

STAFF REPORT



MEETING DATE:	October 31, 2024
SUBJECT:	Approve Redding Area Bus Authority (RABA) State Transit Assistance Reserve Request of up to \$401,892 to Fund Operational Expenses Related to Facility Maintenance, Technology, and Mobility Management
AGENDA ITEM:	7-6
STAFF CONTACT:	Laurent Beauregard, Assistant Transportation Planner

SUMMARY

The Redding Area Bus Authority (RABA) is requesting up to \$401,892 in State Transit Assistance (STA) regional reserve funds, to fund operational expenses related to services provided by Transdev for facility maintenance, information technology management, and mobility management as these pass-through expenses that Transdev incurs are paid for by RABA. Staff recommends the board of directors approve funding for the operational expenses incurred.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Approve reimbursement of RABA's operational expenses incurred from the regional STA reserves, up to \$401,892, for facility maintenance, information technology management, and mobility management.

DISCUSSION:

Background – Regional STA reserves are funded through the annual Transportation Development Act (TDA) budget process. In order to bring all projected STA funds to the region, after estimated transit obligations and other regional priorities are funded, the remaining estimates in STA revenue are scheduled to be paid into a regional reserve account held with the Shasta County Treasurer. SRTA administrates these funds as required by the TDA as the Regional Transportation Planning Agency. Any STA eligible transit provider can submit a claim to these STA reserve funds, and requests are brought to the board of directors for consideration.

RABA is a recognized STA transit operator and is permitted to make a request for these funds. STA reserve funds are still subject to the requirements for eligible activities in accordance with the TDA. RABA's activities presented in their request follow the STA requirements and staff is recommending approval of their request.

RABA had intended to use Senate Bill (SB) 125 funds to cover the expenses incurred above. Due to significant delays from the California State Transportation Agency (CalSTA), SB 125 funding was not provided on schedule. To cover RABA's necessary cash flow, an issue caused by the schedule delays of the SB 125 program, RABA has requested \$401,892 of STA reserve funds to cover its operational expenses. This revenue adjustment to STA reserves will allow for RABA's incurred expenses to be reimbursed faster and leave a greater portion of future SB 125 activities to be covered with that program when it's funded.

ALTERNATIVES:

The board of directors may fund in part, or decline, RABA's request for STA reserve funds. The board may direct SRTA staff as to the method and timing of the reimbursements to RABA.

FISCAL & POLICY COMMITTEE:

//The Fiscal & Policy Committee met on October 22, 2024 to discuss RABA's STA reserve request and to vote on the matter.//

FISCAL IMPACT:

RABA is requesting disbursements up to \$401,892 from SRTA's STA reserve account. As of September 30, 2024, the STA reserve balance is \$1,259,629. Approval of RABA's request will leave an STA reserve of approximately \$857,737. *If approved, STA Reserve funds will be moved from the Shasta County Treasurer to the STA reserve projects account held with Five Star Bank to allow for expeditions payments to RABA's request for reimbursements. RABA will be reimbursed by submitting eligible invoices to SRTA as frequently as monthly, but no less than quarterly. It is anticipated that RABA will submit one invoice to SRTA, as they have already incurred STA eligible expenses in excess of the requested amount this fiscal year.*

Sean Tiedgen, AICP, Executive Director

Attachment: RABA Request Letter to SRTA



July 17, 2024

Sean Tiedgen, AICP, Executive Director
Shasta Regional Transportation Agency (SRTA)
1255 East Street, Suite 202
Redding, CA 96001

Re: Request for Funding from the State Transit Assistance (STA) Reserve

Dear Mr. Tiedgen,

The Redding Area Bus Authority (RABA) would like to make a request to SRTA regarding receipt of \$401,892 to cover operational expenses related to RABA.

RABA intends to use these funds to cover necessary cash flow to ensure expenses are paid to support transit operations and as a result defer the use of recently awarded SB125 funds for future years. Specific projects that RABA intends to use these funds includes:

- Cover operational expenses related to services provided by Transdev related to facility maintenance, information technology management and mobility management as these pass-through expenses that Transdev incurs and is paid for by RABA.

As you are aware, the current TDA Policy prevented RABA full access of this transit only dedicated fund source based on the current 80%/20% rule. With RABA claiming only STA fund this year, it allowed for RABA member agencies to use Local Transportation Fund (LTF) for other purposes as allowed under the TDA and as a result the need for the balance of the STA will ensure RABA to have the ability to leverage its other funding sources for cash flow purposes based on a defined schedule.

We respectfully request your consideration of this request and for placement of this matter on the next SRTA Board of Directors meeting.

Should you have any questions regarding this request, please contact me at 530.245.7116 or email jandoh@rabaride.com.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. Andoh", is written over a light blue horizontal line.

John C. Andoh
Transit General Manager
Redding Area Bus Authority

REDDING AREA BUS AUTHORITY

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