SAN JOAQUIN RTD	POP.	PCT.
CITY OF STOCKTON	320,554	0.6817
CO. OF SAN JOAQUIN (24%)	35,921	0.0764
CO. OF SAN JOAQUIN - CAT (76%)	113,751	0.2419
	--------	--------
TOTAL	470,226	1.00

*State Department of Finance population estimates (January, 2017).

**Funds apportioned in the unincorporated area outside the Stockton Urbanized will continue to be split 76/24% per previous agreement.
The 24% will be apportioned to RTD based upon a new 3-year agreement b/w SJCO & RTD

Total Unincorporated population (used to determine bike/ped apportionment) = 149,672

Attachment Three

Table 3: Local Transportation Fund Expenditures (in Dollars), Transit vs. Local Street & Road Repair

Agency	2009/2010		2010/2011		2011/2012		2012/2013	
	Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R
SJ County	$0	$554,748	$0	$570,111	$0	$635,097	$0	$772,131
Lodi	$1,553,667	$0	$1,607,214	$0	$1,495,400	$0	$870,000	$0
Manteca	$561,762	$928,898	$1,013,911	$757,518	$970,154	$814,500	$1,234,739	$1,063,229
Tracy	$569,849	$1,349,083	$569,849	$1,362,050	$667,564	$464,803	$627,497	$2,175,438
Ripon	$4,500	$349,261	$1,029	$367,227	$4,500	$403,530	$4,500	$475,655
Lathrop	$0	$301,870	$0	$222,004	$0	$775,768	$0	$400,804
Escalon	$66,877	$200,064	$38,029	$193,669	$33,638	$143,167	$75,924	$173,553
Total	**$2,756,655**	**$3,683,924**	**$3,230,032**	**$3,472,579**	**$3,171,256**	**$3,236,865**	**$2,812,660**	**$5,060,810**

Table 4: Local Transportation Fund Expenditures (by Percentage), Transit vs. Local Street & Road Repair

Agency	2009/2010		2010/2011		2011/2012		2012/2013	
	Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R
SJ County	0%	100%	0%	100%	0%	100%	0%	100%
Lodi	100%	0%	100%	0%	100%	0%	100%	0%
Manteca	38%	62%	57%	43%	54%	46%	54%	46%
Tracy	30%	70%	29%	71%	59%	41%	22%	78%
Ripon	1%	99%	0%	100%	1%	99%	1%	99%
Lathrop	0%	100%	0%	100%	0%	100%	0%	100%
Escalon	25%	75%	16%	84%	19%	81%	30%	70%

2013/2014		2014/2015		2015/2016		2016/2017		2017/2018	
Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R
$0	$713,485	$0	$787,295	$0	$758,954	$0	$848,739	$0	$0
$1,645,226	$0	$1,706,402	$300,000	$2,536,534	$400,000	$1,163,954	$450,000	$2,284,049	$1,152,905
$560,937	$1,607,529	$411,612	$1,797,495	$483,890	$1,460,901	$905,763	$1,795,755	$1,048,028	$1,864,008
$712,336	$2,272,145	$652,791	$1,528,968	$1,026,211	$1,466,552	$0	$0	$4,465,551	$3,207,870
$4,500	$451,601	$7,000	$492,795	$0	$477,838	$0	$519,824	$0	$553,993
$0	$450,561	$0	$669,204	$0	$906,531	$0	$644,000	$0	$750,000
$66,860	$159,354	$62,450	$161,810	$89,920	$169,132	$77,273	$155,232	$56,952	$221,734
$2,989,859	**$5,654,675**	**$2,840,255**	**$5,737,567**	**$4,136,555**	**$5,639,908**	**$2,146,990**	**$4,413,550**	**$7,854,580**	**$7,750,510**

2013/2014		2014/2015		2015/2016		2016/2017		2017/2018	
Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R	Transit	LS&R
0%	100%	0%	100%	0%	100%	0%	100%	----	----
100%	0%	85%	15%	86%	14%	72%	28%	66%	34%
26%	74%	19%	81%	25%	75%	34%	66%	36%	64%
24%	76%	30%	70%	41%	59%	----	----	58%	42%
1%	99%	1%	99%	0%	100%	0%	100%	0%	100%
0%	100%	0%	100%	0%	100%	0%	100%	0%	100%
30%	70%	28%	72%	35%	65%	33%	67%	20%	80%

Attachment Four

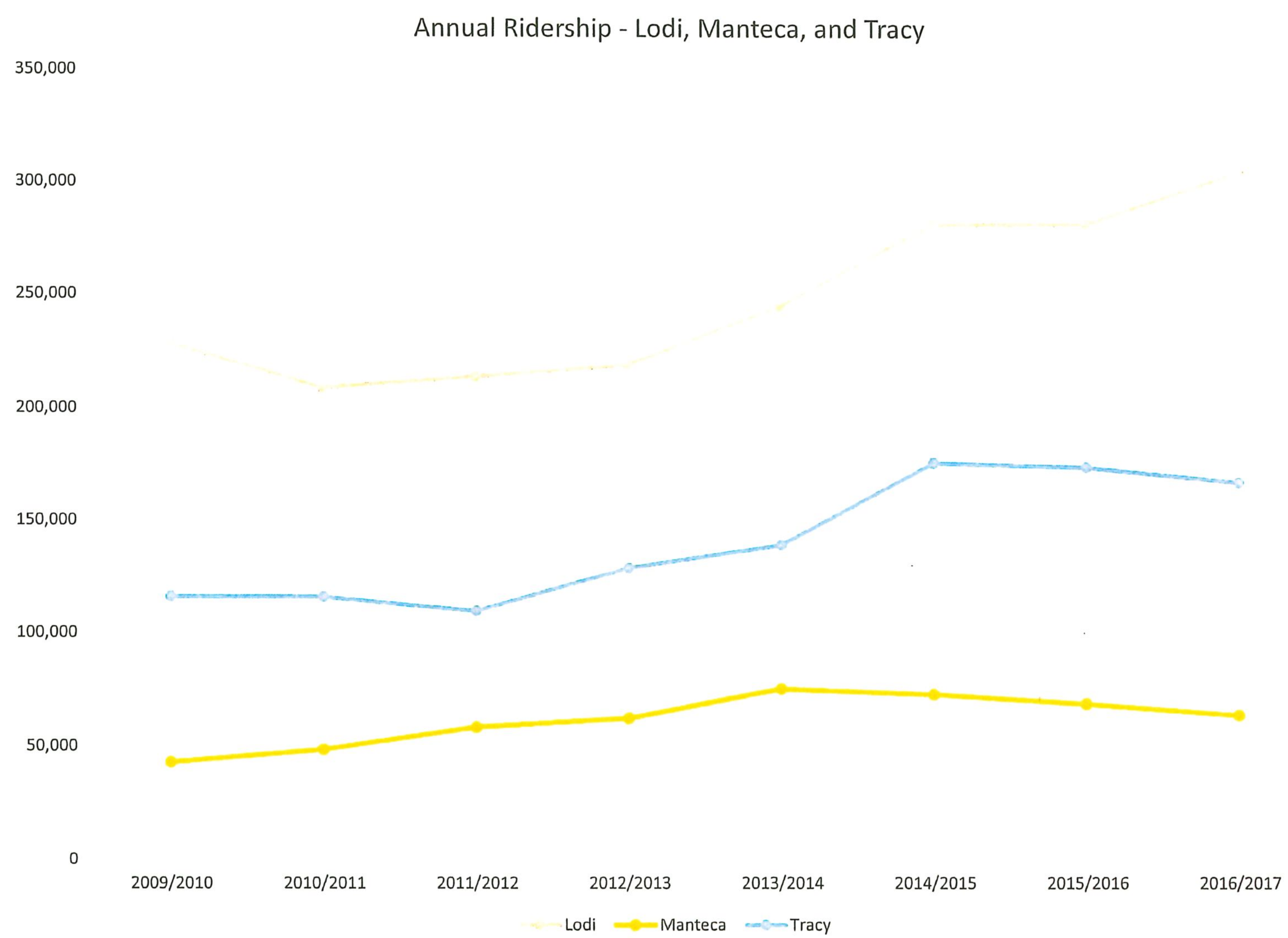
Table 1: Transit Ridership

Agency	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
SJRTD	4,362,483	4,073,003	4,265,608	4,300,272	4,161,614	4,401,715	4,047,513	3,561,732
SJRRC	662,305	662,305	786,947	940,774	1,600,782	1,688,286	1,781,431	1,755,911
Lodi	227,900	208,769	213,547	218,819	244,891	281,425	281,866	305,475
Manteca	42,782	48,373	58,450	62,445	75,399	73,001	68,990	64,106
Tracy	115,801	115,801	109,645	128,664	139,098	175,982	174,219	167,484

Table 2: Transit Budget

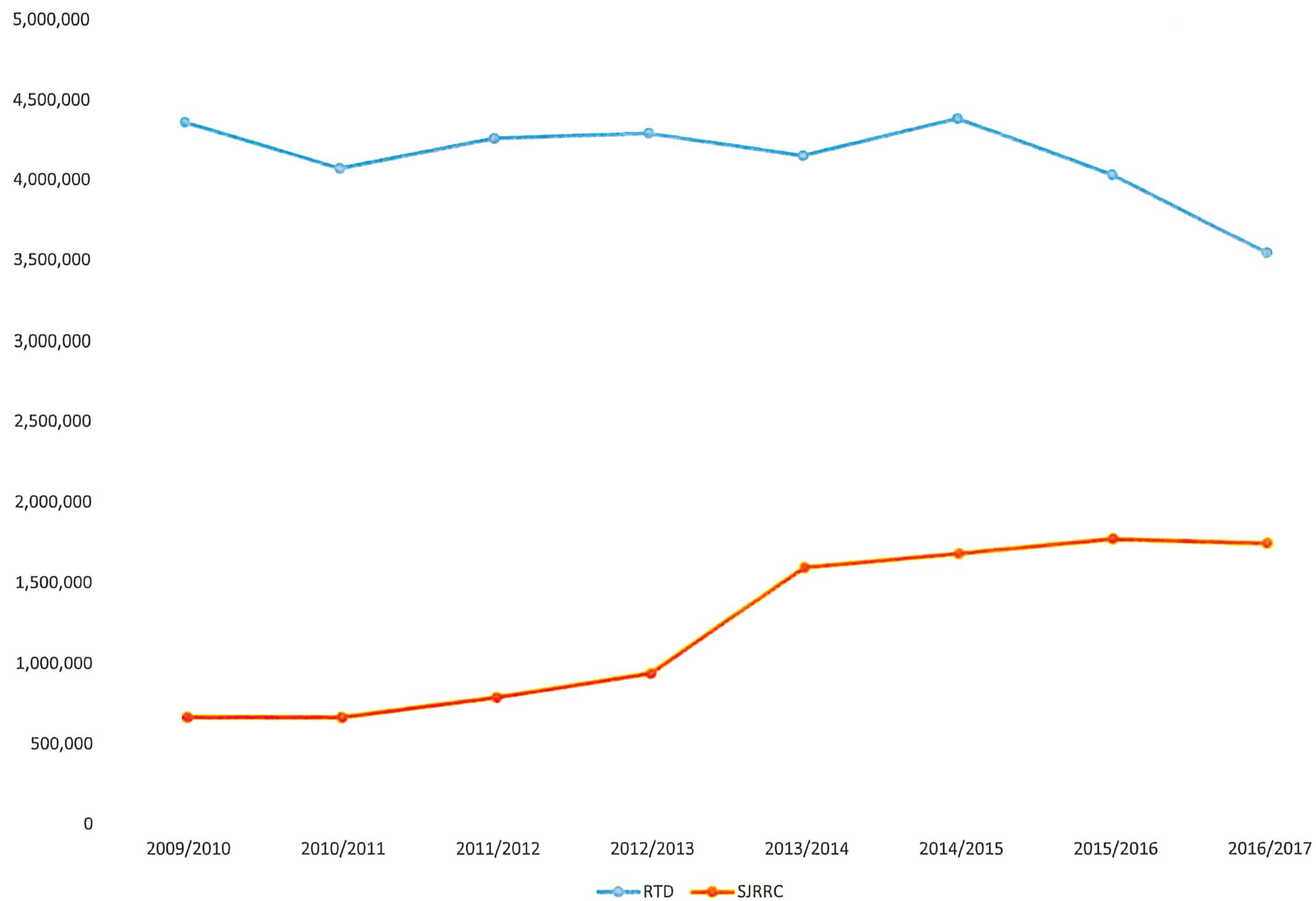
Agency	Revenue	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
SJRTD	Operating	$29,759,791	$29,698,382	$30,726,540	$29,067,027	$30,309,654	$30,970,898	$32,540,058	$31,773,351
	Capital	$18,495,976	$7,296,287	$10,758,074	$19,808,532	$25,768,354	$1,322,323	$8,410,473	$24,630,891
	Total	**$48,255,767**	**$36,994,669**	**$41,484,614**	**$48,875,559**	**$56,078,008**	**$32,293,221**	**$40,950,531**	**$56,404,242**
SJRRC	Operating	$12,450,040	$11,834,354	$12,817,729	$14,618,159	$16,496,250	$20,251,753	$23,052,204	$23,368,965
	Capital	$10,782,255	$3,793,055	$38,610,710	$16,550,834	$24,249,536	$14,536,736	$10,360,021	$10,350,253
	Total	**$23,232,295**	**$15,627,409**	**$51,428,439**	**$31,168,993**	**$40,745,786**	**$34,788,489**	**$33,412,225**	**$33,719,218**
Lodi	Operating	$3,201,413	$3,258,658	$3,501,205	$2,826,567	$3,058,651	$3,354,670	$3,293,934	$3,132,604
	Capital	$438,104	$303,603	$781,964	$3,650,905	$1,483,878	$4,052,816	$651,561	$1,494,885
	Total	**$3,639,517**	**$3,562,261**	**$4,283,169**	**$6,477,472**	**$4,542,529**	**$7,407,486**	**$3,945,495**	**$4,627,489**
Manteca	Operating	$734,813	$844,776	$1,067,176	$1,056,269	$850,014	$887,297	$821,512	$1,131,702
	Capital	$217,755	$805,085	$1,774,714	$6,914,317	$704,058	$150,067	$84,668	$3,302
	Total	**$952,568**	**$1,649,861**	**$2,841,890**	**$7,970,586**	**$1,554,072**	**$1,037,364**	**$906,180**	**$1,135,004**
Tracy	Operating	$1,280,468	$1,468,572	$1,518,129	$1,522,203	$1,592,813	$1,816,324	$2,463,235	$3,346,928
	Capital	$3,002,245	$1,079,611	$361,946	$1,488,643	$360,554	$61,784	$0	$2,667,561
	Total	**$4,282,713**	**$2,548,183**	**$1,880,075**	**$3,010,846**	**$1,953,367**	**$1,878,108**	**$2,463,235**	**$6,014,489**

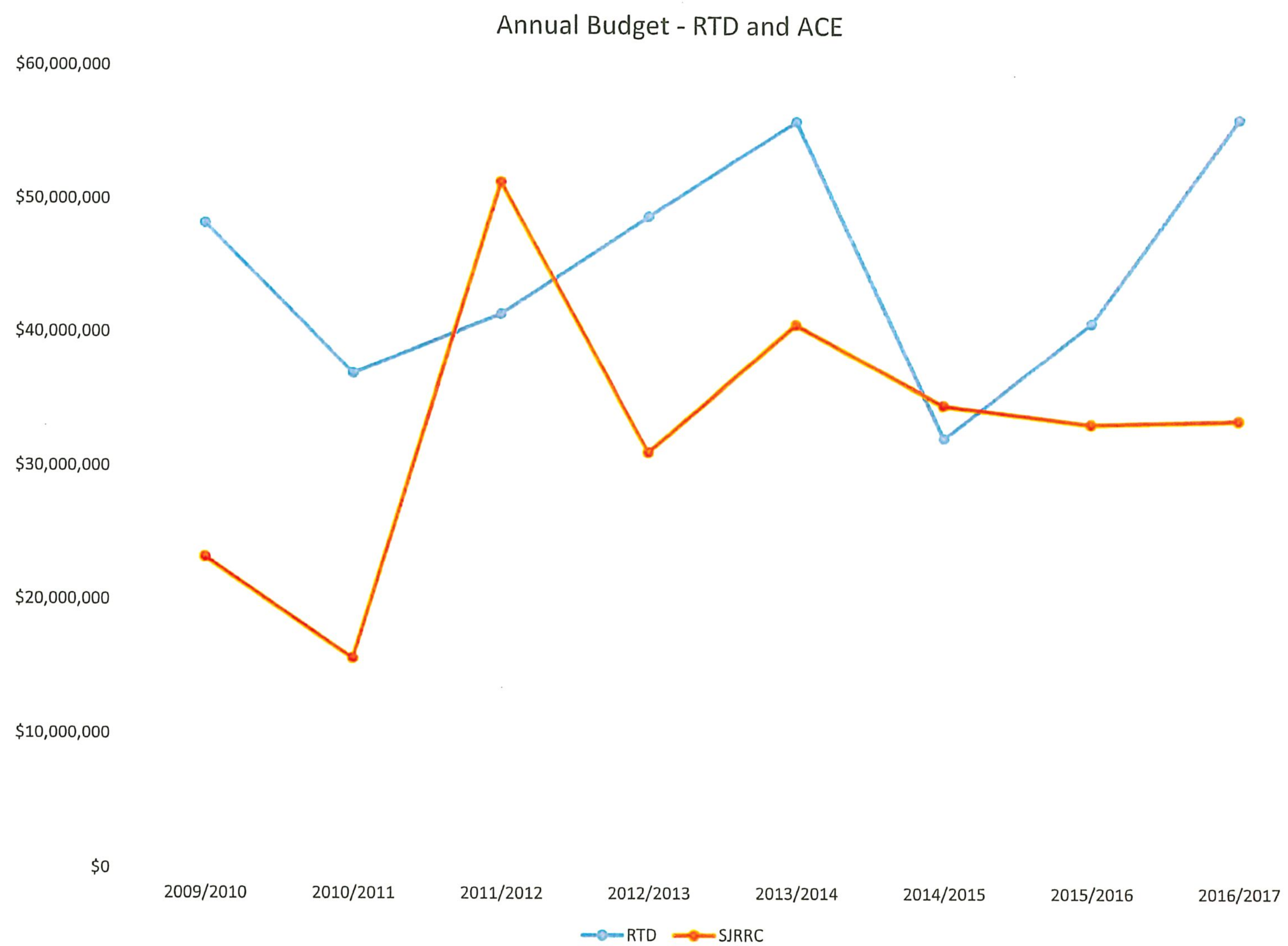
Attachment Five

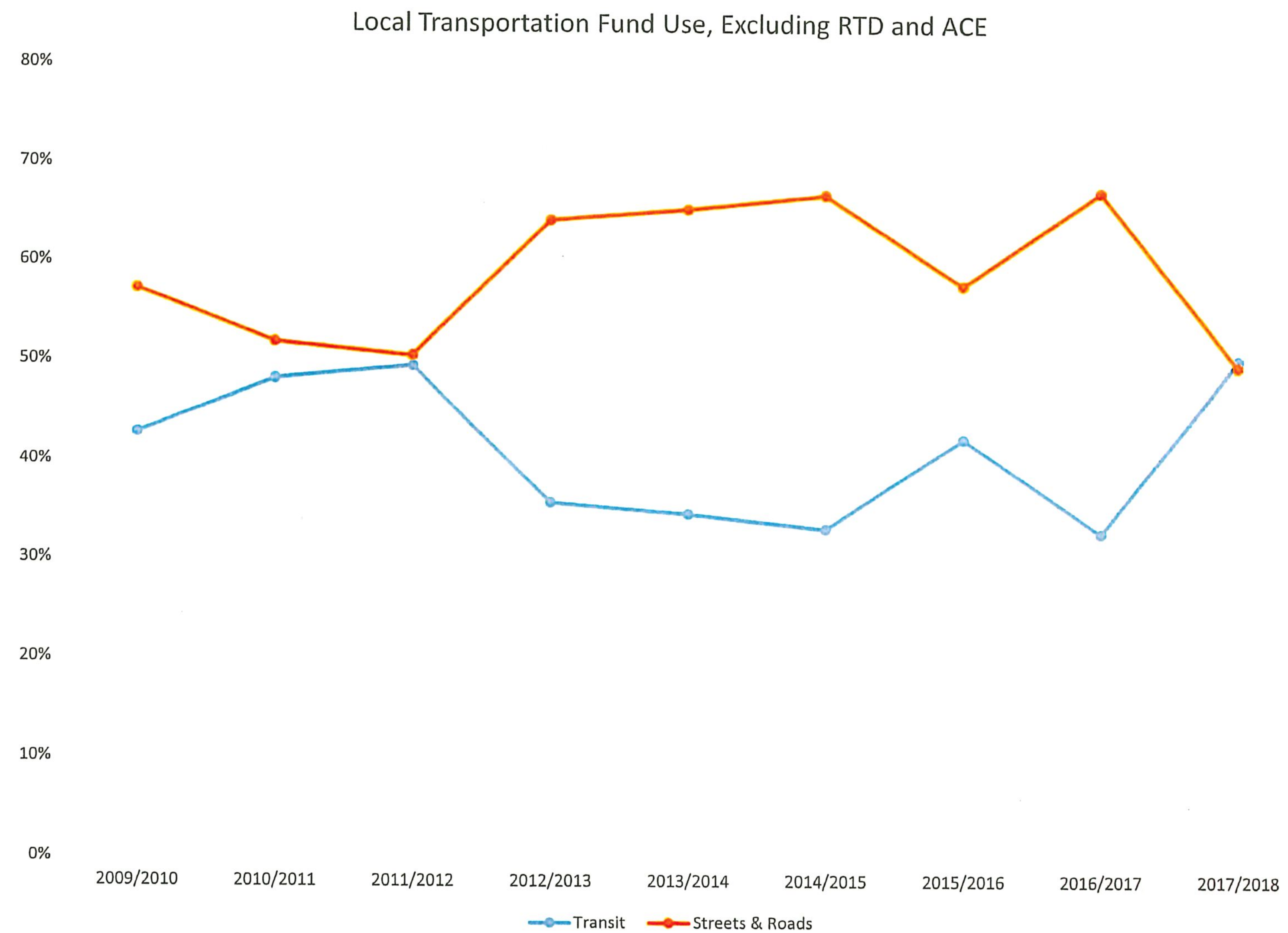

Annual Ridership - Lodi, Manteca, and Tracy
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
2009/2010
2010/2011
2011/2012
2012/2013
2013/2014
2014/2015
2015/2016
2016/2017
Lodi
Manteca
Tracy

Overall Budget - Lodi, Manteca, and Tracy

Annual Ridership - RTD and ACE




Annual Budget - RTD and ACE
$60,000,000
$50,000,000
$40,000,000
$30,000,000
$20,000,000
$10,000,000
$0
2009/2010
2010/2011
2011/2012
2012/2013
2013/2014
2014/2015
2015/2016
2016/2017
RTD
SJRRC


Local Transportation Fund Use, Excluding RTD and ACE
80%
70%
60%
50%
40%
30%
20%
10%
0%
2009/2010
2010/2011
2011/2012
2012/2013
2013/2014
2014/2015
2015/2016
2016/2017
2017/2018
Transit
Streets & Roads