

STAFF REPORT



MEETING DATE:	April 27, 2021
SUBJECT:	Approve Release of Request for Proposals for Operations of Salmon Runner Bus Service Between Redding and Sacramento
AGENDA ITEM:	12
STAFF CONTACT:	Jennifer Pollom, Senior Transportation Planner

SUMMARY:

SRTA is ready to initiate operations of the Salmon Runner bus service between Redding and Sacramento. Solicitation of a contractor to provide the vehicles and operate the service is needed at this time.

STAFF RECOMMENDATION:

It is recommended that the board of directors approve the release of a request for proposals (RFP) for intercity bus service operations between Redding and Sacramento.

DISCUSSION:

SRTA has garnered the operational funds needed to start the Salmon Runner intercity bus service between Redding and Sacramento, including intermediate stops in Red Bluff and Orland (for connections to Chico). With committed support from federal, state, regional and local partners (see Table 1), the Salmon Runner could begin service this fall, initially operating two round trips daily, seven days a week, including holidays. Additional daily round trips could be possible depending on cost. Caltrans Division of Rail and Mass Transportation is including the start-up of the Salmon Runner in the on-going Statewide Intercity Bus Study and will work with SRTA on the operations plan. A history of related SRTA Board of Director's agenda items is recorded in Attachment A, and recently received public comments on intercity bus service are recorded in Attachment B.

Table 1: Salmon Runner Committed Operation Funding for 2021/22

Funding Partner and Program	Amount	Funding Process
Federal Transit Administration (FTA) Intercity Bus Program	\$600,000	Annual grant process
Caltrans Division of Rail and Mass Transportation State Rail Assistance "Bus Gap" Award	\$470,000	Two-year pilot project (See Attachment C.)
San Joaquin Joint Powers Authority (SJJPA) Rail Passenger Commitment	\$200,000	Annually (See Attachment D.)
Tehama County Transportation Commission Congestion Mitigation and Air Quality Improvement (CMAQ)	\$100,000	One- to two-year commitment with an annual grant process
Total	\$1,370,000	

The combined \$1.37 million committed for operations and estimated fare revenue will fund a year of service with two daily round trips as displayed in the last column of Table 2. Annual costs include operations, marketing, and administration.

Table 2: Budget Estimate for Salmon Runner Service Levels

Cost Calculations			
	4 Daily Round Trips	3 Daily Round Trips	2 Daily Round Trips
Trips	8	6	4
Miles/Trip	175	175	175
Days/Year	365	365	365
Annual Service Miles	511,000	383,250	255,500
Current Cost/Mile of Amtrak Thruway	\$3.84	\$3.84	\$3.84
Annual Operating Costs	\$1,962,240	\$1,471,680	\$981,120
Marketing Budget	\$100,000	\$100,000	\$100,000
10% SRTA Administration Budget	\$206,224	\$157,168	\$108,112
Annual Costs	\$2,268,464	\$1,728,848	\$1,189,232
Operational Support Commitments			
FTA Intercity Bus Program	\$600,000	\$600,000	\$600,000
SJJPA Rail Passenger Commitment	\$200,000	\$200,000	\$200,000
Tehama CMAQ*	\$100,000	\$100,000	\$100,000
Caltrans State Rail Assistance*	\$235,000	\$235,000	\$235,000
Remaining Annual Need	(\$1,133,464)	(\$593,848)	(\$54,232)
*CMAQ is guaranteed in the first year, with anticipated 5311(f) in subsequent years.			
*Caltrans State Rail Assistance \$235,000 (\$470,000/2) could be increased to help with start up costs the first year.			
Fare Revenue	\$624,355	\$374,613	\$187,307
End of Operating Year Balance	(\$509,109)	(\$219,235)	\$133,075

The Amtrak Thruway bus is administered by SJJPA. In October 2019, SJJPA eliminated two daily round trips to Redding. Initial Salmon Runner service will provide two daily round trips to Redding along Interstate 5 (I-5) while the two SJJPA Amtrak Thruway round trips along State Route 99/70 (currently restricted to rail ticket holders) will also continue for a total of four daily rounds trips. After Salmon Runner bus service demonstrates successful operations, SJJPA has agreed to stop all Amtrak Thruway bus service to Redding. The Amtrak Thruway northern terminus will be Chico, and the Salmon Runner will increase the number of round trips to and from Redding along I-5.

SRTA will need assurances about two important aspects of the RFP: the vehicles to be used and the lack of guaranteed operating funds year over year. First, the RFP will require proposers to own and operate the motorcoaches, and the RFP will describe contract amendment provisions to reduce contract costs when SRTA-owned, zero-emission motorcoaches become available. SRTA is committed to a zero-emission Salmon Runner service using the Transit and Intercity Rail Capital Program (TIRCP) grant award;

operational expenses are not eligible for the \$8.6 million capital grant award for zero-emission motorcoaches and supporting infrastructure. Secondly, because future operating years require annual grant applications, there is a lack of guaranteed funding. The RFP will require the ability for operators to decrease or eliminate service within a defined timeframe at the discretion of SRTA. The \$1.37 million—plus the annual SJJPA \$200,000 commitment, a second FTA grant award of \$600,000, and fare revenue—is sufficient to fund a two-year pilot program. If the Salmon Runner proves to be successful, SRTA will continue to seek additional funding to maintain and increase the service beyond two years. Staff will make a recommendation to the board for a Salmon Runner operating contract at a special meeting later this summer.

ALTERNATIVES:

The board of directors may delay the item and request additional information from staff which would further delay the service.

OTHER AGENCY INVOLVEMENT:

SJJPA committed funding to Salmon Runner operations to carry rail passengers to and from Sacramento, like the Amtrak Thruway bus. SRTA will coordinate with SJJPA on timed transfers to trains, stopping service north of Chico, and future operational funds for the Salmon Runner. Caltrans Division of Rail and Mass Transportation will work with SRTA on the operations plan and determine future funding awards through the FTA Intercity Bus Program and other discretionary programs. SRTA is also working with the California Integrated Travel Project (Cal-ITP) on easy and accessible travel planning and payment methods for the Salmon Runner. The Caltrans Division of Rail and Mass Transportation and the California State Transportation Agency (CalSTA) are working with SRTA to use the \$8.6 million TIRCP award on hydrogen fuel cell zero-emission motorcoaches and supporting infrastructure.

In addition to the \$100,000 CMAQ funding commitment from Tehama County Transportation Commission for Salmon Runner operations, SRTA and rural transit partners are contributing to regional intercity bus transportation. Since 2015, SRTA has led the planning and coordination effort to develop the North State Intercity Bus Program, including four successful grant awards and one pending (eight total applications submitted). Trinity Transit and Modoc Sage Stage each have historically been successful in the FTA Intercity Bus Program connecting their counties to the Redding Downtown Transit Center and future Salmon Runner operations. Siskiyou and Glenn counties plan to apply for the same program.

The Technical Advisory Committee (TAC) concurs with the staff recommendation.

FISCAL IMPACT

The \$1.37 million commitment from federal, state, regional and local partners—plus the annual SJJPA \$200,000 commitment, a second FTA grant award of \$600,000, and fare revenue—is sufficient to fund a

two-year pilot program. If the Salmon Runner proves to be successful, SRTA will continue to seek additional funding to maintain and increase the service beyond two years.



Daniel S. Little, AICP, Executive Director

Attachments:

A: History of Related SRTA Board of Directors Agenda Items

B: Public comments on Intercity Bus Service

C: Letter from Caltrans Division of Rail and Mass Transportation for \$470,000 of State Rail Assistance
“Bus Gap” operating funds for two-year pilot

D: Letter from San Joaquin Joint Powers Authority for \$200,000 operating funds annually for rail riders

HISTORY OF RELATED SRTA BOARD OF DIRECTORS AGENDA ITEMS

2015

MEETING ON APRIL 28, 2015, [AGENDA ITEM #11](#)

ADOPT RESOLUTION AUTHORIZING SUBMITTAL OF 2015 FEDERAL TRANSIT ADMINISTRATION SECTION 5311(F) INTERCITY BUS PROGRAM GRANT APPLICATION(S)

It is recommended that the board of directors:

1. ...; and
2. Adopt Resolution 15-06 authorizing SRTA to submit a 2015 FTA Section 5311(f) application to study public transportation services to Sacramento, the Sacramento International Airport, and to possibly connect to major ground transit and airport facilities in the Bay Area.

The staff recommendations passed unanimously.

MEETING ON OCTOBER 13, 2015, [AGENDA ITEM #5-9](#)

AUTHORIZE TECHNICAL SERVICES AGREEMENT WITH CONSULTANT FOR SHASTA INTERCITY TRANSPORTATION TO SACRAMENTO AND BAY AREA STUDY

It is recommended that the board of directors authorize the executive director to sign a technical services agreement (attached) with The Center for Business and Policy Research at the University of the Pacific to prepare the *Shasta Intercity Transportation to Sacramento and the Bay Area Study*, for a term ending June 30, 2016, not to exceed \$26,700.

The consent calendar was approved.

2016

MEETING ON FEBRUARY 23, 2016, [AGENDA ITEM #21](#)

UPDATE REGARDING TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM GRANT APPLICATION – REVIEW AND POSSIBLE ACTION

It is recommended that the board of directors receive an update on the development of a FY 2016/17 TIRCP grant application and provide further direction, if any, to staff.

The board gave no further direction to staff.

Attachment A: History of Related SRTA Board of Directors Agenda Items

MEETING ON APRIL 26, 2016, [AGENDA ITEM #8](#)

APPROVE THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM GRANT APPLICATION FOR BUS SERVICE BETWEEN REDDING AND SACRAMENTO

It is recommended that the board of directors approve the attached 2016/17 TIRCP grant application.

The staff recommendation passed unanimously.

MEETING ON DECEMBER 13, 2016, [AGENDA ITEM #9](#)

ACCEPT SHASTA INTERCITY TRANSPORTATION TO SACRAMENTO AND THE BAY AREA STUDY FINAL REPORT

It is recommended that the board of directors accept the *Shasta Intercity Transportation to Sacramento and the Bay Area Study* final report (attached).

The staff recommendation passed unanimously.

2017

MEETING ON APRIL 25, 2017, [AGENDA ITEM #14](#)

AUTHORIZE REQUEST FOR PROPOSALS FOR THE NORTH STATE EXPRESS CONNECT BUSINESS PLAN FOR INTERCITY BUS SERVICE BETWEEN REDDING AND SACRAMENTO

It is recommended that the board of directors authorize the executive director to issue an RFP for the *North State Express Connect Business Plan* (attached), pending award of a Caltrans Sustainable Transportation Planning Grant.

The staff recommendation passed unanimously.

MEETING ON JUNE 27, 2017, [AGENDA ITEM #14](#)

AUTHORIZE TECHNICAL SERVICES AGREEMENT FOR NORTH STATE EXPRESS CONNECT BUSINESS PLAN FOR INTERCITY BUS SERVICE BETWEEN REDDING AND SACRAMENTO

It is recommended that the board of directors authorize the chair to sign a technical services agreement (TSA) with Green DOT Transportation Solutions (Green DOT) to complete the *North State Express Connect Business Plan*, for a term ending June 30, 2020, not to exceed \$205,852.

The staff recommendation passed unanimously.

Attachment A: History of Related SRTA Board of Directors Agenda Items

MEETING ON OCTOBER 10, 2017, [AGENDA ITEM #9](#)

APPROVE SUBMITTAL OF A TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM GRANT APPLICATION FOR BUS SERVICE BETWEEN REDDING AND SACRAMENTO AND AUTHORIZE SOLICITATION OF PROJECT PARTNERSHIPS

It is recommended that the board of directors:

1. Authorize the executive director to issue multiple requests for proposals (RFPs) for intercity buses, charging facilities, and passenger and bus parking; and
2. Approve submittal of a Transit and Intercity Rail Capital Program grant application utilizing results from the RFP process.

The staff recommendation passed unanimously.

2018

MEETING ON JUNE 19, 2018, [AGENDA ITEM #12](#)

APPROVE THE NORTH STATE INTERCITY BUS SYSTEM BUSINESS PLAN AND DELEGATE AUTHORITY TO THE EXECUTIVE DIRECTOR TO PERFORM RELATED ADMINISTRATIVE ACTIONS

It is recommended that the board of directors:

1. Approve the North State Intercity Bus System Business Plan;
2. Adopt Resolution #18-11 delegating authority the executive director to perform all administrative actions necessary to obtain Transit and Intercity Rail Capital Program (TIRCP) funds, including agreements with Caltrans and other project partners of the North State Intercity Bus System.

The staff recommendation passed unanimously.

2019

MEETING ON FEBRUARY 26, 2019, [AGENDA ITEM #15](#)

NORTH STATE INTERCITY BUS PROGRESS REPORT

It is recommended that the board of directors receive an update on the North State Intercity Bus Project, and provide any additional comments and/or direction to staff.

By motion made and seconded (Winter/Rickert), the staff recommendation passed unanimously.

Attachment A: History of Related SRTA Board of Directors Agenda Items

MEETING ON JUNE 25, 2019, [AGENDA ITEM #16](#)

CANCEL EXISTING SALMON RUNNER BUS PROCUREMENT, DEVELOP AND RELEASE NEW BUS PROCUREMENT, AND AMEND CONTRACT WITH CENTER FOR TRANSPORTATION AND THE ENVIRONMENT

It is recommended that the board of directors:

1. Cancel Procurement 2019-01 – Request for Proposals for Battery-Electric Vehicle Procurement for Salmon Runner and North Valley Feeder;
2. Authorize the executive director to release a new zero-emission bus procurement for the Salmon Runner intercity bus service, including the valley feeder service; and
3. Authorize the executive director to amend contract #2018-06 with Center for Transportation and the Environment (CTE) for Project Management for Procurement of Battery-Electric Buses and Charging Stations, increasing the budget by \$12,500, for a total amount of \$62,500 to assist SRTA with the new procurement.

By motion made and seconded (Moty/Winter), the staff recommendation passed unanimously.

MEETING ON DECEMBER 10, 2019, [AGENDA ITEM #12](#)

RECEIVE INTERCITY BUS UPDATE AND AUTHORIZE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) GRANT APPLICATION

It is recommended that the board of directors authorize submittal of a TIRCP grant application to partner with 1) a manufacturer for the design, engineering, and building of one or more prototype fuel cell motorcoaches and 2) a vendor for related hydrogen fueling infrastructure in Redding and Sacramento.

By motion made and seconded (Moty/Rickert), the staff recommendation passed unanimously.

Attachment A: History of Related SRTA Board of Directors Agenda Items

2020

MEETING ON FEBRUARY 25, 2020, [AGENDA ITEM #12](#)

ADOPT RESOLUTION APPROVING A FEDERAL TRANSIT ADMINISTRATION SECTION 5311(F) INTERCITY BUS PROGRAM APPLICATION FOR FEDERAL FISCAL YEAR 2020 BY THE SHASTA REGIONAL TRANSPORTATION AGENCY TO OPERATE THE SALMON RUNNER

It is recommended that the board of directors:

1. Adopt Resolution 20-02 (attached) approving a FTA Section 5311(f) Intercity Bus Program application for Federal Fiscal Year 2020 by SRTA to operate the Salmon Runner; and
2. Authorize the executive director to provide certifications, assurances, and other requested information to Caltrans and FTA.

By motion made and seconded (Rickert/Schreder), the staff recommendation passed unanimously.

MEETING ON APRIL 28, 2020, [AGENDA ITEM #5-5](#)

ADOPT RESOLUTION APPROVING A 5339(C) LOW OR NO EMISSION PROGRAM APPLICATION TO CONSTRUCT CHARGING INFRASTRUCTURE FOR THE NORTH STATE INTERCITY BUS SYSTEM

It is recommended that the board of directors:

1. Adopt Resolution 20-05 (attached) approving an FTA Section 5339(c) Low or No Emission Program application by SRTA for charging infrastructure for the North State Intercity Bus System; and
2. Authorize the executive director to provide certifications, assurances, and other requested information to Caltrans and FTA.

By motion made, seconded (Watkins/Chimenti), and unanimously carried by roll call vote, the consent calendar was approved.

MEETING ON DECEMBER 15, 2020, [AGENDA ITEM #11](#)

CONSIDER DEVELOPMENT OF AN INTERCITY PASSENGER RAIL STUDY (PUBLIC COMMENT) AND RECEIVE UPDATE ON SALMON RUNNER INTERCITY BUS SERVICE

It is recommended that the board of directors:

1. Accept public comments on and consider the development of an intercity passenger rail study and provide direction to staff; and
2. Receive an update on the Salmon Runner intercity bus service.

Attachment A: History of Related SRTA Board of Directors Agenda Items

By motion made and seconded by roll call vote (Schreder/Rickert), the staff recommendation passed with five board members in favor (Chimenti, Rickert, Morgan, Schreder, and Watkins); and two board members opposed (Browning and Resner).

2021

MEETING ON FEBRUARY 23, 2021, [AGENDA ITEM #15](#)

RECEIVE UPDATE ON GRANT APPLICATION FOR THE NORTH STATE INTERCITY BUS TO RAIL PLAN

It is recommended that the board of directors receive an update on the North State Intercity Bus to Rail Plan grant application.

Update only, no action taken.

ATTACHMENT B

PUBLIC COMMENTS ON INTERCITY BUS SERVICE

Date	From	Subject
1/12/21	Reyes Barboza, Jr.	Email of support for the Intercity Bus Service
1/12/21	Steven DiPaolo	
1/14/21	Duncan MacDonald	
1/14/21	Parveen MacDonald	
1/14/21	Tammy Beltztam	
4/13/21	Dashiell Waterbury	
4/15/21	Kathy Grah	

From: Reyes Barboza Jr <reyes.travels@gmail.com>
Sent on: Tuesday, January 12, 2021 2:05:38 AM
To: Dan Little <dlittle@srta.ca.gov>
CC: Jenn Pollom <jpollom@srta.ca.gov>
Subject: Re: Intercity Bus Service Status

Hi, Dan:

I really appreciate the response and the context you provided. I was actually involved in the development of the Caltrans Statewide Intercity Bus Study 2008, during my time with the KFH Group (Bethesda/Washington DC). One of the corridors of potential intercity bus service that resulted from that study was a service in the Redding - Sacramento corridor. So, it is great to see that this corridor is getting some additional/new service.

I've been living in Chico for a few years now. I'll give you a call and learn a little more about this project.

Kind regards,
Reyes Barboza Jr

On Jan 8, 2021, at 3:38 PM, Dan Little <dlittle@srta.ca.gov> wrote:

Hi Reyes. Thank you for checking in. We are still actively working on this service to garner equipment and operation funds. I'm happy to report we could be offering a service by this summer; however, this is not a sure thing and our governing board still has some important decisions needed to approve the project — Decisions that will likely be made at our February and April meetings. I encourage you to write us if you have thoughts about the service. Public input is needed. Please call me with any questions at 530.262.2153. Thank you.

Dan Little, AICP
Executive Director
Shasta Regional Transportation Agency (SRTA)
[1255 East Street, Suite 202](#)
[Redding CA 96001](#)
Phone: [530.262.6191](tel:530.262.6191)
Email: dlittle@srta.ca.gov

From: Reyes Barboza Jr <reyes.travels@gmail.com>
Sent: Friday, January 8, 2021 12:57 PM
To: srta <srta@srta.ca.gov>
Subject: Intercity Bus Service Status

Hi!

Just thought to inquire about the Salmon Runner service. I visited the gosalmonrunner.com website, but failed to locate any schedule information. Can you please provide information about this? Is it operating? Thank you!
Kind regards,

Reyes

From: Steven DiPaolo <stevendipaolo@gmail.com>

Sent: Tuesday, January 12, 2021 10:48 AM

To: srta <srta@srta.ca.gov>

Subject: Salmon Runner

Hello,

I was interested in more information regarding the status of the Salmon Runner. Is it permanently on hold or still being developed? According to the website (<https://www.gosalmonrunner.com/>) service was slated to begin "end of 2019/beginning of 2020" but I don't believe this is the case. Can you provide an update?

Thanks,
Steve

From: Duncan MacDonald <dmacdonald1967@yahoo.com>
Sent: Thursday, January 14, 2021 12:17 PM
To: Jessica Carlson <jcarlson@srta.ca.gov>
Subject: Hi

Please make it easy for residents of Redding and provide transportation to airport in Sacramento. We like to have an option like other places around us to take a bus.
Thank you for your consideration.
Sent from my iPhone

From: Parveen Macdonald <parveenmacdonald@gmail.com>

Sent: Thursday, January 14, 2021 11:54 AM

To: Jessica Carlson <jcarlson@srta.ca.gov>

Subject: Transportation

I have moved to Redding from Seattle, Washington. I truly enjoy living here. The only thing is that if I want to go to Sacramento Airport, there is no transportation, and I cannot afford renting cars or driving my car and park at the airport. Please, please provide buses to Sacramento. I would really appreciate and willing to pay someone drive there. I am 70 years old, and I am not comfortable to drive. I am a taxpayer and thank you.

From: Beltztam <beltztam@netscape.net>
Sent: Thursday, January 14, 2021 11:36 AM
To: Jessica Carlson <jcarlson@srta.ca.gov>
Subject: Redding to Sacramento airport/salmon run transportation

To whom it may concern,

I have been made aware of a possibility that you will be offering transportation from Redding to the Sacramento airport, can't tell you how excited I am about this. I have many friends and family that will use this transportation as well. Personally, I have been waiting for something like this for a long time, since 2015. I travel to Sacramento airport at least once a month. I have to pay for parking, gas, wear and tear on my car, Etc. Please, as soon as possible, could we get this up and running? It would be nice if there was Wi-Fi on the bus as well.

Graciously, Tammy

From: Dashiell Waterbury <dashwaterbury@gmail.com>

Sent: Tuesday, April 13, 2021 8:57:17 PM

To: Dan Little <dlittle@srta.ca.gov>

Subject: Support for the Intercity Bus to Rail Plan

Dear Mr. Little,

I support SRTA's application for the North State Intercity Bus to Rail Plan. This project will make a significant difference for people and transportation in the communities throughout our region.

There is a lack of high-quality, convenient, and reasonable cost transportation between Shasta County and important neighboring regions, specifically Sacramento, the Bay Area, and beyond to Los Angeles.

This project will work toward our shared goals for the North State by planning for enhanced bus connections to regional rail hubs and studying daytime passenger rail to Redding. The project will bridge the current transportation gap between the communities of the North State and the opportunities located in large economic centers just a few hours to the south in Greater Sacramento and the Bay Area. The project will also help many in our communities find affordable transportation options to access jobs and education and visit their friends and families. Similar work is already being done by Caltrans and the San Joaquin Joint Powers Authority.

Thank you for improving the health and wellbeing of individuals, families and businesses in our region by ensuring this project receives funding. For so many reasons, this is a transportation priority for family and individual health, local business strength and regional economy.

Sincerely,

Dashiell Waterbury

www.dashwaterbury.com

530-209-2964

*I understand that you may have different working hours than I do. Please feel free to respond during your working hours.

From: Grah, Kathy M@DOT <kathy.grah@dot.ca.gov>

Sent: Thursday, April 15, 2021 9:00 AM

To: Jenn Pollom <jpollom@srtc.ca.gov>

Subject: My son maybe future Salmon Runner rider

Jenn-

Hi!

My son Xander is a junior in high school. We are looking at colleges/universities. He wants to be an Architect. They have a Associate of Science Degree in Design/CADD at Butte College. If the Salmon Runner was up and running, then he could commute and get on the B line. He could do his homework on the bus!

Have a great day-

Kathy Grah

Senior Transportation Planner

Regional Planning

Caltrans District 2-Redding

1657 Riverside Drive, Redding, CA 96001 MS 7

5302290517

DEPARTMENT OF TRANSPORTATION

DIVISION OF RAIL AND MASS TRANSPORTATION
1120 N STREET, MS-74
SACRAMENTO, CA 95814
(916) 654-8811
www.dot.ca.gov



*Making Conservation
a California Way of Life.*

March 3, 2021

Dan Little
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Dear Mr. Little:

The California Department of Transportation (Caltrans) Division of Rail and Mass Transportation hereby confirms our intention to transfer up to \$470,000 of State Rail Assistance "Bus Gap" funds to Shasta Regional Transportation Agency (SRTA) for the purpose of covering part of the operating costs associated with pilot operation of intercity bus service from Redding to Sacramento on the I-5 corridor with connections to the State Rail Network.

The California State Transportation Agency (CalSTA) awarded \$970,271 of the 2020 State Rail Assistance Program to Caltrans for "Pilot Program: Services to Fill the Gaps." The intention of this award is for Caltrans to "evaluate opportunities and fund pilot services to fill gaps in the State intercity rail system." SRTA was previously awarded \$8.5 million of TIRCP Cycle 3 funds to provide zero emission buses between Sacramento and Redding, however, buses with such a range are not currently on the market or tested. Therefore, SRTA approached Caltrans with a request to provide funding for diesel bus service in the interim. Caltrans is currently developing an operations plan for bus service in the corridor as a pilot project in the Statewide Intercity Bus Study. Upon acceptance of the operations plan by Caltrans and SRTA, Caltrans will develop a contract to provide up to \$470,000 in operating funds for a two-year pilot of the service.

Caltrans Division of Rail and Mass Transportation will continue to develop the pilot study and looks forward to working with SRTA to execute this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Kyle Grading".

W. KYLE GRADING
Chief, Caltrans Division of Rail and Mass Transportation



January 10, 2018

Joint Letter of Intent

Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

San Joaquin Joint Powers Authority
949 East Channel Street
Stockton, CA 95202

Subject: Shasta Regional Transportation Agency/San Joaquin Joint Powers Authority Letter of Intent regarding the "North State Intercity Bus System"

This letter of intent outlines the parameters of a partnership between the Shasta Regional Transportation Agency (SRTA) and the San Joaquin Joint Powers Authority (SJJPA) related to establishing a new intercity bus service between Redding and Sacramento along the Interstate 5 (I-5) corridor. The proposed service is currently being referred to as the "North State Intercity Bus System." To create the partnership, SRTA and SJJPA agree to negotiate and execute a Memorandum of Understanding (MOU) in accordance with their procurement policies for the North State Intercity Bus System if SRTA is successful in obtaining a 2018 Transit and Intercity Rail Capital Program (TIRCP) grant to establish the new service. If the grant is not obtained, the parameters of a partnership described in this letter of intent will be re-evaluated.

A SRTA/SJJPA partnership was conceived out of a North State community-driven need for public transportation connections to major urban areas and the mobility, social and economic networks therein. SJJPA – as part of its intercity rail service – administers an intercity bus service between Stockton and Redding along California State Routes 70 and 99 for rail passengers only. Although there is an acknowledged need for intercity service between Redding and Sacramento, the existing service has very few passengers per bus north of Chico, likely because of the circuitous route and because of the rail passenger only restriction. SJJPA sees an opportunity to replace their service north of Chico with an improved North State intercity bus service as planned by SRTA and provide associated operation cost savings to SRTA to assist in operating the new bus service.

The benefits of the proposed North State Intercity Bus System include the following:

- Decreased travel times of up to one hour for travel between Redding/Red Bluff and Sacramento compared with Amtrak Thruway Bus Route 3 by using the Interstate 5 Corridor rather than the State Route 99/State Route 70 Corridor;
- Anticipated increased ridership to Redding and Red Bluff over the current average number of passengers utilizing Amtrak Thruway Bus Route 3 north of Chico;
- Creation of several new bus stops along the I-5 Corridor;
- Expanded access to statewide transit options such as intercity rail (including both the Amtrak San Joaquins and Capitol Corridor), future high speed rail, and air travel;
- Tailored bus schedules to the business and leisure needs of North State residents; and
- Connections to a large network of feeder buses that ultimately will connect five disparate local, rural transit systems.

SRTA and SJJPA have acted in good faith to establish a framework to develop and support a partnership (background attached). This letter of intent details the commitments by SRTA and SJJPA to negotiate and formalize a partnership in a MOU upon 12 months continual operation of bus service on the Sacramento/Redding route due to SJJPA's State law limitations. These commitments are listed below as are other potential elements of the proposed MOU.

Operating Support – SJJPA anticipates to initially pay SRTA the amount of \$200,000 annually to provide San Joaquins rail passengers with bus services as set forth herein. This funding would come from cost savings associated with terminating the Amtrak Thruway Bus (Route 3) in Chico, thereby eliminating the service to the Red Bluff and Redding bus stops. The planned initial term would be for three years beginning in the second year of SRTA establishing and operating the North State Intercity Bus System, with the option to extend for five years.

The cost savings estimated to determine SJJPA's operating support is based on the current contracted service and additional fixed costs that SJJPA would incur if the Stockton to Redding service were not re-bid with the change in service. SJJPA agrees to re-evaluate cost savings closer to the time of the North State Bus Service launch date (currently anticipated for 2019 or 2020). If costs savings are favorable, SJJPA will re-evaluate the amount of the annual payment in the first year (year two of North State Intercity Bus System operations between Sacramento and Redding), which would help cover the higher costs associated with service.

Schedule Coordination – SRTA acknowledges that the North State Intercity Bus System must meet the needs of Amtrak San Joaquin and Capital Corridor passengers if it is to replace the existing bus service north of Chico. With that consideration, SRTA will ensure that two of the North State Intercity Bus System buses in each direction be synchronized with two San Joaquins trains in each direction (i.e. two arrivals and departures to/from Sacramento).

For the two southbound buses, SRTA would agree to schedule their arrival times to the agreed upon transfer point (see Station Connections below) at least 15 minutes before two scheduled Amtrak San Joaquins southbound departures.

For the two northbound buses, SRTA would agree to schedule their departure times no later than 30 minutes after the two scheduled Amtrak San Joaquins northbound arrivals. The longer

30-minute departure window for northbound buses accounts for the possibility of late arriving trains into Sacramento, and the desire of SJPA and SRTA to accommodate the travel needs of all passengers.

Upon learning that a train is running late and at its discretion, the North State bus operator would use the time associated with the late train delay and proceed to the next scheduled stop in downtown Sacramento and then return to the station to pick-up the late train passengers. If train is too late to allow for the planned connection to be made, SRTA and SJPA agree to coordinate communications about miss connections, and SJPA would make alternative travel arrangements to for those passengers that missed connections. The cost of these arrangements would be absorbed by SJPA.

Station Connections – SRTA anticipates that the North State Intercity Bus System will begin service in late 2019 to early 2020. At implementation, SRTA plans to connect to San Joaquins trains at the Sacramento Valley Station, but this is subject to change. SJPA is submitting a TIRCP grant application to add frequency of the San Joaquins trains into the Sacramento area along the Union Pacific Railroad (UPRR) Sacramento Subdivision, as opposed to the UPRR Fresno Subdivision that the trains currently use. As the Sacramento Subdivision does not go through the Sacramento Valley Station, a new station connection will likely need to be made either at the proposed Old North Sacramento Station or at the proposed Sacramento Midtown Station. The North State Intercity Bus System will still need to meet the Capitol Corridor trains at the Sacramento Valley Station. With that, the North State Intercity Bus System would increase the number of stops in Sacramento from three locations to four, as needed.

Cross Marketing – SRTA and SJPA see great benefit in marketing each agency's service as appropriate. To this end, the two agencies will commit to developing a cross marketing plan shortly following the execution of a MOU.

Other North State Connecting Service – SRTA will continue to work with SJPA through its North State regional partners to improve bus service between Chico to Sacramento, feeder services from rural regions, and future passenger rail service planning efforts.

Sincerely,



Daniel S. Little, AICP, Executive Director
Shasta Regional Transportation Agency



Stacey Mortensen, Executive Director
San Joaquin Joint Powers Authority