

STAFF REPORT



MEETING DATE:	October 10, 2017
SUBJECT:	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
AGENDA ITEM:	9
STAFF CONTACT:	Jennifer Pollom, Senior Transportation Planner

SUMMARY:

An opportunity exists to develop a brand new intercity public transportation connection between Redding and Sacramento. Not only is capital funding available through the competitive 2018 Transit and Intercity Rail Capital Program (TIRCP), but also operating funds are available through an intercity rail partnership with the San Joaquin Joint Power Authority (SJJPA). The *North State Express Connect Business Plan* – a parallel effort – will provide the details of the proposed intercity bus network between Redding and Sacramento with feeder service from surrounding rural counties. Staff will issue multiple requests for proposals (RFP) for project partnerships and submit a TIRCP grant application by the January 12, 2018, deadline. The full application will be brought back to the board of directors for ratification February 27, 2018.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Authorize the executive director to solicit project partners and issue multiple requests for proposals (RFPs) for passenger and bus parking, charging facilities, and a bus manufacturer; and
2. Approve submittal of a Transit and Intercity Rail Capital Program grant application that will require recommendation 1 above.

DISCUSSION:

Background – Since 2014, staff from SRTA, Redding, and the North State Super Region have been discussing options for expanding intercity transportation to airports and passenger rail facilities in Sacramento and beyond. A full history of related board actions is attached.

SRTA has made valuable progress to improve intercity transportation. In April 2016, SRTA sought TIRCP capital funding for buses and associated infrastructure. Although the grant

application was not awarded, it generated strong support from the California State Transportation Agency. The *Shasta Intercity Transportation to Sacramento and the Bay Area Study* provided an initial analysis of proposed service operations and was accepted by the board in December 2016. SRTA is currently working on a business plan to quantify the operating and capital costs for an I-5 express bus service between Redding and Sacramento with feeder services to more rural communities. Collectively, the 2016 TIRCP grant, the study and the business plan development, are a strong base of planning, and now there are both capital and operations funding opportunities to implement the new bus service.

Intercity service is a SRTA priority. A new intercity bus service provides many benefits to Shasta County and the rest of the North State. It would provide a lower cost, convenient alternative to meet interregional travel needs. Also it creates an economic connection between North State residents, the capital, and direct rail and air service to state, national and international markets. The project would implement the 2015 Regional Transportation Plan, including:

- Goal #3: Provide an integrated, context-appropriate range of practical transportation choices
- Objective #3.2: Facilitate multi-modal connectivity and service schedule alignment between local and interregional modes, including passenger rail, air, and intercity bus transportation

In addition, an improved intercity bus service will be key to meeting the region's greenhouse gas emissions (GHG) reduction target assigned by the California Air Resources Board pursuant to Senate Bill 375.

TIRCP Grant – TIRCP is funded by auction proceeds from the California Air Resources Board Cap-and-Trade Program. It provides funds for, “transformative capital improvements” that modernize and better connect California’s intercity rail, bus, and ferry transit systems. The primary objective of the program is to significantly reduce GHG emissions, vehicle miles traveled, and congestion.

TIRCP is highly competitive. To develop a winning application, staff will solicit project partners and issue multiple requests for proposals (RFPs) to solidify project components, including for:

- a bus manufacturer;
- passenger park and ride locations;
- bus layover parking locations; and
- bus charging locations and facilities.

Contracting with projects partners would be a subsequent board action item and be contingent on a grant award.

Draft program guidelines indicate the call for projects will be on October 13 and applications will be due January 12, 2018.

TIRCP is a capital funding program, but operating funds are available from the San Joaquin JPA. SJJPA manages the Amtrak thruway bus service between Redding, Sacramento, and Stockton. At their board meeting on July 28, 2017, the Governing Board of the SJJPA approved submittal of a TIRCP grant application for Sacramento Service Expansion, including financial support for SRTA's proposed intercity bus service.

Staff Recommendation – It is recommended that the board direct staff to move forward with preparing a 2018 TIRCP grant application for express intercity bus service between Redding and Sacramento with feeder services to more rural communities. Development of the application will include solicitation of project partners for a bus manufacturer, passenger and bus parking, and bus charging facilities. Furthermore, staff will identify and include SJJPA financial support needed for the proposed service. Describing the project partners in the grant application will demonstrate a more developed project and commitment to the project.

ALTERNATIVES:

The board of directors may defer a decision about grant submittal until the December meeting or discontinue the project.

OTHER AGENCY INVOLVEMENT:

Caltrans in collaboration with CalSTA administers the TIRCP. The grant application details will be developed in coordination with transportation and transit agency partners in the North State, Sacramento, and at SJJPA, including the Redding Area Bus Authority. ///The Technical Advisory Committee (TAC) concurs with the staff recommendation.///

FINANCING:

Capital – Based on the SRTA's 2016/17 TIRCP application, the proposed project budget for capital expenses is approximately \$20 million and would be 100% grant funded. No local match is required, but the project depends on participation from other North State Super Region areas. Staff will provide an update on the proposed project description and cost at the December meeting.

Operation – An estimated \$900,000-\$1,200,000 in annual operating expenses is needed for four daily round trips running seven days a week. The majority of this could be offset by SJJPA financial support and fares. The fare amounts and subsidy targets are being analyzed in the business plan and will be a topic in further policy decisions.

Furthermore, SRTA and the North State Super Region will use the business plan to apply for operational funding for the intercity bus service through the Federal Transit Administration Section 5311(f) Intercity Bus Program. Given broad regional and state interest, there is a high likelihood that 5311(f) could provide further subsidy. A fallback for operational funding is the Low Carbon Transit Operations Program annual regional allocations from both the Shasta Region and other North State Super Region counties.

No local Transportation Development Act funds are proposed to be used for operations.

Daniel S. Little, AICP, Executive Director

Attachments: History of Related SRTA Board of Directors Agenda Items

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.

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.