

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 4/24/2024

Staff Report No. 24-232

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Application for FY 2023-24 RM3 Operating Funds

ACTION ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider adoption of Resolution No. 24-014 authorizing the General Manager, or his designee, to file and execute applications and funding agreements with the Metropolitan Transportation Commission (MTC) for Fiscal Year (FY) 2023-24 allocations of Regional Measure 3 (RM3) bridge toll revenues.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

This application will provide a significant amount of the District's operations funding.

BUDGETARY/FISCAL IMPACT:

Staff plans to submit an operating agreement for RM3 funds to MTC. Staff fully expects to receive these funds for FY 2023-24.

Approval of Resolution 24-014 would allow AC Transit to receive up to approximately \$6.17 million in operating funds for FY 2023-24.

BACKGROUND/RATIONALE:

On June 5, 2018, voters passed Regional Measure 3 (RM3), raising the toll for all vehicles on the seven State-owned toll bridges in the San Francisco Bay Area by a total of \$3.00, phased in through one-dollar increments. This toll increase funds various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 595 (Chapter 650, Statutes of 2017).

The RM3 Expenditure Plan identifies specific capital and operating projects and programs eligible to receive RM3 funding as identified in Sections 30914.7 (a) and (c) of the California Streets and Highways Code.

AC Transit is an eligible recipient of the RM3 funds and as such is positioned to enter into an operating agreement with MTC for receipt of RM3 funds. The funding amount to be claimed is provided by the MTC staff.

In particular, AC Transit will use RM3 revenues to provide operating funds for the Express Bus Service and Standardized Shortfalls. The funding from the standardized shortfall will allow transit operators to roll over revenues from FY2023-24 into FY2024-25 to address their shortfalls and reduce the total amount of SB 125 funds needed in FY2024-25.

ADVANTAGES/DISADVANTAGES:

There are no disadvantages to approving this staff report. Applying for the funds would allow the District to obtain \$6.17 million in operating funds for FY 2023-24.

ALTERNATIVES ANALYSIS:

There are no alternatives to the course of action recommended in this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

None

ATTACHMENTS:

1. Resolution 24-014
2. Opinion of Counsel
3. Certifications and Assurances

Prepared by:

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Approved/Reviewed by:

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Richard Oslund, Director of Management & Budget

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Shayna Van Hoften, Interim General Counsel/Chief Legal Officer