

STAFF REPORT

SUBJECT: Resolution in Support of Allocation Request for FY 17-18 Funding through the State Low Carbon Transit Operations Program (LCTOP)

FROM: Jennifer Yeamans, Senior Grants & Management Specialist

DATE: June 8, 2020

Action Requested

Staff requests the Board of Directors approve Resolution 17-2020 in support of an allocation request to Caltrans for the Low Carbon Transit Operations Program (LCTOP) toward a Fare Free Rides promotion using previously allocated FY 17-18 funds. This resolution is required to request approval of this proposed project from Caltrans.

Background

The LCTOP was established by California Senate Bill 862 to provide funding, on a formula basis, for operational or capital expansion projects to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. The funds are derived from California's Cap-and-Trade Program and are the result of quarterly auctions of emission credits for greenhouse gas emitters regulated under AB 32, California's Global Warming Solutions Act of 2006. Auction proceeds, known as the Greenhouse Gas Reduction Fund, are then reinvested in various projects to further reduce emissions. There is a continuous appropriation of 5 percent of Cap and Trade auction proceeds into the LCTOP and other Cap and Trade programs. The program guidelines state that transit agencies receiving funds from the LCTOP shall submit expenditure proposals listing projects that meet any of the following criteria:

- Expenditures that directly enhance or expand transit service by supporting new or expanded services, expanded intermodal facilities, and include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.
- Operational expenditures that increase transit mode share.
- Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support zero-emission buses.

The LCTOP specifically requires documentation that each proposed project will achieve a reduction in greenhouse gas emissions and will not supplant other sources of funds. In addition, project sponsors are required to document how their projects meet all program requirements related to benefits to Disadvantaged Communities (DACs) and AB 1550 Population requirements to benefit low-income households. LAVTA's service area has one low-income census tract as defined by AB 1550, shown in the map in Attachment 2.

Discussion

In March 2018, LAVTA initially applied to Caltrans for FY 17-18 LCTOP funds to support Year 1 of a two-year funding plan toward the future purchase of four zero-emission battery-electric buses and related support infrastructure to replace diesel-electric hybrids at the end of their useful life in FY 2022. LCTOP guidelines permit eligible recipients to roll funds over into a subsequent fiscal year, accruing a maximum of four years of LCTOP funds for more substantial projects. Approved projects must also be completed and funds expended within the subsequent four years. In order to provide sufficient time and planning complete the agency's state-required Zero Emission Bus Transition Plan, LAVTA staff now intend to initiate this purchase in FY 2023. In order to ensure older LCTOP funds do not lapse, in May 2020, the Board of Directors approved applying the agency's FY 18-19 and FY 19-20 LCTOP funding to the future zero-emission battery-electric bus purchase, making the FY 17-18 allocation available for reprogramming to an approved project.

LAVTA staff has since been working with Caltrans to modify the FY17-18 LCTOP allocation previously approved for this project, and create a new project eligible for use of the \$316,274 in FY17-18 LCTOP funds. Prior to the COVID-19 public-health emergency, staff had previously planned to implement a Fare Free Summer Rides promotion using the funds. Free or discounted transit fares are an eligible use of LCTOP funds as a means to promote increases in transit mode share. Given the circumstances of the COVID-19 situation, LAVTA staff will work to pursue the best strategies to promote ridership with fare-free trips during the project period, consistent with LCTOP guidelines, as the situation develops. A March letter regarding previous discussions of LAVTA's fare-free proposals from the Tri-Valley Accessible Advisory Committee (TAAC) is provided as [Attachment 3](#).

Budget

The proposed project budget and schedule is as follows. LAVTA received the FY 17-18 funds from the state in July 2018 and they have been accruing interest since then as shown.

Fund Source	Amount
FY 17-18 LCTOP – Revenue-Based	\$51,389
FY 17-18 LCTOP – Population Based	\$264,885
<i>LCTOP Allocation Subtotal</i>	<i>\$316,274</i>
LCTOP Interest	\$12,390
Total Budget	\$328,664

Recommendation

Staff recommends the Board of Directors approve Resolution 17-2020 in support of an LCTOP allocation request to Caltrans for the Fare Free Rides program. This resolution is required to request allocations for this funding from Caltrans.

Attachments:

1. Resolution 17-2020
2. Map of AB 1550 Low Income Community of North Livermore
3. March 13 Letter from TAAC

Approved: _____

RESOLUTION 17-2020

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY AUTHORIZATION FOR THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) FOR THE FARE FREE RIDES PROGRAM USING \$316,274 IN LCTOP FUNDS

WHEREAS, the Livermore Amador Valley Transit Authority is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the Livermore Amador Valley Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to the Executive Director or his/her designee; and

WHEREAS, the Livermore Amador Valley Transit Authority wishes to implement the following LCTOP project(s) listed above;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and

BE IT FURTHER RESOLVED that the Executive Director or his/her designee be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and

BE IT FURTHER RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority that it hereby authorizes the submittal of the following project nomination(s) and allocation request(s) to the Department in FY19-2020 LCTOP funds:

Project Name: Fare Free Rides Promotion

Amount of LCTOP funds requested: \$316,274

Short description of project: LAVTA will offer fare-free rides during specified periods to promote transit ridership.

Benefit to a Priority Population: Reduce transportation costs and improve access to public transportation.

Contributing Sponsor: Metropolitan Transportation Commission

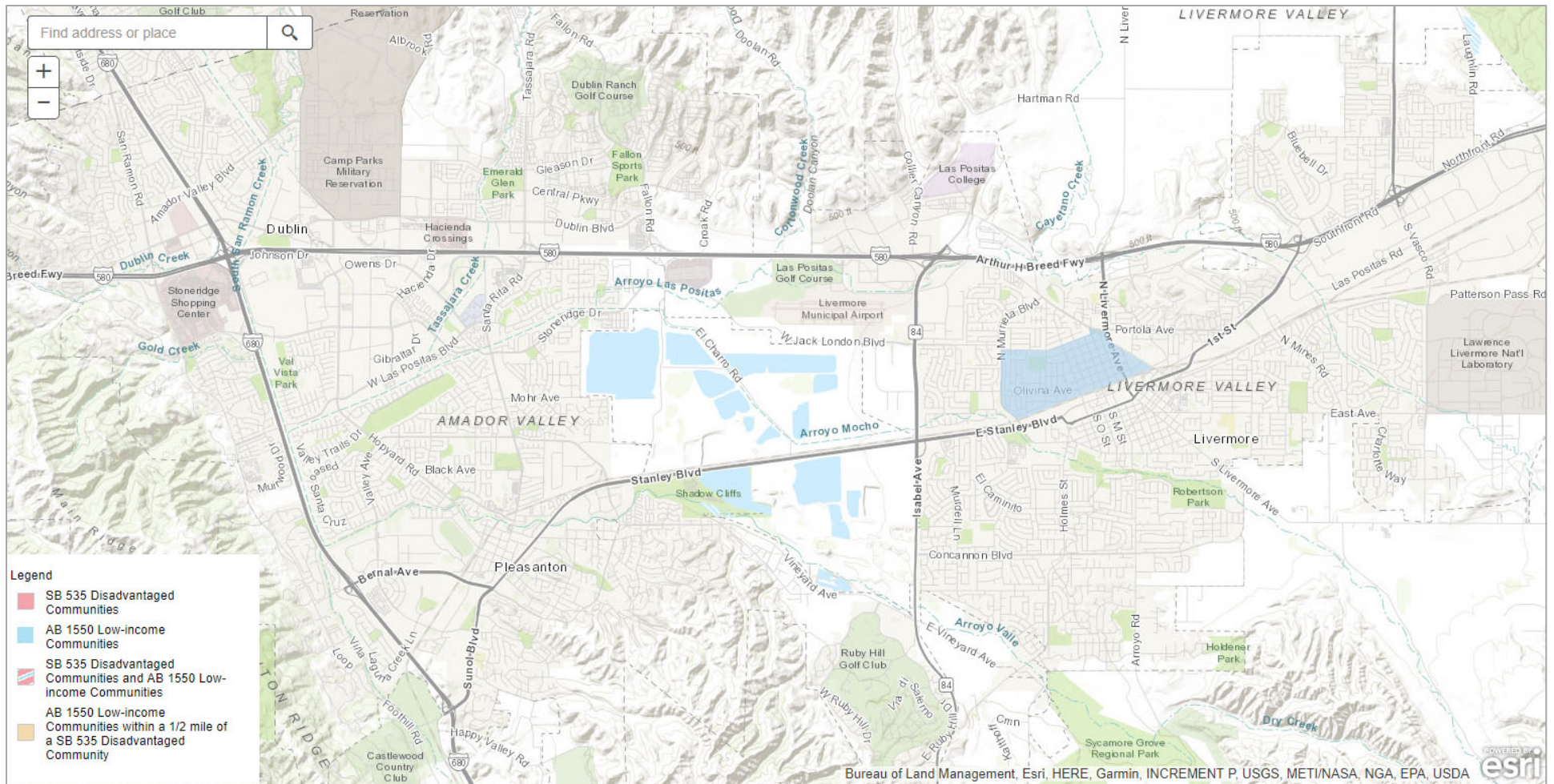
PASSED AND ADOPTED BY the governing board of the Livermore Amador Valley Transit Authority on this 8th day of June 2020.

David Haubert, Chair

Attest:

Michael Tree, Executive Director

Attachment 2. Location of AB 1550 Low Income Community (North Livermore) in LAVTA's Service Area



Tri-Valley Accessible Advisory Committee**TAAC**

03/13/2020

Dear Board of Directors,

At the last TAAC meeting, March 4, Staff discussed the possibility of a fare free pilot occurring during the Summer, specifically June, July, and August on fixed routes. During the discussion Staff laid out the rationale behind the pilot as well as how paratransit service would function under the program.

If fixed route were to become fare free for a pilot, Staff explained that there were two courses of action, either make all paratransit free, or make the minimum required $\frac{3}{4}$ mile from a fixed bus route free and charge a fare for any paratransit trip that was outside the minimum requirement.

We, as a committee, support the creation of a fare free pilot on all of the fixed route buses and having two paratransit zones. We understand that the fare free for paratransit may only apply to the minimum ADA required service of $\frac{3}{4}$ of a mile from fixed route and that there would be a fare for anything outside of that buffer zone. We would ask that, at least under the pilot, that the fare for the premium service outside the minimum required zone be no greater than the current fare for paratransit during the pilot.

Overall, myself and the committee as a whole are all in support of the potential of a fare free pilot and see a lot of value for our fellow passengers.

Sincerely,



Herb Hastings
Chair, Tri-Valley Accessibility Advisory Committee