



October 10, 2018

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: State Transit Assistance Fund Claims for Fiscal Year 2018-19

Overview

The Orange County Transit District is eligible to receive funding from the State Transit Assistance Fund for providing public transportation services throughout Orange County. In order to receive these funds, the Orange County Transit District, as the public transit and community transit services operator, must file claims with the Orange County Transportation Authority, the transportation planning agency for Orange County.

Recommendation

Adopt Resolution No. 2018-125 to authorize the filing of State Transit Assistance Fund claims, in the amount of \$35,263,303, to support public transportation.

Background

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to transit and non-transit related projects. The funding source consists of two parts: Local Transportation Fund which is derived from 1/4 cent of the general sales tax collected statewide, and the State Transit Assistance Fund (STAF), which is generated from the statewide sales tax on diesel and funded through the Public Transportation Account. STAF revenues are appropriated to local agencies by formula on a quarterly basis.

The STAF revenues are distributed by the State Controller and returned quarterly to each regional entity based on the amount of the appropriation approved in the state budget. In Orange County, the STAF receipts are deposited in the Orange County STAF Account (Fund 185) in the Orange County Treasury and administered by the Orange County Auditor-Controller. STAF receipts are distributed by the Auditor-Controller to the Orange County Transit District (OCTD) based on claims against the STAF as specified in the TDA.

Discussion

Section 6732 of Title 21 of the California Code of Regulations requires OCTD to file a claim with the Orange County Transportation Authority (OCTA) in order to receive an allocation from the STAF for providing public transportation services. OCTD will use STAF revenues to help fund the ongoing capital requirements and operations of the bus program. OCTA has acknowledged that OCTD has met the required findings as per California Code of Regulations 6754, in order to be eligible to receive STAF funding.

The State Controller is required by Public Utilities Code Section 99312.7 to notify each transportation planning agency by January 31 of each year of an estimate of funds to be allocated during the next fiscal year (FY) and a revised estimate by August 1 of each year. In August, the State Controller's notification stated that OCTA would receive \$35,263,303 of STAF in FY 2018-19, which includes the increase from Senate Bill 1 funds. The State Controller based the above estimate on OCTA receiving approximately 5.3 percent of an expected statewide STAF Program of \$663,485,000.

Summary

The State Transit Assistance Fund provides funding to the Orange County Transit District for public transit services. In order to receive these funds, Orange County Transit District must file the appropriate State Transit Assistance Fund claims with Orange County Transportation Authority. Staff recommends the Orange County Transportation Authority Board of Directors adopt Resolution No. 2018-125 to file these claims.

Attachment

- A. Resolution of the Orange County Transportation District, Authorizing the Filing of State Transit Assistance Fund Claims, OCTD Resolution No. 2018-125

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