

STAFF REPORT



MEETING DATE:	February 26, 2025
SUBJECT:	Receive Update on Senate Bill 125 Program Progress, Approve Project Scope Modifications Requested by the Redding Area Bus Authority (RABA), and Direct Staff to Submit to CalSTA for Review and Approval
AGENDA ITEM:	10-8
STAFF CONTACT:	Laurent Beauregard, Assistant Transportation Planner

SUMMARY:

The SRTA Board of Directors previously approved an initial allocation package of SB 125-funded projects, which were subsequently approved by the California State Transportation Agency (CalSTA) on July 8, 2024. Redding Area Bus Authority (RABA) staff has requested a modification to the Regional Ridership Retainage and Growth (R3) project scope to include diesel-hybrid vehicles. SRTA staff has reviewed the request, determined that the change is eligible under SB 125 guidelines, and proposes a revised allocation package with no change to the total allocation of funds. The revised package is subject to CalSTA review and approval.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Receive an update on the SB 125 program progress;
2. Approve the proposed project modifications shown in Table 2; and
3. Authorize the executive director to submit the updated allocation package materials to CalSTA and make minor administrative amendments, as appropriate, in response to CalSTA comments.

DISCUSSION:

Background – SB 125 is a statewide funding program designed to support capital and operational improvements for California's public transit systems. Funding sources for SB 125 come from the Transit and Intercity Rail Capital Program General Fund (TIRCP GF) and the Zero Emission Transit Capital Program, Greenhouse Gas Reduction Fund & Public Transportation Account (ZECTP GGRF/PTA). SB 125 provides regional formula funds to help transit agencies modernize infrastructure, transition to cleaner vehicle technologies, and enhance mobility options for residents.

SRTA is responsible for overseeing the administration of SB 125 funds within the region, including submitting project allocation requests to CalSTA, ensuring project compliance with program guidelines, and working with local transit providers to implement approved projects. SRTA collaborates closely with the RABA and DHCL to maximize the program's impact in improving public transportation services.

The board of directors approved an initial SB 125 allocation package at the December 2023 meeting (online staff report: https://www.srta.ca.gov/DocumentCenter/View/9233/12_SB1). Staff submitted the allocation package to CalSTA, who reviewed and suggested the projects be consolidated into a smaller grouping of projects, with no changes to project types or funding that the board approved (See Table 1). Staff then executed an agreement with RABA to be able to distribute SB 125 funds to them as needed. Over \$1M of SB 125 funds have been distributed to RABA to implement projects so far. A history of SB 125 board related items can be found in the attachment.

Table 1: Consolidated List of Previously Approved SB 125 Program Projects

Project	Agency	Components	TIRCP FY 23/24	TIRCP FY 24/25	ZETCP FY's 23/24 -26/27
Regional Ridership Retainage and Growth (R3)	RABA/ DHCL/ SRTA	Transit Operations Assistance and Micro mobility Partnerships \$4,675,000	\$2,675,000	\$2,000,000	
	RABA	5 30-35 Foot Electric Bus Replacement for RABA \$3,174,800		\$2,250,554	\$2,449,646
	RABA	6 Electric Vans for Fixed Route, Demand Response, and Micro transit for RABA \$1,100,400			
	SRTA/ DHCL/ RABA	1 Electric Pilot Van for DHCL \$425,000			
	RABA	RABA Micro transit operations \$1,800,000	\$200,000	\$1,600,000	
RABA Technology Enhancements	RABA/ SRTA/ DHCL	Implement and cover the operational costs associated with technology needed to enhance public transit services	\$1,435,000		
CTSA coordination	RABA/ DHCL/ SRTA	Transfer of CTSA contract to RABA		\$500,000	
North State Intercity Passenger Transit System	SRTA/ RABA	Updating the demand study, including research, data collection, and expert consultations \$100,000	\$2,050,000		
	SRTA/ RABA	Purchase or lease of renewable diesel buses \$1,950,000			
SB 125 Admin	SRTA	Administration of SB 125 to the Region			\$215,348
Total			\$6,360,000	\$6,350,554	\$2,664,994

Proposed Project Scope Modification – The Regional Ridership Retainage and Growth Project (R3) includes funding for up to five battery electric buses to replace gasoline and diesel buses. The RABA board, at their January 2025 meeting, expressed a desire to purchase diesel-hybrid bus replacements in years prior to when the Innovative Clean Transit (ICT) regulations kick in, starting in 2026, when 25% of new vehicle purchase would need to be zero-emission vehicles. It was discussed that SRTA would need to look into eligibility of the use of SB 125 funds for that purpose. RABA staff reached out with details about the vehicles. SRTA staff reviewed SB 125 program guidelines and determined that the vehicles are likely eligible for SB 125 TIRCP funding, pending final approval by CalSTA. ZETCP funds must be used for zero emission vehicles. It's recommended that the initial funding allocation package be modified as shown in Table 2.

Table 2: Proposed Project Modification to R3

Project	Agency	Components	TIRCP FY 23/24	TIRCP FY 24/25	ZETCP FY's 23/24 -26/27
Regional Ridership Retainage and Growth (R3)	RABA/ DHCL/ SRTA	Transit Operations Assistance and Micro mobility Partnerships \$4,675,000	\$2,675,000	\$2,000,000	
	RABA	Match for Up to 5 30-35 Foot Electric Bus Replacements for RABA \$924,246			
	RABA	Diesel-Hybrid Bus Replacements \$2,250,554			
	RABA	6 Electric Vans for Fixed Route, Demand Response, and Micro transit for RABA \$1,100,400		\$2,250,554	\$2,449,646
	SRTA/ DHCL/ RABA	1 Electric Pilot Van for DHCL \$425,000			
	RABA	RABA Micro transit operations \$1,800,000	\$200,000	\$1,600,000	
Total			\$2,875,000	\$5,850,554	\$2,449,646

The proposed changes in the R3 project (red above) reduce the previously approved \$3,174,800 allocated for the purchase of battery electric buses to \$924,246, reallocating the remaining \$2,250,554 toward the purchase of future diesel-hybrid buses, which were not initially included in the project scope. In order to move forward, several steps are needed:

- RABA must submit project details and analysis for the diesel-hybrid bus project to SRTA, sufficient for review by CalSTA, per program guidelines.
- SRTA staff will compile and submit the project allocation request and required material provided by RABA to CalSTA for review.
- CalSTA's review and approval process typically takes 30 to 60 days.
- Upon CalSTA's approval, SRTA will notify RABA and funds will be made available to RABA for future reimbursement.

ALTERNATIVES:

The board of directors may decline to approve the requested changes. The existing list of projects would stand, and RABA would have to look at other funds to use towards their desired diesel-hybrid vehicles. The board of directors may request additional information and postpone action on this item until the April SRTA board meeting. This would potentially delay RABA's procurement of the vehicles by roughly two months, pending CalSTA approval.

OTHER AGENCY INVOLVEMENT:

RABA staff submitted a request for changes based on actions approved at their January 2025 RABA board meeting.

FISCAL IMPACT:

The proposed project scope modification will not result in a change to the SB 125 funds available for approved projects. The initial allocation package allocated \$15,375,548 in SB 125 funds to approved projects out of the total \$21,534,813 available to the region over the next several years.



Sean Tiedgen, AICP, Executive Director

Attachment: History of SB 125 Board Related Items

SENATE BILL 125 (SB 125)

HISTORY OF RELATED SRТА BOARD OF DIRECTORS AGENDA ITEMS

Full staff reports are provided via hyperlink.

2023

MEETING ON DECEMBER 14, 2023, [AGENDA ITEM #12](#)

APPROVE SENATE BILL (SB) 125 SHORT-TERM CAPITAL PROGRAM AND SRТА-RABA INTERAGENCY AGREEMENT

It is recommended that the board of directors:

1. Approve and authorize the executive director to submit the Senate Bill 125 Short-Term Capital Program initial allocation package of projects totaling \$17,505,155;
2. Authorize the executive director to make minor administrative amendments, as appropriate, in response to CalSTA comments or provide any other necessary information in support of the initial allocation package;
3. Delegate the executive director to execute the necessary agreements with CalSTA to receive funds; and
4. Approve and authorize the executive director to execute an interagency agreement (Attachment B) between SRТА and RABA for the purpose of jointly developing and building a hydrogen station on property owned by RABA.

In FY 23/24, the Shasta Region was allocated \$21,534,813. After consulting with the Redding Area Bus Authority (RABA), and Dignity Health Connected Living, SRТА submitted the following projects for funding by the deadline on December 31, 2023:

- Regional Ridership Retainage and Growth (\$4,675,000);
- RABA Technology Enhancements (\$1,435,000);
- CTSA Coordination (\$500,000);
- RABA Micro Transit Operations (\$1.8M);
- Zero Emission Vehicle Replacements (\$4,700,200);
- North State Intercity Passenger Transit System (\$2,050,000);
- Expansion of Cycle 3 TIRCP for North State Intercity Bus to Rail (\$2,129,607); and

- SRTA SB 125 Administration (\$215,348)

By motion made and seconded (Watkins/Audette) and passed unanimously with modification, the board of directors took the following actions:

- Staff recommendation Nos. 1, 2, and 3 were approved minus the \$2,129,607 for the "Expansion of Cycle 3 TIRCP for North State Intercity Bus to Rail" project, therefore, only \$15,375,548 in SB 125 funding allocations were approved, leaving \$6,159,265 for allocation at a future date; and
- Staff recommendation No. 4 was pulled for more information and continued to a future meeting.

2024

MEETING ON SEPTEMBER 26, 2024, [AGENDA ITEM #7-9](#)

AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE SUB-RECIPIENT COOPERATIVE AGREEMENTS WITH REDDING AREA BUS AUTHORITY (RABA) AND DIGNITY HEALTH CONNECTED LIVING (DHCL) FOR DISTRIBUTION OF SENATE BILL 125 TRANSIT CAPITAL, OPERATING, AND PLANNING FUNDS

It is recommended that the board of directors:

1. Authorize the executive director to execute a Sub-Recipient Cooperative Agreement (SCA) between RABA and SRTA for the distribution of Senate Bill (SB) 125 funds;
2. Authorize the executive director to execute a Sub-Recipient Cooperative Agreement (SCA) between DHCL and SRTA for the distribution of Senate Bill (SB) 125 funds; and
3. Authorize the executive director to make administrative amendments as appropriate

This Consent Calendar item was pulled to Regular Calendar by board member Gallagher. By motion made and seconded (Audette/Crye) the item passed with six "Yes" and one "No".