

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda - Final

**Wednesday, February 21, 2024
1:30 PM**

JoAnn Busenbark Board Room

NVT Board of Directors

All materials relating to an agenda item for an open session of a regular meeting of the NVT Board of Directors are posted on the NVT website at: <https://nctpa.legistar.com/Calendar.aspx>

This meeting will be conducted as an in-person meeting at the location noted above. Remote teleconference access is provided for the public's convenience and in the event a Board Member requests remote participation due to just cause or emergency circumstances pursuant to Government Code section 54953(f). Please be advised that if a Board Member is not participating in the meeting remotely, remote participation for members of the public is provided for convenience only and in the event that the Zoom teleconference connection malfunctions for any reason, the Board of Directors reserves the right to conduct the meeting without remote access and take action on any agenda item.

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available for public inspection during normal business hours at the NVTa office at 625 Burnell Street, Napa, CA 94559 and will be made available to the public on the NVTa website at nvta.ca.gov. Availability of materials related to agenda items for public inspection does not include materials which are exempt from public disclosure under Government Code sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22.

Members of the public may comment on matters within the subject matter of the Board's jurisdiction, that are not on the meeting agenda during the general Public Comment item at the beginning of the meeting. Comments related to a specific item on the agenda must be reserved until the time the agenda item is considered and the Chair invites public comment. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda, and generally may only listen.

Members of the public may submit a public comment in writing by emailing info@nvta.ca.gov by 10:00 a.m. on the day of the meeting with PUBLIC COMMENT as the subject line (for comments related to an agenda item, please include the item number). All written comments should be 350 words or less, which corresponds to approximately 3 minutes or less of speaking time. Public comments emailed to info@nvta.ca.gov after 10 a.m. the day of the meeting will be entered into the record but not read out loud. If authors of the written correspondence would like to speak, they are free to do so and should raise their hand and the Chair will call upon them at the appropriate time.

1. To comment while attending via Zoom, click the "Raise Your Hand" button (click on the "Participants" tab) to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself when it is your turn to make your comment for up to 3 minutes. After the allotted time, you will then be re-muted. Instructions for how to "Raise Your Hand" are available at <https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar>.

2. To comment by phone, press "*9" to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself by pressing "*6" when it is your turn to make your comment, for up to 3 minutes. After the allotted time, you will be re-muted.

The methods of observing, listening, or providing public comment to the meeting may be altered due to technical difficulties or the meeting may be cancelled, if needed.

Note: Where times are indicated for agenda items, they are approximate and intended as estimates only, and may be shorter or longer as needed.

Information on obtaining the agenda in an alternate format is noted below:

Americans with Disabilities Act (ADA): This Agenda shall be made available upon request in alternate formats to persons with a disability. Persons requesting a disability-related modification or accommodation should contact Laura Sanderlin, NVTa Board Secretary, at (707) 259-8633 during regular business hours, at least 48 hours prior to the time of the meeting.

Acceso y el Título VI: La NVTa puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Autoridad. Para solicitar asistencia, por favor llame al número (707) 259-8633. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

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1. Call to Order
2. Consideration and Approval of Board Member Requests for Remote Participation
3. Roll Call
4. Adoption of the Agenda
5. Public Comment
6. Chairperson's, Board Members', Metropolitan Transportation Commissioner's, and Association of Bay Area Governments Update
7. Executive Director's Update
8. Caltrans' Update

Note: Where times are indicated for the agenda items, they are approximate and intended as estimates only and may be shorter or longer as needed.

9. PUBLIC HEARINGS

9.1 Public Hearing for a Proposed Vine Transit Fare Increase

Recommendation:

That the Napa Valley Transportation Authority (NVTA) Board of Directors:

(1) Hold a public hearing; and

(2) Approve the proposed public transit fare increase. The public comment period will be open for 30 days with final approval scheduled for the March 20, 2024 Board meeting

Estimated Time: 2:30 p.m.

Attachments: [Public Hearing](#)

10. CONSENT AGENDA ITEMS

10.1 Meeting Minutes of January 17, 2024 (Laura Sanderlin) (Pages 33-36)

Recommendation: Board action will approve the minutes of January 17 regular meeting.

Estimated Time: 3:00 p.m.

Attachments: [Meeting Minutes](#)

10.2 ADA Paratransit Policy Changes (Rebecca Schenck) (Pages 37-70)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board of Directors approve the update to NVTA's Transit Policies for paratransit service to 1) add a medical verification and phone interview to the eligibility determination process, and 2) standardize the renewal timeline for eligibility to five (5) years to be consistent with all other Bay Area paratransit providers.

Estimated Time: 3:05 p.m.

Attachments: [Staff Report](#)

10.3 Active Transportation Advisory Committee (ATAC) Member Appointment (Diana Meehan) (Pages 71-74)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board approve the reappointment of Barry Christian representing the City of American Canyon.

Estimated Time: 3:00 p.m.

Attachments: [Staff Report](#)

10.4 Resolution 24-01 Amending the Active Transportation Advisory Committee (ATAC) Bylaws (Diana Meehan) (Pages 75-82)

Recommendation: That the Napa Valley Transportation Authority Board Approve Resolution 24-01 changing the ATAC Bylaws to elect the Chairperson and Vice Chairperson at the last regular meeting of the calendar year, and to change committee member terms to two (2) years.

Estimated Time: 3:00 p.m.

Attachments: [Staff Report](#)

11. REGULAR AGENDA ITEMS

11.1 Resolution No. 24-02 Adopting the Transportation Fund for Clean Air (TFCA) 40% Fund Expenditure Plan for Fiscal Year End (FYE) 2025 and Call for Projects for Fiscal Years Ending 2025-2028 (Diana Meehan) (Pages 83-104)

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board approve Resolution No. 24-02 adopting the Fiscal Year End (FYE) 2025 TFCA 40% Fund Expenditure Plan and open a Call for Projects for Fiscal Years Ending 2025-2028.

Estimated Time: 3:00 p.m.

Attachments: [Staff Report](#)

11.2 Napa Valley Transportation Authority's (NVRTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2023 and 2022 and Single Audit Report of Uniform Guidance (Antonio Onorato) (Pages 105-204)

Recommendation: That the Napa Valley Transportation Authority (NVRTA) Board:

- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2023 and 2022 (Attachment 2) and the NVRTA Single Audit Report of the Uniform Guidance for the Year Ended June 30, 2023 (Attachment 3); and
- (2) Return an allocation surplus of \$3,534,631 to the Local Transportation Fund (LTF) Trust Fund

Estimated Time: 3:15 p.m.

Attachments: [Staff Report](#)

11.3 Vine Transit Update (Rebecca Schenck) (Pages 205-213)

Recommendation: That the Napa Valley Transportation Authority (NVRTA) Board receive the second quarter Fiscal Year (FY) 2023-24 Vine Transit update.

Estimated Time: 3:35 p.m.

Attachments: [Staff Report](#)

11.4 Federal and State Legislative Update (Kate Miller) (Pages 214-240)

Recommendation: That the Napa Valley Transportation Authority (NVRTA) Board receive the Federal Legislative update, State Legislative Update, and Approve Recommended Positions for Bills on the State Bill Matrix.

Estimated Time: 3:45 p.m.

Attachments: [Staff Report](#)

12. CLOSED SESSION

12.1 Conference with Legal Counsel – Existing Litigation: Peters v. Burnham, et al, Napa County Superior Court Case No. 23CV001586

12.2 Report out of Closed Session

13. FUTURE AGENDA ITEMS

14. ADJOURNMENT

14.1 The next Regular Meeting is Wednesday, March 20th.

I hereby certify that the agenda for the above stated meeting was posted at a location freely accessible to members of the public at the NVTA Offices, 625 Burnell Street, Napa, CA by 5:00 p.m. by Friday, February 16th.



Laura M. Sanderlin, NVTA Board Secretary



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Cover

SUBJECT

Public Hearing for a Proposed Vine Transit Fare Increase

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board of Directors:

- (1) Hold a public hearing; and
- (2) Approve the proposed public transit fare increase. The public comment period will be open for 30 days with final approval scheduled for the March 20, 2024 Board meeting

EXECUTIVE SUMMARY

Napa Valley Transportation Authority (NVRTA) reviews fares every three years. Adjustments are based on Consumer Price Index (CPI) or the percent increase in Vine expenditures for the previous three years, whichever is greater, unless the farebox ratio for the preceding fiscal year is equal to or exceeds 20%, in which case a fare increase would be paused.

Having maintained fares since 2015, NVRTA is proposing adjustments to the Vine's fares. The Vine adult fare would increase from \$1.60 to \$2.00, with adjustments to youth, senior/disabled fares, and various pass types. VineGo fares would increase by \$0.80 to \$4.00 for a single zone and \$8.00 for two zones. Other Vine fare passes would also increase.

FISCAL IMPACT

Is there a Fiscal Impact? Yes. The proposed adjustment is expected to increase fare revenue by approximately \$116,000 for the Vine at current ridership levels.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVRTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Public Hearing for a Proposed Vine Transit Fare Increase

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board of Directors:

- (1) Hold a public hearing; and
- (2) Approve the proposed public transit fare increase. The public comment period will be open for 30 days with final approval scheduled for the March 20, 2024 Board meeting

COMMITTEE RECOMMENDATION

At a regular meeting of the Paratransit Coordinating Council (PCC) on January 11, 2024, as well as the Citizens Advisory Committee (CAC) on January 3, 2024, both the PCC and CAC recommended that this proposed fare increase for public transit be taken to the NVRTA Board for approval.

BACKGROUND

The current NVRTA Fare Policy was adopted by the Board of Directors in July 2014. The Fare Policy states that:

Fare adjustments shall be considered by the NVRTA Board under the following scenarios:

1. *Following NVRTA's annual report if Vine has failed to meet its farebox ratio goal defined in the fare policy.*

2. *Every three years the NVTA Board of Directors will consider fare adjustments to match the previous three years of CPI for the San Francisco – Oakland – San Jose Region or to match the percent increase in Vine expenditures for the previous three years whichever is greater. Unless the farebox ratio for the previous fiscal year is equal to or greater than 20%. In which case fare increases shall be paused.*

Vine Transit System

NVTA staff is recommending a fare adjustment to cover the rise in operating costs. NVTA last fare adjustment was in 2015. NVTA was planning to adjust fares in 2020, but opted not to given the COVID-19 pandemic. As shown in Table 1, Vine Transit's operating costs have risen 43% over the last eight fiscal years. While operating costs decreased during the COVID-19 pandemic in Fiscal Year (FY) 19/20 due to a reduction in service hours, by FY 21/22 expenses had risen back to FY 18/19 levels and then continued to rise. Table 1 illustrates the rise in transit expenses since 2015.

Table 1: Vine Transit Operating Costs (Millions of \$)

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Transit Expenses	\$9.7	\$9.5*	\$10.7	\$10.8	\$11.3	\$11.4	\$9.7**	\$12.2	\$13.9
% Change since 2015	-	-	9.6%	10.6%	15.7%	17.4%	-%	25.6%	43%

* New contract executed

** Covid 19 pandemic year, reduction of service hours

The Vine and American Canyon Transit

The Transportation Development Act (TDA) requires that NVTA achieve a 15% farebox ratio for the Vine to receive TDA funds. This threshold was relaxed starting in 2020, but NVTA will once again be required to meet that requirement in 2026. This is defined as revenue obtained through means other than state and federal grants in an amount equal or above 15% of the system's operating cost.

Table 2 illustrates the farebox recovery generations compared to the increase in operating expenses and the farebox recovery ratio. In the future, if Vine Transit continues to miss the required farebox ratio target, the system is at risk of having funds withheld by the Metropolitan Transportation Commission, which would likely result in service reductions.

Table 2: Transit Fund Farebox and Operating Expenses FY2015 to FY2023

	FY15	FY16	FY17	FY18
Farebox	\$1,310,234	\$ 1,231,773	\$1,247,968	\$1,330,940
Total Operating	\$ 9,731,582	\$ 9,525,784	\$10,665,056	\$10,763,749
Overall Increase in Operating from FY2015	-	-	9.6%	10.6%
Vine Farebox Recovery Ratio	15.03%	19.51%	18.42%	17.98%

*New contract executed

	FY19	FY20	FY21	FY22	FY23
Farebox	\$1,276,122	\$993,746	\$515,553	\$580,477	\$871,140
Total Operating	\$ 11,261,321	\$ 11,428,239	\$ 9,689,345	\$ 12,222,309	\$13,915,156
Overall Increase in Operating from FY 2015	15.7%	17.4%	-%	25.6%	43.0%
Vine Farebox Recovery Ratio	17.1%	13.41%	8.61%	8.99%	11.07%

*Covid 19 Pandemic, free fares to Sept 2021

MTC is currently working on a Fare Integration Policy to ensure a more seamless experience for the rider as part of its Regional Network Management efforts. In that vein, Board approval to raise fares to the recommended amount would align Vine fares to connecting public transit systems and systems in adjacent counties. It should be noted that Sonoma County receives additional subsidies from the County of Sonoma to help it meet its farebox recovery requirements.

Table3: Local Cash Fare Comparisons

	Vine	Soltrans/ FAST	Sonoma County Transit	Santa Rosa City Bus
Adult (19-64)	\$1.60	\$2.00	\$1.50 to \$2.10 (Zone 1 and 2)	\$1.50
Youth (6-18)	\$1.10	\$1.75	Free	Free

Senior (65+), Disabled and Medicare	\$.80	\$1.00	\$0.75 to \$1.05 (Zone 1 and 2)	0.75
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The current fares were effective July 1, 2015, and proposed fare changes would take effect July 1, 2024. This, along with other local funding sources should bring Vine Transit into compliance with the farebox ratio requirement when it returns in 2026. Tables 3, 4, and 5 below outline the proposed pricing for NVTA's pass and fare structure.

Proposed Vine Fare Tables:

Table 3: Vine Routes A-G, 10 and 11 Cash Fares and Passes

	Current Cash Fare	New Cash Fare	Current 31-Day Pass	New 31-Day Pass	Current 20-Ride Pass	New 20-Ride Pass	Current Day Pass	New Day Pass
Adult (19-64)*	\$1.60	\$2.00	\$53.00	\$55.00	\$29.00	\$30.00	\$6.50	\$7.00
Youth (6-18)	\$1.10	\$1.25	\$36.00	\$37.00	\$20.00	\$21.00	\$4.50	\$5.00
Senior (65+), Disabled and Medicare	\$.80	\$1.00	\$26.50	\$27.50	\$14.50	\$15.00	\$3.25	\$3.50

* Note that low-income riders ages 19-64 will continue to be able to apply to the Clipper START program for 50% off fares throughout the Bay Area.

Table 4: VineGo Fares

	Current Single Zone Fare	New Single Zone Fare	Current Multi Zone Fare	New Multi Zone Fare
VineGo	\$3.20	\$4.00	\$6.40	\$8.00

Table 5 Express and BART Routes 21 and 29

	Current Cash Fare	New Cash Fare	Current 31-Day Pass	New 31-Day Pass
Route 21	\$3.00	\$3.50	\$53.00	\$55.00
Route 29	\$5.50	\$6.00	\$120.00	\$125.00

There are no recommended changes to the shuttle fare structure.

ATTACHMENTS

- (1) Vine Transit Title VI Equity Analysis

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- (2) Vine Fare Policy
 - (3) Vine Fare Types, Current and Proposed



TITLE VI FARE EQUITY ANALYSIS

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INTRODUCTION

Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs and activities receiving Federal financial assistance. Federal Transportation Administration (FTA) Circular 4702.1B requires FTA recipients serving populations of 200,000 or greater to evaluate any fare change and any major service change at the planning and programming stages to determine whether those changes have a discriminatory impact. FTA Circular 4702.1B does not require NVTa to perform an equity analysis, as a matter of policy Vine Transit performs equity analyses as guided by FTA Circular 4702.1B. This document is an analysis of Vine Transit's planned fare increase.

BACKGROUND

Since the last fare increase in 2015, total operational costs for the Vine Transit System have increased 43% or \$4,183,574.

By statute, the Vine, including American Canyon Transit, must collect passenger fares, advertising, and local contributions an amount equal to 15% of its operating cost. This is referred to as the farebox recovery ratio. This threshold was waived starting in 2020, but NVTa will once again be required to meet that ratio by FY2026. Over the last two fiscal years, Vine Transit has failed to reach the required farebox ratio. If TDA laws were currently being enforced, NVTa could be subject to a reduction in TDA funding and Vine Transit would have to initiate service reductions, which would result in less passengers, farebox, and additional service reductions.

Additionally, the NVTa Board of Directors in July 2014 adopted a Fare Policy which directs Vine Transit to propose a fare adjustment every three years or when operations fail to reach its required farebox ratio. The Vine and American Canyon Transit missed its obligatory 15% target in Fiscal Year 2022-2023 with a Farebox Recovery Ratio of 11.07% as well as in Fiscal Year 2023-2024 Vine Transit in its unaudited financial statement will miss the required 15% farebox ratio for the fourth consecutive year. The table below illustrates the farebox recovery generations compared to the increase in operating expenses.

Table 1: Transit Fund Farebox and Operating Expenses FY2015 to FY2023

	FY15	FY16	FY17	FY18
Farebox	\$1,310,234	\$ 1,231,773	\$1,247,968	\$1,330,940
Farebox Inc/(Dec)	-	-6.0%	1.3%	6.6%
Operating	\$11,672,743	\$11,547,760	\$13,324,993	\$13,480,279
Less Depreciation	\$(1,941,161)	\$(2,021,976)	\$(2,659,937)	\$(2,716,530)
Total Operating	\$ 9,731,582	\$ 9,525,784	\$ 10,665,056	\$10,763,749
Operating Inc/(Dec)	-	\$(205,798)	\$1,139,272	\$98,693
Percentage		-2.1%*	12.0%	0.9%
Overall Increase in Operating from FY2015	-	-	9.6%	10.6%
Vine Farebox Recovery Ratio	15.03%	19.51%	18.42%	17.98%

*New contract executed

	FY19	FY20	FY21	FY22	FY23
Farebox	\$1,276,122	\$993,746	\$515,553	\$580,477	\$871,140
Farebox Inc/(Dec)	-4.1%	-22.1%	-48.1%*	12.6%	\$50.1%
Operating	\$13,937,571	\$14,064,048	\$12,265,554	\$13,947,378	\$16,132,479
Less Depreciation	\$(2,676,250)	\$(2,635,809)	\$(2,576,209)	\$(1,725,069)	\$(2,217,323)
Total Operating	\$11,261,321	\$ 11,428,239	\$ 9,689,345	\$ 12,222,309	\$13,915,156
Operating Inc/(Dec)	\$497,572	\$166,918	\$(1,738,894)	\$2,532,964	\$1,692,847
Percentage	4.6%	1.5%	-15.2%	26.1%	13.9%
Overall Increase in Operating from FY2015	15.7%	17.4%	-0.4%	25.6%	43.0%
Vine Farebox Recovery Ratio	17.1%	13.41%	8.61%	8.99%	11.07%

*Covid 19 Pandemic, free fares to Sept 2021

July 2024 Fare Adjustments

Vine Transit is proposing an increase of between three percent (3%) and twenty-five percent (25%). Adult fares would increase to \$2.00 per ride from \$1.60. This change would result in a \$1.25 youth fare and a \$1.00 senior and disabled fare per the adopted Vine Fare Policy. The fare increase would subsequently change the pass fare structure as well in accordance with the Vine Fare Policy. This proposed fare increase would change the standard VineGo fare as well to \$3.50 for a single zone and \$7.00 for a multi zone trip. The Route 21 cash fare would go from \$3.00 to \$3.50 and Route 29 fares would go from \$5.50 to \$6.00. Additionally, the Route 11X pricing would be changed from matching the Express routes to aligning with the local routes just like the Route 11. The proposed new fares are included in Appendix 1.

TITLE VI POLICY

NVTA will ensure that its programs, policies, and activities all comply with the Department of Transportation's (DOT) Title VI regulations. The Authority is committed to creating and maintaining public transit service that is free of all forms of discrimination. NVTA will take whatever preventive, corrective, and disciplinary action necessary to address behavior that violates this policy or the rights and privileges it is designed to protect.

METHODOLOGY

Using the results of the most recently completed MTC Vine Survey in Spring 2019, NVTA staff compared the demographic information gathered about Vine riders with the 2020 Decennial Census Data and the 2022 one year and five year (2018-2022) American Community Survey data. MTC commissioned a new survey in later 2023, but it will not be completed, and the data will not be available until mid-2024. The geographical areas for the demographic data of the general population included all areas within $\frac{1}{4}$ of a bus stop when available and if that level is not available, demographic data on Napa County residents. Extrapolating from this data, staff was able to predict how the proposed fare change would affect certain populations based upon the overall service area demographics.

The Disproportionate Burden Analysis was completed by comparing the percentage of households with income under 200% of the federal poverty line. This is a standard measure in the Bay Area in determining Equity Priority Communities (previously Communities of Concern). Staff also compared the percentage of zero vehicle households as these people are more likely to be transit dependent.

EFFECTS OF PROPOSED FARE CHANGES ON MINORITY AND LOW INCOME POPULATIONS

System Wide Effects

The recommended fare change would increase the base adult fare by \$.40 from \$1.60 to \$2.00 and increase all other fare types in accordance with the Vine Fare Policy. The

increase will apply to routes A-G, 10, 11, and 11X. The routes 29 and 21 fares increase at lower rates. The total projected change in fare revenue resulting from the fare increase is approximately \$116,000.

Table 2 Rider and General Population Demographic

	Vine Ridership from MTC Survey	General Population within ¼ Mile of Transit Stops	Difference
Percent Minority Population	56%	57.5%	-1.5%
Percent of Households Under 200% of Poverty Level	54%	22.2%	31.8%
Percent of Zero Vehicle Households	40%	6.7%	33.3%

Disparate Impact Analysis

The minority population among Vine ridership is close to that of the general population at -1.5% lower than that of the general population within the affected jurisdictions. Since the minority population is slightly lower than the general population, the analysis indicates that it does not constitute a disparate impact.

Disproportionate Burden Analysis

In analyzing the percentage of households with annual income under 200% of the federal poverty level, NVTA staff found that Vine riders are much more likely than the general population to be under 200% of the federal poverty level by 31.8%. NVTA staff also analyzed the percentage of zero vehicle households and found that Vine riders, are more likely to live in households without vehicles by 33.3% compared to the general population. This is important because these riders are more likely to be transit dependent and therefore more affected by an increase in fares.

CONCLUSION

There are significantly more low income and zero vehicle households than in the general population affected by the fare changes. The results of the disproportionate burden analysis has to be balanced by the alternative solution to address the farebox problem which would be to cut service in future years. The alternative solution would likely result in greater negative impact on these transit dependent riders.

APPENDIX

Appendix 1 Proposed Fare Table

**Appendix 2 Decennial Census 2020 and American Communities
Survey 2023 5yr Data**

Appendix 1 Proposed Fare Table

	Current	Proposed	Numerical Difference	% Difference
FARES				
Adult, now including 11X	\$1.60	\$2.00	\$0.40	25%
Youth, now including 11X	\$1.10	\$1.25	\$0.15	14%
Senior/Disabled/Medicare, now including 11X	\$0.80	\$1.00	\$0.20	25%
Express (Route 21)	\$3.00	\$3.50	\$0.50	17%
BART (Route 29)	\$5.50	\$6.00	\$0.50	9%
Cash, Paratransit (One Zone)	\$3.20	\$4.00	\$0.30	9%
Cash, Paratransit (Two Zones)	\$6.40	\$8.00	\$0.60	9%
31-Day Pass, Adult	\$53.00	\$55.00	\$2.00	4%
31-Day Pass, Youth	\$36.00	\$37.00	\$1.00	3%
31-Day Pass, Senior/Disabled/Medicare	\$26.50	\$27.50	\$1.00	4%
31-Day BART	\$120.00	\$125.00	\$5.00	4%
20-Ride Pass, Adult (Local routes 10, 11 one "ride", 21 two(2) "rides", 29 three (3) "rides")	\$29.00	\$30.00	\$1.00	3%
20-Ride Pass, Youth (Local routes 10, 11 one "ride", 21 two(2) "rides", 29 three (3) "rides")	\$20.00	\$21.00	\$1.00	5%
20-Ride Pas, Senior/Disabled/Medicare (Local routes 10, 11 one "ride", 21 two (2) "rides", 29 three (3) "rides")	\$14.50	\$15.00	\$0.50	3%
Day Pass, Adult*	\$6.50	\$7.00	\$0.50	8%
Day Pass, Youth*	\$4.50	\$5.00	\$0.50	11%
Day Pass, Senior/Disabled/Medicare*	\$3.25	\$3.50	\$0.25	8%

Appendix 2 General Population within ¼ Mile of Transit Stops: Decennial Census 2020 and American Communities Survey 2022 5yr Data

	Population (Census 2020)	population	jobs (work)	% of people in poverty	% of people who are non-White or of Hispanic / Latino origin (Census 2020)	% of people who are non-White or of Hispanic / Latino origin	% of households that are car free
SYSTEM STATS	82,536	77,773	42,777	10%	57%	58%	7%
10 Up Valley Connector	21,529	20,865	18,321	8%	49%	50%	7%
11 Napa-Vallejo Connector	27,308	27,910	20,768	11%	67%	68%	9%
11X Napa-Vallejo Express	4,111	4,897	2,508	10%	60%	65%	12%
21 Napa-Solano Express	1,399	2,403	2,136	15%	70%	68%	6%
29 Napa-BART Express	4,482	5,365	2,056	6%	59%	65%	9%
A Browns Valley North Napa	14,596	14,773	8,500	7%	53%	54%	5%
Route B Westwood South Napa	15,338	14,946	7,437	11%	61%	58%	4%
Route C Jefferson Central Napa	12,707	14,494	11,288	7%	53%	52%	7%
Route D Shelter Shurtleff	6,008	5,803	2,649	12%	61%	55%	6%
Route E Vintage	17,232	16,198	8,665	8%	48%	50%	6%
Route F Southwest Napa	11,190	10,639	6,313	12%	56%	60%	5%
Route G Coombs South Napa	5,019	5,408	4,960	15%	58%	57%	7%

Appendix 2 Vine Ridership from MTC 2019 Survey

VEHICLES IN HOUSEHOLD		WEEKDAY			WEEKEND
	TOTAL	Before 10AM	Midday	After 3PM	
BASE - ALL RESPONDENTS	19,755	4,408	4,792	3,482	6,625
None	40%	31%	47%	35%	44%
One	29%	32%	26%	26%	34%
Two	17%	19%	22%	18%	6%
Three	9%	12%	2%	12%	13%
Four or more	5%	5%	3%	9%	4%
Refused	<1%	-	-	1%	-
Average Number of Vehicles	1.91	1.96	1.69	2.16	1.77

HOUSEHOLD INCOME		WEEKDAY			WEEKEND
	TOTAL	Before 10AM	Midday	After 3PM	
	TOTAL	Before 10AM	Midday	After 3PM	
BASE - ALL RESPONDENTS	19,755	4,408	4,792	3,482	6,625
Below \$10,000 [\$5,000]	15%	15%	14%	13%	16%
\$10,000 to \$24,999 [\$17,499.5]	23%	23%	26%	15%	31%
\$25,000 to \$34,999 [\$29,999.5]	16%	16%	16%	22%	8%
\$35,000 to \$49,999 [\$42,499.5]	10%	8%	10%	7%	17%
\$50,000 to \$74,999 [\$62,499.5]	5%	5%	6%	5%	5%
\$75,000 to \$99,999 [\$87,499.5]	4%	6%	2%	5%	4%
\$100,000 to \$149,999 [\$124,999.5]	4%	3%	4%	5%	2%
\$150,000 or more [\$200,000]	3%	3%	3%	5%	
Don't know	16%	17%	13%	22%	13%
Refused	3%	4%	5%	1%	4%
Average Income (\$1,000)	\$39.7	\$39.6	\$39.0	\$47.8	\$30.0

ARE YOU OF HISPANIC, LATINO OR SPANISH ORIGIN		WEEKDAY			WEEKEND
	TOTAL	Before 10AM	Midday	After 3PM	
BASE - ALL RESPONDENTS	19,755	4,408	4,792	3,482	6,625
Yes	53%	42%	55%	59%	50%
No	47%	58%	44%	41%	50%
Refused	<1%	-	1%	-	-

RACE/ETHNICITY ARE YOU		WEEKDAY			WEEKEND
		Before 10AM	Midday	After 3PM	
	TOTAL				
BASE - ALL RESPONDENTS	19,755	4,408	4,792	3,482	6,625
Hispanic	45%	58%	41%	38%	50%
White/Caucasian	44%	32%	51%	41%	48%
Black/African American	11%	15%	7%	11%	14%
Asian	6%	5%	4%	11%	2%
American Indian/Alaska Native	4%	-	4%	9%	2%
Native Hawaiian/Pacific Islander	2%	-	1%	2%	4%
Mixed (unspecified)	1%	-	2%	3%	-
Persian/Arab/North African/Middle Eastern	<1%	2%	-	-	-
Refused	2%	2%	3%	2%	-

CHAPTER 3 PASSENGER FARES, PASSES & TRANSFERS

Section 3.1. Definitions

For the purposes of these policies, the following definitions shall apply:

Fare: The fee charged and received by NVRTA in exchange for transit services provided. The fare can be in the form of cash payment at the time of service, prepayment through other means or Clipper. Many transit fares are typically collected and recorded via an electronic recording device, known as a farebox; however, this is not the only method of collecting and recording fees. This policy may use the term fare and farebox interchangeably, and shall be interpreted as the totality of the fees.

Base Fare: For purposes of the fare policy, the base fare will be defined as the single unlinked trip, full cash fare.

Youth Fare: Fare for any rider 18 years of age and under (photo ID with proof of age required).

Child Fare: Fare for any child 5 years of age and younger.

Express Bus Route: A deluxe bus route characterized by one or more segments of high-speed, non-stop operation, and with a limited number of stops which are generally provided for commuter service.

Fare Media: Fare media shall be defined as all passes, tickets, cards or ID's sold or otherwise distributed for use on various NVRTA services.

Half-Fare: Fares, as defined above, for eligible persons with disabilities, senior riders or Medicare cardholders. The cash half fare is the maximum of one-half of the full cash fare or the current FTA guidelines (Code of Federal Regulations, Title 49, Subtitle B, Chapter Vi, Part 609), rounded down to an increment of \$0.05.

Local Bus Route: Any fixed route bus service not designated as an express or shuttle bus route.

Shuttle Bus Route: Local distribution services that operate in a small area and are used for shorter than average length trips are classified as shuttle services.

Mode: Defines the different types of services offered by NVRTA, which includes local bus, express bus, shuttle bus and Para-Transit.

Senior: Any person age 65 or older (photo ID with proof of age required at boarding).

Person with Disability: People who meet the currently enforced Federal Transit Administration's (FTA) definition of people with disabilities. At the time of the adoption of this policy, the definition is: *"any individual who, by reason of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including any individual who is a wheelchair user or has semi-ambulatory capabilities), cannot use effectively, without special facilities, planning or design, mass transportation service or a mass transportation facility."*

Medicare Cardholders: Individuals who have been issued a Medicare card, regardless of age or disability.

Day Pass: A 24 hour period pass valid for unlimited travel on all VINE fixed route services (excluding Route 29) for one calendar day from the time of activation through the end of the service day.

Monthly Pass: A thirty (31) day period pass valid for unlimited travel on all VINE fixed route services (excluding the Route 29) for 31 calendar days from the day of activation through the end of the 31st consecutive service day.

Section 3.2. Fare Policies

Napa Valley Transportation Authority's (NVRTA) Fare Policy establishes principles and policies that govern recovery of passenger revenues in support of NVRTA's vision of the Vine being a customer-driven and efficient public transportation system serving the County of Napa.

3.2.1 Revenue Collection Principles

Generally, fares are required to generate revenue to offset a component part of NVRTA's expenses as defined by the Transportation Development Act (TDA) as part of a sustainable long-term Financial Plan. The following principles guide establishment and management of NVRTA's fare revenue collections:

- A. Promote ridership on all transit related services: NVRTA seeks to encourage and facilitate transit ridership within VINE's service area. Vine's fares shall; therefore, be devised to be attractive to the widest possible range of existing and potential rider groups.
- B. Equitable fares: To be equitable, fares must take into account the needs of Vine's riders as well as the cost and value of the service provided by the Vine. Vine's fares shall support the travel patterns and requirements of transit riders throughout the service area and shall also reflect differences in the characteristics and frequency of the service provided, while not undervaluing Vine's service.
- C. Enhance mobility & access: Vine fares shall enhance the ability of riders to access the system and move through it with ease. To do so, Vine fares shall be easy to understand and shall promote a unified system by simplifying and, where effective and possible, unifying fares across services.
- D. Effective & cost efficient: Vine's fare pricing, fare policy, fare media distribution channels, and fare collection technologies shall be developed and operated to be easily applied by transit operating employees, as well as to minimize the costs associated with fare collection, fare media distribution and revenue processing.
- E. Management: Vine's fares and fare collection system shall be designed to facilitate data collection to foster analytical decision making by NVRTA's staff.

In keeping with these principles, the policies governing Vine's fares are set forth below:

- A. **Farebox Recovery:** Vine collects fares from passengers riding its transit services as one element of funding these services. These fares are then used to offset the costs of providing the transit service, otherwise known as Farebox Recovery. The Farebox Recovery ratio is defined as the ratio of the transit fares to the operating costs. NVTAs farebox recovery ratio target shall be equal to those targets set forth by Transit Development Act regulations. Urban transit services, Vine and American Canyon Transit, have a farebox recovery target different than that of rural transit (Calistoga Shuttle, St. Helena Shuttle and Yountville Trolley) and ADA Paratransit services. See note D at the end of this document for current regulatory farebox recovery rates.
- B. **Vine Fare Adjustments:** Fare adjustments are defined as any permanent changes to Vine's fare structure. Decisions on fare adjustments are made by the NVTAs Board of Directors. Prior to making a decision on a fare adjustment, the Board shall consider the recommendation by NVTAs staff, including but not limited to an analysis of the impacts on minorities and low-income individuals consistent with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq), the Federal Transit Administration (FTA) Title VI regulations (49 CFR part 21), and FTA's Circular 4702.1B, including any future amendments thereto, as well as NVTAs Title VI Policy. Prior to raising a fare, NVTAs shall solicit and consider public comment in compliance with 49 USC Chapter 53 and FTA Circular 9030.1C, including any future amendments thereto. Implementation of a fare adjustment shall occur no earlier than 30 days and no later than 12 months following approval by the Board of Directors. Any change in the fare shall be rounded to the nearest \$.05.

Fare adjustments shall be considered by the NVTAs Board under the following scenarios:

- 1. Following NVTAs annual report if VINE has failed to meet its farebox ratio goal defined in the fare policy.
- 2. Every three years the NVTAs Board of Directors will consider fare adjustments to match the previous three years of CPI-U for the San Francisco – Oakland – San Jose Region or to match the percent increase in Vine expenditures for the previous three years whichever is greater. Unless the farebox ratio for the previous fiscal year is equal to or greater than 20%. In which case fare increases shall be paused.

NVTAs staff will annually report to the Board a review of farebox revenues and the farebox recovery ratio for the entire system and service. NVTAs staff will recommend possible

solutions for meeting the minimum farebox recovery if analysis indicates it has not been met. Solutions may include a recommendation for a fare adjustment. Such recommendation will include consideration of economic trends, Vine's current and future operating health and the value of services, both qualitative and quantitative, in the communities served.

- C. Fare Differentials:** Vine's fares shall balance simplicity and uniformity of fares with the equity of pricing services consistent with the cost and value of providing that service. The number of fare types, levels, and fare payment instruments shall consider the ease of enforcement by vehicle operators, ease of understanding by customers and the ease of tracking with both the farebox technology and the back-office technology.

Services that cost more to operate or provide additional value to passengers compared with local bus service are considered premium services, and may be priced higher (but never lower) than local bus service. Premium services include express buses, paratransit, and if implemented in the future, bus rapid transit. The price structure for each premium service will be set separately.

Local distribution services that operate in a small area and are used for shorter than average length trips provide less value to riders and are classified as shuttle services. Shuttle services may be priced equal to or lower than local bus service.

- D. Vine-GO Paratransit Fares:** Vine Go's policy, in compliance with the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12143) and the implementing FTA Regulations (49 CFR Section 37.121) is that ADA complementary paratransit fares will equal twice the regular fixed-route fare for the same trip. If the Act is changed, this policy shall be changed to be consistent with federal law. If ADA complementary paratransit provides service beyond or in addition to the federally defined ADA complementary paratransit service, a higher fare shall be charged for that service.

- E. Vine Local Passes:** Prepayment of fares on the fixed-route system shall be encouraged. Monthly local Vine passes shall be discounted to provide some savings to commuters compared with the cash fare, but not less than 30 (See Attachment A) times the cash fare. Day passes shall be priced at least equivalent to the cost of three boardings and no more than the cost of six boardings. Twenty ride passes shall provide the equivalent of 20 rides and shall be discounted no more than 10% (See Attachment A) from the actual value. These policies shall be applied equitably across all fare types (Adult, Youth and Discount). Passes shall be priced to expedite the

local VINE service do not apply to the Route 21. The Route 21 does not have a distinct monthly pass but all other passes are valid for use on the Route 21. In the case of a punch pass one ride shall be equal to two punches. Transfers are accepted onto the Route 21 from any other VINE route.

- G. **Local Shuttle Services:** Local shuttle service fares (St. Helena, Yountville, Calistoga and American Canyon) are defined by the individual Agreements between the jurisdiction and NVRTA. These shuttle services are not subject to any provision stated in the Fare Policy except those required by law and defined within the relevant Agreement.
- H. **Promotions and Special Events:** Fare promotions, including special event fares, may be used to attract riders to Vine services. Fare promotions can be a cost-effective method of attracting riders to new services (such as new bus routes) and existing services. For the purpose of this policy, Fare Promotions shall be defined as any new fare card, fare media, cash fare or other transit fare which is not part of the adopted fare structure and may be priced higher or lower than Vine's regular fares. Fare Promotions are not required to include a specific fare for seniors, Medicare cardholders or individuals with disabilities, however the rates charged seniors, Medicare cardholders or individuals with disabilities during off-peak hours must not exceed one-half of the rates generally applicable to other persons at peak hours (excluding the Fare Promotion) as required by FTA regulations (Code of Federal Regulations, Title 49, Subtitle B, Chapter Vi, Part 609). Fare promotions must be able to be implemented within the capabilities of the current fare collection technology in use at the time of the implementation. Fare promotions shall not exceed a six (6) month period. If the promotion is deemed to be successful and management desires it to be part of the fare structure, then management shall bring the issue and analysis to the Board of Directors for adoption into the current fare structure. Should the fare promotion result in "free rides". Pass holders with a 31-day pass activated before the beginning of the promotion and valid during the period of the promotion shall receive a period pass equal to the free period. To remain equitable all paratransit service shall be free during free ride promotions
- I. **New Payment:** Options Fare payment options that effectively attract a different market segment or encourage increased use of Vine services by current riders shall be developed; but must be within the realm of current or planned hardware, software and back-office technologies. Initial pricing for such options shall be set such that VINE is not expected to lose fare revenue, unless the Board of Directors specifically approves an estimated amount of lost revenue.
- J. **Design:** The design of fare payment instruments shall consider the

ease of enforcement by bus operators, ease of understanding by customers and the ease of tracking with both the farebox technology and the back-office technology.

- K. **Child and Youth Fares - Vine Local Route Services:** Up to two children, 5 years of age or less, ride free with each adult over 18 paying fare. Additional children must pay \$.50 per child. No child under the age of seven may ride without an accompanying adult.

Youth shall be defined as persons ages 6 - 18. Youth may qualify for a reduced fare based on the type of service being provided and the publicized fare. Youth fare is calculated by subtracting \$.50 from the full adult fare. In all cases, the youth will no longer qualify for any youth discounts on his/her 19th birthday.

- L. **Half-Fare Program – Vine Local Fixed Route Services:** The objective of the Half-Fare Program is to provide reduced fares for fixed route services for seniors, persons with disabilities and Medicare cardholders in compliance with the Federal Transit Administration's half-fare requirements (Code of Federal Regulations, Title 49, Subtitle B, Chapter Vi, Part 609).

Who is eligible for the half-fare program?

1. Persons aged 65 and older, unless the FTA regulations defining seniors are changed in the future, in which case the FTA regulations shall be followed.
2. Medicare cardholders
3. People who meet the currently enforced Federal Transit Administration's (FTA) definition of people with disabilities. At the time of the adoption of this policy, the definition is: *"any individual who, by reason of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including any individual who is a wheelchair user or has semi-ambulatory capabilities), cannot use effectively, without special facilities, planning or design, mass transportation service or a mass transportation facility."*

NOTES

- A. The local monthly pass multiplier is based on an analysis of other local transit services within the Bay Area and what is currently being used by the Vine. See Attachment A.
- B. The discount for the punch pass is based on an analysis of other local transit services within the Bay Area and what the VINE is currently using. See Attachment A.
- C. The Route 29 monthly pass multiplier is based on an analysis of other express route services within the Bay Area and what is currently being used by the Vine. See Attachment B.
- D. As of June 1, 2014 the regulatory minimum farebox recovery ratio is 16% for urban transit services and 10% for rural and ADA paratransit services.
- E. Vine offers reduced fares to senior citizens and disabled persons. The Vine honors the federal Medicare identification card, the California Department of Motor Vehicles disability ID card, the Regional Transit Connection Discount Card, or any other current identification card issued by another transit operator that is valid for the type of transportation service or discount requested; and when offering reduced fares to senior citizens, it also offers the same reduced fare to disabled patrons.

ATTACHMENT 3
NVTA AGENDA ITEM 9.1
February 21, 2024

Vine Transit Fares				
Fare Type	Current	Proposed	Numerical \$	Percentage %
Adult, now including 11X	\$1.60	\$2.00	\$0.40	25%
Youth, now including 11X	\$1.10	\$1.25	\$0.15	14%
Senior/Disabled/Medicare, now including 11X	\$0.80	\$1.00	\$0.20	25%
Express (Route 21)	\$3.00	\$3.50	\$0.50	17%
BART (Route 29)	\$5.50	\$6.00	\$0.50	9%
Cash, Paratransit (One Zone)	\$3.20	\$4.00	\$0.80	25%
Cash, Paratransit (Two Zones)	\$6.40	\$8.00	\$1.60	25%
31-Day Pass, Adult	\$53.00	\$55.00	\$2.00	4%
31-Day Pass, Youth	\$36.00	\$37.00	\$1.00	3%
31-Day Pass, Senior/Disabled/Medicare	\$26.50	\$27.50	\$1.00	4%
31-Day BART	\$120.00	\$125.00	\$5.00	4%
20-Ride Pass, Adult (Local routes 10, 11 one "ride", 21 two(2) "rides", 29 three (3) "rides")	\$29.00	\$30.00	\$1.00	3%
20-Ride Pass, Youth (Local routes 10, 11 one "ride", 21 two(2) "rides", 29 three (3) "rides")	\$20.00	\$21.00	\$1.00	5%
20-Ride Pas, Senior/Disabled/Medicare (Local routes 10, 11 one "ride", 21 two (2) "rides", 29 three (3) "rides")	\$14.50	\$15.00	\$0.50	3%
Day Pass, Adult*	\$6.50	\$7.00	\$0.50	8%
Day Pass, Youth*	\$4.50	\$5.00	\$0.50	11%
Day Pass, Senior/Disabled/Medicare*	\$3.25	\$3.50	\$0.25	8%

*Not Valid on Route 29

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559

Meeting Minutes NVTB Board of Directors

Wednesday, January 17, 2024

1:30 PM

JoAnn Busenbark Board Room

1. Call to Order

Chair Alessio called the meeting to order at 2:41pm.

2. Consideration and Approval of Board Member Requests for Remote Participation

None

3. Roll Call

Leon Garcia
Alfredo Pedroza
Paul Dohring
Mark Joseph
Liz Alessio
Scott Sedgley
Margie Mohler
Donald Williams
Kevin Eisenberg
Hillery Bolt-Trippe
Anna Chouteau
Ryan Gregory

4. Adoption of the Agenda

Motion MOVED by GARCIA, SECONDED by JOSEPH to APPROVE Item 4. Adoption of the Agenda. Motion passed unanimously.

Aye: 24 - Garcia, Pedroza, Dohring, Joseph, Alessio, Sedgley, Mohler, Williams, Eisenberg, Bolt-Trippe, Chouteau, and Gregory

5. Public Comment

None

6. Chairperson's, Board Members', Metropolitan Transportation Commissioner's, and Association of Bay Area Governments Update

Director Pedroza reported on recent MTC activities.

7. Executive Director's Update

Executive Director Miller reported:

- Staffing updates
- Project updates
- recent regional Activities
- FTA award of \$448,000 for paratransit vehicles

8. Caltrans' Update

Amani Meligy, Caltrans reported update.

Note: Where times are indicated for the agenda items, they are approximate and intended as estimates only and may be shorter or longer as needed.

9. PRESENTATIONS

9.1 NVTa Project Update

Information only/No action taken

Staff member, Grant Bailey provided report.

10. CONSENT AGENDA ITEMS

Motion MOVED by JOSEPH, SECONDED by PEDROZA to APPROVE Consent Agenda Items 10.1-10.7. Motion passed unanimously.

Aye: 24 - Garcia, Pedroza, Dohring, Joseph, Alessio, Sedgley, Mohler, Williams, Eisenberg, Bolt-Trippe, Chouteau, and Gregory

10.1 Meeting Minutes of November 15, 2023 (Laura Sanderlin) (Pages 10-13)

Attachments: [Draft Minutes](#)

10.2 Paratransit Coordinating Council (PCC) Member Appointment to the Napa Valley Transportation Authority (NVTa) Board of Directors (Laura Sanderlin) (Pages 14-16)

Attachments: [Staff Report](#)

10.3 Revised Passenger Code of Conduct (Rebecca Schenck) (Pages 17-25)

Attachments: [Staff Report](#)

10.4 Amendment to the Cultural Resources Monitoring and Treatment Agreement for the St. Helena to Calistoga Napa Valley Vine Trail Project (Grant Bailey) (Pages 26-31)

Attachments: [Staff Report](#)

10.5 Amendment to Agreement No. 17-15 with Kimley Horn and Associates (KHA) for Vine Bus Maintenance Facility Architectural and Engineering Design Services (Grant Bailey) (Pages 32-40)

Attachments: [Staff Report](#)

10.6 Notice of Completion for the Imola Park and Ride Improvements Project (Grant Bailey) (Pages 41-46)

Attachments: [Staff Report](#)

- 10.7** Amendment No. 1 to Agreement 23-C13 with EMC Research Inc for Polling Services Associated with the Proposed Replacement Sales Tax Measure- the Napa Valley Transportation Improvement Act (Antonio Onorato) (Pages 47-53)

Attachments: [Staff Report](#)

11. REGULAR AGENDA ITEMS

- 11.1** Agreements for Project Approval and Environmental Document Phase Work associated with the American Canyon State Route 29 Corridor Improvement Project (Grant Bailey) (Pages 54-109)

Attachments: [Staff Report](#)

{Director Pedroza departed at 3:15pm}

Motion MOVED by DOHRING, SECONDED by GARCIA to APPROVE Item 11.1. Agreements for Project Approval and Environmental Document Phase Work associated with the American Canyon SR29 Corridor Improvement Project. Motion passed unanimously.

Aye: 22 - Garcia, Dohring, Joseph, Alessio, Sedgley, Mohler, Williams, Eisenberg, Bolt-Trippe, Chouteau, and Gregory

Absent: 2 - Pedroza

- 11.2** Professional Services Agreement No. 23-C33 with Nelson/Nygaard Consulting Associates, Inc. for work associated with the Countywide Accessible Transportation Needs Assessment (Diana Meehan) (Pages 110-131)

Attachments: [Staff Report](#)

{Director Sedgley departed at 3:20pm}

Motion MOVED by DOHRING, SECONDED by GARCIA to APPROVE Item 11.2. Authorizing Professional Services Agreement No. 23-C33. Motion passed unanimously.

Aye: 17 - Garcia, Dohring, Joseph, Alessio, Mohler, Williams, Eisenberg, Bolt-Trippe, Chouteau, and Gregory

Absent: 7 - Pedroza, and Sedgley

- 11.3** Professional Services Agreement with Muelreath Public Affairs for Strategic Communications Campaign and Public Relations Services (Antonio Onorato) (Pages 132-151)

Attachments: [Staff Report](#)

Motion MOVED by DOHRING, SECONDED by GREGORY to APPROVE Item 11.3. Authorizing Professional Services Agreement No. 23-C32. Motion passed unanimously.

Aye: 17 - Garcia, Dohring, Joseph, Alessio, Mohler, Williams, Eisenberg, Bolt-Trippe, Chouteau, and Gregory

Absent: 7 - Pedroza, and Sedgley

11.4 Federal and State Legislative Update (Kate Miller) (Pages 152-168)

Attachments: [Staff Report](#)

Information only/No action taken

12. CLOSED SESSION

Board of Directors entered into Closed Session at 3:34pm.

12.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957(b)(1))

Title: Executive Director

No reportable action.

13. FUTURE AGENDA ITEMS

None

14. ADJOURNMENT

Chair Alessio adjourned the meeting at 4:35pm.

14.1 The next Regular Meeting is Wednesday, February 21st.

Laura M. Sanderlin, NVTB Board Secretary



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Cover

SUBJECT

ADA Paratransit Policy Changes

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board of Directors approve the update to NVTA's Transit Policies for paratransit service to 1) add a medical verification and phone interview to the eligibility determination process, and 2) standardize the renewal timeline for eligibility to five (5) years to be consistent with all other Bay Area paratransit providers.

EXECUTIVE SUMMARY

Action 25 of the Bay Area Transit Transformation Action Plan ("Action Plan") requires that "standardized eligibility practices for programs that benefit people with disabilities (ADA paratransit)" be established for the Bay Area. After documenting current practices and nationwide best practices, the Metropolitan Transportation Commission (MTC) drafted recommendations cooperatively with the Bay Area Partnership Accessibility Committee, a working group of representatives from Bay Area transit agencies. The recommendations span options for incremental improvements toward developing a centralized process that integrates most, if not all, eligibility functions into one system for the entire region. To adhere with the other Bay Area paratransit providers on the first two Tier 1 recommendations, NVTA staff is recommending that the Board approve updates to the Transit Policies to 1) add a medical verification and phone interview to the eligibility determination process, and 2) standardize the renewal timeline for eligibility to five (5) years.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: ADA Paratransit Policy Changes

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board of Directors approve the update to NVTA's Transit Policies for paratransit service to 1) add a medical verification and phone interview to the eligibility determination process, and 2) standardize the renewal timeline for eligibility to five (5) years to be consistent with all other Bay Area paratransit providers.

COMMITTEE RECOMMENDATION

At a regular meeting of the Paratransit Coordinating Council (PCC) on January 11, 2024, the PCC recommended that these ADA Paratransit Policy changes be taken to the NVTA Board for approval.

BACKGROUND

The first two Tier I Recommendations in the Bay Area ADA Paratransit Eligibility Recommendations released by MTC are as follows:

1. Implement new standard application forms available online

Agencies will use standard application forms: 1) a short form to be used in conjunction with in-person transit skills assessments, and 2) a longer form to be used in conjunction with medical verifications and phone interviews. Each agency will post their application and other paratransit information on their website. To meet Title VI requirements, translated versions of the application and related essential documents will also be posted on transit agency websites.

2. Standardize renewal timelines for eligibility to five (5) years

Agencies will increase the eligibility for both permanent eligibility and auto-renewals from three years to five years.

Below is a brief summary of the changes to the Transit Policies and Procedures that need to occur to align with these Tier I recommendations.

1. 'Implement new standard application forms available online'

NVTA already offers their application online and since COVID, the agency has been using a long form application and phone interview. The one item NVTA is not currently doing is an additional medical verification, however, NVTA's eligibility consultant, ADA Ride, has this capability and has a standard form included as Attachment 2.

2. 'Standardize renewal timelines for eligibility to five (5) years'

This item involves increasing unconditional and conditional eligibility from three (3) years to five (5) years. Redline changes can be found in Attachment 1.

ATTACHMENTS

- 1) Chapter 5: ADA Paratransit Policies from NVTA Policies, Practices and Procedures Manual Transit Policies
- 2) Medical Verification Form
- 3) Action: 25 Bay Area ADA Paratransit Eligibility Standardization Draft Recommendations

NVRTA POLICIES, PRACTICES, AND PROCEDURES MANUAL

TRANSIT POLICIES

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CHAPTER 5 ADA PARATRANSIT POLICIES

Section 5.1. Service Overview

Section 5.2. NVTa Eligibility Standards In compliance with the American’s with Disabilities Act (ADA) of 1990 the Napa Valley Transportation Authority (NVTa) provides complementary paratransit service (Vine Go) to the Vine fixed route bus system. This service is available to all individuals deemed eligible that are making a trip with an origin and destination within three-quarters (¾) of a mile of a Vine fixed route corridor. Vine Go paratransit operates as a curb-to-curb service.

Per the ADA regulations individuals falling into one or more of the below categories are eligible to receive complementary ADA paratransit service:

Category 1: Any individual with a disability who is unable, as the result of a physical or mental impairment (including a vision impairment), and without the assistance of another individual (except the operator of a wheelchair lift or other boarding assistance device), to board, ride, or disembark from any vehicle on the fixed route system which is readily accessible to and usable individuals with disabilities.

Category 2: Any individual with a disability who needs the assistance of a wheelchair lift or other boarding assistance device and is able, with such

assistance, to board, ride and disembark from any fixed route vehicle which is readily accessible to and usable by individuals with disabilities if the individual wants to travel on a route on the system during the hours of operation of the system at a time, or within a reasonable period of such time, when such a vehicle is not being used to provide designated public transportation on the route.

Category 3: Any individual with a disability who has a specific impairment-related condition which prevents such individual from traveling to a boarding location or from a disembarking location on such system.

- Under this condition an emphasis is placed on prevents. A condition which makes traveling to boarding location or from a disembarking location more difficult for a person with a specific impairment-related condition than for an individual who does not have the condition, but does not prevent the travel, is not a basis for eligibility.
- Architectural barriers not under the control of the public entity providing fixed route service and environmental barriers (e.g., distance, terrain, weather) do not, standing alone, form a basis for eligibility under this paragraph. The interaction of such barriers with an individual's specific impairment-related condition may form a basis for eligibility under this standard, if the effect is to prevent the individual from traveling to a boarding location or from a disembarking location

Section 5.3. Eligibility Determination Process

Individuals wishing to apply for ADA paratransit service must complete an application in conjunction with a medical verification and phone interview. All decisions regarding an applicant's eligibility shall be rendered in written form within twenty-one (21) days of receiving the applicant's determination form regardless of any follow up.

Section 5.4. Eligibility Categories

NVTA separates eligible individuals into three distinct categories: unconditional, conditional, and temporary. Unconditional eligibility is assigned to individuals who are unable to use fixed route transit under any circumstances. Conditional eligibility is assigned to individuals who are able to independently use fixed route transit under some circumstances. Those "circumstances" are determined at the time of an applicant's evaluation and are then adhered to when scheduling rides. Temporary eligibility is assigned to individuals who experience a temporary loss of functional ability that prevents them from using fixed route service. Each eligibility category shall result in differing terms regarding the span of time in which an individual is certified to use ADA paratransit. Individuals deemed unconditional shall remain eligible indefinitely due to the fact most disabilities that would result in this type of categorization do not improve with time. Unconditional individuals will receive a letter every five (5) years to ensure the most up to date information is on record. Conditionally eligible individuals shall remain certified for a period of five (5) years. Prior to their expiration conditionally eligible individuals will be sent a letter asking to renew as well as a new application. The determination of eligibility

may change during their renewal, should their disability either improved or deteriorated. Temporarily eligible individuals will also be sent a letter and application at the end of their term giving them the opportunity to renew should they feel that their condition still prevents them from riding fixed route transit.

Section 5.5. Appeals Process

If a paratransit applicant is deemed ineligible and does not agree with the determination they have the right to appeal the decision. To formally appeal a decision a letter must be submitted to NVTA within 60 days of receiving an eligibility determination letter. The letter shall be addressed to NVTA 625 Burnell St. Napa, CA 94559 to the attention of the Manager of Public Transit. Upon receiving the letter an appeals panel will be assembled to hear an applicant's appeal. The applicant or someone they appoint to speak on their behalf shall be contacted and an in person meeting with the panel will be scheduled. The panel shall consist of a member of Napa County's Paratransit Coordinating Council (PCC), a member of NVTA's Evaluation Contractor's evaluation staff, and the Manager of Public Transit or his/her designated staff member. The appeals panel will render a final written decision within thirty (30) days of hearing the appeal. Should the appeals panel not render a decision within the thirty (30) days after the completion of the appeals process, NVTA shall provide paratransit service to the applicant until a decision is rendered. Free transportation shall be provided to the appealing applicant and their personal care attendant (PCA) to the appeals hearing.

Section 5.6. Visitors

Complementary paratransit service is available to visitors. A visitor is defined as anyone coming from an area outside of the nine (9) Bay Area Counties. All visitors must submit a proof of eligibility as determined by the jurisdiction in which they formally reside prior to their use of the Vine Go system. In a case where an individual has no formal documentation of ADA eligibility, the individual is to provide documentation of residence outside of the Bay Area, and if the individual's disability is not apparent, proof of disability. Visitors shall be able to use Vine Go for a total of twenty-one (21) days within a three hundred and sixty-five (365) day period. Should an individual need service beyond the twenty-one (21) total days they shall be required to apply for local certification.

Section 5.7. Reservation and Scheduling

Eligible individuals may schedule their trips as early as seven (7) days in advance or as late as the day before the intended trip. For clarification, the "day before" is not considered to be twenty-four (24) hours prior to the intended trip. A request for a morning trip can be made in the afternoon of the day before. Trips are scheduled on a first come, first serve basis. No trips will be given priority over the other based on trip purpose or destination. Reservationist may negotiate an eligible individual's requested pickup time up to one hour before or after the desired pickup time. Reservationists shall be available to schedule trips from 8:00AM to 6:00PM, Monday through Friday and 8:00AM to 5:00PM Saturday through Sunday. NVTA does not provide subscription service.

Section 5.8. Hours of Operation and Service Area

NVTA shall operate complementary paratransit service during the same days and hours that fixed route service operates. Thus, if an individual can travel from a given origin to a given destination on a particular fixed route at a certain time of day, a paratransit eligible person must also be able to travel from the same origin to that same destination on paratransit at that time of day. Because paratransit service is required to be available during the same hours and days as the fixed route system, and because not all fixed routes will necessarily be operating at a given time on a given day, the shape of the paratransit service area can be expected to change accordingly. For example, it is common for certain routes to not run late at night or on Sundays. Those routes, and their associated paratransit corridors, are not served with paratransit when the fixed route system is not running on them.

Section 5.9. Fares

NVTA shall set its fares for paratransit trips at twice that of a comparable fixed route trip. Eligible individuals shall pay their fare upon boarding. Personal care attendants (PCA) that are specifically identified in an eligible individual's file ride for free. Should an eligible individual have a companion that is not their designated PCA, that individual shall be required to pay the same fare amount as the eligible individual they are travelling with.

Section 5.10. Mobility Devices

Vine and Vine Go transit vehicles are designed to accommodate most wheelchairs and mobility aids. NVTA defines a wheelchair as a mobility aid that belongs to any class of three or more wheeled devices, is manual or powered, usable indoors and/or outdoors, and designed or modified for the an individual's mobility impairments. The maximum amount that a lift on the fixed route system can safely accommodate is 600lbs (rider and mobility device combined). Some ramp equipped fixed route vehicles can accommodate 800lbs however there is no guarantee that those specific vehicles will be available for one's trip. For safety reasons riders and their mobility device that have a combined weight of 600lbs or more are encouraged to use paratransit. The maximum the lifts on NVTA's paratransit fleet can safely accommodate is 800lbs. If the combined weight of a rider and their mobility device is 800lbs or greater Vine Go cannot accommodate them safely and the rider will be directed to make other transportation arrangements.

Section 5.11. Passenger Accompaniment

NVTA guarantees any eligible paratransit user one travel companion. Additional persons accompanying eligible individuals are to be served on a space-available basis to prevent displacement of other ADA paratransit eligible individuals. NVTA does not limit who the companion may be; the companion may be a family member, friend, or business associate, etc. NVTA requires that the eligible individual reserve a space for the companion when reserving his or her own ride. A personal care attendant (PCA), someone designated or employed to assist the eligible individual, may always ride with the eligible individual. If there is a PCA on

the trip, the eligible individual may still bring a companion, as well as additional companions on a space-available basis. To be considered as “accompanying” the eligible individual, a companion must have the same origin and destination points as the eligible individual.

NVTA allows service animals to accompany paratransit users on all trips. A service animal is defined by the ADA as “any guide dog, signal dog, or other animal individually trained to work or perform tasks for an individual with a disability, including, but not limited to, guiding individuals with impaired vision, alerting individuals with impaired hearing to intruders or sounds, providing minimal protection or rescue work, pulling a wheelchair, or fetching dropped items.” Emotional support, therapy, comfort, or companion animals are not considered “service animals” as they have not been trained to perform a specific job or task. Operational staff may ask if an animal is a service animal or ask what tasks the animal has been trained to perform in cases where it is not obvious that an animal is a service animal. NVTA shall not require the exclusion of a service animal unless the animal is out of control and the animal's owner does not take effective action to control it or the animal poses a direct threat to the health or safety of others. NVTA does not limit the number of service animals accompanying a user as long as each animal meets the definition of a service animal and is kept under the control of the rider.

Section 5.12. Passenger Assistance

As defined in Section I of these policies NVTA's ADA paratransit shall operate as a curb-to-curb service. Drivers will provide assistance beyond the curb on an as-needed basis. NVTA shall ask users upon requesting their ride to inform the reservationist if this aid is needed for their pickup and/or drop-off. Should a user not inform the reservationist or a barrier becomes present that was unknown creating the requirement of assistance from the driver, assistance shall not be denied. Although assistance beyond the curb shall be provided on a case by case basis it is NVTA policy that drivers are able to maintain “effective continuing control” of the vehicle. Effective continuing control is defined by the NVTA as the driver being able to maintain visual contact with the vehicle at all times in cases where a user needs assistance beyond the curb. Drivers are also prohibited to enter private residences or past the first exterior door of any other building even if visual contact with the vehicle can be maintained.

Section 5.13. No-Shows

A no-show is defined as a situation where a rider does not take a scheduled ride or cancels their trip an hour or less before their scheduled pickup time due to reasons within their control. Trips missed due to sudden illness, family emergency, or transit agency error or lateness considered outside of the rider's control are not considered a “no-show”. A no-show often results in a wasted trip that could have otherwise been given to someone else. Due to critical nature of paratransit trips NVTA takes chronic no-shows very seriously. ADA regulations allow paratransit service to be suspended for a reasonable amount of time when a rider consistently does not appear for scheduled trips. Missing three (3) trips or 10% or more of a

passenger's total trips in a calendar month is considered chronic no-show behavior. If a rider presents chronic no-show behavior he or she will be provided with written notification of their impending suspension and the degree of their penalty. The penalties are described below:

- 1st month – Passenger will receive a phone call and a letter to review the policy and rider expectations.
- 2nd month – Seven (7) day suspension
- 3rd month – Fourteen (14) day suspension
- 4th month and after – increasing penalties by one (1) week up to one (1) month suspension.
- Penalties will reset after a year period from the first warning letter.

At any point that an individual receives a written warning or impending suspension notice they may appeal the suspension within sixty (60) days of receipt. The appeals panel will render a final written decision within thirty (30) days of receiving the appeal.

Section 5.14. Pick-Ups

NVTA requests that riders be ready for pick-up at their scheduled time. Drivers shall wait five (5) minutes past the scheduled pick-up time for a registrant to make an indication they are present and planning to make their trip. If a registrant does not show themselves or make a good faith effort they to inform the driver they are making their way to the vehicle the driver will depart and the registrant will be considered a no-show. This five (5) minute window shall commence from the scheduled time of pick-up, not when the vehicle arrives. If a driver arrives prior to the scheduled pick-up they cannot commence the countdown until the scheduled pick-up time. Should a driver arrive early there is no obligation for the registrant to board the vehicle. Although there is no obligation a registrant may elect to depart early, and the trip will be considered early. A trip is considered “on-time” when a vehicle arrives within thirty (30) minutes of the scheduled pick-up time. If the vehicle arrives outside of the thirty (30) minute window they are considered late. To ensure a high quality of service NVTA expects that 90% of pick-ups are either on-time (within the 30-minute window) or are early.

Section 5.15. Denials and Missed Trips

NVTA shall have no denials of service. NVTA's operator shall make it a top priority to provide enough capacity on the system to meet demand. Missed trips are trips that are not completed due to agency error. They shall be defined as follows.

- The vehicle arrives and leaves before the beginning of the pickup window without picking up the rider and without any indication from the rider that he or she no longer wants to make the trip. Note that a rider is not obligated to board until the beginning of the pickup window or—for transit agencies that have a 5-minute wait-time policy—from the start of the pickup window until 5 minutes have elapsed.
- The vehicle does not wait the required time within the pickup window, there is no contact with the rider, and the vehicle departs without the rider. Note that if during the wait time the rider indicates he or she no longer wants to take the trip, this is typically recorded as a “cancel at the door.”

- The vehicle arrives after the end of the pickup window and departs without picking up the rider (either because the rider is not there or declines to take the trip because it is now late).
- The vehicle does not arrive at the pickup location.

Section 5.16. Trip Length

NVTA shall sample twenty (20) random weekday trips, five (5) Saturday trips, and three (3) Sunday trips on a monthly basis to ensure that travel times are comparable to the travel times an individual would have on a comparable fixed route trip. NVTA expects trips to be comparable 95% of the time.

Section 5.17. Equivalent Service

NVTA operates four on-demand shuttle services in the communities of Calistoga, St. Helena, Yountville, and American Canyon. These on-demand services shall operate as complementary ADA paratransit for all trips originating and ending within their respective service areas. To ensure equitable service NVTA shall ensure that response times, fare, geographic service area, hours/days of operation, restrictions, availability of information and reservation capability, and constraints on capacity or availability are equal between ADA and non-ADA eligible riders of each on-demand shuttle service.

Action 25: Bay Area ADA Paratransit Eligibility Standardization Draft Recommendations



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Executive Summary

Action 25 of the Bay Area Transit Transformation Action Plan (“Action Plan”) requires that “standardized eligibility practices for programs that benefit people with disabilities (ADA paratransit)” be established for the Bay Area. As a first step towards implementation of this task, information was gathered about (1) current eligibility practices conducted by ADA paratransit programs throughout the Bay Area, and (2) nationwide standards and best practices for determining ADA paratransit eligibility. After documenting current practices and nationwide best practices, draft recommendations were developed cooperatively with the Bay Area Partnership Accessibility Committee, a working group of representatives from Bay Area transit agencies. Draft recommendations span options from incremental improvements (recommendations for each transit agency) towards developing a centralized process that integrates most, if not all, eligibility functions into one system for the entire region. It is fully recognized that due to a variety of factors, the Bay Area may never achieve a fully integrate regional eligibility system. However, this list of draft recommendations was developed to bring the region’s transit agencies closer to having one standard process for determining ADA eligibility and are aimed at improving eligibility accuracy and efficiency for each individual transit agency. This document outlines those draft recommendations and provides materials such as a sample eligibility decisions trees and a sample phone interview protocol, to assist agencies as they improve their eligibility practices and meet regional goals.

Tier 1 Recommendations

To enhance accessibility and to streamline the application and renewal process for ADA paratransit services, the following set of recommendations was developed cooperatively with the Bay Area Partnership Accessibility Committee (BAPAC), a working group of representatives from Bay Area transit agencies. From adopting standardized online application forms, extending eligibility renewal timelines, expanding intake call inquiries and promoting travel training, **Tier 1 initiatives are intended to create a more efficient, user-friendly, and consistent paratransit eligibility process.** Tier 1 recommendations, in the table below, are goals with short-term horizons that require fewer resources than long-term recommendations made in Tier 2.

Tier 1 Recommendations

1. Implement new standard application forms available online

Agencies will use standard application forms: 1) a short form to be used in conjunction with in-person transit skills assessments, and 2) a longer form to be used in conjunction with medical verifications and phone interviews. Each agency will post their application and other paratransit information on their website. To meet Title VI requirements, translated versions of the application and related essential documents will also be posted on transit agency websites.

2. Standardize renewal timelines for eligibility to five (5) years

Agencies will increase the eligibility period for both permanent eligibility and auto-renewals from three years to five years.

3. Expand intake call questions, identify paratransit alternatives, and enhanced promotion/incorporation of travel training

Agencies will expand the time and utility of intake calls to educate callers about mobility options and the intended role of ADA paratransit. In these calls, agencies will identify all accessible mobility options available in the community and ensure that these options are discussed in detail. As part of the enhanced promotion of mobility options, agencies will work with their county's mobility manager by ensuring eligibility and travel training programs work in tandem.

4. Standardize appeals process

Agencies will standardize the appeals process with the possibility of conducting appeals on a sub-regional basis with standing committees. This approach will reduce the administrative burden experienced by less resourced agencies that do not have the capacity to coordinate appeals committees. One standing appeals committee serving a number of systems can conduct eligibility appeals on a more efficient basis for the typically small number of individuals who appeal eligibility determinations.

5. Participate in eligibility trainings

MTC will sponsor annual regional eligibility training to enhance the skills of current evaluators, incorporating peer cross-evaluators. Systems without in-person assessments will receive half-day trainings while systems offering in-person assessments will receive full-day trainings.

6. Provide funding to smaller agencies

MTC will explore making funds available to smaller agencies to enhance the accuracy of their eligibility processes by joint contracting with one vendor responsible for multiple systems. As an interim step, this approach will be used for systems that are still reliant on paper- or phone- based applications that would benefit from evaluator staff with more specialized skills than their current administrative staff.

Tier 2 Recommendations

Tier 2 Draft Recommendations **represent a more substantial approach to the enhancement of ADA paratransit eligibility programs.** In recognition of the evolving landscape of accessibility, these strategies encompass strategic shifts that encourage a broader array of accessible transportation modes. From the expansion of in-person assessments to encompass initial determinations, to the exploration of innovative non-in-person options for specific categories, these recommendations are intended to customize the models used to best suit the mobility levels of individual applicants.

Tier 2 Recommendations

1. Upgrade and implement phone interviews

The small number of agencies that are currently limited to paper-based application models will implement phone interviews. Telephone discussions will allow eligibility evaluators to gain a greater understanding of applicants' mobility capabilities than a non-interactive paper application.

2. Expand role of in-person assessments

Some agencies only conduct in-person assessments for those applicants who are appealing their eligibility determinations. Given the familiarity these agencies have with in-person assessments, expansion of this function to a greater number of applicants should be less challenging than for those agencies that do not have this experience. The increase of in-person assessments will enhance the overall accuracy of eligibility determinations.

3. Increase application of trip conditional eligibility

Agencies will define conditional eligibility based on more objective or quantifiable language rather than general phrases. For example, rather than indicating that a person is eligible for a trip due to "distance," agencies will indicate that they are eligible for a paratransit trip when the distance to the bus stop is more than three blocks on either end of the trip. Agencies will also train eligibility staff to refine conditional language and create a shared understanding of the conditions under which a registrant's trip request is ADA-paratransit eligible. Additionally, agencies will implement a protocol of contacting conditionally eligible riders by phone to clarify their eligibility conditions and discuss alternatives to paratransit. As part of these alternatives, if feasible, agencies will make a staff "bus buddy" available to accompany riders on their first fixed-route trip.

4. Explore non-in-person options for certain categories

For applicants whose application is based on categories that are not conducive to in-person assessments (psychiatric, vision, seizures), agencies will explore non in-person assessments, such as the submission of professional verification with telephone follow-up.

5. Reach out to potential new eligibility vendors

Agencies will identify potential vendors who have rehabilitation backgrounds that can be adapted to in-person assessments. Agencies will reach out to these vendors to explain the process and generate interest in future contract solicitations.

6. Explore technical solutions to enhance eligibility implementation

Agencies will explore technical solutions to help enhance accuracy and consistency of eligibility programs, including optimal integration of eligibility and scheduling software programs. This will increase the capacity of paratransit programs to apply eligibility conditions to trip requests from those who are conditionally eligible.

Agency Specific Recommendations

Below are recommended improvements that are pertinent to each individual transit agency. These steps can be adopted on a system-specific basis with an eye towards regional standardization.

Incremental Eligibility Recommendations for Individual Transit Agencies

Transit System	Recommended Improvements
County Connection	A, C, D, F, I, J, K, M
East Bay Paratransit	C, D, H, I, J, K, M, N
Livermore Amador Valley Transit Authority (LAVTA)	A, C, D, E, F, I, J, K, M, N
Marin Transit / Golden Gate Transit (Marin Access)	B, D, E, F
Napa Valley Transportation Authority (NVTA)	C, D, E, H, M, N
Petaluma Transit	C, D, E, F, H, M, N
SamTrans	A, B, C, D, I, J, K, L, M, N
San Francisco MTA (SFMTA)	C, D, H, M
Santa Clara Valley Transportation Authority (VTA)	A, C, D, F, G, H, I
Santa Rosa CityBus	A, C, D, F, H, I
Solano County transit agencies	A, B, C, D, F, H, I, J, K, M, N

Sonoma County Transit	C, D, E, F, H, M, N
Tri Delta Transit	C, D, E, F, M, N
Union City Transit	B, C, D, E, F, H, M, N
WestCAT	C, D, E, F, H, M, N

A - Create two new standard applications: Create two standard application forms 1) for systems that use in-person assessments (short form), 2) for all other systems (shorter than current forms in select systems). Change usage of the term “functional assessments” to “transit skills assessments.”

B - On-Line application forms: Implement online application forms throughout the region, including translated versions to meet Title VI requirements

C - Expand intake call role: Expand time and utility of intake calls to educate callers about mobility options and the intended role of ADA paratransit.

D - Standardize appeals process: Standardize appeals process with possibility of conducting appeals on a sub-regional basis with standing committees.

E - Provide funding to smaller agencies: Provide funding to smaller agencies that are working to enhance the accuracy of their eligibility processes, including the possibility of joint contracting with one vendor responsible for multiple systems. As an interim step this approach can be used for systems that are still reliant on paper- or phone- based applications that would benefit from evaluator staff with more specialized skills than their current administrative staff.

F - Upgrade and implement phone interviews: For the small number of systems whose processes are limited to paper-based application models, upgrade and implement phone interviews that can be conducted on a sub-regional basis. Make exceptions for systems that are providing high quality, ADA-compliant paratransit service that is within their fiscal means.

G - Expand role of in-person assessments: For those systems currently operating very limited in-person assessments (e.g., for appeals only), expand this function to include initial eligibility determinations.

H - Identify paratransit alternatives and enhance promotion: Identify all accessible mobility options available in the community and ensure that these options are discussed in detail in the in-person and phone assessments.

I - Participate in eligibility trainings: MTC host NTI paratransit eligibility trainings annually to enhance skills of current evaluators. Consider half day trainings for systems without in-person assessments, and full day for those with in-persons. Incorporate peer cross-evaluator training and other mechanisms to improve consistency and overall QA/QC.

J - Increase application of trip conditional eligibility: For systems that have experience with in-person assessments pre-COVID and/or have returned to in-persons, implement the following measures to increase application of eligibility conditions (trip screening):

- Evaluate and improve conditional eligibility language to make it more operational. Where possible, define conditional eligibility based on concrete metrics rather than general phrases. For example, rather than indicating that a person is eligible for a trip

due to “distance,” indicate that they are eligible for a paratransit trip when the distance to the bus stop is more than three blocks on either end of the trip.

- Train eligibility and call taking staff to reflect more clearly defined conditional language. For example, eligibility and call taking staff (and the registrant should all share a similar understanding of the conditions under which their trip request is ADA-paratransit eligible.
- Implement protocol of contacting conditionally eligible riders by phone to clarify their eligibility conditions and discuss alternatives to paratransit.
- Make a staff “bus buddy” available to accompany rider on first fixed-route trip.

K - Explore non in-person options for certain categories: On an interim basis, explore potential for non in-person assessments for applicants whose application is based on certain categories not conducive to in-persons, such as psychiatric, vision, seizures (e.g., submission of professional verification with possibility of telephone follow-up).

L - Reach out to potential new eligibility vendors: Identify potential vendors who are not necessarily part of the small group of national eligibility contractors but have rehabilitation backgrounds that can be adapted to in-person assessments. Reach out to these vendors to explain the process and generate interest in future contract solicitations.

M - Explore technical solutions to enhance eligibility implementation: Explore technical solutions to help enhance accuracy and consistency of eligibility programs, including optimal integration of eligibility and scheduling software programs. For example, Trapeze has an eligibility module that can be used by schedulers to consider trip eligibility limitations when scheduling a trip.

N – Incorporate travel training: Ensure eligibility and travel training programs work in tandem.

Fully Integrated Regional System

A fully integrated regional system would include the establishment of regional in-person Mobility Centers for the purpose of conducting ADA paratransit eligibility assessments for all transit agencies in the Bay Area. This model would incorporate a range of levels of assessments, with the majority of applicants evaluated in-person, either through interviews or interviews plus transit skills assessments (TSAs).

These would be conducted as part of the function of sub-regional Mobility Centers. Three to five sub-regional centers are proposed in order to balance the goal of merging functions to achieve economies of scale for systems that are in close proximity to each other, while avoiding significant travel for paratransit applicants. In order to determine logical consolidation of facilities, further analysis will account for the specifics of each subregion, such as the distances applicants would have to travel to access each sub-regional center and an assessment of counties’ available resources to conduct assessments. This approach is also intended to address the needs of smaller systems that don’t have the resources to hire rehabilitation specialists or establish separate travel training programs.

The aim of each Mobility Center will be to serve as a one-stop shop for people with disabilities who are informed of the variety of mobility options in their area, including the use of paratransit service. A number of agencies in the Bay Area have already integrated their eligibility tasks into a larger mobility management function, and this strategy is intended to expand on those efforts and incorporate multiple agencies in the process.

Important aspects of a fully integrated regional system:

1. Establish three to five regional in-person Mobility Centers for the purpose of conducting ADA paratransit eligibility assessments for all transit agencies in the Bay Area. Determine the need for satellite offices in rural areas.
2. When implementing Mobility Centers, take into account the staggered timelines of current eligibility contracts. The different end points of each of these contracts can pose a challenge to entering into simultaneous contracting arrangements based on the recommendations included in this report.
3. When agencies have transitioned to in-person assessments, implement measures to expedite the eligibility process. Proposed adjustments to the process include:
 - Shortening of application form
 - Require Professional Waivers which simply require contact information for the applicant's healthcare professional) rather than Professional Verification forms
 - Limit in-person interviews to new applicants and re-applicants whose original term expired (rather than recertifications based on initial in-person assessment)
 - Extend certification term from three to five years
 - Expand automatic certification renewals (also known as auto-recert or auto-renewal) to all unconditional registrants, or if more categories are added, ensure that these are applied consistently throughout the region
 - Make the process as paperless as possible, while allowing for usage by those who do not have computer capabilities

Recommendations for MTC

Recommendations for MTC will include the following:

- Provide ongoing forums for eligibility training
- Upgrade and administration of RED
- Supporting efforts to identify paratransit alternatives and develop travel training programs through Action 21 of the Transformation Action Plan (Designate a mobility manager to in each county)

Decision Trees

To enhance the accuracy and efficiency of paratransit eligibility processes across Bay Area agencies, these sample decision trees can guide agencies as they streamline their paratransit eligibility evaluation processes while ensuring consistency and fairness. These decision trees offer a comprehensive framework to help agencies make well-informed eligibility determinations. By presenting a standardized visual representation of assessment criteria and outcomes, this approach aims to empower agencies with a tool that not only enhances the accuracy of eligibility decisions but also fosters a more transparent and equitable paratransit network in the Bay Area.

Qualification Process for systems that conduct in-person assessments

1. Applicant requests/submits application
 - a. Calls office for form to be mailed or dropped off
 - b. Emails office for Form
 - c. Submits application online
2. Staff reviews application for completeness
 - a. If incomplete, schedule phone or Zoom call to complete application
 - b. Once the form is completed, staff reviews the form, starting the 21-day timeline.
 - c. If applicable, evaluator will grant immediate medical needs certification
3. Staff contacts applicant
 - a. Staff finds that the applicant's form requires an in-person assessment
 - i. Depending on the application, staff may conduct an interview or an interview plus transit skills assessment
 - b. Staff finds that the applicant's form requires a follow-up phone or Zoom call, including discussion of mobility options - determines an In-person interview is needed
 - i. In the case of "gray area applications," an in-person assessment is necessary
 1. Depending on the application, staff may conduct an interview or an interview plus transit skills assessment
 - c. Staff determines that application is based on seizure, psychiatric visual, or cognitive disability. Eligibility assessment will be based off phone and/or healthcare provider submission
4. Staff makes eligibility determination
 - a. Applicant receives eligibility letter, ID card, rider's guide
 - b. If eligibility is denied, applicant can appeal determination

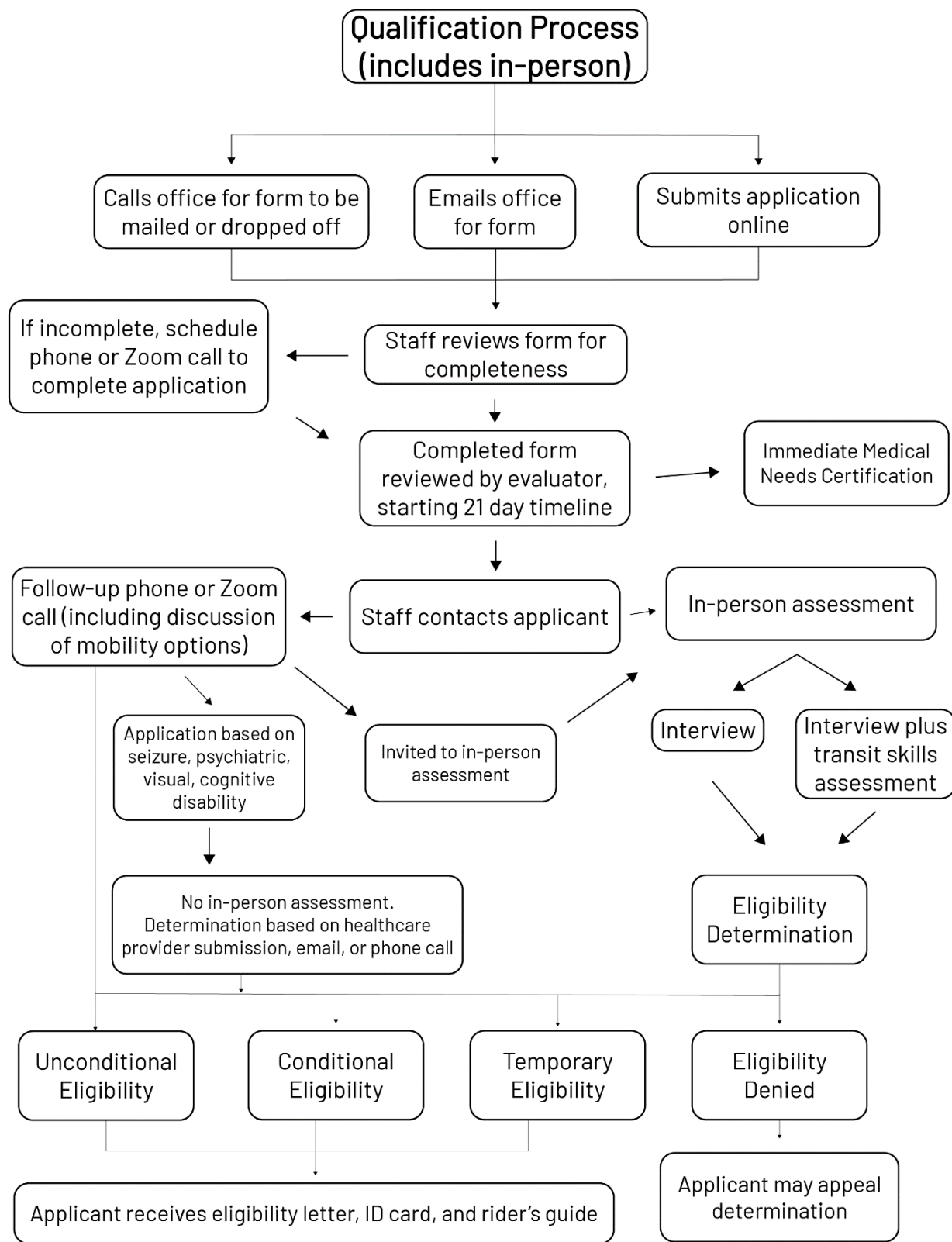


Figure 1: In-Person Qualification Process

Qualification Process for systems that do not conduct in-person assessments

1. Applicant requests/submits application
 - a. Calls office for form to be mailed or dropped off
 - b. Emails office for Form
 - c. Submits application online
2. Staff reviews application for completeness
 - a. If incomplete, schedule phone or Zoom call to complete application
 - b. Once the form is completed, staff reviews the form, starting the 21-day timeline.
 - c. If applicable, evaluator will grant immediate medical needs certification
3. Staff contacts applicant
 - a. Staff finds that the applicant's form requires an in-person assessment
 - b. Staff finds that the applicant's form requires a follow-up phone or Zoom call, including discussion of mobility options - determines an In-person interview is needed
 - i. In the case of "gray area applications," an in-person assessment is necessary
 - c. Staff determines that application is based on seizure, psychiatric visual, or cognitive disability. Eligibility assessment will be based off phone and/or healthcare provider submission.
4. Staff makes eligibility determination
 - a. Applicant receives eligibility letter, ID card, rider's guide
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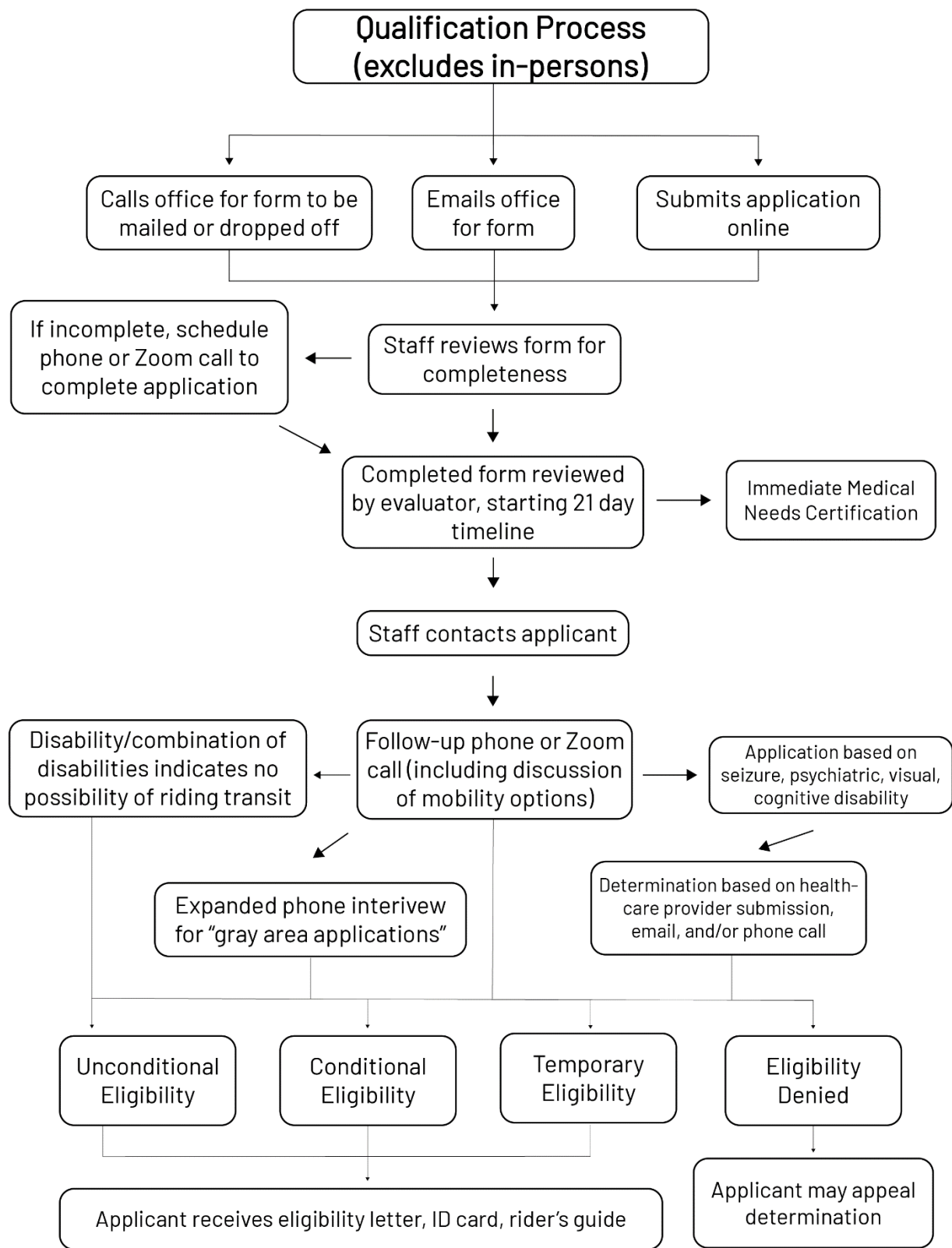


Figure 2: Non-In Person Qualification Process

Phone Interview Protocol

In response to requests from members of the BAPAC eligibility working group, Nelson\Nygaard created a phone interview protocol to guide Bay Area agencies through the optimal phone interview process and provide suggestions for common questions.

Follow-Up Protocol for Completed Applications

The following describes the steps needed once a staff person has determined that the submitted applications are complete.

Determine if applicant should be referred to:

- Phone/Zoom Interview (more details below)
- In-Person Interview
- In-Person Interview and possible Transit Skills Assessment (TSA, formerly known as functional assessment)

This determination for a phone interview is made based on the following questions:

- Is the primary basis for the individual's application a cognitive, visual, psychiatric disability or a seizure disorder? (no in-person needed)
- Is the individual a wheelchair user and unable to self-propel?
- Does the combination of the applicant's disabilities suggest that they cannot now and are unlikely in the future to be able to use transit independently under any circumstances – (no in-person needed, likely be granted unconditional eligibility after a phone interview and review of professional verification).

If any of these situations apply, the evaluator will conduct the following phone or zoom interview (keep in mind all the text in this document is suggestive, and you should use your own language rather than repeating the exact text as stated below):

General Protocol

- Explain the purpose of the phone or Zoom interview – “This is an opportunity for you to explain your travel abilities and your need for ADA Paratransit service.”
- Explain what will happen – “We will have a short phone interview which may result in a determination being made on your eligibility, or we may need some extra information from your treating professional, or you may be referred for an in-person assessment.”
- Explain that the transit agency provides ADA Paratransit service for customers who are unable, because of their disability, to ride the bus/train for some or all their trips.
- “There are a couple of different types of eligibility, either *Unconditional*, in which it is determined that you need ADA Paratransit for all your trips, or *Conditional*, in which you can use ADA Paratransit for some trips but are expected to ride transit for other trips. There is also *Temporary* eligibility in case your disability is short-term”
- “Do you have any questions about ADA paratransit eligibility?”

- “Any information you provide will be kept confidential.”

Phone/Zoom Interview

- Please tell me how you currently travel outside your home?
- Have you ridden transit before?
- When was the last time and how often?
- How do you believe your disability prevents you from riding transit?
- Are you able to cross streets by yourself?
- What about large intersections?
- Are you able to walk over uneven surfaces (grass, sand, gravel)?
- Are you able to travel up a gradual hill?
- How far would you be able to walk in ideal weather? How many city blocks?
- Does weather affect your ability to travel? If so, how?
- Are you able to grip a handrail?
- Please tell me about your ability to keep your balance in a crowd.
- Are there any barriers that would affect your ability to travel to a bus stop?

If the applicant has stated either in their application form or in response to the questions above that they cannot use transit because of one of the following disabilities, please continue the phone interview using the list of questions below pertinent to their disability.

Keep in mind, these questions are relatively high level and you’ll be relying heavily on the professional verification submission to make a determination.

Cognitive

- Do you use a telephone?
- Have you ever traveled alone on a bus? What would you do if you got lost?
- Would you recognize places if you have been to them before?
- Have you had training to travel in the community? Which places did you learn to go to? Are you able to go to those places now?

Psychiatric

- When were you first diagnosed with your disability?
- How do you feel your disability prevents you from riding transit?

- What can paratransit do for you that you cannot do on buses and trains?
- Do you take any medications? If so, how do they help you?
- Do you experience any side effects from the medication?

Visual

- Can you describe how your visual limitations affect you?
- Are your visual limitations stable, degenerative, or otherwise changing?
- Do you have any disabilities besides vision that prevent you from riding the bus or train?
- Do you have a visual acuity statement from your treating professional? (FYI, 20/200 is legally blind)
- Do you use any mobility aids when you are outdoors?
- Can you walk alone outdoors? If yes, when can you travel? Can you go further than a block from your home?

(If person has said that they're partially sighted, ask the following questions)

- Can you see steps or curbs?
- Is your vision worse during daytime, nighttime, about the same in all lighting conditions?
- Can you clearly see bus signage including route number; are you able to differentiate between buses at a stop with multiple routes?

(If person has never used transit)

- Have you considered getting instructions on how to ride transit? If not, are you interested?

Seizure Disorder

- What type of seizures do you have?
- How frequently do they occur?
- When were you first diagnosed with this condition?
- Are there certain things that trigger your seizures? What are they?
- What happens when you have a seizure? Do you have an aura (a warning that they are about to have a seizure)?
- What happens when your seizure has ended? (Are they severely disoriented?)
- Do you take medication for your seizures? Has it helped control the seizures or their effects?

- How do you think traveling on ADA Paratransit will be better for you than traveling on transit?

Use this opportunity to explain other mobility options in the community that may be suited to the applicant.

In-Person Assessment

All applicants who do not have a phone interview will have an in-person assessment. All in-person assessments will start with an interview - some will also require a Transit Skills Assessment (TSA, formerly known as a Functional Assessment). As a general rule, transit agencies assume 20 to 30 minutes for an interview, and 30 to 45 minutes for an interview and TSA, depending on whether a FACTS test for those with cognitive disabilities is included (excluding associated administrative tasks).

How do you decide whether to conduct a Transit Skills Assessment?

If the applicant does not fall into one of the categories listed above for phone/Zoom interviews, do you feel confident that an interview will allow you to make a well-informed eligibility determination, including whether the applicant may be able to ride transit some of the time?

In general, you should err on the side of proceeding with an expanded assessment as long as there is sufficient staffing capacity (or if there are guidelines in a vendors' contract on percentage of TSAs). This is particularly true in the context of "gray area" applications, in which it is difficult to decide on a determination just based on the application form and phone/zoom interview.

The kinds of situations in which an expanded assessment would be warranted are listed below. If the application indicates that, due to their disability, they may have difficulties:

- Walking or ambulating more than two blocks
- Going uphill because they use a manual wheelchair
- Walking at a reasonable speed
- Maintaining balance while riding a bus

Please add to this list based on your experience. If you think an applicant may be conditionally eligible or denied eligibility, you should refer them to an expanded assessment.

Once you have determined what kind of assessment the applicant will participate in:

- Applicant should be asked to bring the primary mobility aid(s) they use to travel in the community
- Applicant should be advised to dress accordingly in the event that they will participate in an outdoors FA
- Make travel arrangements to the interview site if necessary

Note: It is important to remember that if you are still uncertain about the applicant's final determination, you should contact the healthcare provider listed in their application to solicit additional information. Good practice would be to conduct follow-ups in 15 – 30% of applications (including those

already included in the phone/zoom interview category). Attempts to reach the professional should be well-documented in order to ensure a timely turnaround of an eligibility determination.

Should you schedule an Interview or an Interview plus Transit Skills Assessment?

Since interviews generally take shorter than a combined interview plus TSA, e.g., 30 versus 45 minutes, it is useful for scheduling purposes to have a rough idea of what proportion of in-person assessments are likely to include a TSA or not. In some instances, TSAs may only be conducted by trained rehabilitation therapists on certain days, in which case it will be even more important to make the determination before scheduling the assessments. The discussion above assumes that the evaluator has been trained to conduct TSAs and will make a decision either prior to or during the interview whether to proceed to a TSA.

The guidelines above are intended to help with that determination. These guidelines may change over time depending on the volume of applications received, and the capacity of staff to handle either the interviews or the expanded assessments (including TSAs).

APPLICANT NAME:

DOB:

ATTACHMENT 2
NVTAGENDA ITEM 10.2
February 21, 2024



HEALTHCARE PROFESSIONAL VERIFICATION
FOR PROFESSIONAL USE ONLY

ATTENTION PROFESSIONALS COMPLETING THIS FORM

Your client/patient is applying for the Americans with Disabilities Act Paratransit service. The criterion used for determining eligibility is based on one's functional ability to independently use accessible public transportation (bus and rail). There are physical, mental, visual skills required to access public buses and hopefully you can help document your client's / patient's abilities. Keep in mind that public buses are equipped with ramps and lifts thus eliminating the need to negotiate stairs. Public buses offer additional accessibility features like priority seating for seniors and people with disabilities, driver assistance on and off the bus, etc. Your client/patient must have this form completed by a healthcare professional in order to complete their application as we are required by law to complete this process in 21 days. Your participation is vital as incomplete applications will be deemed ineligible and your client / patient will not be able to use the ADA paratransit service. We value your input and respectfully request a response ASAP.

The information shared will be protected per the requirements identified in the Health Insurance Portability and Accountability Act (HIPAA) and your patient/client has agreed to allow NVTAG and its eligibility contractor, ADARIDE.COM to contact you for this information via the application. Your cooperation and assistance is greatly appreciated. If you have any questions or comments please do not hesitate to contact us @ 1-877-232-7433

www.adaride.com you can complete this form online by calling our Toll Free number to obtain the secure application ID number and password.

If any falsification of information is determined in the application / verification, it may result in immediate suspension or termination of your client's paratransit services. It also may be prosecuted to the fullest extent of the law. Your cooperation is greatly appreciated. This form must be completed by one of the following: Physician / MD / DO, Registered or licensed nurse, physical therapist / assistant, occupational therapist / assistant, psychologist, psychiatrist, podiatrist, audiologist, ophthalmologist, rehabilitation specialist, clinical social worker / MFCC Orientation and Mobility Instructor, Special Education Teacher.

ADDRESS / FAX / EMAIL

Please forward both COMPLETED forms to:
ADARIDE 19300 S. HAMILTON AVE SUITE #120 GARDENA, CA 90248
or FAX to: (310) 410-0239
or Email to: info@adaride.com

Your professional information

First name:	_____	Middle name:	_____
Last name:	_____	Professional license#:	_____
Profession:	_____	E-mail address:	_____
Day phone:	□□□-□□□-□□□□	Mobile phone:	□□□-□□□-□□□□

Address

Street#: _____ Street: _____ Apt#: _____
City: _____ State: _____

1. Please list the diagnosis you are treating your client / patient for and any other diagnosis that your client may have

2. Please indicate which of the following category most limits your client/patient.

You can check more than one category if both disabilities limit your client's/patient's independence and mobility.

☐ Mental ☐ Physical ☐ Visual

If you have chosen Physical, please choose categories:

☐ Cardio vascular ☐ Organ failure / transplant / diabetes

- ☐ Gastrointestinal disorders
- ☐ Geriatric disorders
- ☐ Infectious diseases / immunology
- ☐ Neurologic disorders
- ☐ Oncology and hematology

- ☐ Orthopedic conditions
- ☐ Other
- ☐ Pediatric disorders
- ☐ Pulmonary disorders

3. Which statement best describes your patient's condition?

- ☐ Being treated and hopes to improve
- ☐ Permanent condition that is not expected to change
- ☐ Disease is advanced and considered terminal
- ☐ Condition should not interfere with independent bus usage
- ☐ None of the above

4. Prognosis

5. Treatment plan with start date and anticipated completion date

6. Have you ever prescribed or are you aware of device your client / patient currently uses?

- ☐ None
- ☐ Cane
- ☐ Power Wheelchair
- ☐ Crutches
- ☐ Manual Wheelchair
- ☐ Scooter
- ☐ White Cane
- ☐ Walker
- ☐ Leg Braces
- ☐ Portable Oxygen
- ☐ Service Animal
- ☐ Prosthesis
- ☐ Folding Walker

APPLICANT NAME:

DOB:

APPLICANT NAME:

DOB:

7. Are your client's / patient's symptoms episodic?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

8. Are you aware of any challenges your client / patient has with balance?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

9. Are you aware of any challenges your client / patient has with strength and endurance?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

10. Do you think your patient/client could independently ambulate / wheel 3/4 of mile (about nine blocks with a mobility device and brief rest periods if needed)?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen No/Sometimes, please elaborate:

11. Are you aware of any challenges your client / patient has with memory?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

12. Are you aware of any challenges your client / patient has with crossing streets?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

13. Are you aware of any challenges your client / patient has with ambulating on hills?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

14. Do you have any safety concerns for your client / patient in using a bus by themselves (e.g. panic attacks, cognitive deficits, risk of falling etc)?

☐ Yes

☐ No

☐ Sometimes

☐ Do not know

If you have chosen Yes/Sometimes, please elaborate:

15. Are you aware of any visual impairment that may challenge your client / patient in using the city bus?

☐ Yes
☐ Do not know

☐ No

☐ Sometimes

If you have chosen Yes/Sometimes, please elaborate:

16. Are you aware of any hearing impairment that may challenge your client / patient in using the city bus?

☐ Yes
☐ Do not know

☐ No

☐ Sometimes

If you have chosen Yes/Sometimes, please elaborate:

17. Do you have any additional comments that may help document your client's/patient's abilities/challenges in using a city bus?

☐ Yes
☐ Do not know

☐ No

☐ Sometimes

If you have chosen Yes/Sometimes, please elaborate:

18. I understand the purpose of this application is to determine if there are times when the applicant cannot use NVTa city bus service and may therefore require the VineGo program for public transportation needs. I certify that, to the best of my knowledge, the information in this application is true and correct regarding my client/patient. I understand that providing false information may result in penalty under the law.

19. PROFESSIONAL SIGNATURE _____

20. TITLE / CREDENTIALS _____

APPLICANT NAME:

DOB:



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Active Transportation Advisory Committee (ATAC) Member Appointment

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the reappointment of Barry Christian representing the City of American Canyon.

EXECUTIVE SUMMARY

The Active Transportation Advisory Committee is made up of eleven members with representation that mirrors the voting structure of NVTA Board. Committee structure consists of: four members from the City of Napa, two members from the County of Napa, two members from the City of American Canyon, one member from the Town of Yountville, one member from the City of St. Helena, and one member from the City of Calistoga.

This appointment fills one position representing the City of American Canyon.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Diana Meehan, Principal Planner
(707) 259-8327 / Email: dmeehan@nvta.ca.gov
SUBJECT: Active Transportation Advisory Committee Member Appointment

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the reappointment of Barry Christian, representing the City of American Canyon.

COMMITTEE RECOMMENDATION

None

BACKGROUND

Active Transportation Advisory Committee (ATAC) member Barry Christian wishes to continue his service on the ATAC and was reappointed by the American Canyon City Council on December 5, 2023. Mr. Christian is currently serving as the Chair of the ATAC. The City's minute order endorsing Mr. Christian is included in Attachment 1.

ATAC currently has 5 additional vacancies including members representing the City of Calistoga (1), City of St. Helena (1), the County of Napa (1) and the City of Napa (1) and the City of American Canyon. NVTA staff is actively recruiting to fill these openings.

ALTERNATIVES

The Board could decide not to approve the appointments which would leave additional vacancies on the ATAC.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 1 – Serve the transportation needs of the entire community regardless of age, income, or ability.

The NVTAT ATAC committee advises the Board on matters pertaining to the active transportation needs of the community and supports efforts towards sustainable transportation goals in the Valley.

ATTACHMENTS

- (1) Barry Christian Council Approval



Office of the City Clerk

MINUTE ORDER NO. 2023-18

A MINUTE ORDER OF THE CITY COUNCIL TO REAPPOINT DEBORAH MAFFEI TO THE NAPA COUNTY MOSQUITO ABATEMENT DISTRICT BOARD AND BARRY CHRISTIAN TO THE NVTAA ACTIVE TRANSPORTATION ADVISORY COMMITTEE FOR ADDITIONAL TWO-YEAR TERMS ENDING DECEMBER 31, 2025

Taresa Geilfuss, CMC, City Clerk



NAPA VALLEY TRANSPORTATION AUTHORITY

COVER MEMO

SUBJECT

Resolution 24-01 Amending the Active Transportation Advisory (ATAC) Committee Bylaws

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority Board Approve Resolution 24-01 changing the ATAC Bylaws to elect the Chairperson and Vice Chairperson at the last regular meeting of the calendar year, and to change committee member terms to two (2) years.

EXECUTIVE SUMMARY

NVRTA has established three advisory committees serving the NVTA Board on various transportation matters. Each of the advisory committees elects a new chairperson and vice chairperson at the final meeting of the calendar year for newly elected officers to begin their roles at the first meeting of the new calendar year. ATAC is the only committee with elections at the first meeting of the calendar year. Staff is proposing changing the Bylaws to be consistent with all other NVTA committees to elect the chairperson and vice chairperson at the final meeting of the year.

The ATAC term of service is three years. All other NVTA committee terms are for two years. To encourage membership on the committee and to remain consistent with all other committees, staff is proposing to reduce the term of service to two years. There are no limits on the number of times a committee member can reapply to serve.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Diana Meehan, Principal Planner
(707) 259-8327 / Email: dmeehan@nvta.ca.gov
SUBJECT: Resolution 24-01 Amending the Active Transportation Advisory (ATAC) Committee Bylaws

RECOMMENDATION

That the Napa Valley Transportation Authority Board Approve Resolution 24-01 changing the ATAC Bylaws to elect the Chairperson and Vice Chairperson at the last regular meeting of the calendar year, and to change committee member terms to two (2) years.

COMMITTEE RECOMMENDATION

The Active Transportation Advisory Committee recommended the NVTA Board approve proposed changes to the ATAC Bylaws at the January 22, 2024 meeting.

BACKGROUND

The Active Transportation Advisory Committee Bylaws currently require the election of the chairperson and vice chairperson be at the first regular meeting of the calendar year in January. Upon election in January, the newly elected members begin their service which does not allow time for newly elected chair and vice chairs to prepare for their roles. Staff is proposing to change the election of chairperson and vice Chairperson to the last meeting of the calendar year for consistency with other NVTA advisory committees and to allow for the new chairperson and vice chairperson time to prepare for their service for the full calendar year.

The ATAC consists of eleven (11) members from six (6) jurisdictions. Four (4) members from the City of Napa; two (2) members from the County of Napa, two (2) members from the City of American Canyon, and one (1) member each for the Town of Yountville, City of St. Helena, and City of Calistoga. At no time shall fewer than four (4) of the six (6) jurisdictions be represented. Each member has one (1) vote. Terms are for three years.

Current vacancies include St. Helena, Calistoga, American Canyon, and the County of Napa, leaving two of the six jurisdictions unrepresented. Three years is a significant term commitment, and it has been challenging to recruit and retain members to the committee.

To encourage community members to serve on the ATAC, and for consistency with other NVTa committees, staff is suggesting terms be reduced to two years.

ALTERNATIVES

The Active Transportation Advisory Committee would continue under its current Bylaws and members would serve three-year terms and elect a Chairperson and Vice Chairperson at the first regular meeting of the calendar year.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 1: Serve the transportation needs of the entire community regardless of age, income, or ability.

Active Transportation Advisory Committee members serve in advisory to the NVTa board on matters relating to active and alternative transportation modes. Committee members are liaisons between their communities and the NVTa staff and Board. Reducing terms from three years to two years will help recruit members to serve the committee and their communities.

ATTACHMENT(S)

(1) Resolution 24-01 Amending ATAC Bylaws and Exhibit "A" Redline

RESOLUTION No. 24-01

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTa)
AMENDING THE BYLAWS OF THE
ACTIVE TRANSPORTATION ADVISORY COMMITTEE (ATAC)**

WHEREAS, the NVTa joint powers agreement calls for the Active Transportation Advisory Committee (ATAC), and

WHEREAS, the ATAC Bylaws require changes to be adopted by the NVTa Board, and

WHEREAS, the current ATAC Bylaws require three-year terms, and election of the Chairperson and Vice Chairperson at the January meeting, and

WHEREAS, the ATAC is recommending changes to its Bylaws, Article III, Paragraph three, to reduce committee member terms to two (2) years, and changes to Article V, Paragraph one to elect a committee Chair and Vice Chair at the last regular meeting of the calendar year, and

NOW THEREFORE BE IT RESOLVED:

That the Napa Valley Transportation Authority does hereby amend the Bylaws for the Active Transportation Advisory Committee to read in full as set forth in Exhibit "A" attached hereto and incorporated by reference herein and the and the attached provisions of Exhibit "A" shall become effective immediately.

Passed and Adopted the 21st day of February 2024.

Liz Alessio, NVTa Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura Sanderlin, NVTA Board Secretary

APPROVED:

Osman Mufti, NVTA Legal Counsel

EXHIBIT “A”

Active Transportation Advisory Committee

BYLAWS

Article I - NAME

The name of this committee shall be the Active Transportation Advisory Committee (ATAC). Establishment of the committee is authorized under section 4.4.4 of the Joint Powers Agreement of the Napa Valley Transportation Authority (NVTA).

Article II - OBJECTIVE

The ATAC serves to advise NVTA on the development of bicycle and pedestrian facilities as alternative modes of transportation. The ATAC shall review and/or prioritize Transportation Development Act, Article 3 (TDA-3) Program funds for projects and participate in the development and review of comprehensive bicycle, pedestrian and active transportation plans of interest to the citizens of Napa County. The committee shall serve in an advisory capacity. Its objective is to assist NVTA staff in developing active transportation plans and programs to address connectivity, safety, and equity. The functions of the committee shall include, but are not limited to the following:

1. Advise NVTA staff and the NVTA Board on plans including but not limited to Active Transportation Plans, Safety Plans, and project specific plans.
2. Act as Active Transportation liaisons to the communities and councils they are representing by staying informed of local priorities and needs for walking and biking in those communities.

Article III - COMPOSITION-QUALIFICATION AND TERMS

All ATAC members shall be appointed by NVTA, and shall serve at the pleasure of NVTA. Members will represent specific jurisdictions and will be nominated by their respective jurisdiction. The NVTA Board will strive to appoint Committee members that represent the diverse make-up of Napa Valley community including members of underrepresented groups.

The ATAC will consist of eleven (11) members from six (6) jurisdictions. Four (4) members from the City of Napa; two (2) members from the County of Napa, two (2) members from the City of American Canyon, and one (1) member each from the Town of Yountville, City of St. Helena, and City of Calistoga. At no time shall fewer than four (4) of the six (6) jurisdictions be represented. Each member shall have one (1) vote.

Appointments to the Committee shall be for two-year terms.

Article IV - MEMBERSHIP WITHDRAWAL

Membership may be withdrawn for any of the following reasons at the direction of the NVTA Executive Director:

1. Three (3) consecutive unexcused absences or five (5) absences in an eighteen month period.
2. Misrepresentation at time of appointment with respect to personal use of NVTAs service.
3. If member does not reside in Napa County or ceases to represent the constituency to which the member was assigned.

Article V - OFFICERS AND DUTIES

The committee members will elect a committee Chair and Vice-Chair by a majority of the members present at the last regular meeting of the calendar year. A quorum is necessary to hold the elections. Offices will be held for one year or until their successors are elected.

The Chair will preside at all meetings. Should the Chair be absent, the Vice-Chair will preside. In the unlikely event both Chair and Vice-Chair are absent; the remaining members will select an alternate member to preside.

The Chair may appoint ad hoc committees on an as-needed, non-scheduled basis to accomplish a specific task and report back to the full ATAC. Ad hoc committees must have less than a quorum of ATAC members and are exempt from the requirements of the Brown Act. The ATAC may not direct the ad hoc committee on how to fulfill its function or when it should meet.

NVTA staff will provide the administrative support for the committee including providing minutes, mailing agendas to members, and any other related duties.

Article VI - MEETINGS

The ATAC shall meet bi-monthly on the fourth Monday unless otherwise scheduled by the majority of a quorum. Additional meetings may be required to address time sensitive matters.

All ATAC meetings will be held in accordance the Ralph M. Brown Act (Government Code section 54950 et seq.). Agenda items will be agreed upon by the Chair and the NVTA staff representative, or upon motion of the committee. Any committee member may make recommendations for the agenda.

Each member shall have one (1) vote and a quorum shall consist of a majority of filled positions present, representing at least two jurisdictions. A majority vote of the quorum shall be necessary to present an issue to the Executive Director and to the NVTA Board of Directors.

All actions of the committee shall require the approval of a majority of the quorum present.

Article VII - PARLIAMENTARY PROCEDURE

The rules contained in "Standard Code of Parliamentary Procedure", by A. Sturgis, shall govern the Council in all cases to which they are applicable, and not inconsistent with the Bylaws of the Council.

Public Notice of all meetings shall be given pursuant to the Brown Act in compliance with the 72-hour posting deadline for regular meetings and the 24-hour deadline for special meetings.

Article VIII - PROHIBITED ACTIVITIES

No individual member shall represent the ATAC to the general public or at a NVTA Board meeting without majority vote of a quorum at an ATAC meeting prior to the representation.

No ATAC member will represent NVTA to the general public without consent of the Executive Director (or designee) prior to the representation.

Article IX. DISTURBANCE AND MEETING

Any person, including committee members, who commits disorderly or disruptive behavior which substantially delays, interrupts, impedes, disrupts or disturbs the proceedings of the Committee may be barred by the chairperson from further appearance before the Committee at that meeting, unless permission to continue is granted by an affirmative vote of the Committee. The chairperson may order any person, including committee members, removed from the Committee meeting who cause a disturbance or interferes with the conduct of the meeting, and the chairperson may direct the meeting room cleared when deemed necessary to maintain order.

Article X. ADOPTION AND AMENDMENTS TO THE BYLAWS

1. Adoption of the ATAC Bylaws will be by a majority vote of the NVTA Board of Directors
2. Amendments to the ATAC Bylaws will be by a majority vote of the NVTA Board of Directors
3. Suggested amendments to the ATAC Bylaws by the ATAC shall be forwarded to the NVTA Board of Directors



NAPA VALLEY TRANSPORTATION AUTHORITY

COVER MEMO

SUBJECT

Resolution No. 24-02 Adopting the Transportation Fund for Clean Air (TFCA) 40% Fund Expenditure Plan for Fiscal Year End (FYE) 2025 and Call for Projects for Fiscal Years Ending 2025-2028

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve Resolution No. 24-02 adopting the Fiscal Year End (FYE) 2025 TFCA 40% Fund Expenditure Plan and open a Call for Projects for Fiscal Years Ending 2025-2028.

EXECUTIVE SUMMARY

NVTA annually allocates TFCA funds which are generated from a four-dollar vehicle license fee authorized under Assembly Bill 434 (AB 434) administered by the Bay Area Air Quality Management District (BAAQMD). Of the total amount generated in Napa County, 40% are returned to NVTA for distribution to local projects. Projects must be beneficial to air quality and meet the BAAQMD's cost effectiveness criteria. The remaining 60% is allocated by the BAAQMD on an air district-wide competitive basis. The Program Expenditure Plan for the 40% Program is due in March 2024.

The BAAQMD TFCA policies only allow funds to be retained for two (2) years unless NVTA originally requests additional time, or the project is making reasonable progress and is granted a one (1) year extension. Bicycle Projects must be completed in 2 years and will not be granted a time extension beyond that limit.

FISCAL IMPACT

\$208,828 in TFCA 40% Funds are available for program administration and projects.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: Board of Directors

FROM: Kate Miller, Executive Director

REPORT BY: Diana Meehan, Principal Planner
(707) 259-8327 / Email: dmeehan@nvta.ca.gov

SUBJECT: Resolution No. 24-02 Adopting the Transportation Fund for Clean Air (TFCA) 40% Fund Expenditure Plan for Fiscal Year End (FYE) 2025 and Call for Projects for Fiscal Years Ending 2025-2028

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve Resolution No. 24-02 adopting the Fiscal Year End (FYE) 2025 TFCA 40% Fund Expenditure Plan (Attachment 1, Exhibit A) and open a Call for Projects for Fiscal Years Ending 2025-2028

COMMITTEE RECOMMENDATION

The Technical Advisory Committee (TAC) recommended the NVTA Board approve the TFCA 40% Fund Expenditure Plan for FYE 2025 and issue the Call for Projects

BACKGROUND

NVTA adopts a list of projects annually to be funded with TFCA 40% Funds. NVTA receives roughly \$190,000 each year in DMV revenues. Six and one quarter percent (6.25%) of the revenues can be used for administration of the program.

Beginning in 2022, the TFCA 40% fund allowed programming funds over a three-year period to address larger projects needing funds over a over a multi-year time horizon. Funds programmed in the first year of the three-year cycle have a firm commitment under the annually adopted expenditure plan. Funds in years two and three are flexible, based on project status and actual available revenues generated by the program.

Funds for program administration and projects are estimated at \$187,000 for years two and three as shown in Table 1.

Table 1: Three-year Cycle FYE 2025-2028 TFCA 40% Fund (Estimated)

FYE 2025-2028 TFCA Expenditures	Program Amount Year 1	Program Amount Year 2 (Est.)	Program Amount Year 3 (Est)
Administration Costs for FYE 2025-28	\$12,322	\$12,000	\$12,000
40% Funds	\$196,506	\$175,000	\$175,000
TOTAL	\$208,828	\$ 187,000	\$187,000

The 40% Fund Expenditure Plan for FYE 2025 is due to the Air District by March 1, 2024. Funds not programmed annually run the risk of being programmed by the Air District to other counties.

APPLICATIONS

Applications are **due Friday, March 22 by 5:00 PM**. The application must consist of a completed Project Information Form with a detailed project description and a completed project cost effectiveness worksheet.

Basic Eligibility

1. Reduction of emissions
2. Meet TFCA cost-effectiveness
3. Consistent with existing plans and programs
4. Local agency letter of commitment or resolution of support
5. Public agencies applying on behalf of non-public Entities

TFCA Project Eligibility

1. Bicycle Facility Improvements
2. Electric Vehicle Charging Infrastructure
3. Arterial Management
4. Transit or Vanpool Incentive Programs
5. Shuttle/Vanpool Feeder Program

Updated Air District program guidance for FYE 2025 is available for review on the NVTa Website: <https://nvta.ca.gov/wp-content/uploads/2024/01/FYE-2025-TFCA-County-Program-Manager-Guidance.pdf>

ALTERNATIVES

The Board could choose not to approve the FYE 2025 Expenditure Plan, and program funds could be reallocated to projects in another county.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 1: Serve the transportation needs of the entire community regardless of age, income or ability.

The TFCA 40% Funds provide an opportunity to fund sustainable transportation projects, such as bicycle and pedestrian projects, clean vehicles and vehicle charging infrastructure or shuttle projects to serve a wide variety of local transportation needs.

Goal 5: Minimize the energy and other resources required to move people and goods

The TFCA funded projects improve air quality and reduce traffic congestion by providing sustainable transportation options throughout the region.

ATTACHMENT(S)

- (1) Resolution No. 24-02
- (2) NVTa 40% Fund Program Guide and Application

**RESOLUTION No. 24-02
A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
ADOPTING THE TRANSPORTATION FUND FOR CLEAN AIR (TFCA)
40% FUND EXPENDITURE PLAN FOR
FISCAL YEAR END (FYE) 2025**

WHEREAS, the Bay Area Air Quality Management District (BAAQMD) has imposed a vehicle license fee as allowed under Assembly Bill 434 to implement actions that will help reduce harmful auto emissions; and

WHEREAS, that program is known as the Transportation Fund for Clean Air 40% Fund; and

WHEREAS, Assembly Bill 434 calls for the designation of an overall program manager to receive forty percent of the fees generated in the county to be expended for the improvement of air quality; and

WHEREAS, the Napa Valley Transportation Authority (NVTA) has been designated the overall program administrator for Napa County; and

WHEREAS, the TFCA Program requires at least one public meeting each year for the purpose of adopting criteria for the expenditure of funds consistent with BAAQMD's Adopted TFCA County Program Manager Fund Policies; and

WHEREAS, the NVTA held a public meeting on February 21, 2024, to adopt the criteria for the expenditure of TFCA funds and open a call for projects; and,

NOW THEREFORE BE IT RESOLVED by the Board of Directors that

1. The foregoing recitals are true and correct.
2. Staff is directed to finalize and submit the FYE 2025 Expenditure Plan for Napa County, as shown in Exhibit A.

3. The Executive Director or her designee is authorized to submit to or request all necessary information from other agencies on behalf of the NVTa, and to execute any other documents or certifications to gain and expend these funds.

Passed and adopted this day of February 21, 2024.

Liz Alessio, NVTa Chair

Ayes

Nays:

Absent:

ATTEST:

Laura Sanderlin, NVTa Board Secretary

APPROVED:

Osman Mufti, NVTa General Counsel

EXHIBIT "A"

Summary Information

Directions: Please fill out the yellow highlights.

Agency Name:

Napa Valley Transportation Authority

Address:

Agan625 Burnell Street Napa, CA 94559

		Project	Admin (max 6.25%) [1]	Total (Project + Admin)
1	Estimated FYE 2025 DMV revenues (based on projected CY2023 revenues)	Line 1 \$ 188,156	\$ 12,544	\$ 200,700
2	Reconciliation and Reprogrammed Funds	Line 2 \$ 5,688	\$ 2,440	\$ 8,128
	Reconciliation: Difference between prior-year estimate and actual revenue	\$ (5,914)	\$ (394)	\$ (6,308)
	a. Actual FYE 2023 DMV revenues (based on CY2022)	2a \$ 185,711	\$ 12,381	\$ 198,092
	b. Estimated FYE 2023 DMV revenues	2b \$ 191,625	\$ 12,775	\$ 204,400
	Reprogrammed: Total available for programming/reprogramming to other projects	\$ 11,602	\$ 2,835	\$ 14,437
	c. Amount available from previously funded projects	2c \$ 2,662		
	d. Admin expended in FYE 2023	2d	\$ 9,546	
	e. Interest income earned on TFCA funds in CY 2023	2e \$ 8,940		
3	Move funds available from Admin to Projects (Optional)	Line 3 \$ 2,662	\$ (2,662)	
4	Estimated Total Available TFCA Funds (Sum of Lines 1, 2 and 3)	Line 4 \$ 196,506	\$ 12,322	\$ 208,828

Percentage of Estimated Revenue allocated to Administrative Costs (maximum of 6.25%)	
Previous % from FYE 2023 Expenditure Plan:	6.25%
Current % for FYE 2025:	6.25%

I certify that, to the best of my knowledge, the information contained in this application is complete and accurate.

Executive Director Signature

Date

[1] The "Estimated TFCA funds budgeted for administration" amount is listed for informational purposes only. Per California Health and Safety Code Section 44233, Administering Agency must limit their administrative costs to no more than 6.25% of the actual total revenue received from the Air District.



Guide for the
Transportation Fund for Clean Air (TFCA)
Napa County 40% Fund Program



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

NVTA
625 Burnell Street
Napa, CA 94559
Phone: 707-259-8631
Fax: 707-259-8638
www.nvta.net

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February 21, 2024

Greetings!

The Transportation Fund for Clean Air (TFCA) is a grant program, funded by a \$4 surcharge on motor vehicles registered in the Bay Area. This generates approximately \$22 million per year in revenues. The purpose of the TFCA program is to provide grants to implement the most cost-effective projects in the Bay Area that will decrease motor vehicle emissions, and thereby improve air quality. Projects must be consistent with the 1988 California Clean Air Act and the Bay Area Air Quality Management District 2017 Clean Air Plan (CAP).

The TFCA program can fund a wide range of project types, including the construction of bicycle facilities; shuttle and feeder bus services to transit stations; ridesharing programs to encourage carpool, vanpool and transit use; bicycle amenity improvements such as bicycle racks and lockers; electric vehicles and charging infrastructure; arterial traffic management such as signal timing or transit signal priority.

NVTA has prepared this packet to help guide you in submitting a successful application for funding.

The available project funding for Napa County TFCA for FYE 2025 will be approximately \$196,000 dollars. Larger projects may qualify for additional funds through FYE 2028 and should apply as a multi-year project. Funding available for a qualifying multi-year project is approximately \$546,000.

If you have any questions, you may contact Diana Meehan, TFCA Program Administrator at:

NVTA TFCA Program
625 Burnell Street
Napa, CA 94559
Phone: 707-259-8327

Sincerely,

Kate Miller
Executive Director
Napa Valley Transportation Authority

Introduction

Vehicle emissions represent the largest contributor to unhealthful levels of ozone (summertime “smog”) and particulate matter; on-road motor vehicles, including cars, trucks and buses, constitute the most significant sources of air pollution in the Bay Area.

To protect public health, the State Legislature enacted the California Clean air Act in 1988. Pursuant to this law, the Bay Area Air Quality Management District (Air District) has adopted the 2017 Clean Air Plan (CAP), which describes how the region will work toward compliance with State and Federal ambient air quality standards and make progress on climate protection. To reduce emissions from motor vehicles, the 2017 CAP includes transportation control measures (TCM’s) and mobile source measures (MSM’s). A TCM is defined as “any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions.” MSMs encourage the retirement of older, more polluting vehicles and the introduction of newer, less polluting motor vehicle technologies.

The TFCA Program

To fund the implementation of projects of TCMs and MSMs, the State Legislature authorized the Department of Motor Vehicles to impose a \$4 surcharge on motor vehicle registration fees paid within the nine-county Bay Area. The Air District allocates this revenue through its Transportation Fund for Clean Air (TFCA) program to fund eligible projects and programs.

TFCA-funded projects have many benefits, including the following:

- Reducing air pollution, including air toxics such as benzene and diesel particulates
- Conserving energy and helping to reduce greenhouse gas emissions
- Improving water quality by decreasing contaminated runoff from roadways
- Improving transportation options
- Reducing traffic congestion

Forty percent (40%) of these TFCA funds are pass-through funds to the designated administering agency in each of the nine counties within the Air District’s jurisdiction based on the county’s proportionate share of fee-paid vehicle registration (“TFCA 40% Fund”). The remaining sixty percent (60%) of these funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District and to a grant program known as the Regional Fund.

Your Responsibilities as Project Sponsor:

1. Submit projects to the Program Administrator that comply with Air District policies.
2. Prepare and submit your project's information form (application) and cost-effectiveness worksheet to the Program Administrator. CE worksheets for specific project types are updated annually and should be requested from the program administrator. Do not use older worksheets!
3. Adhere to the Program Administrator's timeline and submit deliverables on time.
4. Submit bi-annual project status report forms on time, no later than May 20 and October 20.
5. Complete your TFCA project two years from the effective date of the Master Agreement between the Program Administrator and the Air District (July 2026). Multi-year projects must state time period to complete at the time of application.
6. Provide proof of Air District credit for vehicles purchased, published materials, and construction funded or partially funded through the TFCA program.
7. Provide itemized invoices to the Program Administrator for reimbursement of your project at least quarterly once project has commenced.
8. Provide proof of general liability insurance with a limit of not less than \$1,000,000 per occurrence.

NVTA's Responsibilities as Program Administrator:

1. Provide guidance, offer technical support to project sponsors.
2. Review Project Sponsor's Project Information forms, cost-effectiveness sheets, and reporting forms.
3. Administer program in accordance with applicable legislation, including Health and Safety Code Sections 44233, 44241, and 44242, and with Air District Board-Adopted TFCA County Program Administrator Fund Policies
4. Hold one or more public meeting each year for the purpose of adopting criteria for the expenditure of the funds and to review expenditure of revenues received.
5. Provide funds only to projects that comply with Air District Policies and Procedures.
6. Encumber and expend funds within two years of the receipt of funds.
7. Provide information to the Air District and to auditors on the expenditures of TFCA funds.

Basic Eligibility

Reduction of Emissions: Only projects that result in the reduction of motor vehicle emissions within the Air District's jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and the Air District Board of Directors adopted TFCA County Program Administrator Fund Policies for FYE 2025. Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, ordinances, contracts, and other legally binding obligations at the time of the execution of a grant agreement between the County Program Administrator and the grantee. Projects must also achieve surplus emission reductions at the time of an amendment to a grant agreement if the amendment modifies the project scope or extends the project completion deadline.

TFCA Cost-Effectiveness: Projects must achieve TFCA cost-effectiveness, on an individual project basis, equal to or less than \$90,000 of TFCA funds per ton of total emissions reduced, unless a different value is specified in the policy for that project type. (See "Eligible Project Categories" below.) Cost-effectiveness is based on the ratio of TFCA funds divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NOx), and weighted particulate matter 10 microns in diameter and smaller (PM10) reduced (\$/ton). All TFCA-generated funds (e.g., TFCA Regional Funds, reprogrammed TFCA funds) that are awarded or applied to a project must be included in the evaluation. For projects that involve more than one independent component (e.g., more than one vehicle purchased, more than one shuttle route, etc.), each component must achieve this cost-effectiveness requirement.

Eligible Projects, and Case-by-Case Approval: Eligible projects are those that conform to the provisions of the HSC section 44241, Air District Board adopted policies and Air District guidance. On a case-by-case basis, County Program Administrators must receive approval by the Air District for projects that are authorized by the HSC section 44241 and achieve Board-adopted TFCA cost-effectiveness but do not fully meet other Board-adopted Policies.

Consistent with Existing Plans and Programs: All projects must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved plan for achieving and maintaining State and national ambient air quality standards, which are adopted pursuant to HSC sections 40233, 40717 and 40919, and, when specified, with other adopted State, regional, and local plans and programs.

Eligible Recipients: Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing with the Air District.

- A. Public agencies are eligible to apply for all project categories.
- B. Non-public entities are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle and infrastructure projects, and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b)(7).

Readiness: Projects must commence by the end of calendar year 2025. For purposes of this policy, “commence” means a tangible action taken in connection with the project’s operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.

Maximum Two Years Operating Costs: Projects that provide a service, such as ridesharing programs and shuttle and feeder bus projects, are eligible to apply for a period of up to two (2) years. Grant applicants that seek TFCA funds for additional years must reapply for funding in the subsequent funding cycles.

APPLICANT IN GOOD STANDING

Independent Air District Audit Findings and Determinations: Grantees who have failed either the fiscal audit or the performance audit for a prior TFCA-funded project awarded by either County Program Administrators or the Air District are excluded from receiving an award of any TFCA funds for five (5) years from the date of the Air District’s final audit determination in accordance with HSC section 44242, or duration determined by the Air District Air Pollution Control Officer (APCO). Existing TFCA funds already awarded to the project sponsor will not be released until all audit recommendations and remedies have been satisfactorily implemented. A failed fiscal audit means a final audit report that includes an uncorrected audit finding that confirms an ineligible expenditure of TFCA funds. A failed performance audit means that the program or project was not implemented in accordance with the applicable Funding Agreement or grant agreement.

A failed fiscal or performance audit of the County Program Administrator or its grantee may subject the County Program Administrator to a reduction of future revenue in an amount equal to the amount which was inappropriately expended pursuant to the provisions of HSC section 44242(c)(3).

Authorization for County Program Administrator to Proceed: Only a fully executed Funding Agreement (i.e., signed by both the Air District and the County Program Administrator) constitutes the Air District’s award of County Program 40% Funds. County Program Administrators may only incur costs (i.e., contractually obligate itself to allocate County Program 40% Funds) after the Funding Agreement with the Air District has been executed.

Insurance: Both the County Program Administrator and each grantee must maintain general liability insurance, workers compensation insurance, and additional insurance as appropriate for specific projects, with required coverage amounts provided in Air District guidance and final amounts specified in the respective grant agreements.

Use of TFCA Funds

1. **Cost of Developing Proposals:** The costs of developing grant applications for TFCA funding are **not eligible** to be reimbursed with TFCA funds.
2. Planning activities that are not directly related to the implementation of a specific project are **not eligible**.
3. The purchase of personal computing equipment for an individual's home use is **not eligible**.
4. **Combined Funds:** TFCA County 40% Funds may **not** be combined with TFCA Regional Funds for a project.
5. **Expend Funds within Two Years:** County 40% Funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the County Program Administrator in the applicable fiscal year. A County Program Administrator may, if it finds that significant progress has been made on a project, approve a (1-year) extension (up to two extensions). Extensions beyond a second program administrator extension require Air District approval.

Example TFCA Project Types

1. Ridesharing projects
2. Shuttle/Feeder Bus
3. Bicycle Facility Improvements
4. Smart Growth (can include pedestrian infrastructure improvements)
5. Clean Air Vehicle Purchase
6. Arterial Management

Ineligible Project Types

1. **Duplication:** Grant applications for projects that duplicate existing TFCA-funded projects (including Bicycle Facility Program projects) and therefore do not achieve additional emission reductions are ineligible.
2. **Planning Activities:** Feasibility studies are not eligible, nor are projects that only involve planning activities and that do not include an implementation phase.
3. **Employee Subsidies:** Projects that provide a direct or indirect financial transit or rideshare subsidy or shuttle/feeder bus service exclusively to employees of the project sponsor are not eligible.

Recent Project Examples in Napa County

<u>Project Name</u>	<u>Sponsor</u>	<u>TFCA Funds</u>	<u>Total Project \$</u>
EV Charging Stations Phase II	City of American Canyon	\$230,526	\$250,000
Downtown Napa Bicycle Racks	City of Napa	\$4,860	\$4,860

Dates of Importance

March 1, 2024	TFCA Expenditure Plan Due to Air District
March 22, 2024	TFCA Applications Due to NVTa
July 1, 2024	Deadline: Within three months of Board approval, Program Administrator submits request for Air District approval of any projects that do not conform to TFCA policies (date tentative)
November 1, 2024	Deadline: Within six months of Board approval, Program Administrator (NVTa) provides Cost-Effectiveness Worksheets and Project Information forms for new FYE 2025 projects to the Air District

Project Selection Process

The project selection process is as follows (Three year program cycle):

- The NVTa Technical Advisory Committee (TAC), with representation from all six Napa County jurisdictions, will serve as the selection and prioritization committee.
- NVTa staff will run the prospective projects through an initial qualification process based on project eligibility, and present their findings to the TAC.
- TAC's recommendations will be forwarded to the NVTa Board.

Projects will be evaluated on a cost effective and project readiness basis.

- During the application phase, applicants must provide a "letter of commitment" or a resolution to indicate the applicant has received their agency's authority to apply for funding
- Project extensions may be granted by administering agency up to December 31, 2028. Any additional project extension requests must be sent to the Air District for approval

TFCA Program Administrator Selection Criteria for Napa County

- 1) The proposed project must improve the quality of the air as determined by the Air District.
- 2) **The project must fall into one or more of the statutory expenditure categories, which are:**
 - The implementation of ridesharing programs;
 - The purchase or lease of clean fuel buses for school districts and transit operators;
 - The provision of local feeder bus or shuttle service to rail and ferry stations and to airports;
 - Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets";
 - Implementation of rail-bus integration and regional transit information systems;
 - Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit;
 - Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations;
 - Implementation of a smoking vehicles program;
 - Implementation of an automobile buy-back scrappage program operated by a governmental agency;
 - Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management plan; and
 - The design and construction by local public agencies of physical improvements that support development projects and that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

TFCA Do's and Don'ts

Do

- Establish a clear link to the air quality benefits of your project
- Provide clear and detailed cost estimates
- Have good back-up documentation including maps and pictures
- Have a clearly defined project scope and timeline
- Keep NVTA in "the loop" the greater understanding the Program Administrator has of your project, the better

Don't

- Bite off more than you can chew – if the project cannot be completed in two years apply for funding in phases, it will not hurt your chances of eligibility
- Scope creep – when you fill out your **Project Information Form** this is your application. You have to adhere to the project description you write on this form
- Forget to ask for help – NVTA is here as a resource, do not assume, rather ask for clarification

- Apply for the TFCA funds now, and figure out where the rest of your project's funding is going to come from later

Frequently Asked Questions

1. Is there a local match requirement to apply for TFCA funding?

No, there is no requirement for a local match.

2. Can TFCA 40% Funds be combined with TFCA Regional Funds?

No, TFCA funds cannot be combined with TFCA Regional funds but may be combined with other funding sources, local, federal, state.

3. What is the TFCA funding limit for alternative fuel vehicles?

TFCA funds awarded to alternative fuel vehicle projects may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed 2011 emissions standards.

Contact Information

Napa County TFCA Program Administrator:

Diana Meehan

625 Burnell Street

Napa, CA 94559

Phone: (707) 259-8327

dmeehan@nvta.ca.gov

NVTA Main Office

625 Burnell Street

Napa, CA 94559

Phone: (707) 259-8631

www.nvta.ca.gov

Bay Area Air Quality Management District:

Strategic Incentives Division

Hannah Cha

Phone: (415) 749-8722

hcha@baaqmd.gov

40% FUND APPLICATION

Project Information Form

A. Project Number: _____

Use consecutive numbers for projects funded, with year, county code, and number, e.g., 23MAR01, 23MAR02 for Marin County. Zero (e.g., 23MAR00) is reserved for County Program Manager TFCA funds allocated for administration costs.

B. Project Title: _____

Provide a concise, descriptive title for the project (e.g., "Elm Ave. Signal Interconnect" or "Purchase Ten Gasoline-Electric Hybrid Light-Duty Vehicles").

C. Project Category (project will be evaluated under this category): _____

D. TFCA County Program Manager Funds Allocated: \$ _____

E. TFCA Regional Funds Awarded (if applicable): \$ _____

F. Total TFCA Funds Allocated (sum of C and D): \$ _____

G. Total Project Cost: \$ _____

H. Project Description:

Project Sponsor will use TFCA funds to _____. Include information sufficient to evaluate the eligibility and cost-effectiveness of the project. Please provide answers for who, what, when, and where for the project. Examples of the information needed include but are not limited to what will be accomplished by whom, how many pieces of equipment are involved, how frequently it is used, the location, the length of roadway segments, the size of target population, etc. Background information should be brief. For shuttle/feeder bus projects, indicate the hours of operation, frequency of service, and rail station and employment areas served.

I. Final Report Content: Final Report form and final Cost Effectiveness Worksheet

Reference the appropriate Final Report form that will be completed and submitted after project completion. See www.baaqmd.gov/tfca4pm for a listing of the following reporting forms:

- Trip Reduction*
- Clean Air Vehicles*
- Bicycle Projects*
- Arterial Management Projects*
- Repower and Retrofit*

J. Attach a completed Cost-Effectiveness Worksheet and any other information used to evaluate the proposed project. *For example, for vehicle projects, include the California Air Resources Board Executive Orders for all engines and diesel emission control systems. Note, Cost-Effectiveness Worksheets are not needed for TFCA County Program Managers' own administrative costs.*

K. Has or will this project receive any other TFCA funds, such as Regional Funds?

L. Confirm that the project is not required by regulation, contract, or policy.

M. Comments (if any):

N. Please indicate if the project is located in a SB535 Disadvantaged Community and/or AB1550 Low-income Community (Please use the map to find your project's location: <https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>)

Section 2. Project Category Specific Questions

- O. If a **ridesharing, first- and last-mile connections service, pilot trip reduction, transit information, telecommuting or infrastructure improvement project**, explain how the number of vehicle trips that will be reduced by the project was estimated, and provide supporting information and data to justify the estimate. For example, if the Project Sponsor is not using default assumptions, they should provide data based on a pre-project survey, focus groups, or other sources to document user demand, pre-project mode of travel, average length of vehicle trip, etc.
- P. If an **alternative fuel vehicle** project, provide the following information:
- Vehicle type (e.g., plug-in hybrid-electric, fuel cell vehicles)
 - Gross Vehicle Weight Rating
 - New vehicle or replacement project? A project is a replacement project if the existing vehicle is operational and will be scrapped for the sole purpose of the project.
 - If this is a new vehicle project, explain how the anticipated usage (miles per year) for the vehicles were estimated.
- Q. If a **first- and last-mile connections service** project, confirm that the service will comply with all the following requirements:
- ☐ Service connects directly to a transit station and a distinct commercial or employment location.
 - ☐ Service schedule coordinates with the mass transit's schedule.
 - ☐ Service is available for use by all members of the public.
 - ☐ Service is at least 70% unique and operates where no other service was provided within the past three years.
- R. If a **pilot trip reduction** project, confirm that the project complies with all the following requirements:
- ☐ Project will reduce single-occupancy vehicle trips and result in a reduction in emissions of criteria pollutants.
 - ☐ Service is available for use by all members of the public.
 - ☐ Applicant provided a written plan showing how the service will be financed in the future and require minimal, if any, TFCA funds to maintain its operation by the end of the third year.
 - ☐ If the local transit provider is not a partner, the applicant demonstrated that they have attempted to have the service provided by the local transit agency. The transit provider was given the first right of refusal and determined that the proposed project does not conflict with existing service.
 - ☐ Applicant provided data and/or other evidence demonstrating the public's need for the service, such as a demand assessment survey and letters of support from potential users.
 - ☐ Service is at least 70% unique and operates where no other service was provided within the past three years.
- S. If a **bicycle parking** project, answer the following questions:
- What plan is the project referenced in?
 - Will the project be publicly accessible and available for use by all members of the public?
- T. If a **bikeway** project, answer the following questions:
- What plan is the project referenced in?

- b. Will the project be publicly accessible and available for use by all members of the public?
 - c. If applicable, will the project be consistent with design standards published in the California Highway Design Manual or conform to the provisions of the Protected Bikeway Act of 2014?
 - d. Has the project completed all applicable environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement?
- U. If a **bike share** project, confirm that the project complies with all the following requirements:
 - ☐ Project either increases the fleet size of existing service areas or expands existing service areas to include new Bay Area communities.
 - ☐ Project completed and approved an environmental plan and a suitability study demonstrating the viability of bicycle sharing.
 - Project has shared membership and/or is interoperable with the Bay Area Bike Share (BABS) project when they are placed into service. Please select the choice that best describes the project:
 - ☐ Interoperable with BABS
 - ☐ Exempt from requirement for the following reason(s):
 - ☐ i. Projects that do not require membership or any fees for use;
 - ☐ ii. Projects that were provided funding under MTC's Bike Share Capital Program to start a new or expand an existing bike share program; or
 - ☐ iii. Projects that attempted to coordinate with, but were refused by, the current BABS operator to have shared membership or be interoperable with BABS. Applicants must provide documentation showing proof of refusal.
- V. If an **infrastructure improvement for trip reduction** project, answer the following questions:
 - a. What plan is the project referenced in?
 - b. Which transportation control measure from the most recently adopted [Air District plan](#) is the project implementing?
 - c. Has the project completed all applicable environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement?
- W. If an **alternative fuel infrastructure** project, confirm that the project complies with all the following requirements:
 - ☐ Project must be designed, installed, and maintained as required by the existing recognized codes and standards and as approved by the local/state authority.
 - ☐ Project funds awarded will not be used to pay for fuel, electricity operation, or maintenance costs.
 - Please clarify the infrastructure project's primary purpose (select all that apply):
 - ☐ charge vehicles 14,000 lbs and less
 - ☐ charge vehicles 14,001 lbs and more
 - ☐ serve private fleet

- ☐ available for public use
- ☐ other (please specify): _____



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Napa Valley Transportation Authority's (NVTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2023 and 2022 and Single Audit Report of Uniform Guidance.

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board:

- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2023 and 2022 (Attachment 2) and the NVTA Single Audit Report of the Uniform Guidance for the Year Ended June 30, 2023 (Attachment 3); and
- (2) Return an allocation surplus of \$3,534,631 to the Local Transportation Fund (LTF) Trust Fund

EXECUTIVE SUMMARY

The certified public accountants firm, Brown Armstrong Incorporated, completed NVTA's annual financial audit for the years ended June 30, 2023 and 2022 and federal Single Audit Report of Uniform Guidance for the fiscal year ended June 30, 2023. This report summarizes NVTA's financial position at the end of the fiscal year.

FISCAL IMPACT

\$3,534,631 will be returned to the Local Transportation Fund for reallocation, which will be made available for future allocation to NVTA when requested.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors

FROM: Kate Miller, Executive Director

REPORT BY: Antonio Onorato, Director - Administration, Finance and Policy
(707) 259-8779 / Email: anonorato@nvta.ca.gov

SUBJECT: Napa Valley Transportation Authority's (NVTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2023 and 2022 and Single Audit Report of Uniform Guidance

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board:

- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2023 and 2022 (Attachment 2) and the NVTA Single Audit Report of the Uniform Guidance for the Year Ended June 30, 2023 (Attachment 3); and
- (2) Return an allocation surplus of \$3,534,631 to the Local Transportation Fund (LTF) Trust Fund

COMMITTEE RECOMMENDATION

None

BACKGROUND

NVTA Financial Activities

NVTA financial activities are separated into three (3) fund types:

1. **Governmental Fund:** This fund type accounts for all of the non-trust, non-transit, non-capital activities of NVTA, also known as the General Fund. It includes agency administration, salaries, pass through activities, and planning costs.

The Governmental activities Net Position increased by \$488,364 from \$2,408,827 in FY2022-21 to \$2,897,191 in FY2023-22. The reason was advances of funds for the Vine Trail and Soscol Junction were used that were accumulated over the previous fiscal year.

2. **Proprietary Fund (or Enterprise Fund):** This fund accounts for the financial activity of all public transit service programs. At the end of FY 2023-22, the enterprise fund net position increased by \$5,063,000 from \$36,658,838 to \$31,595,838.

The enterprise fund significantly increased assets due to the completion of the Imola Park and Ride and the ongoing construction of Vine Bus Maintenance Facility.

NVTA will also return an allocation surplus back to the Local Transportation Fund (LTF) trust account of \$3,534,631. These funds were allocated as stop-gap advance to federal appropriations and grant approval delays and are no longer needed for expenses incurred in the fiscal year. These dedicated funds will be available for reallocation in a future period should NVTA request the funds. This amount is significantly higher than in previous years - \$163,517 and \$617,772 due to the delays of receiving federal funds for transit operations and the use of the TIFIA financing for the Vine Bus Maintenance Facility.

3. **Fiduciary Funds:** This fund type accounts for the Bay Area Air Quality Management's (BAAQMD) Transportation for Clean Air Fund. The funds pass through NVTA to other governments. NVTA collects an administration fee from the BAAQMD program up to five percent (5%). At the end of FY 2023-22, the Fiduciary Fund Type shows net assets of \$549,833 due to the carryover of projects into later years.

Management Discussion and Analysis

NVTA continued its brisk pace on progressing major, transformative projects in its pipeline. Three marquee projects, as outlined below, had huge strides in construction while a new park and ride facility- the Imola Park and Ride, in the City of Napa, was put into service in October 2022.

In terms of planning and capital development, NVTA has been able to progress on several active projects reaching a number of key milestones. Noteworthy project and program developments during the year include:

Soscol Junction

Napa County's most significant transportation project in a decade is swiftly progressing. Caltrans officials have expressed optimism that motorists could be driving on the completed \$54 million Soscol Junction much sooner than the anticipated Fall 2024 planned opening date.

The long-awaited Soscol Junction project reflects a decades-long endeavor. Soscol Junction serves as a primary gateway to Napa Valley wine country and the City of Napa, with an average daily traffic flow of around 69,000 vehicles on Highway 29.

The project is sponsored by the California Department of Transportation (Caltrans), the Federal Highway Administration (FHWA), and NVTa which is the project implementing agency. The California Transportation Commission approved the Solutions for Congested Corridors Program (SCCP) in the amount of \$25 million in December 2020. A construction contract was awarded in April 2022 and a groundbreaking occurred in June 2022.

Napa Valley Vine Trail-St. Helena to Calistoga

The project has experienced construction delays during an abnormally wet winter season, construction on the eight-mile segment connecting St. Helena to Calistoga will resume in spring. The project has experienced several challenges including unearthing Native American artifacts as well as utility conflicts and coordination challenges with PG&E's gas line replacement project.

Vine Transit Maintenance Facility

The Facility is nearing completion, and pending furniture delivery, the opening is expected next month. The project made significant progress, even though additional elements were added, including retrofitting the facility in order to accommodate hydrogen-fueled vehicles for commute service in anticipation of a new hydrogen supply in Napa.

Farebox Ratio

Due to the lingering effects of the COVID-19 pandemic, transit agencies statewide, including Vine Transit, have experienced significant declines in local and farebox revenues. In response, the State of California has provided statutory and administrative/regulatory relief for public transportation agencies. Assembly Bill No. 90 (AB 90) was approved by the Governor that temporarily suspends the financial penalties associated with the Transportation Development Act (TDA)s requirements that transit agencies obtain specified fixed percentages of their operating budgets from passenger fares through the FY2022-23 budget years. As such, for the year ended June 30, 2023, the farebox recovery ratios were suspended.

Single Audit Report of Uniform Guidance (formerly Office of Management and Budget Announcement 133 OMB A-133)

NVTa is required to undergo a Single Audit, known as the Uniform Guidance for receiving funds in excess of \$750,000. A Single Audit encompasses an examination of the agency's financial records, financial statements, federal award transactions and expenditures,

general management of its operations, internal control systems, and federal assistance received during the audit period. Findings during the audit period ending June 30, 2023:

Financial: There were no financial findings.

Federal Award Findings and Questioned Costs: There were no findings.

Material Weakness: No material weaknesses were noted.

Recommendations: There were no recommendations noted.

The complete audits are available on request and will be distributed to Board members at the meeting. The financial audit and single audit are also available on NVTa's website at <http://www.nvta.ca.gov/fiscal-audits-single-audits>.

ATTACHMENTS

- (1) Brown Armstrong CPA's Letter to NVTa's Board of Directors dated December 27, 2023 (SAS 114)
- (2) NVTa Audit Report for Fiscal Years Ended June 30, 2023 and 2022
- (3) NVTa Single Audit Report for Fiscal Years Ended June 30, 2023



To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited the financial statements of Napa Valley Transportation Authority (NVTa) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 20, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by NVTa are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by NVTa during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the NVTa's financial statements were:

Management's estimate of the useful lives of capital assets for the purposes of calculation of annual depreciation expense. Estimated useful lives range from one to twenty years. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Postemployment Benefits Other than Pensions (OPEB) is based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to annual OPEB estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of the net pension liability, related expense, and deferred outflows of resources and inflows of resources are based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to develop the estimates of the net pension liability, related expense, and deferred outflows and inflows of resources in determining that they are reasonable in relation to the financial statements taken as whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosures of Capital Assets, Pension Plan, and OPEB in Notes 4, 8, and 9 to the financial statements, respectively.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were noted.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 27, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to NVTA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as NVTA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Governmental Fund – Planning Fund; Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios; Supplement Schedule of Contributions – OPEB, Schedule of NVTA's Proportionate Share of the Net Pension Liability, and Schedule of Contributions – Pension, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

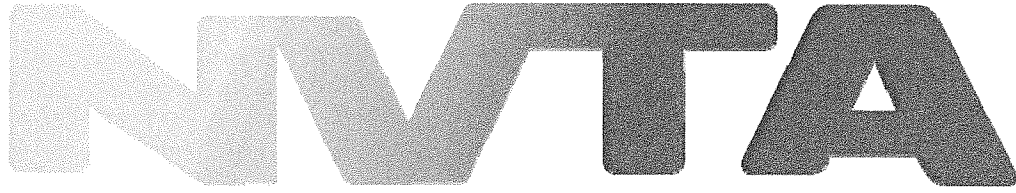
Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of NVTB and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023



**NAPA VALLEY
TRANSPORTATION AUTHORITY**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2023 AND 2022**

**NAPA VALLEY TRANSPORTATION AUTHORITY
JUNE 30, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Napa Valley Transportation Authority (NVTa) as of and for the years ended June 30, 2023 and 2022, and the related notes to the basic financial statements, which collectively comprise NVTa's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of NVTa, as of June 30, 2023 and 2022, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NVTa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NVTa's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NVTa's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NVTa's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in the Net Other Postemployment Benefit (OPEB) Liability/(Asset) and Related Ratios, Schedule of Contributions – OPEB, Schedule of NVTa's Proportionate Share of the Net Pension Liability, and Schedule of Contributions – Pension, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise NVTAs basic financial statements. The accompanying Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023, on our consideration of NVTAs internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NVTAs internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NVTAs internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NAPA VALLEY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

This section of Napa Valley Transportation Authority's (NVTa) annual financial report presents our discussion and analysis of NVTa's financial performance during the years ended June 30, 2023 and 2022. It should be read in conjunction with the basic financial statements contained in the independent auditor's report.

NVTa serves as the countywide transportation planning agency for the incorporated and unincorporated areas within Napa County (the County) and is responsible for programming State and Federal funding for transportation projects within the County. NVTa is responsible for coordinating short and long term planning and funding within an intermodal policy framework including highways, streets and roads, transit and paratransit, and bicycle and pedestrian network improvements. NVTa also provides fixed route and on-demand transit services in the County including Napa Vine, American Canyon Transit, Calistoga Shuttle, Yountville Trolley, St. Helena Shuttle, and Vine Go paratransit services.

NVTa was established on September 3, 1991, as the County's congestion management agency, under a joint exercise of power. The joint powers agreement was updated in May 1998 to provide public transportation services in the County. The NVTa Board of Directors (the Board) adopted a name change from the Napa County Transportation and Planning Agency (NCTPA) to the new name at its February 17, 2016 meeting. NVTa is considered a primary government since it has a separate governing body, is legally separate, and is fiscally independent of other state and local governments. NVTa is not subject to income tax.

Financial Highlights

- At the close of the fiscal year 2022-2023, total assets and deferred outflows of resources of NVTa exceeded liabilities and deferred inflows of resources of NVTa by \$39,556,029. Of this amount, \$31,664,151 is the net investment in capital assets. The remaining \$7,891,878 represents unrestricted net position.
- At the close of the fiscal year 2021-2022, total assets and deferred outflows of resources of NVTa exceeded liabilities and deferred inflows of resources of NVTa by \$34,004,665. Of this amount, \$27,601,150 is the net investment in capital assets. The remaining \$6,403,515 represents unrestricted net position.
- As of June 30, 2023, NVTa's Governmental Activities reported an ending net position of \$2,897,191 or 31% of total governmental fund expenditures.
- As of June 30, 2022, NVTa's Governmental Activities reported an ending net position of \$2,408,827 or 43% of total governmental fund expenditures.
- Capital contributions in the form of grants from the Federal and State governments decreased from \$11,390,446 in fiscal year 2021-2022 to \$6,737,851 in fiscal year 2022-2023. Capital purchases for the year were for construction in progress expenses, zero emission buses, and transit related equipment.
- Capital contributions in the form of grants from the Federal and State governments increased from \$465,998 in fiscal year 2020-2021 to \$11,390,446 in fiscal year 2021-2022. Capital purchases for the year were for construction in progress expenses, zero emission buses, and transit related equipment.
- NVTa continues to improve operation performance, compliance, and accountability during fiscal year 2022-2023 by making investments in professional management, fiscal controls, and accounting.

Overview of the Basic Financial Statements

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of NVTA's financial position and activity.

- The first two statements are *government-wide* financial statements that provide both *long-term* and *short-term* information about NVTA's overall financial status.
- The remaining statements are *fund* financial statements that focus on individual parts of NVTA's organization. These statements report NVTA's financial position and activity. The annual report also includes notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that includes budgetary comparison information for NVTA's governmental fund.

Government-Wide Financial Statements

The government-wide financial statements report information about NVTA as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of NVTA's assets and liabilities, deferred outflows of resources and deferred inflows of resources, and long-term obligations. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide financial statements report NVTA's net position and how it has changed. Net position – the difference between NVTA's assets and liabilities – is one way to measure NVTA's financial health, or position. Over time, increases or decreases in NVTA's net position are indicators of whether its financial health is improving or deteriorating, respectively.

Fund Financial Statements

The fund financial statements provide a detailed short-term view and do not include information related to NVTA's long-term liabilities. Additional information is provided on separate schedules that reconcile the differences between the government-wide financial statements and the fund financial statements.

A component unit is included in the basic financial statements and is a legally separate entity for which NVTA is financially accountable. If a component unit's total debt is expected to be repaid entirely by NVTA, if the component unit provides services entirely to NVTA, or if the component unit has substantially the same governing board as NVTA and there is a financial benefit or burden relationship or NVTA management has operational responsibility for a component unit, then the component will be classified as a blended component unit. If a component unit does not meet any of the preceding requirements, it will be presented as a discrete component unit. NVTA – Tax Agency is reported as NVTA's discretely presented component unit.

Financial Analysis of NVTA

Net Position

In the current fiscal year, the governmental activities net position increased by \$488,364. The business-type activities net position increased \$5,063,000. The result is an overall increase in net position of \$5,551,364 or 14% in fiscal year 2022-2023 from fiscal year 2021-2022.

However, in the prior fiscal year, the governmental activities net position increased by \$459,275. The business-type activities net position increased \$10,247,583. The result is an overall increase in net position of \$10,706,858 or 46% in fiscal year 2021-2022 from fiscal year 2020-2021.

The following schedule is a summary of NVTa's Statement of Net Position.

	As of June 30, 2023			As of June 30, 2022			As of June 30, 2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 10,632,392	\$ 11,525,213	\$ 22,157,605	\$ 8,753,888	\$ 11,925,277	\$ 20,679,165	\$ 4,300,242	\$ 5,902,908	\$ 10,203,150
Capital assets	-	50,863,851	50,863,851	-	31,633,675	31,633,675	-	19,430,818	19,430,818
Total assets	10,632,392	62,389,064	73,021,456	8,753,888	43,558,952	52,312,840	4,300,242	25,333,726	29,633,968
Deferred outflows of resources	962,351	-	962,351	573,293	-	573,293	630,778	-	630,778
Current and other liabilities	7,278,883	7,530,526	14,809,409	5,981,466	7,930,589	13,912,055	2,929,061	3,985,471	6,914,532
Noncurrent liabilities	1,332,334	18,199,700	19,532,034	553,316	4,032,525	4,585,841	-	-	-
Total liabilities	8,611,217	25,730,226	34,341,443	6,534,782	11,963,114	18,497,896	2,929,061	3,985,471	6,914,532
Deferred inflows of resources	86,335	-	86,335	383,572	-	383,572	52,407	-	52,407
Net position:									
Net investment in capital assets	-	31,664,151	31,664,151	-	27,601,150	27,601,150	-	19,430,818	19,430,818
Unrestricted net position	2,897,191	4,994,687	7,891,878	2,408,827	3,994,688	6,403,515	1,949,552	1,917,437	3,866,989
Total net position	\$ 2,897,191	\$ 36,658,838	\$ 39,556,029	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 1,949,552	\$ 21,348,255	\$ 23,297,807

Changes in Net Position

A summary of NVTa's Statement of Activities recapping NVTa's revenues earned during the years ended June 30, 2023, 2022, and 2021, and the expenses incurred is as follows:

	As of June 30, 2023			As of June 30, 2022			As of June 30, 2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:									
Program revenues:									
Fees, fines, and charges for services	\$ -	\$ 871,140	\$ 871,140	\$ -	\$ 580,477	\$ 580,477	\$ -	\$ 515,553	\$ 515,553
Operating grants and contributions	9,873,416	13,490,586	23,364,002	5,960,968	14,065,603	20,026,571	7,488,188	9,207,193	16,695,381
Capital grants and contributions	-	6,737,851	6,737,851	-	11,390,446	11,390,446	-	465,998	465,998
General revenues:									
Unrestricted interest and investment earnings	76,969	82,540	159,509	35,995	23,256	59,251	16,569	57,058	73,627
Loss from disposal of property	-	-	-	-	(2,062,247)	(2,062,247)	-	-	-
Miscellaneous	-	-	-	-	197,426	197,426	-	-	-
Total revenues	9,950,385	21,182,117	31,132,502	5,996,963	24,194,961	30,191,924	7,504,757	10,245,802	17,750,559
Expenses:									
Transportation planning	9,462,021	-	9,462,021	5,537,688	-	5,537,688	8,041,664	-	8,041,664
Transit	-	16,119,117	16,119,117	-	13,947,378	13,947,378	-	12,265,554	12,265,554
Total expenses	9,462,021	16,119,117	25,581,138	5,537,688	13,947,378	19,485,066	8,041,664	12,265,554	20,307,218
Change in net position	488,364	5,063,000	5,551,364	459,275	10,247,583	10,706,858	(536,907)	(2,019,752)	(2,556,659)
Net position, beginning	2,408,827	31,595,838	34,004,665	1,949,552	21,348,255	23,297,807	2,486,459	23,368,007	25,854,466
Net position, ending	\$ 2,897,191	\$ 36,658,838	\$ 39,556,029	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 1,949,552	\$ 21,348,255	\$ 23,297,807

Governmental Activities

NVTa's governmental activities financial reports capture the financial information for NVTa's administration, transportation planning, coordinating of transportation, and land use in the region and programming of regional funding activities.

Governmental activities expenses increased from \$5,537,688 in fiscal year 2021-2022 to \$9,462,021 in fiscal year 2022-2023. Governmental activities expenses decreased from \$8,041,664 in fiscal year 2020-2021 to \$5,537,688 in fiscal year 2021-2022.

Governmental activities are supported by a variety of funding sources which include:

- Federal Highway Administration (FHWA) Funds
- Federal Transit Administration (FTA) Funds
- State Programming, Planning, and Monitoring (PPM) Funds
- Transportation Development Act (TDA) Funds
- One Bay Area Grant (OBAG) Funds
- Local Support from Member Agencies
- Various Special and One-Time Grants

Congestion Management Agency (CMA)

The CMA is dedicated to addressing the County's most urgent transportation needs by:

- Pursuing funding for highway and safety improvements;
- Providing equitable and accessible mobility choices for seniors, low income and minority populations, and people with disabilities;
- Expanding travel options for commuters;
- Supporting local projects such as road safety and maintenance, transit facilities and Safe Routes to School (SRTS) initiatives.

NVTA continued its brisk pace on progressing major, transformative project in its pipeline. Three marquee projects - Soscol Junction, the Vine Trail, and Vine Bus Maintenance Facility, saw huge strides in construction with the goal post within sight for the completion of each of these while a new park and ride facility - the Imola Park and Ride, in the City of Napa began service in October 2022.

California Governor Gavin Newsom released the May Revision to his proposed 2023-24 California state budget, projecting a \$31.5 billion shortfall. The administration proposes to resolve the shortfall through a series of spending reductions, trigger cuts, and delays or deferrals of spending authorized in earlier years as well as through internal borrowing and fund shifts. The General Fund spending plan would protect many ongoing investments made in prior years, mostly maintains state reserves that are projected to total \$37.2 billion, and rejects raising revenues to continue to invest in Californians.

Despite the growing shortfall, the governor's revised budget manages to protect and maintain much of the progress made in prior years to help improve the state's public transit investments. Vine Transit, like many transit agencies across the country will soon face financial headwinds as federal COVID emergency funding dries up and the durability of work from home keeps fare revenue suppressed.

In response to concerted efforts from advocates and transit champions in the state legislature, California's Governor Gavin Newsom included \$5.1 billion in funding for California transit agencies in his 2023-2024 budget. NVTA was also glad to see the governor's inclusion of \$400 million specifically for operations. Operations funding is what allows agencies to run service frequently enough that people can rely on transit. Increasing operations funding is also what will allow agencies to attract and retain a robust, well-compensated workforce, without which there is no possibility of great transit.

In concert with the state and the Metropolitan Transportation Commission, NVTA will do its part to tackle climate change and reduce greenhouse gases. NVTA has already procured seven electric zero emission vehicles with another fourteen set for delivery in the next few years. NVTA's goal is to accelerate its transition to a fully electric fleet prior to the California Air Resources Board Innovative Clean Transit mandate.

In terms of planning and capital development, NVTA has been able to progress on several active projects in the pipeline hitting several key milestones. Noteworthy project and program developments during the year include:

Soscol Junction

Napa County's most significant transportation project in a decade is swiftly progressing, captivating the attention of daily commuters and travelers alike. Caltrans officials have express optimism that motorists could be driving on the completed \$54 million Soscol Junction much sooner than the anticipated Fall 2024 planned opening date.

The long-awaited Soscol Junction project reflects a decades-long endeavor, harkening back to California's 1970s plans to relocate Highway 29 and create an interchange at the Soscol Junction site. Although the original vision faced setbacks, the current project brings Napa Valley closer to that vision, introducing modern features such as roundabouts. Soscol Junction is well on its way to transforming the entrance to Napa Valley wine country. Soscol Junction serves as a primary gateway to Napa Valley wine country and the City of Napa, with an average daily traffic flow of around 69,000 vehicles on Highway 29.

The project incorporates roundabouts underneath SR-29 to allow for continuous north-south movement of vehicles. Two roundabouts will be located on SR-221 north of SR-29 and on Soscol Ferry Road south of SR-29. The roundabouts will accommodate turning movements on and off the highways. The project is designed to remove a signalized intersection that will cut rush-hour delays from several minutes to a few seconds. SR-29 will be elevated and free-flowing. Two roundabouts created underneath SR-29 will allow for access to SR-221 and Soscol Ferry Road. The goal is for drivers to spend less time sitting in traffic.

The project is sponsored by the California Department of Transportation (Caltrans), the Federal Highway Administration (FHWA), and NVTa which is the project implementing agency. The California Transportation Commission approved the Solutions for Congested Corridors Program (SCCP) in the amount of \$25 million in December 2020. A construction contract was awarded in April 2022 and a groundbreaking occurred in June 2022.

Napa Valley Vine Trail-St. Helena to Calistoga

The Napa Valley Vine Trail (Vine Trail) is a visionary and connective multiuse path that will extend from the City of Calistoga to the Vallejo Ferry terminal in Solano County. The Vine Trail route incorporates several existing paved pathways in the cities of Calistoga, Napa, American Canyon, St. Helena, Vallejo, the Town of Yountville, and the County of Napa. When it is fully completed, the 47-mile paved trail will involve land controlled by twelve separate public agencies.

After construction delays during an abnormally wet winter season, construction on the eight-mile segment was full steam ahead in the spring. The project has experienced several challenges including unearthing Native American artifacts as well as gas and electric line relocation issues. Despite those challenges, significant progress was seen by the end of the fiscal year. At the end of the fiscal year, crews prepared for the installation of two bridges within the in-progress nearly 8-mile Calistoga to St. Helena section of the trail — from Lincoln Avenue in Calistoga to Pratt Avenue in St. Helena — which is planned to open in the Spring of 2024. The 114-foot Dunaweal Bridge will extend the trail across the Napa River along Dunaweal Lane toward Highway 29. The 80-foot DeConnick Bridge will pass over wetlands between Big Tree Road and Ehlers Lane. Several sections of asphalt will be laid in late summer 2023.

Given the continued delays with gas and electric undergrounding adjacent to the trail, the anticipated start date has been moved to the Spring of 2024. The project budget was also increased due to the unanticipated costs of these delays.

While work continues on the northern end of the trail, crews will begin construction on the City of Vallejo portion next fall. That portions 5-mile segment of trail will run north from the Ferry Terminal to beneath the Vallejo-Mare Island Bridge, connect to the existing portion of the San Francisco Bay Trail along Highway 37, then cross Highway 29 to the east and head north to American Canyon's Veterans Memorial Park.

The last major gap of the trail- the ten-mile Yountville to St. Helena segment is poised for pre-construction activity in 2024. The County of Napa has secured \$4 million in federal funds to support pre-construction activities. The County will take on the construction of any of the remaining Vine Trail segments.

The Metropolitan Transportation Commission (MTC) provides NVTa with FHWA funds to support regional transportation planning and programming and to support the coordination of transportation and land use activities throughout the County. In fiscal year 2022-2023, the level of this funding was \$836,000.

TDA funds derive from ¼ cent of the local sales tax collected. TDA funds are used to support transit planning, administration, and mobility services. TDA funds which are not spent within the year they are drawn must either be returned to the Napa County Local Transportation Fund (LTF), which is a trust account for TDA; or alternatively, the TDA balances may be designated as advances for a specific

project. Funds returned to the LTF become available to NVTA again in the fiscal year following their return. The LTF is administered by the MTC through the Napa County Auditor-Controller; the LTF is not a fund under NVTA's control.

Local funds which are provided by the member agencies are unrestricted and may be placed in Net Position balance if not used in the fiscal year they are collected. Currently, NVTA has a Net Position balance of \$2,897,191 which is held in reserve for future regional planning projects or necessary administrative costs.

Business-Type Activities

NVTA's business-type activities encompass the financial reports for public transit services provided by NVTA including the Vine (fixed route transit), Vine Go (complimentary Americans with Disabilities Act (ADA) required paratransit service), American Canyon Transit (dial-a-ride transit), the Yountville Trolley (dial-a-ride transit), the St. Helena Shuttle (dial-a-ride transit), the Calistoga Shuttle (dial-a-ride transit), and a Taxi Scrip program. Each of the community shuttles are dial-a-ride transit services.

Business-type activity expenses increased from \$13,947,378 in fiscal year 2021-2022 to \$16,119,117 in fiscal year 2022-2023 which is an overall increase of 16%. The increase is accounted for by the execution of a new purchase transportation contract and the restoration of some services that were reduced due a lack of demand from the COVID-19 pandemic.

Business-type activity expenses increased from \$12,265,554 in fiscal year 2020-2021 to \$13,947,378 in fiscal year 2021-2022 which is an overall increase of 14%. The increase is accounted for by the execution of a new purchase transportation contract and the restoration of some services that were reduced due a lack of demand from the COVID-19 pandemic.

Transit operating expenses are supported by a variety of funding sources which include:

- Transportation Development Act (TDA) funds
- Federal Transit Administration (FTA) funds
- Fare revenues collected
- Regional Measure 2 (RM2) funds
- Various grants and contributions

Any TDA operating revenue received which is not spent on transit operations is returned to the LTF trust fund for future allocations as described in the Governmental Activities section.

Vine Transit System

Like many transit operators around the country, the Vine Transit system was decimated by the impacts of the COVID-19 pandemic. Recently, the focus for Vine Transit and for transit in general, was how to deliver quality transit services in the new normal. Working with the Metropolitan Transportation Commission, the "Survive and Thrive: Roadmap to a Sustainable Business Model for Bay Area Public Transit" provided a high-level framework for describing the actions and investment strategies that are underway and anticipated over the next decade to help transit agencies across the Bay Area survive an impending fiscal crisis, adapt to post-pandemic realities, grow ridership, and successfully transition to a new, financially sustainable business model.

A significant challenge for Vine is the extent to which ridership is affected by external factors, such as the economy, land uses and urban form, gas prices, homelessness, and — most relevant to the current moment — remote work policies. Transit must constantly react and adapt to a changing external business environment.

Vine Transit showed promising signs of a passenger rebound for most of the year, but since then has stagnated at the end of the fiscal year. Ridership increased 11% over the year to 487,995 from 441,265 in the same period last year.

When the COVID-19 pandemic prompted national lockdowns, ridership sharply declined, leading to a near-zero drop in fare collection revenues. The absence of fare revenues left transit agencies grappling with insufficient funds to cover their operating costs. In response, the federal government took action by implementing three distinct emergency relief packages and augmenting support for transit agencies in the Infrastructure Investment and Jobs Act (IIJA).

Despite these financial injections, the funding proved insufficient. The return of ridership to pre-pandemic levels has yet to materialize, and workforce shortages have exacerbated the challenges. This dual impact has given rise to the transit fiscal cliff—a looming operating budget deficit anticipated at transit agencies nationwide once their federal relief expires. Although the Vine is not heavily reliant on passenger fares to pay for its operations, the lack of farebox revenues has compelled NVRTA to limit the full return to a fixed route schedule.

Vine Transit services experienced gains in ridership from the previous year, but the Yountville Bee was slightly negative. Year-over-year passenger counts on the Vine increased by 9%, Vine Go by 110%; Calistoga by 3%; St. Helena by 34%, American Canyon by 4%, but Yountville was down by 6%.

NVRTA and Vine Transit is committed on finding ways to make the Vine Transit experience more attractive for the riding public. The Vine has already made considerable adjustments to service to respond to the pandemic's changing travel patterns and conserve operating resources. The Vine has also championed equity-driven service decisions such as boosting frequency in high-traveled routes used primarily by low-income essential service workers to improve travel to and from jobs that cannot be done remotely. Across Napa County, more residents are traveling within their counties than outside, so it is increasingly important for local transit options to offer fast and reliable service. The transition may take years to fully implement with adjustments along the way, but many aspects of this transformation has already begun for the Vine.

Vine Bus Maintenance Facility

The construction of the Vine Bus Maintenance Facility has been advancing swiftly, marking significant progress in the recent fiscal year. As of the year-end, the project has reached an 85% completion rate, showcasing the dedicated efforts and efficiency of the construction team. Looking ahead, the substantial completion of the facility is anticipated by the end of November 2023, signaling a near culmination of this vital infrastructure development.

In response to the evolving landscape of sustainable technologies, the Napa Valley Transportation Authority (NVRTA) has implemented a strategic change order to retrofit the facility, ensuring its readiness for hydrogen utilization. This forward-thinking decision aligns with the growing emphasis on environmentally friendly and innovative solutions within the public transportation sector. By incorporating this hydrogen-ready retrofit, the Vine Bus Maintenance Facility positions itself at the forefront of technological adaptability, paving the way for future advancements and contributing to the broader sustainability goals of the community.

The proactive approach taken by NVRTA not only underscores their commitment to staying abreast of emerging technologies but also reflects a dedication to ensuring the longevity and versatility of the Vine Bus Maintenance Facility. This strategic decision is poised to have far-reaching implications, not only in terms of environmental impact but also in positioning the facility as a model of adaptability and resilience in the ever-evolving landscape of transportation infrastructure.

As the project nears its final stages, the anticipated culmination in November 2023 is met with anticipation and excitement. The Vine Bus Maintenance Facility stands as a testament to the collaborative efforts and strategic vision of NVRTA, contributing significantly to the enhancement of the region's public transportation infrastructure. The integration of hydrogen-ready features further cements its role as a beacon of sustainability and technological readiness, poised to serve the community for years to come.

When completed, the 8 acre property to feature a 20,000 sq. ft. maintenance building with six service bays, an 8,000 sq. ft. administration building and regional meeting center, modern bus wash, secured parking for up to 100 transit vehicles, and parking area for employees and visitors. Total project costs is approximately \$41 million which includes purchasing the real estate.

BUDGETARY HIGHLIGHTS

NVTA adopts a biannual operating budget that includes proposed expenditures and the means of financing them. NVTA's budget is adopted by the Board before June 30th of each even-numbered fiscal year. Subsequent increases to the original budget must be approved by the Board. Page 58 provides a budget to actual comparison of the Governmental Fund.

For NVTA's Governmental Fund for the year ended June 30, 2023, the budget for revenues was \$29,512,100 and for expenditures was \$29,523,100. For NVTA's Governmental Fund for the year ended June 30, 2022, the budget for revenues was \$13,932,200 and for expenditures was \$14,132,200. When comparing actual expenditures and revenue to the final budget for both fiscal years, NVTA was within budget.

CAPITAL ASSETS

The governmental activities financial statements include capital assets of \$0 for fiscal years 2022-2023 and 2021-2022. Capital assets in total are composed of office furniture located at NVTA's administrative offices at the Soscol Gateway Transit Center.

The business-type activities financial statements include capital assets of \$50,863,851 and \$31,633,675 in fiscal years 2022-2023 and 2021-2022, respectively. Capital assets in total are predominantly made up of buses and other transit related equipment as well as the Soscol Gateway Transit Center facility and construction in progress for the new Vine Bus Maintenance Facility and Imola Park and Ride projects.

Major additions during the year included purchases of transit related equipment and the bus maintenance facility in fiscal year 2022-2023. Major additions during the year included purchases of transit related equipment in fiscal year 2021-2022.

For additional information on NVTA's capital assets and capital asset activity, please refer to Note 4 in the notes to the basic financial statements.

DEBT ADMINISTRATION

As of June 30, 2023, NVTA had debt of \$19,199,700 and recorded long-term obligations for compensated absences in the amount of \$189,435. As of June 30, 2022, NVTA had debt of \$4,032,525 and recorded long-term obligations for compensated absences in the amount of \$193,764. For additional information on NVTA's debt activity, please refer to Note 5 in the notes to the basic financial statements.

CONTACTING NVTA

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of NVTA's finances and to demonstrate NVTA's accountability for the money it receives. For questions about this report or any additional information needed, contact NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

A separately issued financial report for NVTA's discretely presented component unit, NVTA – Tax Agency, can be obtained by contacting NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

**BASIC FINANCIAL STATEMENTS –
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Discrete Component Unit
	Governmental Activities	Business-Type Activities	Totals	NVTA - Tax Agency
<u>ASSETS</u>				
Cash and Investments in County Treasury	\$ 8,552,763	\$ 3,806,316	\$ 12,359,079	\$ 4,071,770
Imprest Cash	500	-	500	-
Investments	-	862,220	862,220	-
Due from Other Government Agencies	2,008,532	6,608,864	8,617,396	-
Intergovernmental Receivables	-	-	-	4,565,042
Prepaid Expenses	70,597	50,329	120,926	-
Inventory	-	197,484	197,484	-
Capital Assets, Net of Accumulated Depreciation	-	50,863,851	50,863,851	-
Total Assets	10,632,392	62,389,064	73,021,456	8,636,812
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
OPEB	306,235	-	306,235	-
Pension Adjustments	656,116	-	656,116	-
Total Deferred Outflows of Resources	962,351	-	962,351	-
<u>LIABILITIES</u>				
Accounts Payable	827,511	2,078,460	2,905,971	8,046,204
Accrued Salaries	61,071	-	61,071	-
Unearned Revenue	6,390,301	917,435	7,307,736	-
Due to Other Government Agencies	-	3,534,631	3,534,631	-
Loan Payable - Current	-	1,000,000	1,000,000	-
Net Pension Liability	1,052,652	-	1,052,652	-
Net Other Postemployment Benefits (OPEB) Liability	90,247	-	90,247	-
Compensated Absences	189,435	-	189,435	-
Loan Payable - Non-current	-	18,199,700	18,199,700	-
Total Liabilities	8,611,217	25,730,226	34,341,443	8,046,204
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	57,064	-	57,064	-
Pension Adjustments	29,271	-	29,271	-
Total Deferred Inflows of Resources	86,335	-	86,335	-
<u>NET POSITION</u>				
Net Investment in Capital Assets	-	31,664,151	31,664,151	-
Unrestricted	2,897,191	4,994,687	7,891,878	590,608
Total Net Position	\$ 2,897,191	\$ 36,658,838	\$ 39,556,029	\$ 590,608

The accompanying notes are an integral part of these basic financial statements.

NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			Discrete Component Unit
	Governmental Activities	Business-Type Activities	Totals	NVTA - Tax Agency
<u>ASSETS</u>				
Cash and Investments in County Treasury	\$ 7,999,298	\$ -	\$ 7,999,298	\$ 3,947,719
Imprest Cash	500	-	500	-
Investments	-	466,101	466,101	-
Due from Other Government Agencies	489,924	11,162,758	11,652,682	-
Intergovernmental Receivables	-	-	-	4,876,204
Prepaid Expenses	190,872	98,934	289,806	-
Inventory	-	197,484	197,484	-
Net Other Postemployment Benefits (OPEB) Asset	73,294	-	73,294	-
Capital Assets, Net of Accumulated Depreciation	-	31,633,675	31,633,675	-
Total Assets	8,753,888	43,558,952	52,312,840	8,823,923
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
OPEB	166,734	-	166,734	-
Pension Adjustments	406,559	-	406,559	-
Total Deferred Outflows of Resources	573,293	-	573,293	-
<u>LIABILITIES</u>				
Cash Overdraft	-	773,959	773,959	-
Accounts Payable	430,074	5,780,799	6,210,873	8,400,736
Accrued Salaries	100,142	-	100,142	-
Unearned Revenue	5,451,250	1,202,075	6,653,325	-
Unearned Revenue - State of Good Repair	-	10,239	10,239	-
Due to Other Government Agencies	-	163,517	163,517	-
Net Pension Liability	359,552	-	359,552	-
Compensated Absences	193,764	-	193,764	-
Loan Payable	-	4,032,525	4,032,525	-
Total Liabilities	6,534,782	11,963,114	18,497,896	8,400,736
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	69,702	-	69,702	-
Pension Adjustments	313,870	-	313,870	-
Total Deferred Inflows of Resources	383,572	-	383,572	-
<u>NET POSITION</u>				
Net Investment in Capital Assets		27,601,150	27,601,150	
Unrestricted	2,408,827	3,994,688	6,403,515	423,187
Total Net Position	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 423,187

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discrete Component Unit
Functions/Programs	Expenses				Governmental Activities	Business-Type Activities	Total	NVTA - Tax Agency
Primary Government:								
Governmental Activities:								
Transportation Planning	\$ 9,462,021	\$ -	\$ 9,873,416	\$ -	\$ 411,395	\$ -	\$ 411,395	\$ -
Business-Type Activities:								
Transit	16,119,117	871,140	13,490,586	6,737,851	-	4,980,460	4,980,460	-
Total Primary Government	<u>\$ 25,581,138</u>	<u>\$ 871,140</u>	<u>\$ 23,364,002</u>	<u>\$ 6,737,851</u>	411,395	4,980,460	5,391,855	-
Discrete Component Unit:								
NVTA - Tax Agency	<u>\$ 25,383,590</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	(25,383,590)
General Revenues								
		Taxes			-	-	-	25,506,553
		Unrestricted Interest and Investment Earnings			76,969	82,540	159,509	44,458
		Total General Revenues			76,969	82,540	159,509	25,551,011
		Change in Net Position			488,364	5,063,000	5,551,364	167,421
		Net Position July 1, 2022			2,408,827	31,595,838	34,004,665	423,187
		Net Position June 30, 2023			\$ 2,897,191	\$ 36,658,838	\$ 39,556,029	\$ 590,608

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discrete Component Unit	
Functions/Programs	Expenses				Governmental Activities	Business-Type Activities	Total	NVTA - Tax Agency	
Primary Government:									
Governmental Activities:									
Transportation Planning	\$ 5,537,688	\$ -	\$ 5,960,968	\$ -	\$ 423,280	\$ -	\$ 423,280	\$ -	
Business-Type Activities:									
Transit	13,947,378	580,477	14,065,603	11,390,446	-	12,089,148	12,089,148	-	
Total Primary Government	<u>\$ 19,485,066</u>	<u>\$ 580,477</u>	<u>\$ 20,026,571</u>	<u>\$ 11,390,446</u>	<u>423,280</u>	<u>12,089,148</u>	<u>12,512,428</u>	<u>-</u>	
Discrete Component Unit:									
NVTA - Tax Agency	<u>\$ 24,644,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,644,437)</u>	
General Revenues									

The accompanying notes are an integral part of these basic financial statements.

**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

**NAPA VALLEY TRANSPORTATION AUTHORITY
BALANCE SHEETS
GOVERNMENTAL FUND – PLANNING FUND
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ 8,552,763	\$ 7,999,298
Imprest Cash	500	500
Grants Receivable	2,008,532	489,924
Prepaid Expenses	<u>70,597</u>	<u>190,872</u>
Total Current Assets	<u>10,632,392</u>	<u>8,680,594</u>
Total Assets	<u><u>\$ 10,632,392</u></u>	<u><u>\$ 8,680,594</u></u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable	\$ 827,511	\$ 430,074
Accrued Salaries and Benefits	61,071	100,142
Unearned Revenue	<u>6,390,301</u>	<u>5,451,250</u>
Total Current Liabilities	<u>7,278,883</u>	<u>5,981,466</u>
Total Liabilities	<u>7,278,883</u>	<u>5,981,466</u>
<u>FUND BALANCE</u>		
Nonspendable	70,597	190,872
Unassigned	<u>3,282,912</u>	<u>2,508,256</u>
Total Fund Balance	<u>3,353,509</u>	<u>2,699,128</u>
Total Liabilities and Fund Balance	<u><u>\$ 10,632,392</u></u>	<u><u>\$ 8,680,594</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
RECONCILIATION OF THE PLANNING FUND
BALANCE SHEETS TO THE STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Total Fund Balance - Governmental Fund	\$ 3,353,509	\$ 2,699,128
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Long-term assets and liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Compensated absences	(189,435)	(193,764)
Net pension liability	(1,052,652)	(359,552)
Net OPEB	(90,247)	73,294
Deferred outflows of resources are not current assets or financial resources and deferred inflows of resources are not due and payable in the current period and, therefore, not reported in the governmental fund.		
Deferred outflows of resources - Pension	656,116	406,559
Deferred outflows of resources - OPEB	306,235	166,734
Deferred inflows of resources - Pension	(29,271)	(313,870)
Deferred inflows of resources - OPEB	<u>(57,064)</u>	<u>(69,702)</u>
Total Net Position - Governmental Activities	<u>\$ 2,897,191</u>	<u>\$ 2,408,827</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<u>REVENUES</u>		
Local Transportation Fund Allocation	\$ 3,362,200	\$ 3,159,928
Federal Highway Allocations	3,322,667	1,064,273
Programming, Planning, and Monitoring	689,156	1,008,446
Other Grants	1,563,063	160,602
Local Support	-	201,321
Interest	76,969	35,995
Other Revenues	<u>936,330</u>	<u>366,398</u>
Total Revenues	<u>9,950,385</u>	<u>5,996,963</u>
<u>EXPENDITURES</u>		
Communications	33,791	34,922
Insurance	63,778	55,657
Office Expense	128,538	82,355
Rents and Leases	6,807	7,466
Transportation	10,317	3,504
Salaries and Benefits	2,189,959	1,981,237
Miscellaneous Expense	352,301	304,930
Professional Services	<u>6,510,513</u>	<u>3,143,740</u>
Total Expenditures	<u>9,296,004</u>	<u>5,613,811</u>
Net Change in Fund Balance	<u>654,381</u>	<u>383,152</u>
Fund Balance, Beginning of Year	<u>2,699,128</u>	<u>2,315,976</u>
Fund Balance, End of Year	<u><u>\$ 3,353,509</u></u>	<u><u>\$ 2,699,128</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF THE PLANNING FUND
TO THE GOVERNMENT-WIDE STATEMENTS OF ACTIVITIES –
GOVERNMENTAL ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Net Change in Fund Balance - Governmental Fund	\$ 654,381	\$ 383,152
Amounts reported for governmental activities in the Statement of Activities are different because:		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Pension expense - GASB Statement No. 68	(158,944)	76,118
OPEB expense - GASB Statement No. 75	(11,402)	17,167
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.		
This change reflects an increase in compensated absences that occurred during the year.		
	<u>4,329</u>	<u>(17,162)</u>
Total Change in Net Position - Governmental Activities	<u>\$ 488,364</u>	<u>\$ 459,275</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF FUND NET POSITION
TRANSIT FUND
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ 3,806,316	\$ -
Investments	862,220	466,101
Grants Receivable	6,608,864	11,162,758
Prepaid Expenses	50,329	98,934
Inventory	197,484	197,484
	<u>11,525,213</u>	<u>11,925,277</u>
Total Current Assets		
Noncurrent Assets		
Land	5,535,633	5,535,633
Construction in Progress	28,402,658	12,562,895
Capital Assets, Net of Accumulated Depreciation	16,925,560	13,535,147
	<u>50,863,851</u>	<u>31,633,675</u>
Total Noncurrent Assets		
Total Assets	<u>\$ 62,389,064</u>	<u>\$ 43,558,952</u>
<u>LIABILITIES</u>		
Current Liabilities		
Cash Overdraft	\$ -	\$ 773,959
Accounts Payable	2,078,460	5,780,799
Unearned Revenue	917,435	1,202,075
Unearned Revenue - State of Good Repair	-	10,239
Due to Other Government Agencies	3,534,631	163,517
Loan Payable	1,000,000	-
	<u>7,530,526</u>	<u>7,930,589</u>
Total Current Liabilities		
Noncurrent Liabilities		
Loan Payable	18,199,700	4,032,525
	<u>18,199,700</u>	<u>4,032,525</u>
Total Noncurrent Liabilities		
Total Liabilities	<u>25,730,226</u>	<u>11,963,114</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	31,664,151	27,601,150
Unrestricted	4,994,687	3,994,688
	<u>36,658,838</u>	<u>31,595,838</u>
Total Net Position		
Total Liabilities and Net Position	<u>\$ 62,389,064</u>	<u>\$ 43,558,952</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
<u>OPERATING REVENUES</u>		
Farebox Revenues	\$ 871,140	\$ 580,477
Total Operating Revenues	<u>871,140</u>	<u>580,477</u>
<u>OPERATING EXPENSES</u>		
Marketing	15,102	27,960
Vehicle Maintenance	546,238	331,885
Other Maintenance	12,724	699
Fuel and Lubricants	1,477,580	1,395,071
Insurance	306,427	372,459
Planning and Administration	-	1,086
Security	27,331	25,589
Services	401,216	162,249
Supplies	47,798	74,266
Purchased Transportation	10,459,907	9,400,384
Rents and Leases	-	20,899
Utilities	25,630	20,174
Miscellaneous Expense	139,514	10,336
Depreciation	2,217,323	1,725,069
Personnel Costs	442,327	379,252
Total Operating Expenses	<u>16,119,117</u>	<u>13,947,378</u>
Operating Loss	<u>(15,247,977)</u>	<u>(13,366,901)</u>
<u>NONOPERATING REVENUE, NET</u>		
Local Transportation Fund	7,884,757	4,175,400
Less: Returned Local Transportation Fund Allocations	(3,534,631)	(163,517)
State Transit Assistance	1,311,344	2,006,251
Federal Transit Assistance Grant Revenues - Operating	5,593,899	6,809,336
Other Operating Grants	2,235,217	1,238,133
Interest Income	82,540	23,256
Other Revenues	-	197,426
Loss from Disposal of Property	-	(2,062,247)
Total Nonoperating Revenue, Net	<u>13,573,126</u>	<u>12,224,038</u>
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	<u>(1,674,851)</u>	<u>(1,142,863)</u>
Capital Contributions		
Federal Transit Assistance	2,659,955	4,867,978
State Transit Assistance	300,776	3,071,132
Local Transportation Fund	3,777,120	3,451,336
Total Capital Contributions	<u>6,737,851</u>	<u>11,390,446</u>
Change in Net Position	5,063,000	10,247,583
Net Position, Beginning of Year	<u>31,595,838</u>	<u>21,348,255</u>
Net Position, End of Year	<u>\$ 36,658,838</u>	<u>\$ 31,595,838</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Passengers	\$ 871,140	\$ 580,477
Cash Payments for General and Administrative Expenses	(1,192,403)	(968,595)
Cash Payments to Suppliers for Operations	(16,363,125)	(6,631,598)
Net Cash Used in Operating Activities	(16,684,388)	(7,019,716)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Local Transportation Fund	7,952,124	1,982,810
Federal Operating Grants	6,082,015	1,719,427
State Transit Assistance	4,851,359	(1,795,892)
State of Good Repair	-	18,058
Other Operating Grants	2,235,217	1,435,559
Net Cash Provided by Noncapital Financing Activities	21,120,715	3,359,962
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds From Sale of Property and Equipment	-	(2,062,247)
Capital Contributions	6,737,851	11,390,446
Payments for the Acquisition of Capital Assets	(21,447,499)	(11,972,652)
Gain on Sale of Property and Equipment	-	2,077,251
Proceeds from Line of Credit	15,167,175	-
Net Cash Provided by (Used) in Capital and Related Financing Activities	457,527	(567,202)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investments	(396,119)	1,609,156
Interest Received	82,540	23,256
Net Cash (Used in) Provided by Investing Activities	(313,579)	1,632,412
Net Increase (Decrease) in Cash and Investments in County Treasury	4,580,275	(2,594,544)
Cash and Investments in County Treasury at Beginning of Year	(773,959)	1,820,585
Cash and Investments in County Treasury at End of Year	\$ 3,806,316	\$ (773,959)

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS (Continued)
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating Loss	\$ (15,247,977)	\$ (13,366,901)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	2,217,323	1,725,069
Changes in Assets and Liabilities:		
Decrease in Inventory	-	29,912
Decrease (Increase) in Prepaid Expenses	48,605	(43,883)
(Decrease) Increase in Accounts Payable	<u>(3,702,339)</u>	<u>4,636,087</u>
Net Cash Used in Operating Activities	<u><u>\$ (16,684,388)</u></u>	<u><u>\$ (7,019,716)</u></u>
Reconciliation of Cash and Investments Per Statement of Cash Flows to the Statement of Net Position		
Cash and Investments in County Treasury	\$ 3,806,316	\$ -
Cash Overdraft	<u>-</u>	<u>(773,959)</u>
Cash and Investments per Statement of Cash Flows	<u><u>\$ 3,806,316</u></u>	<u><u>\$ (773,959)</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF FIDUCIARY NET POSITION
AIR QUALITY MANAGEMENT FUND
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ 353,284	\$ 489,000
Due from Other Government Agencies	<u>196,549</u>	<u>102,436</u>
Total Current Assets	<u>549,833</u>	<u>591,436</u>
Total Assets	<u><u>\$ 549,833</u></u>	<u><u>\$ 591,436</u></u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
Total Current Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
<u>NET POSITION</u>		
Net Position Held in Trust for Other Purposes	<u>549,833</u>	<u>591,436</u>
Total Net Position	<u>549,833</u>	<u>591,436</u>
Total Liabilities and Net Position	<u><u>\$ 549,833</u></u>	<u><u>\$ 591,436</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
AIR QUALITY MANAGEMENT FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
ADDITIONS		
Aid from Other Government Agencies	\$ 194,256	\$ 189,053
Interest Income	<u>5,761</u>	<u>4,808</u>
Total Additions	<u>200,017</u>	<u>193,861</u>
DEDUCTIONS		
Program Expenses	<u>241,620</u>	<u>251,814</u>
Total Deductions	<u>241,620</u>	<u>251,814</u>
CHANGE IN NET POSITION	(41,603)	(57,953)
Net Position, Beginning of Year	<u>591,436</u>	<u>649,389</u>
Net Position, End of Year	<u><u>\$ 549,833</u></u>	<u><u>\$ 591,436</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Napa Valley Transportation Authority (NVTa), formerly known as the Napa County Congestion Management Agency and Napa County Transportation and Planning Agency, was formed on September 3, 1991, under a Joint Powers Agreement to provide coordinated, continuous, and comprehensive transportation planning for the County of Napa (the County) and the cities of the County. NVTa consists of six member agencies with the voting power of each in parenthesis: the Cities of American Canyon (4), Calistoga (2), Napa (10), and St. Helena (2); the Town of Yountville (2); and the County (4).

The work program for the activities of NVTa is defined by the Board of Directors (the Board) made up of elected officials from the respective member agencies and a member of the Paratransit Coordinating Council (PCC). The PCC member is ex-officio and does not have a vote.

NVTa was formed to serve as the countywide transportation planning body for the incorporated and unincorporated areas of the County. NVTa is charged with coordinating short and long-term planning and funding within an intermodal policy framework in the areas of highways, streets and roads, transit and paratransit, and bicycle path improvements.

NVTa's Joint Powers Agreement was amended effective January 1, 2001, to facilitate the consolidation of transit planning and to allow transfer of Transportation Development Act (TDA) funds directly to NVTa as claimant for transit use to the extent allowed by TDA regulations. The amendment enables NVTa to claim all TDA funds under Articles 4, 4.5, and/or 8 of Chapter 4 of the Public Utilities Code apportioned within the County by the Metropolitan Transportation Commission (MTC). NVTa is authorized to claim all apportionments to transit services on behalf of the jurisdictions of the County. In January 2007, the agreement was amended further to change NVTa's name from Napa County Congestion Management Agency to Napa County Transportation and Planning Agency. In February 2016, the name was changed to the Napa Valley Transportation Authority.

Beginning July 1, 2001, NVTa began administering all transit-related activities on behalf of the Cities of Calistoga, Napa, and St. Helena; the Town of Yountville; and the County. Effective July 1, 2006, NVTa assumed direct management of American Canyon Transit.

B. Basis of Presentation

The basic financial statements of NVTa and its discrete component unit are prepared in accordance with accounting principles generally accepted in the United States of America.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the primary government (NVTa) and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of NVTa. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes and unrestricted interest earnings, are presented instead as general revenues.

When both restricted and unrestricted net position are available, restricted resources for the purpose intended are used first then unrestricted resources as they are needed.

Fund Financial Statements

The fund financial statements provide information about NVTAs funds, including fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds. For the years ended June 30, 2023 and 2022, NVTAs did not have any nonmajor funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Proprietary fund *operating* revenues result from exchange transactions. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating revenues generally result from charges to passengers for public transit services. Operating expenses include the cost of transit service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition of operating revenues and expenses are reported as nonoperating.

NVTA reports the following major governmental fund:

Planning Fund is used as the general fund for NVTA and all planning and administrative activities are accounted for in this fund.

NVTA reports the following major enterprise fund:

Transit Fund is used to account for the revenues and expenses necessary to provide public transit services. Transit operations include the Vine, Vine Go, American Canyon Transit, the Yountville Trolley, the St. Helena Shuttle, the Calistoga Shuttle, and the Taxi Scrip program.

NVTA reports the following additional fund types:

Private Purpose Trust Funds account for assets, primarily cash and investments, held by NVTA in a trustee capacity for other governmental agencies. NVTA is responsible for the administration of two private purpose trust funds. They are used to account for activities of the Abandoned Vehicle Abatement Authority trust fund and the Bay Area Air Quality Management trust fund.

Discrete Component Unit - NVTA - Tax Agency (NVTA-TA) is the local transportation sales tax authority. NVTA-TA is responsible for the oversight and administration of the Napa Countywide Maintenance Act, commonly known as Measure T, the 25-year, ½% sales tax for street and road improvements approved by the voters on November 6, 2012. Measure T became effective on July 1, 2018. NVTA-TA is discretely presented because the ordinance is a legally separate, stand-alone entity administered by the NVTA. The operations of NVTA-TA are not included in the NVTA's reporting entity since the entity is responsible for conducting its own day-to-day operations and is compelled to answer to its own separately elected governing board. A separately issued financial report can be obtained by contacting NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which NVTA gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Interest; state, federal, and local grants; and charges for services are accrued when their receipt occurs within one year after the end of the accounting period so as to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

D. Cash and Investments

NVTA maintains nearly all of its cash and investments with the County Treasurer in a cash and investment pool. A small independent bank account is used to pay some employee benefits. On a quarterly basis, the County Treasurer allocates interest to investment pool participants based upon their average daily balances. For purposes of the accompanying Statement of Cash Flows, the enterprise fund considers all highly liquid investments with a maturity of three months or less when purchased, and its equity in the County Treasurer's investment pool, to be cash equivalents. The fair value of investments is obtained by using quotations obtained from independent published sources.

Required disclosure information regarding the categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County's financial statements may be obtained by contacting the County's Auditor-Controller's office at 1195 Third Street, Room B-10, Napa, California 94559. The County Treasury Oversight Committee oversees the Treasurer's investments and policies.

E. Receivables

NVTA's receivables are mostly related to grants. Management has determined NVTA's receivables to be fully collectable. Accordingly, no allowance for doubtful accounts has been made.

F. Inventories

On January 1, 2022, NVTA executed a new multiyear agreement (the Agreement) with the purchased transportation contractor (the Contractor) provided the Contractor with an initial inventory of equipment, tools, and other property to be used to provide services with a value of \$170,948. The Contractor shall be responsible for returning to NVTA, at the termination of the Agreement, property and equipment of equivalent type and value (as of date acquired) and conditions as that identified in the updated initial inventory list, subject to normal wear and tear.

During the last month of the Agreement, NVTA shall conduct a final inventory. The Contractor will be responsible for either replacing property or equipment determined from the inventory list to be missing, damaged, or otherwise unavailable for use, or in a condition that is in excess of ordinary wear and tear or compensating NVTA for its replacement value. These parts are not included in the Agreement with the Contractor. Farebox inventory parts will be tracked separately.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. NVTa defines capital assets as assets with an initial, individual cost of more than \$10,000, an estimated useful life in excess of one year, and not a component of another asset. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Structures	20 years
Vehicles	1-12 years
Equipment	1-5 years

NVTa has acquired certain assets with funding provided by federal assistance from various grant programs. NVTa holds title to these assets; however, the federal government retains an interest in these assets should the assets no longer be used for transit purposes.

H. Compensated Absences

NVTa has adopted Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*. The earned vacation payable upon termination is reported at the current balance of the liability, and may be accumulated up to a maximum of 600 hours by personnel.

I. Interfund Transactions

Interfund transactions are reflected either as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

J. Advances

Advances arise when resources are received by NVTa before it has a legal claim to them, e.g., when grant monies are received prior to the incurrence of qualifying expenses. In subsequent periods, when both revenue recognition criteria are met, or when NVTa has a legal claim to the resources, the liability is removed from the Balance Sheet and revenue is recognized.

K. Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the basic financial statements and the reported amount of revenue and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the asset.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments, of which NVTa has none.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

M. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which NVTa is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of NVTa's highest level of decision-making authority (the Board) and that remain binding unless removed in the same manner. Committed fund balance does not lapse at year-end. The formal action must occur prior to the end of the reporting period. However, the amount which will be subject to the constraint may be determined in the subsequent period. The formal action required to commit fund balance shall be Board resolution.
- *Assigned fund balance* – amounts that are constrained by NVTa's *intent* to be used for specific purposes. The intent can be established at either the highest level of decision-making authority, or by a body or an official designated for that purpose. The Board delegated authority to assign fund balance for a specific purpose to the Manager of Finance.
- *Unassigned fund balance* – the residual classification for NVTa's Planning Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is NVTa's policy to use restricted resources first, followed by the unrestricted committed, assigned, and unassigned resources as they are needed.

Minimum Fund Balance Policy:

NVTa has adopted a minimum fund balance policy. Planning Fund cash reserves should be at a minimum of \$500,000 per fiscal year. The proprietary cash reserve should be at least 25% of non-restricted funds of the current fiscal year operating budget.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. New Accounting Pronouncements – Implemented

GASB Statement No. 91 – *Conduit Debt Obligations*. The requirements of this statement are effective for periods beginning after December 15, 2021. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for periods beginning after June 15, 2022. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for periods beginning after June 15, 2022. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 99 – *Omnibus 2022*. The requirements of this statement are effective as follows:

- The requirements related to the extension of the use of London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance.
- The requirements related to leases, public-private and public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

O. Future Accounting Pronouncements

GASB Statement No. 100 – *Accounting Changes and Error Corrections*. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. NVTA will implement GASB Statement No. 100 if and when applicable.

GASB Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. NVTA will implement GASB Statement No. 101 if and when applicable.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of NVTA's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Q. Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of NVTa's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Accounting principles generally accepted in the United States of America require that the reported results must pertain to liability and asset information within certain defined timeframes.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASHGeneral

NVTa has adopted GASB Statement No. 31 which requires investments of governmental agencies to be reported at fair value. However, investment pools, such as a state or county treasury, may report the value of short-term investments with remaining maturities of less than 90 days at amortized cost. The majority of the County Treasury investments have a remaining maturity of less than 90 days. In addition, GASB Statement No. 31 does not apply to immaterial cost/value differences.

NVTa has adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. GASB Statement No. 40 requires governmental entities to assess categories of risk associated with their deposits and disclose these risks.

Cash and investments are reported in the accompanying basic financial statements as follows:

June 30, 2023					
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Statement of Net Position:					
Cash	\$ 8,552,763	\$ 3,806,316	\$ 12,359,079	\$ 4,071,770	\$ 353,284
Imprest Cash	500	-	500	-	-
Investments	-	862,220	862,220	-	-
	<u>\$ 8,553,263</u>	<u>\$ 4,668,536</u>	<u>\$ 13,221,799</u>	<u>\$ 4,071,770</u>	<u>\$ 353,284</u>
June 30, 2022					
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Statement of Net Position:					
Cash	\$ 7,999,298	\$ -	\$ 7,999,298	\$ 3,947,719	\$ 489,000
Imprest Cash	500	-	500	-	-
Cash Overdraft	-	(773,959)	(773,959)	-	-
Investments	-	466,101	466,101	-	-
	<u>\$ 7,999,798</u>	<u>\$ (307,858)</u>	<u>\$ 7,691,940</u>	<u>\$ 3,947,719</u>	<u>\$ 489,000</u>

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)

Cash and investments consisted of the following at June 30, 2023 and 2022:

	June 30, 2023				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Cash on Hand and in Banks	\$ 27,972	\$ 76,823	\$ 104,795	\$ -	\$ -
Pooled Investments	8,525,291	3,729,493	12,254,784	4,071,770	353,284
Investments	-	862,220	862,220	-	-
	<u>\$ 8,553,263</u>	<u>\$ 4,668,536</u>	<u>\$ 13,221,799</u>	<u>\$ 4,071,770</u>	<u>\$ 353,284</u>
	June 30, 2022				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Cash on Hand and in Banks	\$ 5,076	\$ -	\$ 5,076	\$ -	\$ -
Pooled Investments	7,994,722	-	7,994,722	3,947,719	489,000
Cash Overdraft	-	(773,959)	(773,959)	-	-
Investments	-	466,101	466,101	-	-
	<u>\$ 7,999,798</u>	<u>\$ (307,858)</u>	<u>\$ 7,691,940</u>	<u>\$ 3,947,719</u>	<u>\$ 489,000</u>

All deposits are fully collateralized in accordance with Section 53652 of the California Government Code. The California Government Code requires California banks and savings and loan associations to secure NVTAs' deposits by pledging government securities as collateral.

The fair value of pledged securities must equal at least 110% of NVTAs' deposits. California law also allows financial institutions to secure NVTAs' deposits by pledging first trust deed mortgage notes having a value of 150% of NVTAs' total deposits.

Collateral is held by the pledging financial institution's trust department and is considered held in NVTAs' name. NVTAs may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). NVTAs have \$250,000 that is covered by the FDIC as of June 30, 2023 and 2022.

NVTAs had no deposit or investment policy that addressed a specific type of risk. Required disclosures for NVTAs' deposit and investment risks held in the County's investment pool at June 30, 2023 and 2022, were as follows:

Credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standard & Poor's or P-1 by Moody's Investors Service.

State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. NVTAs establish their credit limits based on the County's Investment Policy.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)Credit risk (Continued)

Presented below is the minimum rating required by (where applicable) NVTa's investment policy and the actual rating as of year-end for each investment type.

2023

<u>Investments type</u>	<u>Total</u>	<u>Minimum legal rating</u>	<u>Ratings as of year-end</u>	<u>Not rated</u>
Pooled investments	\$ 16,326,554	N/A	N/A	\$ 16,326,554
Held by trustee:				
Certificates of deposit	862,220	N/A	N/A	862,220
	<u>\$ 17,188,774</u>			<u>\$ 17,188,774</u>

2022

<u>Investments type</u>	<u>Total</u>	<u>Minimum legal rating</u>	<u>Ratings as of year-end</u>	<u>Not rated</u>
Pooled investments	\$ 11,942,441	N/A	N/A	\$ 11,942,441
Held by trustee:				
Certificates of deposit	466,101	N/A	N/A	466,101
	<u>\$ 12,408,542</u>			<u>\$ 12,408,542</u>

Custodial credit risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, NVTa will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year-end, NVTa's funds in the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

At June 30, 2023 and 2022, in accordance with State law and the County's Investment Policy, NVTa did not have 5% or more of its net investment in commercial paper, corporate bonds, or medium-term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund within the County's Investment Pool. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages NVTa's exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with the County's Investment Policy.

Investments held in the County's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value.

2023

Investments type	Total	12 months or less	13 to 24 months	25 to 60 months	More than 60 months
Pooled investments	\$ 16,326,554	\$ 16,326,554	\$ -	\$ -	\$ -
Held by trustee:					
Certificates of deposit	862,220	862,220	-	-	-
	<u>\$ 17,188,774</u>	<u>\$ 17,188,774</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2022

Investments type	Total	12 months or less	13 to 24 months	25 to 60 months	More than 60 months
Pooled investments	\$ 11,942,441	\$ 11,942,441	\$ -	\$ -	\$ -
Held by trustee:					
Certificates of deposit	466,101	466,101	-	-	-
	<u>\$ 12,408,542</u>	<u>\$ 12,408,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Information about the sensitivity of the fair values of NVTa's investments to market interest rate fluctuations is provided by the following table that shows the distribution of NVTa's investments by maturity:

Investment in the County Investment Pool

NVTa maintains all of its cash and investments with the County Treasurer in a cash and investment pool. NVTa is considered to be an involuntary participant in the external investment pool. On a quarterly basis, the County Treasurer allocates interest to investment pool participants based upon their average daily balances. For purposes of the accompanying Statement of Cash Flows, the enterprise fund considers all highly liquid investments with a maturity of three months or less when purchased, and its equity in the County Treasurer's investment pool, to be cash equivalents. The fair value of investments is obtained by using quotations obtained from independent published sources.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)**Investment in the County Investment Pool (Continued)**

The table below identifies the investment types that are authorized for NVTa by the California Government Code (or the County's Investment Policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the County's Investment Policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
State of California Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper - Select Agencies	180 days	25%	10%
Commercial Paper - Other Agencies	180 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	30 days	5%	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds/Money Market			
Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Agreement (JPA) Pools (other investment pools)	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Fair Value Measurements

NVTa categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
- Level 3: Investments reflect prices based upon unobservable sources.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)**Fair Value Measurements (Continued)**

NVTA has the following recurring fair value measurements as of June 30, 2023 and 2022:

2023		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Held by trustee:				
Certificates of deposit	\$ 862,220	\$ 862,220	\$ -	\$ -
	<u>\$ 862,220</u>	<u>\$ 862,220</u>	<u>\$ -</u>	<u>\$ -</u>
2022		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Held by trustee:				
Certificates of deposit	\$ 466,101	\$ 466,101	\$ -	\$ -
	<u>\$ 466,101</u>	<u>\$ 466,101</u>	<u>\$ -</u>	<u>\$ -</u>

Investments in the County investment pool totaling \$12,254,784 and \$7,994,722 as of June 30, 2023 and 2022, respectively, are measured at amortized cost, which approximates fair value.

NOTE 3 – DUE FROM OTHER GOVERNMENT AGENCIES

Amounts due from other government agencies consisted of the following at June 30, 2023 and 2022:

	2023	2022
Federal (Federal Transit Administration (FTA))		
Operating	\$ 1,301,064	\$ 5,266,650
Capital	4,443,736	1,179,836
Caltrans	369,646	6,273
State		
Caltrans	89,088	1,192,892
TDA	401,146	2,815,188
Other	322,486	102,436
State Transit Assistance (STA)	-	29,297
Regional Measure 2	1,086,825	378,308
Local		
STA	40,000	60,000
Cities	46,442	109,480
Local - Other	713,512	614,758
Total	<u>\$ 8,813,945</u>	<u>\$ 11,755,118</u>

NOTE 3 – DUE FROM OTHER GOVERNMENT AGENCIES (Continued)

Reconciliation to Financial Statements		2023	2022
Planning Fund	Due from Other Government Agencies	\$ 2,008,532	\$ 489,924
Transit Fund	Due from Other Government Agencies	6,608,864	11,162,758
Total per Statement of Net Position		8,617,396	11,652,682
Fiduciary Funds	Due from Other Government Agencies	196,549	102,436
Total including Fiduciary Funds		<u>\$ 8,813,945</u>	<u>\$ 11,755,118</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Disposals	Adjustments	Balance June 30, 2023
Governmental Activities:					
Capital Assets, Being Depreciated					
Vehicles and Equipment	\$ 207,376	\$ -	\$ -	\$ -	\$ 207,376
Less Accumulated Depreciation for:					
Vehicles and Equipment	(207,376)	-	-	-	(207,376)
Governmental Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 5,535,633	\$ -	\$ -	\$ -	\$ 5,535,633
Construction in Progress	12,562,895	21,188,851	-	(5,349,088)	28,402,658
Total Capital Assets, Not Being Depreciated	<u>18,098,528</u>	<u>21,188,851</u>	<u>-</u>	<u>(5,349,088)</u>	<u>33,938,291</u>
Capital Assets, Being Depreciated:					
Vehicles and Equipment	30,642,722	258,648	(458,275)	5,349,088	35,792,183
Less Accumulated Depreciation for:					
Vehicles and Equipment	(17,107,575)	(2,217,323)	458,275	-	(18,866,623)
Total Capital Assets, Being Depreciated, Net	<u>13,535,147</u>	<u>(1,958,675)</u>	<u>-</u>	<u>5,349,088</u>	<u>16,925,560</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 31,633,675</u>	<u>\$ 19,230,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,863,851</u>
Total Government-Wide Capital Assets, Net	<u>\$ 31,633,675</u>	<u>\$ 19,230,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,863,851</u>

Government-wide depreciation expense for the year ended June 30, 2023, was \$2,217,323.

NOTE 4 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Disposals	Adjustments	Balance June 30, 2022
Governmental Activities:					
Capital Assets, Being Depreciated					
Vehicles and Equipment	\$ 224,814	\$ -	\$ (17,438)	\$ -	\$ 207,376
Less Accumulated Depreciation for:					
Vehicles and Equipment	(224,814)	-	17,438	-	(207,376)
Governmental Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 5,535,633	\$ -	\$ -	\$ -	\$ 5,535,633
Construction in Progress	412,291	12,150,604	-	-	12,562,895
Total Capital Assets, Not Being Depreciated	<u>5,947,924</u>	<u>12,150,604</u>	<u>-</u>	<u>-</u>	<u>18,098,528</u>
Capital Assets, Being Depreciated:					
Vehicles and Equipment	31,092,046	3,854,573	(4,303,897)	-	30,642,722
Less Accumulated Depreciation for:					
Vehicles and Equipment	(17,609,152)	(1,725,069)	2,226,646	-	(17,107,575)
Total Capital Assets, Being Depreciated, Net	<u>13,482,894</u>	<u>2,129,504</u>	<u>(2,077,251)</u>	<u>-</u>	<u>13,535,147</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 19,430,818</u>	<u>\$ 14,280,108</u>	<u>\$ (2,077,251)</u>	<u>\$ -</u>	<u>\$ 31,633,675</u>
Total Government-Wide Capital Assets, Net	<u>\$ 19,430,818</u>	<u>\$ 14,280,108</u>	<u>\$ (2,077,251)</u>	<u>\$ -</u>	<u>\$ 31,633,675</u>

Government-wide depreciation expense for the year ended June 30, 2022, was \$1,725,069.

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the years ended June 30:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023	Due Within One Year
Transportation Infrastructure Finance and Innovation Act (TIFIA) loan	\$ 3,982,524	\$ 14,167,175	\$ -	\$ 18,149,699	\$ -
Loan payable	50,001	1,000,000	-	1,050,001	1,000,000
Compensated absences	193,764	27,900	(32,229)	189,435	-
	<u>\$ 4,226,289</u>	<u>\$ 15,195,075</u>	<u>\$ (32,229)</u>	<u>\$ 19,389,135</u>	<u>\$ 1,000,000</u>
	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	
Transportation Infrastructure Finance and Innovation Act (TIFIA) loan	\$ -	\$ 3,982,524	\$ -	\$ 3,982,524	
Loan payable	-	50,001	-	50,001	
Compensated absences	176,602	46,503	(29,341)	193,764	
	<u>\$ 176,602</u>	<u>\$ 4,079,028</u>	<u>\$ (29,341)</u>	<u>\$ 4,226,289</u>	

On November 23, 2021, NVTA entered into a loan agreement with the US Department of Transportation for a principal amount not to exceed \$19,917,401 to be used to pay a portion of eligible project costs for the Vine Bus Maintenance Facility Project. As of June 30, 2023 and 2022, NVTA has drawn down \$14,167,175 and \$3,982,524, respectively. NVTA terminated the loan drawdowns in August 2023 resulting in a final obligation to the Build America Bureau for \$18,149,699. The loan bears a fixed interest rate of 1.01%. The maturity date is May 1, 2057.

NOTE 5 – LONG-TERM LIABILITIES (Continued)

Additionally, on November 23, 2021, NVTA entered into a loan agreement with the Bank of Marin for a principal amount not to exceed \$5,000,000 to be used to pay a portion of eligible project costs for the Vine Bus Maintenance Facility Project. As of June 30, 2023 and 2022, NVTA has drawn down \$1,050,001 and \$50,001, respectively. The loan bears a variable interest rate during the drawdown period and a fixed rate on the effective date of the conversion of the loan. The maturity date is November 1, 2032.

NOTE 6 – DUE TO OTHER GOVERNMENT AGENCIES**Business-Type Activities – Due to the Local Transportation Fund (LTF)**

TDA funds are apportioned, allocated, and disbursed in accordance with allocation instructions from the MTC for specific transportation purposes. The LTF allocates monies to the transit system to support operations. The TDA, which governs the use of these funds, requires that any funds not used must be returned to their sources. LTF allocations are considered earned when they are properly spent for operations by the transit system.

It is the current practice of NVTA to have excess revenue returned to the funding agency. NVTA had excess revenues of \$3,534,631 and \$163,517 at June 30, 2023 and 2022, respectively. Money returned to LTF will be reallocated for future capital purchases or operating assistance.

Allocations received but not earned were recorded as Due to Other Government Agencies as follows:

	<u>2023</u>	<u>2022</u>
Balance - Beginning of Year	\$ 163,517	\$ 617,772
LTF - Operating	7,884,757	4,175,400
LTF - Capital	<u>3,777,120</u>	<u>3,451,336</u>
Total LTF	<u>11,661,877</u>	<u>7,626,736</u>
Operating Expenses	16,119,117	13,947,378
Adjustments:		
Add Back Depreciation	(2,217,323)	(1,725,069)
Farebox Revenues	(871,140)	(580,477)
STA	(1,311,344)	(2,006,251)
Other Revenues	(2,535,993)	(4,506,691)
Interest Income	(82,540)	(23,256)
FTA Grant Revenues - Operating	(5,593,899)	(6,809,336)
Other Federal Grants	(2,659,955)	(4,867,978)
Capital Asset Outlays	258,648	3,854,573
Capital Asset Outlays - Not Capitalized	21,188,851	12,150,604
TIFIA/Bank of Marin Loan Financing	(14,167,176)	(4,032,525)
Property Disposal	<u>-</u>	<u>2,062,247</u>
Net Operating Expenses	<u>8,127,246</u>	<u>7,463,219</u>
Net Increase	3,534,631	163,517
Return of LTF Capital	<u>(163,517)</u>	<u>(617,772)</u>
Balance - End of Year	<u><u>\$ 3,534,631</u></u>	<u><u>\$ 163,517</u></u>

NOTE 7 – AGREEMENTS AND COMMITMENTS

Bay Area Air Quality Management District Agreement

NVTA entered into an agreement with the Bay Area Air Quality Management District (the District) to implement specified measures to improve air quality in the County. The funding for this agreement comes from Assembly Bill (AB) 434 allowing the District to levy a surcharge on motor vehicle registration fees. Quarterly, the District must transfer 40% of the surcharge, less management fees and audit costs, to NVTA, as the selected Program Manager. However, the agreement may be terminated at any time by either party and there are no assurances of annual renewal. As program manager, NVTA allocates 5% of these funds to itself to administer the program.

Metropolitan Transportation Commission

NVTA received a federal highway administration planning grant from the MTC. The purpose of the grant was to implement congestion planning and programming activities for the County and its surrounding cities. Amounts received or receivable from the MTC are subject to audit and adjustment by the MTC. Any disallowed claims including amounts already collected, may constitute a liability of NVTA. The amount, if any, of expenditures which may be disallowed by MTC cannot be determined at this time, although NVTA expects such amounts, if any, to be immaterial.

NOTE 8 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in NVTA's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by CalPERS. The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the risk pool. Accordingly, rate plans within the pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous pool. NVTA sponsors three rate plans. Benefit provisions under the Plan are established by State statute and NVTA resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments (COLA), and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members (Tier 1) with five years of total service are eligible to retire at age 55 with statutorily reduced benefits (2.5% @ Age 55). Members hired after May 21, 2011, (Tier 2) with five years of total service are eligible to retire at age 60 with statutorily reduced benefits (2% @ Age 60). The California Public Employees' Pension Reform Act (PEPRA) established a separate tier for members hired after January 1, 2013. PEPRA Members with five years of total service are eligible to retire at age 62 with statutorily reduced benefits (2% @ Age 62). All members are eligible for non-duty disability benefits after 5 years of service. The COLAs for the Plan are applied as specified by the California Public Employees' Retirement Law.

NOTE 8 – PENSION PLAN (Continued)A. General Information about the Pension Plan (Continued)

The rate plan provisions and benefits in effect at June 30, 2023 and 2022, are summarized as follows:

2023	Prior to May 21, 2011 (Tier I)	On or after May 21, 2011 (Tier II)	On or after January 1, 2013 (PEPRA)
Hire Date			
Benefit Formula	2.5%@55	2%@60	2%@62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Eligible Compensation	2.5%	2%	2%
Required Employee Contribution Rates	8.000%	7.000%	6.750%
Required Employer Contribution Rates	11.590%	8.630%	7.470%

2022	Prior to May 21, 2011 (Tier I)	On or after May 21, 2011 (Tier II)	On or after January 1, 2013 (PEPRA)
Hire Date			
Benefit Formula	2.5%@55	2%@60	2%@62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Eligible Compensation	2.5%	2%	2%
Required Employee Contribution Rates	8.000%	7.000%	6.250%
Required Employer Contribution Rates	11.590%	8.650%	7.590%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. NVTa's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pools' costs of benefits earned by employees during the year, and any unfunded accrued liability. NVTa is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. NVTa's contributions to the Plan for the years ended June 30, 2023 and 2022, were \$229,603 and \$195,723, respectively.

As of June 30, 2023 and 2022, NVTa reported a net pension liability for its proportionate share of the net pension liability of the Plan in the amount of \$1,052,652 and \$359,552, respectively.

NOTE 8 – PENSION PLAN (Continued)**A. General Information about the Pension Plan** (Continued)

NVTA's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022 and 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 and 2020, rolled forward to June 30, 2022 and 2021, using standard update procedures. NVTA's proportion of the net pension liability was based on a projection of NVTA's long-term share of contributions to the Plan relative to the projected contributions of all participating employers, actuarially determined. NVTA's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2021, was as follows:

Proportion - June 30, 2021	0.00665%
Proportion - June 30, 2022	<u>0.00911%</u>
Change - Increase (Decrease)	<u><u>0.002460%</u></u>

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

For the years ended June 30, 2023 and 2022, NVTA recognized pension expense of \$388,547 and \$119,605, respectively. At June 30, 2023 and 2022, NVTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Actual and Expected Experience	\$ 21,140	\$ 14,158
Changes in Assumptions	107,866	-
Net Differences between Projected and Actual Earnings on Plan Investments	192,818	-
Change in Employer's Proportion	86,853	-
Differences between the Employer's Contributions and the Employer's Proportionate Share of Contributions	17,836	15,113
Pension Contributions Subsequent to Measurement Date	<u>229,603</u>	<u>-</u>
Total	<u>\$ 656,116</u>	<u>\$ 29,271</u>
2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Actual and Expected Experience	\$ 40,320	\$ -
Changes in Assumptions	-	-
Net Differences between Projected and Actual Earnings on Plan Investments	-	313,870
Change in Employer's Proportion	133,246	-
Differences between the Employer's Contributions and the Employer's Proportionate Share of Contributions	37,270	-
Pension Contributions Subsequent to Measurement Date	<u>195,723</u>	<u>-</u>
Total	<u>\$ 406,559</u>	<u>\$ 313,870</u>

NOTE 8 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$229,603 and \$195,723 reported as deferred outflows of resources related to contributions subsequent to the measurement date during the years ended June 30, 2023 and 2022, respectively, will be recognized as a reduction of the net pension liability in the years ended June 30, 2024 and 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2024	\$ 133,778
2025	98,822
2026	46,707
2027	117,935
2028	-
Thereafter	-
Total	<u>\$ 397,242</u>

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Projected Salary Increase	Varies ⁽¹⁾	Varies ⁽¹⁾
Investment Rate of Return	6.90% ⁽²⁾	7.15% ⁽²⁾
Mortality	CalPERS ⁽³⁾	CalPERS ⁽³⁾

⁽¹⁾ Depending on age, service, and type of employment.

⁽²⁾ Net of pension plan investment expenses, including inflation.

⁽³⁾ The mortality table used was developed based on CalPERS' specific data. The mortality table was developed based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 and 2020 valuations were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rates used to measure the total pension liability for June 30, 2022 and 2021, were 6.90% and 7.15%, respectively. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% and 7.15% discount rates for 2022 and 2021, respectively, are applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB Statement No. 68 section.

NOTE 8 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

2023	Current	Real Return
Asset Class	Target	Years 1 - 10 ^(a,b)
	Allocation	
Global Equity - Cap-Weighted	30.00%	4.45%
Global Equity - Non-Cap-Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-Backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leveragte	-5.00%	-0.59%
Total	100.00%	

^(a) An expected inflation of 2.30% used for this period.

^(b) Figures are based on the 2021-22 Asset Liability Management study.

NOTE 8 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate (Continued)

2022	Current Target Allocation	Real Return Years 1 - 10 ^(b)	Real Return Years 11+ ^(c)
Asset Class ^(a)			
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

^(a) In the CalPERS' Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

^(b) An expected inflation of 2.00% used for this period.

^(c) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents NVTA's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what NVTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2023	2022
1% Decrease	5.90%	6.15%
Net Pension Liability	\$ 1,764,941	\$ 933,924
Current Discount Rate	6.90%	7.15%
Net Pension Liability	\$ 1,052,652	\$ 359,552
1% Increase	7.90%	8.15%
Net Pension Liability (Asset)	\$ 466,616	\$ (115,273)

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2023 and 2022, NVTA had no outstanding amounts for contributions to the Plan required for the years then ended.

NOTE 9 – OPEB

A. General Information about the OPEB Plan

Plan Description – NVTA participates in the California Employers' Retiree Benefit Trust (CERBT), a trust established by Chapter 331 of the 1988 Statutes and initially funded in 2007. The purpose of the trust is to receive contributions from participating employers and establish separate employer prefunding accounts to pay for OPEB. The CERBT is an agent multiple-employer plan and is administered by CalPERS. A new OPEB Plan was adopted by the Board with an effective measurement date of June 30, 2018. The OPEB Plan provides postretirement health care benefits to all employees meeting certain selected criteria. Employees on the payroll as of June 30, 2023 and 2022, who retire from NVTA with 10 years of NVTA service and 20 years of CalPERS service will receive a percentage of \$500 cap (\$750 for dual coverage) based on years of service at NVTA. The PEMHCA minimum is paid for those retiring with less than 10 years of service at NVTA.

The following is a description of the current retiree benefit plan:

Benefit Types Provided	Medical only
Duration of Benefits	Lifetime
Required Service	CalPERS retirement and 10 years NVTA
Minimum Age	50
Dependent Coverage	Family eligible
NVTA Contribution %	Up to 100%
NVTA Cap Highest	\$500 (\$750 for dual coverage)

Employees Covered – As of the June 30, 2022 and 2021 valuations, the following current and former employees were covered by the benefit terms for the OPEB Plan:

	2022	2021
Inactive Employees or Beneficiaries Currently Receiving Benefits	3	3
Inactive Employees Entitled to but not yet Receiving Benefits	3	2
Active Employees	14	14
Total	20	19

Contributions – The contribution requirements of plan members and NVTA are established and may be amended by NVTA's Board. These contributions are neither mandated nor guaranteed. NVTA has retained the right to unilaterally modify its payment for retiree health care benefits. Refer to the table above for the contribution requirements. For the years ended June 30, 2023 and 2022, NVTA contributed \$56,422 and \$55,329, respectively. Employees are not required to contribute to the OPEB Plan.

NOTE 9 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

Net OPEB Liability/(Asset) – NVTa's net OPEB liability/(asset) was measured as of June 30, 2022 and 2021, and the total OPEB liability used to calculate the net OPEB asset was the Plan Fiduciary Net Position of the OPEB trust held with CalPERS. The following actuarial methods and assumptions were used:

2023	
Reporting Date	June 30, 2023
Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Actuarial Assumptions:	
Discount Rate	5.25%
Inflation	2.50%
Salary Increases	2.75%
Investment Rate of Return	5.00%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds ⁽¹⁾
	Non-Medicare - 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076;
	Medicare (Non-Kaiser) - 7.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076;
Healthcare Cost Trend Rates	Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076

⁽¹⁾ Pre-retirement mortality information was derived from data collected during 2000 - 2019 CalPERS Experience Study dated December 2017 and post-retirement mortality information was derived from the 2000 - 2019 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

NOTE 9 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

2022	
Reporting Date	June 30, 2022
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Assumptions:	
Discount Rate	5.00%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	5.50%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds ⁽¹⁾ Non-Medicare - 7% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Kaiser) - 5% for 2022, decreasing to an ultimate rate of 4% in 2076
Healthcare Cost Trend Rates	

⁽¹⁾ Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study dated December 2017 and post-retirement mortality information was derived from the 1997 to 2015 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

The long-term expected rate of return on OPEB Plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

2023		
	Asset Class	Target Allocation
		Long-Term Expected Real Rate of Return
	Global Equity	23.00%
	Fixed Income	51.00%
	Treasury Inflation Protected Securities	9.00%
	Commodities	3.00%
	REITs	14.00%
	Total	100.00%

NOTE 9 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

2022		
	Asset Class	Target Allocation
		Long-Term Expected Real Rate of Return
	Global Equity	22.00%
	Fixed Income	49.00%
	Treasury Inflation Protected Securities	16.00%
	Commodities	5.00%
	REITs	8.00%
	Total	100.00%

Discount Rate – The discount rate used to measure the total OPEB liability was 5.25% and 5.0% for 2022 and 2021, respectively. The projection of cash flows used to determine the discount rate assumed that NVTAs contributions will be sufficient to fully fund the obligation over a period not to exceed 30 years. Historic 30 year real rates of return for each asset class along with the assumed long-term inflation assumption were used to set the discount rate. The expected investment return was offset by the investment expenses of 15 basis points. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability/(Asset) – The changes in the net OPEB liability/(asset) for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022	\$ 471,828	\$ 545,122	\$ (73,294)
Changes in the Year:			
Service Cost	41,754	-	41,754
Interest	25,177	-	25,177
Actual vs. Expected Experience	120,683	-	120,683
Assumption Changes	(27,542)	-	(27,542)
Contribution - Employer	-	55,094	(55,094)
Net Investment Income	-	(58,393)	58,393
Administrative Expenses	-	(170)	170
Benefit Payments	(20,063)	(20,063)	-
Net Changes	140,009	(23,532)	163,541
Balance at June 30, 2023	\$ 611,837	\$ 521,590	\$ 90,247

NOTE 9 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2021	\$ 401,357	\$ 443,941	\$ (42,584)
Changes in the Year:			
Service Cost	37,189	-	37,189
Interest	23,613	-	23,613
Actual vs. Expected Experience	-	-	-
Assumption Changes	28,092	-	28,092
Contribution - Employer	-	59,458	(59,458)
Net Investment Income	-	60,338	(60,338)
Administrative Expenses	-	(192)	192
Benefit Payments	(18,423)	(18,423)	-
Net Changes	70,471	101,181	(30,710)
Balance at June 30, 2022	\$ 471,828	\$ 545,122	\$ (73,294)

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate – The following presents the net OPEB liability/(asset) of NVTA if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2022 and 2021:

2022

1% Decrease	4.25%
Net OPEB Liability/(Asset)	\$ 167,599
Current Discount Rate	5.25%
Net OPEB Liability/(Asset)	\$ 90,247
1% Increase	6.25%
Net OPEB Liability/(Asset)	\$ 25,060

2021

1% Decrease	4.00%
Net OPEB Liability/(Asset)	\$ (8,648)
Current Discount Rate	5.00%
Net OPEB Liability/(Asset)	\$ (73,294)
1% Increase	6.00%
Net OPEB Liability/(Asset)	\$ (127,058)

NOTE 9 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Health Care Cost Trend Rates –

The following presents the net OPEB liability/(asset) of NVTA if it were calculated using health care cost trend rates that are percentage point lower or one percentage point higher than the current rates, for measurement periods ended June 30, 2022 and 2021:

2022

1% Decrease	4.25%
Net OPEB Liability/(Asset)	\$ 72,074
Current Health Care Cost Trend Rates	5.25%
Net OPEB Liability/(Asset)	\$ 90,247
1% Increase	6.25%
Net OPEB Liability/(Asset)	\$ 122,734

2021

1% Decrease	4.00%
Net OPEB Liability/(Asset)	\$ (104,038)
Current Health Care Cost Trend Rates	5.00%
Net OPEB Liability/(Asset)	\$ (73,294)
1% Increase	6.00%
Net OPEB Liability/(Asset)	\$ (24,715)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Recognition of Deferred Outflows and Deferred Inflows of Resources – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the years ended June 30, 2023 and 2022, NVTA recognized OPEB expense of \$67,589 and \$38,162, respectively. For the years ended June 30, 2023 and 2022, NVTA reported deferred outflows of resources related to OPEB from the following sources:

2023	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 56,422	\$ -
Differences between Actual and Expected Experience	157,979	8,060
Changes in Assumptions	47,239	49,004
Net Differences between Projected and Actual Earnings on Plan Investments	44,595	-
Total	<u>\$ 306,235</u>	<u>\$ 57,064</u>

NOTE 9 – OPEB (Continued)**A. General Information about the OPEB Plan (Continued)*****OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)***

2022	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 55,329	\$ -
Differences between Actual and Expected Experience	56,115	9,740
Changes in Assumptions	55,290	27,417
Net Differences between Projected and Actual Earnings on Plan Investments	-	32,545
Total	<u>\$ 166,734</u>	<u>\$ 69,702</u>

The \$56,422 and \$55,329 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 and 2022 measurement dates will be recognized as an increase to the net OPEB asset during the years ending June 30, 2024 and 2023, respectively. In addition, future recognition of the deferred inflows of resources and deferred outflows of resources is shown below:

<u>Year Ended June</u>	
2024	\$ 27,358
2025	28,578
2026	29,220
2027	36,379
2028	18,536
Thereafter	52,678
	<u>\$ 192,749</u>

NOTE 10 – EMPLOYEE BENEFITS – DEFERRED COMPENSATION PLAN

Employees of NVTA may participate in a deferred compensation plan adopted under the provisions of the Internal Revenue Code (IRC) Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of NVTA. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution through CalPERS. Under the terms of the IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employee.

NOTE 11 – INSURANCE AND RISK OF LOSS

NVTA is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. NVTA maintains various insurance policies for directors and officers, property and liability, commercial liability, and workers' compensation against potential risk of loss through private insurance carriers. NVTA secures vehicular and liability coverage for business-type activities of up to \$5,000,000 per incident through its purchased transportation contractor.

NOTE 12 – RELATED PARTY TRANSACTIONS

County personnel provide administration services to NVTA. The County also provides legal counsel. During the years ended June 30, 2023 and 2022, NVTA paid to the County, a related party, the following amounts:

	<u>2023</u>	<u>2022</u>
Accounting and Legal Services	\$ 12,004	\$ 14,563
Other Services and Supplies	<u>108,022</u>	<u>140,576</u>
Total Related Party Transactions	<u>\$ 120,026</u>	<u>\$ 155,139</u>

NOTE 13 – FAREBOX RATIO**Article 4**

Article 4 transit operations include Vine and American Canyon Transit (ACT). As agreed to by MTC, the combined farebox ratio requirement is 15%. The farebox ratio for the years ended June 30, 2023 and 2022, was 11.07% and 8.99%, respectively, as follows:

	<u>June 30, 2023</u>		
<u>Article 4</u>	<u>Total Article 4 Services</u>	<u>Vine</u>	<u>ACT</u>
Farebox Subject to Farebox Ratio	<u>\$ 1,259,589</u>	<u>\$ 1,204,171</u>	<u>\$ 55,418</u>
Operating Cost, Net of Depreciation	<u>\$ 11,374,325</u>	<u>\$ 10,803,414</u>	<u>\$ 570,911</u>
Farebox Ratio	<u>11.07%</u>		
	<u>June 30, 2022</u>		
<u>Article 4</u>	<u>Total Article 4 Services</u>	<u>Vine</u>	<u>ACT</u>
Farebox Subject to Farebox Ratio	<u>\$ 912,888</u>	<u>\$ 903,269</u>	<u>\$ 9,619</u>
Operating Cost, Net of Depreciation	<u>\$ 10,149,104</u>	<u>\$ 9,635,514</u>	<u>\$ 513,590</u>
Farebox Ratio	<u>8.99%</u>		

NOTE 13 – FAREBOX RATIO (Continued)

Article 4 (Continued)

Farebox revenue and operating cost used for farebox ratio calculation will not agree to the Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary Fund (see page 18). The sales of non-federal assets are eligible as farebox revenues. Supplies not directly used for transit have been removed from operating costs.

Recent changes to the TDA statutes allow for the inclusion of local funds to calculate statutory farebox ratio. California Public Utilities Code (PUC) Section 99268.19 states that: "If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by supplementing its fare revenues with local funds. As used in this section, "local funds" means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator."

Due to the COVID-19 pandemic, transit agencies statewide, including Vine Transit, have experienced significant declines in local and farebox revenues. In response, the State of California has provided statutory and administrative/regulatory relief for public transportation agencies. Assembly Bill No. 90 (AB 90) was approved by the Governor on June 29, 2020. AB 90 contains changes to transportation statutes, in particular relief for public transit operators. The bill temporarily suspends the financial penalties associated with the TDA's requirements that transit agencies obtain specified fixed percentages of their operating budgets from passenger fares for the 2021-2022 and 2022-2023 budget years. As transit ridership has declined due to the COVID-19 pandemic, this language would prevent agencies from being penalized due to the ongoing public health crisis.

For the years ended June 30, 2023 and 2022, the farebox recovery ratios were suspended due to the effects of the COVID-19 health pandemic.

Without the use of local funds, sale of asset revenue, and chargebacks to meet statutory requirements, operation farebox for the years ended June 30, 2023 and 2022, would be 6% and 4.54%, respectively.

NOTE 13 – FAREBOX RATIO (Continued)**Article 8**

Article 8 transit operations include Vine Go, Calistoga Shuttle, St. Helena Shuttle, Yountville Trolley, and the Taxi Scrip program. TDA Section 6633.2 requires NVTa to meet a 10% farebox revenue to total operating expenses ratio. The farebox revenue ratio for the years ended June 30, 2023 and 2022, for Article 8 transit operations was 7.46% and 4.60%, respectively, as follows:

	June 30, 2023		
<u>Article 8</u>	Total Article 8 Services	Taxi Scrip and Vine Go	Calistoga, Yountville, and St. Helena
Farebox Subject to Farebox Ratio	\$ 188,536	\$ 54,183	\$ 134,353
Operating Cost, Net of Depreciation	\$ 2,527,466	\$ 1,258,462	\$ 1,269,004
Farebox Ratio	7.46%		
	June 30, 2022		
<u>Article 8</u>	Total Article 8 Services	Taxi Scrip and Vine Go	Calistoga, Yountville, and St. Helena
Farebox Subject to Farebox Ratio	\$ 92,848	\$ 40,483	\$ 52,365
Operating Cost, Net of Depreciation	\$ 2,017,385	\$ 857,484	\$ 1,159,901
Farebox Ratio	4.60%		

For the year ended June 30, 2023, NVTa was not in compliance with the minimum farebox ratio required for Article 8 transit operations. For the year ended June 30, 2022, NVTa was not in compliance with the minimum farebox ratio required for Article 8 transit operations. NVTa was not required to meet the farebox ratio due to AB90 waiving the farebox requirements for the years ended June 30, 2023 and 2022.

NOTE 14 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the years ended June 30, 2023 and 2022, expenditures exceeded appropriations in the Planning Fund as follows:

Appropriations Category		Excess Expenditures	
		2023	2022
Planning Fund:	Insurance	\$ 3,778	\$ -
	Office Expense	-	16,355
	Rents and Leases	-	466
	Miscellaneous Expense	-	35,230

NOTE 15 – STATE OF GOOD REPAIR (SGR)

SGR funds of \$18,296 and \$17,776 were received during 2023 and 2022, respectively.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 27, 2023, which is the date the basic financial statements were available to be issued.

On June 5, 2018, the voters of the Bay Area approved Regional Measure (RM) 3, a bridge toll increase to finance \$4.5 billion in highway and transit improvements along the toll bridge corridors and their approach routes. In January 2023, after almost 5 years since the passing of Regional Measure 3, the Supreme Court's dismissed the Howard Jarvis Taxpayers Association lawsuit. Funding for critical transportation projects around the region began to flow.

In 2021, NVTa filed and secured two Letters of No Prejudice (LONP) to the Metropolitan Transportation Commission (MTC) for the SR 29 South County Highway Projects and the North Bay Transit program while using other funds to deliver the Soscot Junction Project and the Vine Bus Maintenance Facility. NVTa will be reimbursed \$20 million for the North Bay Transit program by October 2023 and is expected to be reimbursed \$20 million for the SR 29 South County highway improvements by the end of the next fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local Transportation Fund Allocation	\$ 3,972,200	\$ 3,972,200	\$ 3,362,200	\$ (610,000)
Federal Highway Allocations	9,533,600	9,533,600	3,322,667	(6,210,933)
Programming, Planning, and Monitoring	4,031,300	4,031,300	689,156	(3,342,144)
Other Grants	11,695,000	11,695,000	1,563,063	(10,131,937)
Interest	20,000	20,000	76,969	56,969
Other Revenues	260,000	260,000	936,330	676,330
Total Revenues	29,512,100	29,512,100	9,950,385	(19,561,715)
Expenditures				
Communications	40,000	40,000	33,791	6,209
Insurance	60,000	60,000	63,778	(3,778)
Office Expense	66,000	133,000	128,538	4,462
Rents and Leases	7,000	7,000	6,807	193
Transportation	16,000	16,000	10,317	5,683
Salaries and Benefits	3,517,700	3,517,700	2,189,959	1,327,741
Miscellaneous Expense	229,400	412,900	352,301	60,599
Professional Services	25,787,000	25,336,500	6,510,513	18,825,987
Total Expenditures	29,723,100	29,523,100	9,296,004	20,227,096
Other Finance Sources				
Transfers	251,000	251,000	-	251,000
Total Other Financing Sources	251,000	251,000	-	251,000
Net Change in Fund Balance	40,000	240,000	654,381	(414,381)
Fund Balance, Beginning of Year	-	-	2,699,128	(2,699,128)
Fund Balance, End of Year	<u>\$ 40,000</u>	<u>\$ 240,000</u>	<u>\$ 3,353,509</u>	<u>\$ (3,113,509)</u>

See accompanying note to required supplementary information.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local Transportation Fund Allocation	\$ 2,865,100	\$ 2,865,100	\$ 3,159,928	\$ 294,828
Federal Highway Allocations	790,000	4,327,100	1,064,273	(3,262,827)
Programming, Planning, and Monitoring	70,000	3,070,000	1,008,446	(2,061,554)
Other Grants	400,000	1,900,000	160,602	(1,739,398)
Local Support	-	-	201,321	201,321
Interest	20,000	20,000	35,995	15,995
Other Revenues	250,000	1,750,000	366,398	(1,383,602)
Total Revenues	4,395,100	13,932,200	5,996,963	(7,935,237)
Expenditures				
Communications	40,800	40,800	34,922	5,878
Insurance	60,000	60,000	55,657	4,343
Office Expense	66,000	66,000	82,355	(16,355)
Rents and Leases	7,000	7,000	7,466	(466)
Transportation	16,000	16,000	3,504	12,496
Salaries and Benefits	2,776,300	3,091,000	1,981,237	1,109,763
Miscellaneous Expense	229,600	269,700	304,930	(35,230)
Professional Services	1,399,400	10,581,700	3,143,740	7,437,960
Total Expenditures	4,595,100	14,132,200	5,613,811	8,518,389
Other Finance Sources				
Transfers	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balance	(200,000)	(200,000)	383,152	(583,152)
Fund Balance, Beginning of Year	2,678,053	3,227,053	2,315,976	911,077
Fund Balance, End of Year	<u>\$ 2,478,053</u>	<u>\$ 3,027,053</u>	<u>\$ 2,699,128</u>	<u>\$ 327,925</u>

See accompanying note to required supplementary information.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

BUDGETS AND BUDGETARY ACCOUNTING

Formal budgetary accounting is employed as a management control by Napa Valley Transportation Authority (NVTA). A biennial budget is adopted each even-numbered fiscal year by the Board of Directors (the Board). The accounting method used to prepare the budget is consistent with accounting principles generally accepted in the United States of America. All changes or amendments to the budget require prior approval of the Board. Unused appropriations lapse at the end of the fiscal year.

NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CHANGES IN THE NET OTHER POSTEMPLOYMENT BENEFITS (OPEB)
LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE MEASUREMENT PERIOD ENDED JUNE 30

<i>Measurement Period</i>	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 41,754	\$ 37,189	\$ 42,375	\$ 41,141	\$ 31,966	\$ 31,035
Interest	25,177	23,613	19,391	16,632	10,999	8,924
Actual and Expected Experience Difference	120,683	-	68,669	-	(16,460)	-
Changes in Assumptions	(27,542)	28,092	(33,649)	-	50,801	-
Changes in Benefit Terms	-	-	-	-	20,429	-
Benefit Payments	(20,063)	(18,423)	(11,607)	(6,087)	(2,930)	(3,400)
Net Change in Total OPEB Liability	140,009	70,471	85,379	51,686	94,805	36,559
Total OPEB Liability - Beginning	471,828	401,357	315,978	264,292	169,487	132,928
Total OPEB Liability - Ending (a)	<u>\$ 611,837</u>	<u>\$ 471,828</u>	<u>\$ 401,357</u>	<u>\$ 315,978</u>	<u>\$ 264,292</u>	<u>\$ 169,487</u>
Plan Fiduciary Net Position						
Contributions - Employer	\$ 55,094	\$ 59,458	\$ 50,607	\$ 44,087	\$ 25,930	\$ 34,400
Net Investment Income	(58,393)	60,338	24,293	23,900	13,303	10,318
Benefit Payments	(20,063)	(18,423)	(11,607)	(6,087)	(2,930)	(3,400)
Administrative Expenses	(170)	(192)	(190)	(70)	(522)	(128)
Net Change in Plan Fiduciary Net Position	(23,532)	101,181	63,103	61,830	35,781	41,190
Plan Fiduciary Net Position - Beginning	545,122	443,941	380,838	319,008	283,227	242,037
Plan Fiduciary Net Position - Ending (b)	<u>\$ 521,590</u>	<u>\$ 545,122</u>	<u>\$ 443,941</u>	<u>\$ 380,838</u>	<u>\$ 319,008</u>	<u>\$ 283,227</u>
Net OPEB Liability/(Asset) - Ending [(a) - (b)]	<u>\$ 90,247</u>	<u>\$ (73,294)</u>	<u>\$ (42,584)</u>	<u>\$ (64,860)</u>	<u>\$ (54,716)</u>	<u>\$ (113,740)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	85.25%	115.53%	110.61%	120.53%	120.70%	167.11%
Covered Payroll	\$ 1,649,016	\$ 1,738,478	\$ 1,661,705	\$ 1,621,492	\$ 1,621,492	\$ 1,870,622
Net OPEB Liability/(Asset) as a Percentage of Covered Payroll	5.47%	-4.22%	-2.56%	-4.00%	-3.37%	-6.08%

Notes to the Schedule:

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CONTRIBUTIONS – OPEB
AS OF JUNE 30, 2023
LAST 10 YEARS***

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Actuarially Determined Contributions	\$ 36,000	\$ 35,000	\$ 41,000	\$ 39,000	\$ 38,000	\$ 23,000
Contributions in Relation to the Actuarially Determined Contributions	(56,422)	(55,329)	(59,458)	(50,607)	(44,087)	(25,930)
Contribution Deficiency (Excess)	<u>\$ (20,422)</u>	<u>\$ (20,329)</u>	<u>\$ (18,458)</u>	<u>\$ (11,607)</u>	<u>\$ (6,087)</u>	<u>\$ (2,930)</u>
Covered Payroll	\$ 1,905,644	\$ 1,649,016	\$ 1,738,478	\$ 1,611,705	\$ 1,621,492	\$ 1,870,622
Contributions as a Percentage of Covered Payroll	2.96%	3.36%	3.42%	3.14%	2.72%	1.39%

Notes to the Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2023, were from the June 30, 2020 actuarial valuation.

Notes to the Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2022, were from the June 30, 2019 actuarial valuation.

Methods and Assumptions Used to Determine Contributions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	5.25%
Inflation	2.75%
Salary Increases	3.00%
Healthcare Cost Trend Rates	7.0% in 2022, decreasing to an ultimate rate of 4% by 2076
Mortality Rate	CalPERS 1997-2015 Experience Study; Projected with Scale MP- 2017

* Fiscal year 2018 was the 1st year of implementation; therefore, only six years are shown.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF NVRTA'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2023
LAST 10 YEARS***

	2023	2022	2021	2020
Proportion of the Net Pension Liability	0.009110%	0.006650%	0.007450%	0.006870%
Proportionate Share of the Net Pension Liability	\$ 1,052,652	\$ 359,552	\$ 810,777	\$ 703,771
Covered Payroll	\$ 1,655,616	\$ 1,597,412	\$ 1,546,016	\$ 1,515,963
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	63.58%	22.51%	52.44%	46.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.68%	88.29%	75.10%	75.26%

	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability	0.003700%	0.003785%	0.003379%	0.003120%	0.003084%
Proportionate Share of the Net Pension Liability	\$ 356,433	\$ 375,403	\$ 292,430	\$ 214,127	\$ 191,920
Covered Payroll	\$ 1,436,566	\$ 1,392,133	\$ 1,116,442	\$ 1,100,512	\$ 1,014,983
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	24.81%	26.97%	26.19%	19.46%	18.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.26%	73.31%	74.06%	78.40%	79.82%

* Fiscal year 2015 was the 1st year of implementation; therefore, only nine years are shown.

Notes to Schedule:

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014, as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions. GASB Statement No. 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expenses but without reduction for pension plan administrative expenses. The discount rate of 7.15 percent used for the June 30, 2018 measurement date was net of administrative expenses.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CONTRIBUTIONS – PENSION
AS OF JUNE 30, 2023
LAST 10 YEARS***

	2023	2022	2021	2020
Contractually Required Contribution (Actuarially Determined)	\$ 229,603	\$ 195,723	\$ 185,716	\$ 161,492
Contributions in Relation to the Actuarially Determined Contributions	229,603	195,723	185,716	161,492
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,882,370	\$ 1,655,616	\$ 1,597,412	\$ 1,546,016
Contributions as a Percentage of Covered Payroll	12.20%	11.82%	11.63%	10.45%

	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 142,748	\$ 124,099	\$ 117,333	\$ 91,990	\$ 130,432
Contributions in Relation to the Actuarially Determined Contributions	142,748	124,099	117,333	91,990	130,432
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,515,963	\$ 1,436,566	\$ 1,392,113	\$ 100,512	\$ 1,014,983
Contributions as a Percentage of Covered Payroll	9.42%	8.64%	8.43%	91.52%	12.85%

* Fiscal year 2015 was the 1st year of implementation; therefore, only eight years are shown.

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Projected Salary Increase	Varies ⁽¹⁾	Varies ⁽¹⁾
Investment Rate of Return	6.90% ⁽²⁾	7.15% ⁽²⁾
Mortality	CalPERS ⁽³⁾	CalPERS ⁽³⁾

⁽¹⁾ Depending on age, service, and type of employment.

⁽²⁾ Net of pension plan investment expenses, including inflation.

⁽³⁾ The mortality table used was developed based on CalPERS' specific data. The mortality table was developed based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

SUPPLEMENTARY INFORMATION

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2023**

	Vine Go	Vine	Taxi Scrip	American Canyon Transit	Yountville Trolley
Operating Revenues:					
Farebox Revenues	\$ 54,183	\$ 627,186	\$ -	\$ 55,418	\$ 28,853
Operating Expenses:					
Marketing	-	1,700	-	-	6,701
Vehicle Maintenance	-	546,238	-	-	-
Other Maintenance	-	12,724	-	-	-
Fuel and Lubricants	146,954	1,257,255	-	24,727	3,839
Insurance	24,899	242,839	-	12,126	7,796
Planning and Administration	-	-	-	-	-
Security	-	27,331	-	-	-
Services	2,987	272,771	-	31,893	31,164
Supplies	814	45,269	-	-	620
Purchased Transportation	1,042,767	7,872,803	-	489,115	314,669
Rents and Leases	-	-	-	-	-
Utilities	-	25,630	-	-	-
Miscellaneous Expense	225	139,289	-	-	-
Depreciation	54,731	2,046,781	-	-	66,128
Personnel Costs	39,816	359,565	-	13,049	9,146
Total Operating Expenses	1,313,193	12,850,195	-	570,910	440,063
Operating Loss	(1,259,010)	(12,223,009)	-	(515,492)	(411,210)
Nonoperating Revenues (Expenses):					
Local Transportation Fund	739,800	5,725,466	-	200,000	512,782
State Transit Assistance	-	1,111,344	-	-	100,000
Federal Transit Assistance					
Grant Revenues - Operating	674,512	3,908,793	-	476,426	165,168
Other Operating Grants	-	2,235,217	-	-	-
Interest Income	9,187	62,214	-	3,857	1,353
Returned Local Transportation Fund Allocations	-	(3,534,631)	-	-	-
Total Nonoperating Revenues	1,423,499	9,508,403	-	680,283	779,303
Change in Net Position Before Contributions	164,489	(2,714,606)	-	164,791	368,093
Capital Contributions:					
Federal Transit Assistance	-	2,659,955	-	-	-
State Transit Assistance	-	300,776	-	-	-
Local Transportation Fund	-	3,777,120	-	-	-
Change in Net Position	164,489	4,023,245	-	164,791	368,093
Net Position, Beginning of Year	524,295	30,364,114	(89,353)	739,994	(171,037)
Net Position, End of the Year	\$ 688,784	\$ 34,387,359	\$ (89,353)	\$ 904,785	\$ 197,056

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (Continued)
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2023**

	St. Helena Shuttle	Calistoga Shuttle	Totals
Operating Revenues:			
Farebox Revenues	\$ 52,167	\$ 53,333	\$ 871,140
Operating Expenses:			
Marketing	6,701	-	15,102
Vehicle Maintenance	-	-	546,238
Other Maintenance	-	-	12,724
Fuel and Lubricants	17,661	27,144	1,477,580
Insurance	7,708	11,059	306,427
Security	-	-	27,331
Services	31,729	30,672	401,216
Supplies	956	139	47,798
Purchased Transportation	310,079	430,474	10,459,907
Utilities	-	-	25,630
Miscellaneous Expense	-	-	139,514
Depreciation	49,683	-	2,217,323
Personnel Costs	9,436	11,315	442,327
Total Operating Expenses	433,953	510,803	16,119,117
Operating Loss	(381,786)	(457,470)	(15,247,977)
Nonoperating Revenues (Expenses):			
Local Transportation Fund	545,142	161,567	7,884,757
State Transit Assistance	100,000	-	1,311,344
Federal Transit Assistance			
Grant Revenues - Operating	170,000	199,000	5,593,899
Other Operating Grants	-	-	2,235,217
Interest Income	1,377	4,552	82,540
Returned Local Transportation Fund Allocations	-	-	(3,534,631)
Total Nonoperating Revenues	816,519	365,119	13,573,126
Change in Net Position Before Contributions	434,733	(92,351)	(1,674,851)
Capital Contributions:			
Federal Transit Assistance	-	-	2,659,955
State Transit Assistance	-	-	300,776
Local Transportation Fund	-	-	3,777,120
Change in Net Position	434,733	(92,351)	5,063,000
Net Position, Beginning of Year	55,471	172,354	31,595,838
Net Position, End of the Year	\$ 490,204	\$ 80,003	\$ 36,658,838

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2022**

	Vine Go	Vine	Taxi Scrip	American Canyon Transit	Yountville Trolley
Operating Revenues:					
Farebox Revenues	\$ 40,492	\$ 478,001	\$ -	\$ 9,619	\$ -
Operating Expenses:					
Marketing	-	27,960	-	-	-
Vehicle Maintenance	9,156	276,338	-	11,598	11,598
Other Maintenance	-	699	-	-	-
Fuel and Lubricants	146,632	1,176,124	-	22,078	7,371
Insurance	26,639	286,655	-	19,405	12,262
Planning and Administration	-	1,086	-	-	-
Security	-	25,589	-	-	-
Services	37,371	120,497	-	977	1,181
Supplies	531	73,469	-	266	-
Purchased Transportation	637,154	7,336,874	-	459,267	284,331
Rents and Leases	-	20,899	-	-	-
Utilities	-	20,174	-	-	-
Miscellaneous Expense	-	6,428	-	-	-
Depreciation	57,182	1,651,442	-	-	16,445
Personnel Costs	34,113	230,816	32,800	20,814	13,573
Total Operating Expenses	948,778	11,255,050	32,800	534,405	346,761
Operating Loss	(908,286)	(10,777,049)	(32,800)	(524,786)	(346,761)
Nonoperating Revenues (Expenses):					
Local Transportation Fund	594,297	2,510,236	-	-	370,147
State Transit Assistance	156,900	1,319,351	-	-	150,000
Federal Transit Assistance					
Grant Revenues - Operating	663,841	4,272,242	-	1,344,344	165,000
Other Operating Grants	32,800	1,205,333	-	-	-
Interest Income	5,014	11,044	-	1,653	2,814
Other Revenues	2,401	180,184	-	-	11,423
Returned Local Transportation					
Fund Allocations	-	(163,517)	-	-	-
Loss on Disposal of Property	-	(2,062,247)	-	-	-
Total Nonoperating Revenues	1,455,253	7,272,626	-	1,345,997	699,384
Change in Net Position Before Contributions	546,967	(3,504,423)	(32,800)	821,211	352,623
Capital Contributions:					
Federal Transit Assistance	-	4,867,978	-	-	-
State Transit Assistance	-	3,071,132	-	-	-
Local Transportation Fund	-	3,451,336	-	-	-
Change in Net Position	546,967	7,886,023	(32,800)	821,211	352,623
Net Position, Beginning of Year	(22,672)	22,478,091	(56,553)	(81,217)	(523,660)
Net Position, End of the Year	\$ 524,295	\$ 30,364,114	\$ (89,353)	\$ 739,994	\$ (171,037)

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (Continued)
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2022**

	St. Helena Shuttle	Calistoga Shuttle	Totals
Operating Revenues:			
Farebox Revenues	\$ 2,738	\$ 49,627	\$ 580,477
Operating Expenses:			
Marketing	-	-	27,960
Vehicle Maintenance	11,597	11,598	331,885
Other Maintenance	-	-	699
Fuel and Lubricants	19,184	23,682	1,395,071
Insurance	11,668	15,830	372,459
Planning and Administration	-	-	1,086
Security	-	-	25,589
Services	1,129	1,094	162,249
Supplies	-	-	74,266
Purchased Transportation	285,854	396,904	9,400,384
Rents and Leases	-	-	20,899
Utilities	-	-	20,174
Miscellaneous Expense	65	3,843	10,336
Depreciation	-	-	1,725,069
Personnel Costs	14,666	32,470	379,252
Total Operating Expenses	344,163	485,421	13,947,378
Operating Loss	(341,425)	(435,794)	(13,366,901)
Nonoperating Revenues (Expenses):			
Local Transportation Fund	340,000	360,720	4,175,400
State Transit Assistance	150,000	230,000	2,006,251
Federal Transit Assistance			
Grant Revenues - Operating	165,000	198,909	6,809,336
Other Operating Grants	-	-	1,238,133
Interest Income	2,731	-	23,256
Other Revenues	-	3,418	197,426
Returned Local Transportation			
Fund Allocations	-	-	(163,517)
Loss on Disposal of Property	-	-	(2,062,247)
Total Nonoperating Revenues	657,731	793,047	12,224,038
Change in Net Position Before Contributions	316,306	357,253	(1,142,863)
Capital Contributions:			
Federal Transit Assistance	-	-	4,867,978
State Transit Assistance	-	-	3,071,132
Local Transportation Fund	-	-	3,451,336
Change in Net Position	316,306	357,253	10,247,583
Net Position, Beginning of Year	(260,835)	(184,899)	21,348,255
Net Position, End of the Year	\$ 55,471	\$ 172,354	\$ 31,595,838

OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND
REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT
ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF
THE METROPOLITAN TRANSPORTATION COMMISSION**

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Napa Valley Transportation Authority (NVTa) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 27, 2023.

Report on Compliance

As part of obtaining reasonable assurance about whether NVTa's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the financial statements. Additionally, we performed tests to determine that allocations made and expenditures paid by NVTa were made in accordance with the allocation instructions and resolutions of the Metropolitan Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to NVTa. Based on our procedures, no instances of noncompliance with applicable statutes, rules, and regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Metropolitan Transportation Commission were noted. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements.

Purpose of this Report

The purpose of this report is solely to describe the scope of our internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NVTa's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, the California Department of Transportation, the State Controller's Office, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on Compliance with Transportation Development Act Requirements

We have audited Napa Valley Transportation Authority's (NVTA) compliance with Transportation Development Act (TDA) requirements that funds allocated to and received by NVTA were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the Metropolitan Transportation Commission as required by Section 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations during the year ended June 30, 2023.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the applicable statutes, rules, and regulations of the TDA.

Auditor's Responsibility

Our responsibility is to express an opinion on each of NVTA's compliance requirements referred to in Section 6667, which requires that for a transit claimant, the independent auditor will perform at least the following tasks:

- (a) Determine whether the claimant was an entity eligible to receive the funds allocated to it,
- (b) Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99234,
- (c) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 99263 for operators receiving funds under Article 4; Sections 99275, 99275.5, and 99277 for Article 4.5 claimants; Section 99400(c), (d), and (e) for Article 8 claimants for service provided under contract; and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000,
- (d) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions,
- (e) Determine whether interest earned on funds received by the claimant, pursuant to the TDA, were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99234.1, 99301, 99301.5, and 99301.6,
- (f) Verify the amount of the claimant's operating cost for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in the Section 6633.2,

- (g) Verify the amount of the claimant's actual fare revenues for the fiscal year,
- (h) Verify the amount of the claimant's actual local support for the fiscal year,
- (i) Verify the amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with Sections 6634 and 6649,
- (j) Verify, if applicable, the amount of the operator's expenditure limitation in accordance with Section 6633.1,
- (k) In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272, and 99273,
- (l) In the case of an operator, determine whether the operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251,
- (m) In the case of an operator, verify, if applicable, its State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7, and
- (n) In the case of a claimant for community transit services, determine whether it is in compliance with Public Utilities Code Sections 99155 and 99155.5.

Opinion on Compliance

In our opinion, NVTa complied, in all material respects, with the compliance requirements referred to above that are applicable to NVTa for the year ended June 30, 2023.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023



**NAPA VALLEY
TRANSPORTATION AUTHORITY
SINGLE AUDIT REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**

**NAPA VALLEY TRANSPORTATION AUTHORITY
JUNE 30, 2023**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Napa Valley Transportation Authority (NVTa), as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the NVTa's basic financial statements, and have issued our report thereon dated December 27, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the NVTa's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NVTa's internal control. Accordingly, we do not express an opinion on the effectiveness of the NVTa's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NVTa's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the NVTA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NVTA's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Napa Valley Transportation Authority's (NVTa) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the NVTa's major federal programs for the year ended June 30, 2023. The NVTa's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the NVTa complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the NVTa and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the NVTa's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the NVTa's major federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the NVTa's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the NVTa's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the NVTa's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the NVTa's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the NVTa's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the NVTa, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the NVTa's basic financial statements. We issued our report thereon dated December 27, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 27, 2023

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Passed Through to Subrecipients</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Transit Formula Grant	20.507	CA-2023-224	\$ -	\$ 1,101,064
Federal Transit Formula Grant	20.507	CA-2022-154	-	225,046
Federal Transit Formula Grant	20.507	CA-2021-210	-	2,434,909
Federal Transit Formula Grant	20.507	CA-2017-061	-	30,379
Federal Transit Formula Grant	20.507	CA-2022-111	-	101,069
Federal Transit Formula Grant	20.507	CA-2023-120	-	1,646,418
Subtotal Federal Transit Formula Grants			-	5,538,885
Subtotal Federal Transit Cluster			-	5,538,885
Transportation Infrastructure Finance and Innovation Act - 3rd Party Loan	20.223		-	14,167,175
Passed through Metropolitan Transportation Commission (MTC)				
Highway Planning and Construction	20.205	--	-	836,000
Highway Planning and Construction	20.205	--	-	9,849
Subtotal Highway Planning and Construction			-	845,849
Subtotal Metropolitan Transportation Commission			-	845,849
Passed through State Department of Transportation (Caltrans)				
Federal Grants to Rural Areas	20.509	64BA22-02058	-	295,168
Federal Grants to Rural Areas	20.509	64CA22-02147	-	275,000
COVID-19 CARES Act - Federal Grants to Rural Areas	20.509	64KO20-01372	-	42,593
COVID-19 ARP Act - Federal Grants to Rural Areas	20.509	64MO21-01911	-	200,281
COVID-19 ARP Act - Federal Grants to Rural Areas	20.509	64TO21-01866	-	239,000
Subtotal Federal Transit for Rural Areas			-	1,052,042
Highway Planning and Construction	20.205	ATPL-6510(003)	-	2,282,022
Highway Planning and Construction	20.205	ATPSB1NI-6510(001)	93,728	93,728
Subtotal Highway Planning and Construction			93,728	2,375,750
Total U.S. Department of Transportation			93,728	23,979,701
<u>U.S. Department of the Treasury</u>				
Direct Programs:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	CA-2021-048	-	1,693,199
Coronavirus State and Local Fiscal Recovery Funds	21.027	CA-2023-089	-	70,796
Subtotal Coronavirus State and Local Fiscal Recovery Funds			-	1,763,995
Total U.S. Department of the Treasury			-	1,763,995
Total Expenditures of Federal Awards			\$ 93,728	\$ 25,743,696
Federal Loan Balances Carried Forward from Prior Year				
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223			\$ 3,982,524
Total Federal Loan Balances				\$ 3,982,524
Total Expenditures of Federal Awards, Including Federal Loan Balances				\$ 29,726,220

See Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget (OMB) *Compliance Supplement*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 – INDIRECT COST RATE

The Napa Valley Transportation Authority (NVTa) has elected not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – LOANS OUTSTANDING

The following program had federally-funded loans outstanding at June 30, 2023:

Assistance Listing Number	Program Title	Amount Outstanding				
		July 1, 2022	New Loans	Loan Payments	Forgiven	June 30, 2023
20.223	TIFIA	\$ 3,982,524	\$ 14,167,175	\$ -	\$ -	\$ 18,149,699

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION I

Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Internal controls over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No |
| 4. Identification of major programs: | |

Assistance Listing Number

Name of Federal Program

20.507

Federal Transit Cluster
Federal Transit Formula Grant

21.027

Coronavirus State and Local Fiscal Recovery Funds

20.223

Transportation Infrastructure Finance and Innovation Act – 3rd Party Loan

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and Type B programs: | \$772,311 |
| 6. Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |

SECTION II

Financial Statement Findings

No matters were reported.

SECTION III

Federal Award Findings and Questioned Costs

No matters were reported.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

No matters were reported.



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Vine Transit Update

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) receive the second quarter Fiscal Year (FY) 2023-24 Vine Transit update.

EXECUTIVE SUMMARY

This report summarizes the Vine's operational performance during the second quarter for Fiscal Year (FY) 2023-24, covering the period Oct 1 to December 31, 2023. The board memo compares the second quarter of FY 2023-24 to the second quarter of FY 2019-2020 to provide context on how ridership compares to pre-COVID ridership levels and compares to the prior year to provide insight to more recent ridership trends.

FISCAL IMPACT

Is there a Fiscal Impact? No



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Vine Transit Update

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board receive the second quarter Fiscal Year (FY) 2023-24 Vine Transit update.

BACKGROUND

The first four tables compare ridership across different services in the second quarter of Fiscal Year 2023-2024 (October to December) to the second quarter of Fiscal Year 2019-2020, which was the last second quarter that was unaffected by the COVID-19 pandemic. This allows us to present ridership today compared to pre-COVID levels.

Table 1 shows that the eight fixed routes in the City of Napa in the second quarter of FY 2019-2020 carried 91,372 riders compared to the 31,183 riders on the six fixed routes available in FY 2023-24, a decrease of 67%. The on-demand service operating in the City of Napa served 1,203 riders during the second quarter of FY 2023-24 so the overall decrease in ridership in the City of Napa was 66%. The changes implemented on August 13, 2023, increased the number of fixed routes in Napa in an effort to increase the City of Napa ridership, but its impact was minimal.

Table 1: City of Napa - Comparing Q2 of FY20 & Q2 of FY24

	Q2 FY20	Q2 FY24	% Difference	Numerical Difference
Napa Local On-Demand	N/A	1,203	N/A	1,203
Fixed Route	91,372	29,980	-67.19%	-61,392
Total	91,372	31,183	-65.87%	-60,189

Overall, Table 2 shows that the regional routes have recovered faster than the local City of Napa routes. There was a 32% decrease in ridership on the regional routes from FY 20 to FY 24. The Route 10 is performing the best at 8.1% below pre-pandemic ridership levels. The August 13th changes brought the Route 10 service hours in line with pre-pandemic levels and helped the Route 10 ridership rise significantly.

Table 2: Routes 10, 11, 11X, 21 and 29 Ridership – Comparing Q2 of FY20 & Q2 of FY24

	Q2 FY20	Q2 FY24	% Difference	Numerical Difference
Route 10	39,713	36,495	-8.10%	-3,218
Route 11	50,797	32,032	-36.94%	-18,765
Route 10X	1,061	N/A	N/A	-1,061
Route 11X	1,379	882	-36.03%	-497
Route 21	9,669	4,029	-58.33%	-5,640
Route 29	18,326	8,798	-51.99%	-9,528
Total	120,945	82,236	-32.01%	-38,709

Table 3 indicates that ridership recovery on the community shuttles varies greatly by community. The City of American Canyon is 17% below pre-pandemic levels. Meanwhile the Yountville Bee is performing at 65% below pre-pandemic levels.

Table 3: Community Shuttles– Comparing Q2 of FY20 & Q2 of FY24

	Q2 FY20	Q2 FY24	% Difference	Numerical Difference
Calistoga Shuttle	5,322	4,159	-21.85%	-1,163
St. Helena Shuttle	3,485	1,748	-49.84%	-1,737
Yountville Bee	3,686	1,304	-64.62%	-2,382
American Canyon Transit	7,118	5,875	-17.46%	-1,243
Total	19,611	13,086	-33.27%	-6,525

VineGo Ridership, as shown in Table 4, also remains low compared (-43%) to pre-pandemic levels. It's understandable that VineGo ridership has been slow to return given those eligible for VineGo tend to be the most vulnerable to COVID-19.

Table 4: VineGo Ridership – Comparing Q2 of FY20 & Q2 of FY24

	Q2 FY20	Q2 FY24	% Difference	Numerical Difference
VineGo	6,503	3,726	-42.70%	-2,777

Tables 5- 7, compare an annual difference between second quarter of FY 2022-2023 to second quarter of FY 2023-2024 to see the impact of the August 12, 2023 changes. Ridership in the City of Napa is about the same, with a decrease of only 482 riders.

Table 5: City of Napa Ridership - Comparing Q2 of FY23 & Q2 of FY24

	Q2 FY23	Q2 FY24	% Difference	Numerical Difference
Napa Local On-Demand (Route A)*	4,275	1,203	-71.86%	-3,072
Route N	16,206	N/A	N/A	-16,206
Route S	3,797	N/A	N/A	-3,797
Route E	741	N/A	N/A	-741
Route W	6,646	N/A	N/A	-6,646
Route B	N/A	5,408	N/A	5,408
Route C	N/A	14,778	N/A	14,778
Route D	N/A	1,588	N/A	1,588
Route E	N/A	2,413	N/A	2,413
Route F	N/A	3,579	N/A	3,579
Route G	N/A	2,214	N/A	2,214
Total	31,665	31,183	-1.52%	-482

*In FY 2023, there were twice the number of vehicles providing on demand service in multiple locations. In FY 2024, there is one vehicle serving only the Browns Valley neighborhood (Route A). In FY 2023 there was only four (4) fixed routes and in FY 2024 there are six (6) fixed routes.

Beyond ridership on local routes, it is also important to track passengers per revenue hour. This is a measure of the number of people on the bus for every hour that the bus is in service. It does not include the deadhead, which is the time leading to and from the maintenance yard. In Chart 1 below, which includes data on weekdays, you can see that passengers per revenue hour remained relatively steady. While the weekday ridership was higher in Q1 and Q2 FY 23/24, the number of hours operated rose as well keeping the passengers per revenue hour just under 6.0.

Chart 1: Passengers per Revenue Hour (Weekdays)

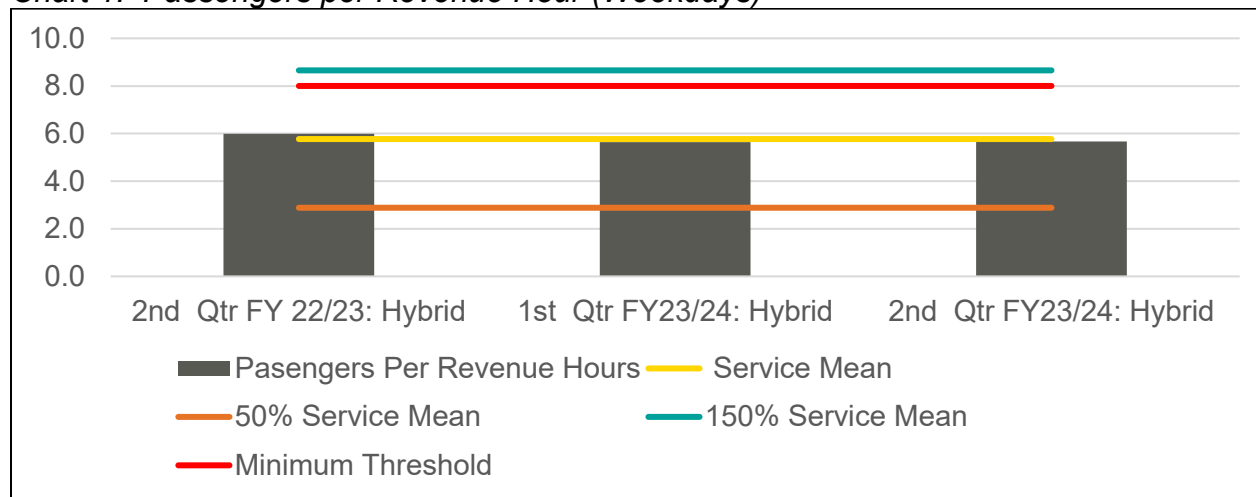


Chart 2 shows that the passengers per revenue hour vary a lot by route. The Route C passengers per revenue hour is above the 8.0 minimum threshold. All other fixed routes were in the 3 to 6 range with Route A on-demand coming in below 2 passengers per revenue hour.

Chart 2: Local Service Passengers per Revenue Hour (Weekdays)

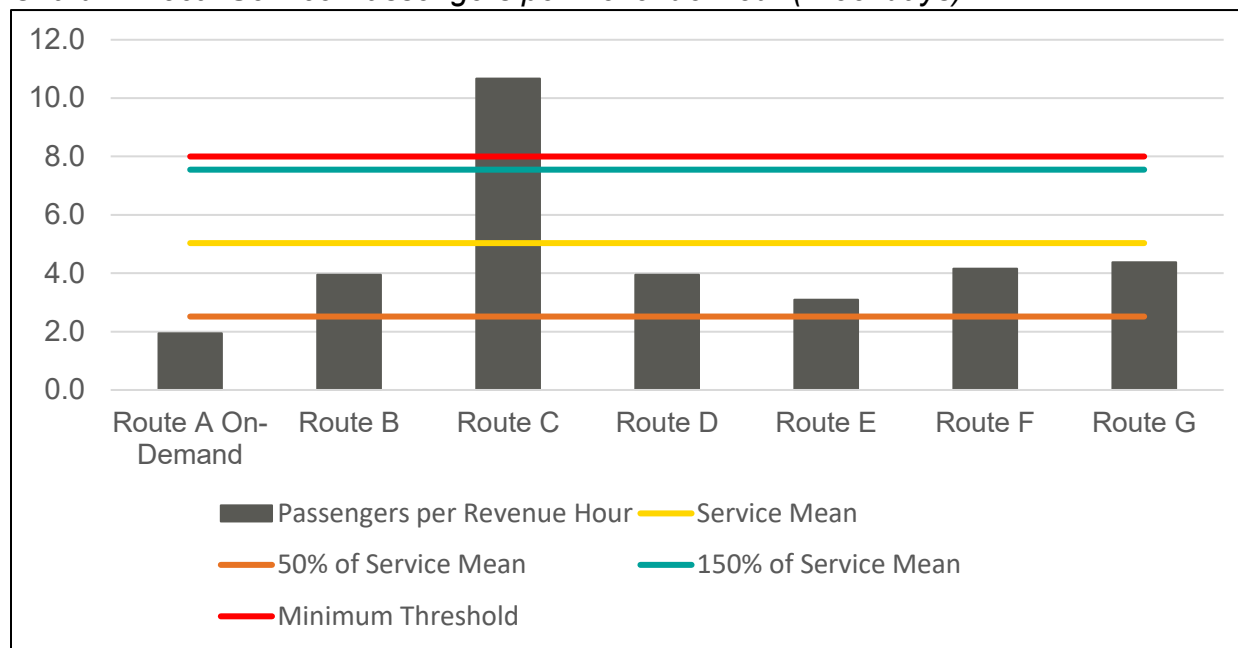


Table 6 shows strong growth in the Route 10 ridership as four new trips were added to the Route 10 leading to an overall ridership increase of 6% on regional routes.

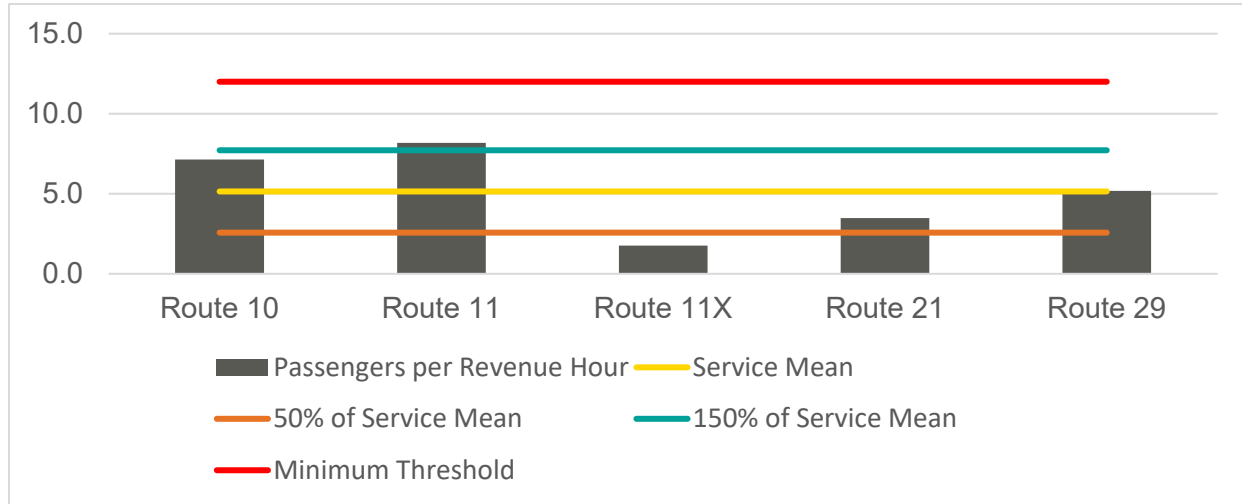
Table 6: Routes 10, 11, 11X, 21 & 29 Ridership – Comparing Q2 of FY23 & Q2 of FY24

	Q2 FY23	Q2 FY24	% Difference	Numerical Difference
Route 10	33,446	36,495	9.12%	3,049
Route 11	30,504	32,032	5.01%	1,528
Route 11X	1,009	882	-12.59%	-127
Route 21	3,906	4,029	3.15%	123
Route 29	8,717	8,798	0.93%	81
Total	77,582	82,236	6.00%	4,654

Passenger per revenue hour data on the weekdays on the regional routes shows that Routes 10 and 11 continue to be the most efficient regional routes. As shown on Chart 3, the Routes 10 and 11 have passengers per revenue hour over 7, but still below the pre-COVID minimum threshold of 12 passengers per revenue hour. The least productive route remains the Route 11X, which is geared towards Ferry commuters. It is a

combination of a history of missed trips on the Route 11X and moving the City of Napa stop away from Soscol Gateway Transit Center and to the Imola Park and Ride.

Chart 3: Regional Service Passengers per Revenue Hour



Ridership increased on the community shuttles by 13% compared to the same quarter last year as shown in Table 7. Only the St. Helena Shuttle experienced a small ridership decrease driven by the end of December when school was out of session.

Table 7: Community Shuttles– Comparing Q2 of FY23 & Q2 of FY24

	Q2 FY23	Q2 FY24	% Difference	Numerical Difference
Calistoga Shuttle	3,679	4,159	13.05%	480
St. Helena Shuttle	1,862	1,748	-6.12%	-114
Yountville Bee	925	1,304	40.97%	379
American Canyon Transit	5,100	5,875	15.20%	775
Total	11,566	13,086	13.14%	1,520

VineGo ridership rose by 13% over the last year as seen in Table 8.

Table 8: VineGo Ridership – Comparing Q2 of FY23 & Q2 of FY24

	Q2 FY23	Q2 FY24	% Difference	Numerical Difference
VineGo	3,303	3,726	12.81%	423

Table 9 shows Q2 ridership over the past five fiscal years to provide an even broader context on the fluctuations of ridership pre and post-COVID. The data shows continued progress from Q2 FY 21 through Q2 FY 24.

Table 9: Ridership – Comparing Q2 of FY 20, 21, 22, 23, 24

	Q2 FY20	Q2 FY21	Q2 FY22	Q2 FY23	Q2 FY24
Fixed Route	240,960	54,615	86,069	104,972	112,216
Demand Response	26,114	17,820	16,787	19,144	18,015
Total	267,074	72,435	102,856	124,116	130,231

Chart 4 below breaks down the fixed route data shown in Table 9 across the second quarters and also adds in the prior quarter to visually show the changes. The narrative differs by route. For Routes 10 and 11, there has been an increase in ridership second quarter to second quarter annually after the initial COVID impact, but the figures show a cyclical decrease from last quarter due to the holiday season impacting school and work commutes. For Express Routes like 11X, 21 and 29, ridership has remained consistently low since the onset of COVID. Finally, the ridership on the City of Napa Local Routes has been stagnant over the last year and significantly below pre-COVID levels.

Chart 4: Total Ridership Change

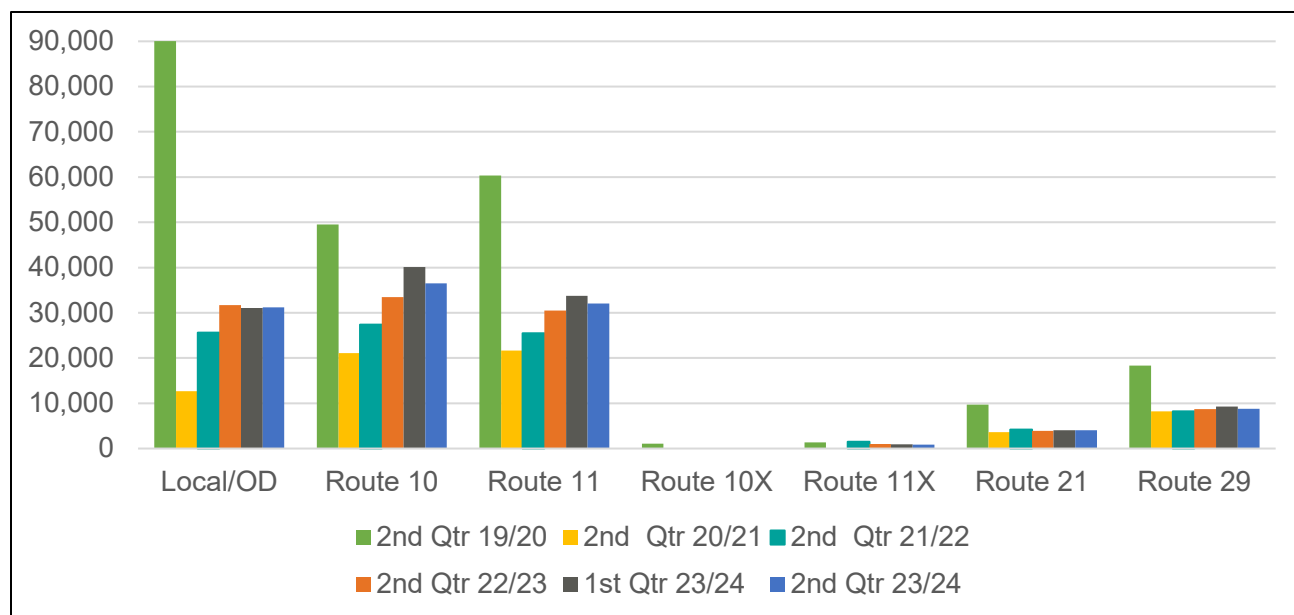


Chart 5 below takes the demand response data and segments it across the different services. Once again there are differences across services like the St Helena Shuttle and the Yountville Bee remaining below 50% of pre-COVID levels, while at the other end of the spectrum, ridership on American Canyon Transit is close to pre-COVID ridership levels.

Chart 5: Total Demand Response Ridership Change

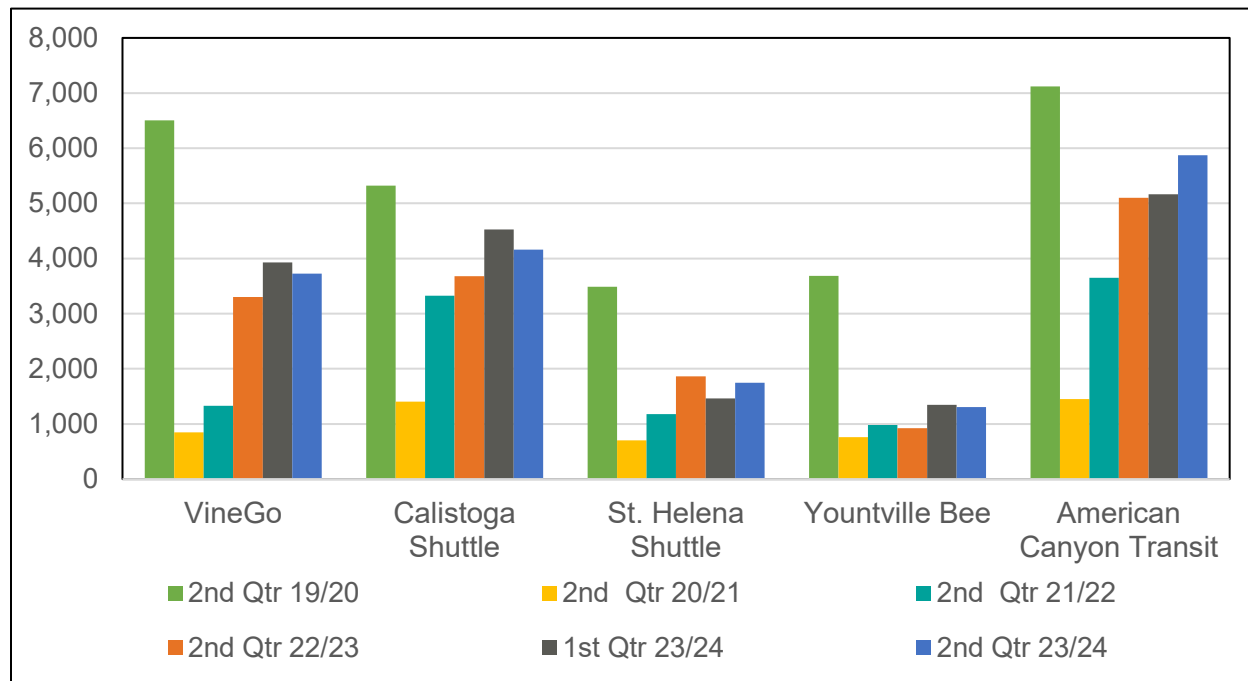


Table 10 shows full fiscal year ridership over the past five years to add further context on the annual fluctuations of ridership pre- and post-COVID. The data shows a significant decline in ridership in FY 21 followed by a slow, but consistent recovery.

Table 10: Overall Ridership – Comparing FYs 2019 - 24

	FY19	FY20	FY21	FY22	FY23
Fixed Route	957,403	736,341	236,775	369,444	413,166
Demand Response	103,701	88,485	78,711	71,821	74,829
Total	1,061,104	824,826	315,486	441,265	487,995

Finally, the Vine missed trips fell from the second quarter of FY 2023 to the second quarter of FY 2024 as NVTA was able to hire more drivers. Mechanical issues now represent a greater percentage of missed trips as the Vine fleet ages.

Table 11: Missed Trips During Q1 of FY 2023 and FY 2024

	Regular Missed Trips		On-Demand Missed Trips	
	Q2 FY 23	Q2 FY 24	Q2 FY 23	Q2 FY 24
October	65	93	51	15
November	40	45	9	6
December	77	21	29	1
Total	182	138	89	21

Upcoming Marketing Efforts

This calendar year started off with the NVTA hiring a new Communications and Outreach Coordinator, Emily Charrier-Botts. The transit team will be working with Emily to better promote Vine Services. One of the first projects involves the development of three short videos for the Vine Transit system. These videos aim to inform and engage viewers about different aspects of Vine Transit's services and developments including 1) 'How to Ride Vine Transit', 2) 'What is VineGo Paratransit?' and 3) the 'New Maintenance Facility'. NVTA staff looks forward to sharing the videos with the Board and the larger public.

ATTACHMENTS

None



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Federal and State Legislative Update

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board receive the Federal Legislative update, State Legislative Update, and Approve Recommended Positions for Bills on the State Bill Matrix.

EXECUTIVE SUMMARY

The attached memos from Platinum Advisors summarizes recent federal and state legislative activities respectively. The State Bill Matrix includes several new bills and recommended positions for Board action.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: Federal and State Legislative Update

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board receive the Federal Legislative update (Attachment 1), State Legislative Update (Attachment 2), and Approve Recommended Positions on State Bill Matrix (Attachment 3).

BACKGROUND

Federal Update:

Congress did not meet the January deadline to pass a budget and instead passed another Continuing Resolution that would fund certain agencies, including the Department of Transportation, until March 1st and fund the rest of the agencies through March 8th. Appropriators will continue their work through February to finalize spending for 12 annual funding bills.

State Update

The Governor's budget proposal is \$291 billion for the FY 2024-25 and addresses the \$37.9 billion deficit through various delays and funding shifts.

The Budget maintains \$13.6 billion for transportation programs, but includes \$200 million in General Fund reductions, \$791 million in fund shifts, and \$3.1 billion in delays across various programs, but with no change to funding the Zero Emission Transit Capital program which is part of the solution agreed to in the FY 2023-24 budget trailer bill to address the transit fiscal crisis. Nevertheless there are delays in funding the Transit Intercity Rail and Capital Program, the other funding source committed to address the transit fiscal cliff. In addition, the Governor's budget

cuts \$200 million from the Active Transportation Program and delays funding to a number of other committed programs, including the Highways to Boulevards program.

There are six (6) bills on the bill matrix for Board consideration:

AB 1837 (Papan) is a spot bill that would enact legislation encouraging coordination and collaboration among Bay Area transit system. Staff recommends that the Board take a *Watch* position.

AB1904 (WARD) would allow Santa Clara VTA and Santa Cruz Metro to equip buses with “yield right of way” signage to improve passenger boarding and alighting safety. Staff recommends that the Board take a Support position on this bill.

SB 925 (Weiner) is a spot bill that would authorize MTC to propose a revenue measure to fund transit and highway improvements. The Senator is working with a number of organizations to flesh out the content of the bill. Staff recommends that the Board take a *Watch* position at this time until additional information about the bill comes to light.

SB 926 (Wahab) directs the California State Transportation Agency (CalSTA) to develop a plan to consolidate all transit operations in the Bay Area. As it is currently a spot bill, staff recommends that the Board take a *Watch* position.

SB 947 (Seyarto) would add to the project cost agreement making Caltrans responsible for additional costs associated with project design changes adopted after a project is in the State Transportation Improvement Program. Staff recommends that the Board take a *Watch* position on this bill.

SB 960 (Weiner) would statutorily require Caltrans to include “complete street” improvement to all transportation projects. Staff is recommending that the Board take a *Support* position on this bill.

ATTACHMENTS

- 1) January 26, 2024 Federal Update (Platinum Advisors)
- 2) January 26, 2024 State Update (Platinum Advisors)
- 3) January 26, 2024 State Bill Matrix

ATTACHMENT 1
NVTB Board Item 11.4
February 21, 2024

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority (NVTB)

FROM: Jessica Aune, Platinum Advisors

DATE: Friday, January 26, 2024

RE: Napa Valley Transportation Authority January 2024 Monthly Report

State of Play and Congressional Update

Lawmakers returned to Capitol Hill this month with one primary goal: complete work on Fiscal Year 2024 funding legislation. However, it became quickly apparent to leadership in the House of Representatives and Senate that, despite promises by Speaker Mike Johnson (R-LA) to not pass any additional continuing resolutions, Congress would not be able complete this task before the January deadline and passed another Continuing Resolution that would fund certain agencies until March 1st and fund the rest of the agencies through March 8th. Appropriators will now work throughout February to finalize top-line spending allocations for the 12 annual funding bills. Leaders on the appropriations committees have not yet signaled that they are closer to coming up with final top-lines, raising the likelihood that lawmakers could pass a full-year continuing resolution that maintains FY23 funding levels for agencies.

Continued talks on a supplemental national security package have, consequentially, required the divided attention of appropriators while lead negotiators finalize details on legislation that would provide new assistance to Ukraine in exchange for stricter border security policies. Even if lawmakers can resolve any differences and introduce legislative text, there's no guarantee that Senate Majority Leader Chuck Schumer (D-NY) could obtain the necessary 60 votes for passage. Congressional Republicans have become increasingly divided over the immigration reform provisions, with conservatives arguing that the proposed reforms don't go far enough to curb the flow of migrants across the U.S.-Texas border.

Top lawmakers on Congressional tax-writing bodies reached a deal this month on an \$80 billion tax package by expanding the child tax credit in exchange for the restoration of three expired business tax breaks included in the Tax Cuts and Jobs Act of 2017. The tax package also extends rules for the treatment of certain disaster-related personal casualty losses, including areas where a major disaster was declared by the President beginning on January 1, 2020, and ending 60 days after the enactment of the legislation.

Furthermore, any amount received by or on behalf of an individual as a qualified wildfire relief payment – expenses, damages, losses incurred during a qualified wildfire that aren't covered by insurance – would be excluded from gross income amounts.

After being approved by the House Ways and Means Committee, the legislation could be voted on as early as next week. House leadership will have to determine whether to vote on the bill under suspension, which requires a two-thirds vote rather than a simple majority but prevents members from offering amendments that could delay passage. A group of New York Republican law makers in the House have held internal discussions on whether to push for including changes to the state and local tax deduction cap, but it remains to be seen if leadership in the Senate will allow for changes to bill text if the legislation passes out of the House.

BOEING INCIDENTS UNDERSCORES FAA REAUTHORIZATION TALKS

In December, Congress passed legislation that allows the Federal Aviation Administration (FAA) to continue operations at current funding levels through March 8, 2024. The extension gives lawmakers more time to work towards a five-year reauthorization. However, while the House has passed its own bill, members of the Senate Commerce Committee remain at an impasse over several issues. Following a mid-air incident on a Boeing 737 MAX jet that led to the fleet's grounding, lawmakers on the committee are preparing to hold a series of investigative hearings into Boeing and the broader aviation industry. Closer examinations into the FAA's safety oversight process could result in changes to the introduced FAA reauthorization bills.

“BUY AMERICAN” DISAPPROVAL RESOLUTION

President Joe Biden vetoed a congressional disapproval resolution that sought to block a waiver to “Buy American” requirements that would allow some foreign-made components to be used in the manufacturing of federally funded electric vehicle chargers. Under the *Congressional Review Act*, the resolution would reverse the Biden administration's rules and slow the deployment of EV chargers, a major pillar of the Bipartisan Infrastructure Law.

Pending Legislation of Interest

[H.R.125](#) — **To prohibit the imposition of mask mandates on public transportation.**

Sponsor: Biggs, Andy [Rep.-R-AZ-5]

Introduced: 1/9/2023

[H.R.327](#) — **To reduce the tax credit for new qualified plug-in electric drive motor vehicles by State subsidies for these vehicles.**

Sponsor: Estes, Ron [Rep.-R-KS-4]

Introduced: 1/12/2023

[H.R.490](#) — **To establish the Federal Infrastructure Bank to facilitate investment in, and the long-term financing of, economically viable U.S. infrastructure projects that provide a public benefit.**

Sponsor: Webster, Daniel [Rep.-R-FL-11]

Introduced: 1/24/2023

[S.63](#) — **A bill to adjust the effective date for application of certain amendments made with respect to the credit for new clean vehicles.**

Sponsor: Manchin, Joe, III [Sen.-D-WV]

Introduced: 1/25/2023

[H.R.495](#) — **To amend the National Environmental Policy Act of 1969 to authorize assignment to States of Federal agency environmental review responsibilities.**

Sponsor: Calvert, Ken [Rep.-R-CA-41]

Introduced: 1/25/2023

[H.R.852](#) — **To direct the Attorney General to establish a grant program for civilian traffic violation enforcement.**

Sponsor: Rep. Torres, Ritchie [D-NY-15]

Introduced: 2/06/2023

[H.R.873](#) — **To authorize the Administrator of the Environmental Protection Agency to award grants and contracts for projects that use emerging technologies to address threats to water quality, and for other purposes.**

Sponsor: Rep. Donalds, Byron [R-FL-19]

Introduced: 2/08/2023

[S.352](#) — **Highway Formula Modernization Act of 2023**

Sponsor: Kelly, Mark [Sen.-D-AZ]

Introduced: 2/09/2023

[H.R. 1500](#) – **To establish a program to use anonymized data from third party entities to inform infrastructure planning decisions and improve transportation management capabilities.**

Sponsor: Graves, Garret [Rep.-R-LA-6]

Introduced: 3/09/2023

Status: Advanced from T&I committee

PLATINUM | ADVISORS

[H.R.1665](#) — **To direct the Secretary of Transportation to establish a program to provide grants to local governments to install publicly accessible safety charging stations for electric bicycles and scooters, and for other purposes.**

Sponsor: Velazquez, Nydia M. [Rep.-D-NY-7]

Introduced: 03/17/2023

[S.876](#) — **A bill to establish a 90-day limit to file a petition for judicial review of a permit, license, or approval for a highway or public transportation project, and for other purposes.**

Sponsor: Cruz, Ted [Sen.-R-TX]

Introduced: 03/21/2023

[H.R.1668](#) — **To amend title 23, United States Code, with respect to the highway safety improvement program, and for other purposes.**

Sponsor: Blumenauer, Earl [Rep.-D-OR-3]

Introduced: 03/21/2023

[H.R.2664](#) — **Transportation Innovation Coordination Act**

Sponsor: DelBene, Suzan K. [Rep.-D-WA-1]

Introduced: 04/18/2023

[H.R.3082](#) - **Mobility aids On Board Improve Lives and Empower all (MOBILE) Act**

Sponsor: Cohen, Steve [D-TN-9]

Introduced: 05/05/2023

[S.1535](#) — **A bill to require the Administrator of the Federal Aviation Administration to promulgate regulations to allow the transport of firefighters on board a covered aircraft operated on a mission to suppress a wildfire, and for other purposes.**

Sponsor: Kelly, Mark [Sen.-D-AZ]

Introduced: 05/10/2023

[H.R.3411](#) - **To increase access to higher education by providing public transit grants.**

Sponsor: Fitzpatrick, Brian K. [R-PA-1]

Introduced: 05/17/2023

[H.R.3468](#) — **To direct the Secretary of Energy to establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.**

PLATINUM | ADVISORS

Sponsor: Barragan, Nanette Diaz [D-CA-44]

Introduced: 05/18/2023

[H.R.3785](#) — **To amend title 23, United States Code, to require that public employees perform construction inspection work for federally funded highway projects, and for other purposes.**

Sponsor: Rep. Garamendi, John [D-CA-8]

Introduced: 06/01/2023

[H.R.3845](#) — **To amend title 23, United States Code, to increase accessible transportation for individuals with disabilities.**

Sponsor: Titus, Dina [Rep.-D-NV-1]

Introduced: 06/06/2023

[H.R.3896](#) — **To establish an airport infrastructure resilience pilot program.**

Sponsor: Cohen, Steve [Rep.-D-TN-9]

Introduced: 06/07/2023

[S.1929](#) — **A bill to direct the Administrator of the Federal Aviation Administration to provide progress reports on the development and implementation of the national transition plan related to a fluorine-free firefighting foam, and for other purposes.**

Sponsor: Peters, Gary C. [Sen.-D-MI]

Introduced: 06/12/2023

[S.1946](#) — **A bill to amend title 49, United States Code, to allow the owner or operator of a small hub airport that is reclassified as a medium hub airport to elect to be treated as a small hub airport, and for other purposes.**

Sponsor: Sen. Blackburn, Marsha [R-TN]

Introduced: 06/13/2023

[S.2075](#) — **A bill to amend the Infrastructure Investment and Jobs Act to modify the Safe Streets and Roads for All program.**

Sponsor: Fetterman, John [Sen.-D-PA]

Introduced: 06/21/2023

[S.Res.274](#) — **A resolution expressing the sense of the Senate to reduce traffic fatalities to zero by 2050.**

Sponsor: Blumenthal, Richard [Sen.-D-CT]

Introduced: 06/22/2023

[H.R.4598](#) — **To provide for disadvantaged business enterprise supportive services programs at modal administrations of the Department of Transportation, and for other purposes.**

Sponsor: Aguilar, Pete [Rep.-D-CA-33]

Introduced: 07/13/2023

[H.R.4621](#) — **To improve the environmental review process for highway projects through the use of interactive, digital, cloud-based platforms, and for other purposes.**

Sponsor: Johnson, Dusty [R-SD-At Large]

Introduced: 07/13/2023

[H.R.4636](#) — **To direct the Secretary of Transportation to establish a Wireless Electric Vehicle Charging Grant Program, and for other purposes.**

Sponsor: Stevens, Haley M. [Rep.-D-MI-11]

Introduced: 07/14/2023

[H.R.4728](#) — **To amend title 49, United States Code, to provide for free public transportation for individuals who are recently released from incarceration.**

Sponsor: Cleaver, Emanuel [Rep.-D-MO-5]

Introduced: 07/20/2023

[H.R.4857](#) — **Equitable Transit Oriented Development Support Act**

Sponsor: DeSaulnier, Mark [Rep.-D-CA-10]

Introduced: 07/25/2023

[S.2480](#) — **Connecting Hard-to-reach Areas with Renewably Generated Energy (CHARGE) Act of 2023**

Sponsor: Markey, Edward J. [Sen.-D-MA]

Introduced 07/25/2023

[H.R.4908](#) — **Expedited Federal Permitting for California Act**

Sponsor: Garamendi, John [Rep.-D-CA-8]

Introduced: 07/26/2023

[H.R.4982](#) — **Tolling Transparency Act of 2023**

Sponsor: Chavez-DeRemer, Lori [Rep.-R-OR-5]

Introduced: 07/27/2023

[H.R.5154](#) — **Connecting Hard-to-reach Areas with Renewably Generated Energy (CHARGE) Act of 2023**

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Sponsor: Ocasio-Cortez, Alexandria [Rep.-D-NY-14]
Introduced: 08/04/2023

[H.R.5242](#) — **Connecting Our Neighbors to Networks and Ensuring Competitive Telecommunications Act of 2023**

Sponsor: Pettersen, Brittany [Rep.-D-CO-7]
Introduced: 08/18/2023

[H.R.5359](#) — **Rural Development Modernization Act**

Sponsor: Costa, Jim [Rep.-D-CA-21]
Introduced: 09/08/2023

[H.R.5437](#) — **Protecting Infrastructure Investments for Rural America Act**

Sponsor: Finstad, Brad [Rep.-R-MN-1]
Introduced: 09/13/2023

[S.2855](#) — **A bill to modernize and streamline the permitting process for broadband infrastructure on Federal land, and for other purposes.**

Sponsor: Barrasso, John [Sen.-R-WY]
Introduced: 09/20/2023

[H.R.5656](#) — **To amend the Internal Revenue Code of 1986 to provide a tax credit for new off-road plug-in electric vehicles.**

Sponsor: Phillips, Dean [Rep.-D-MN-3]
Introduced: 09/21/2023

[S.2882](#) — **Stop EV Freeloading Act**

Sponsor: Fischer, Deb [Sen.-R-NE]
Introduced: 09/21/2023

[H.R.5859](#) — **To direct the Secretary of Transportation to establish a program to provide grants to protection and advocacy systems to advocate for individuals with disabilities to access transportation, and for other purposes.**

Sponsor: Wilson, Frederica S. [Rep.-D-FL-24]
Introduced: 09/29/2023

[H.R.5980](#) — **To amend title 49, United States Code, to authorize state of good repair grants to be used for public transportation resilience improvement, and for other purposes.**

Sponsor: Espaillat, Adriano [Rep.-D-NY-13]
Introduced: 10/18/2023

[S.3080](#) — **Resilient Transit Act of 2023**

Sponsor: Gillibrand, Kirsten E. [Sen.-D-NY]
Introduced: 10/18/2023

[H.R.6178](#) — **Bidirectional Electric Vehicle Charging Act of 2023**

Sponsor: Brownley, Julia [Rep.-D-CA-26]

Introduced: 11/02/2023

[H.R.6199](#) — **Build More Housing Near Transit Act of 2023**

Sponsor: Peters, Scott H. [Rep.-D-CA-50]

Introduced: 11/02/2023

[S.3216](#) — **Build More Housing Near Transit Act of 2023**

Sponsor: Schatz, Brian [Sen.-D-HI]

Introduced: 11/02/2023

[S.3246](#) — **Building Safer Streets Act**

Sponsor: Fetterman, John [Sen.-D-PA]

Introduced: 11/07/2023

[H.R.6376](#) — **To require certain grant recipients of transit and highway transportation projects to establish and contribute to a business uninterrupted monetary program fund, and for other purposes.**

Sponsor: Correa, J. Luis [Rep.-D-CA-46]

Introduced: 11/13/2023

[H.R.6665](#) — **To amend the Internal Revenue Code of 1986 to eliminate certain fuel excise taxes and impose a tax on greenhouse gas emissions to provide revenue for maintaining and building American infrastructure, and for other purposes.**

Sponsor: Fitzpatrick, Brian K. [Rep.-R-PA-1]

Introduced: 12/07/2023

[S.3477](#) — **A bill to increase access to higher education by providing public transit grants.**

Sponsor: Casey, Robert P., Jr. [Sen.-D-PA]

Introduced: 12/12/2023

[H.R.6964](#) — **To establish limitations on advanced payments for bus rolling stock, and for other purposes.**

Sponsor: Fischbach, Michelle [Rep.-R-MN-7]

Introduced: 01/11/2024

[H.R.6997](#) — **Disaster Contract Improvement Act**

Sponsor: LaLota, Nick [Rep.-R-NY-1]

Introduced: 01/16/2024

[S.3605](#) — **A bill to require the Secretary of Transportation to develop guidelines and best practices for local evacuation route planning, and for other purposes.**

Sponsor: Padilla, Alex [Sen.-D-CA]

Introduced: 01/17/2024

[H.R.7009](#) — Securing Airport Facilities for Enhanced Parking Act

Sponsor: Caraveo, Yadira [Rep.-D-CO-8]

Introduced: 01/17/2024

[H.R.7012](#) — Transit Emergency Relief Act

Sponsor: D'Esposito, Anthony [Rep.-R-NY-4]

Introduced: 01/17/2024

[H.R.7039](#) — To amend title 49, United States Code, to establish a program to provide grants to eligible recipients for eligible operating support costs of public transportation, and for other purposes.

Sponsor: Johnson, Henry C. "Hank," Jr. [Rep.-D-GA-4]

Introduced: 01/18/2024

Executive Branch

Department of Transportation (DOT)

DOT [announced](#) more than \$4.9 billion in funding from President Biden's Investing in America agenda to 37 projects through two major discretionary grant programs, the [National Infrastructure Project Assistance](#) (Mega) grant program and the [Infrastructure for Rebuilding America](#) (INFRA) grant program.

DOT [announced](#) the approval of \$2.5 billion in private activity bonds authority allocated for the Brightline West High-Speed Intercity Passenger Rail project connecting Las Vegas, Nevada, and Southern California.

Joint Office of Technology and Energy (Joint Office)

The Joint Office [made available](#) \$46.5 million from President Biden's Bipartisan Infrastructure Law for 30 projects across 16 states to ensure convenient and efficient EV infrastructure for drivers; accelerate a resilient national EV charging network; grow the clean energy workforce; extend the benefits of clean transportation to rural, urban, and tribal communities; and validate real-world performance and reliability of high-power EV chargers. The available funding will also address barriers to charging in multifamily housing facilities, explore new approaches to curbside charging in urban areas, promote seamless connections across modes through e-mobility hubs, and test new incentive structures to provide affordable public charging access.

The Joint Office [awarded](#) \$150 million in grants made available through the National Electric Vehicle Infrastructure (NEVI) Formula Program. The grants will be used to repair

or replace nearly 4,500 existing EV charging ports and, in some cases, bring them up to code across twenty states.

The Joint Office [announced](#) \$623 million in grants made available through the Bipartisan Infrastructure Law's Charging and Fueling Infrastructure (CFI) Discretionary Grant Program. They will fund 47 EV charging and alternative-fueling infrastructure projects in 22 states and Puerto Rico, including the construction of approximately 7,500 EV charging ports. The CFI grants will also fill gaps in the national charging and alternative-fueling network by investing in EV charging in underserved urban and rural communities. With more than 70% of CFI funding dedicated to project sites in disadvantaged communities, CFI program efforts will support the Biden administration's Justice40 goal of having 40% of the overall benefits of federal investments flow to disadvantaged communities.

Environmental Protection Agency (EPA)

EPA [announced](#) a plan to speed up the permitting of electric vehicle charging stations, marking the second time the Biden administration has used the same maneuver to deploy the stations faster. Under the plan, the EPA will borrow a document developed by the Energy Department, known as a categorical exclusion, to more quickly permit agency-financed EV charging station installations, modifications, operations, or removals in already-developed areas. Categorical exclusions are decisions made by other agencies for projects deemed not to have a significant effect on the environment. If a proposed project meets the exclusion's conditions, it can be exempted from more extensive and lengthier reviews under the National Environmental Policy Act.

EPA [awarded](#) \$10.67 million through the Wildfire Smoke Preparedness in Community Buildings grant program to nine recipients. The grant program enhances community wildfire smoke preparedness by supporting projects designed to assess, prevent, control, or abate wildfire smoke hazards in community buildings that serve the public and disadvantaged communities.

EPA [announced](#) the availability of \$3 million through its Centers of Excellence for Stormwater Infrastructure Technologies grant program to expand stormwater infrastructure solutions across the country. Once selected, the Stormwater Centers of Excellence will develop and enhance stormwater best practices by conducting research on new and emerging stormwater control infrastructure technologies and alternative funding approaches; providing technical assistance to state, Tribal and local governments; and collaborating with regional institutions.

Federal Highway Administration (FHWA)

FHWA [announced](#) it is providing \$729.4 million to 34 states, the District of Columbia, the U.S. Virgin Islands and Puerto Rico. The funds will be used to support repair needs following natural disasters, extreme weather, or catastrophic events, such as hurricanes,

flooding and mudslides. These events will receive federal reimbursement funding under the FHWA's Emergency Relief (ER) program.

Federal Aviation Administration (FAA)

FAA [announced](#) new and significant actions to immediately increase its oversight of Boeing production and manufacturing in response to a mid-flight incident on a Boeing Model 737-9 MAX in which the aircraft lost a passenger door plug. The FAA will conduct safety risks around delegated authority and quality oversight, and exam options to move these functions under independent, third-party entities.

PLATINUM | ADVISORS

January 26, 2024

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority

FR: Steve Wallauch
Platinum Advisors

RE: Legislative Update

Budget: Governor Newsom released his budget proposal for the 2024-25 fiscal year, which outlines a spending plan totaling \$291 billion and addresses a \$37.9 billion deficit. The deficit is addressed through a combination of cuts, deferrals, delays, fund shifts, and dipping into reserves.

The LAO's December outlook pegged the deficit at \$68 billion but comparing it to the Governor's outlook is an "apples to oranges" comparison. However, after adjusting for underlying assumptions the forecasts by the LAO and the Governor are not that far off. The LAO does not make any assumptions on spending reductions, while the Governor's proposal according to the LAO includes about \$21 billion in baseline spending reductions, primarily in school and community college spending. Adding these baseline changes to the Governor's plan, the amount of spending changes in the Governor's budget totals \$58 billion in solutions.

In addition, the Governor's outlook assumes \$15 billion in higher revenue estimates than the LAO. Adjusting this higher revenue estimate for planned spending of \$3.4 billion for unexpected costs and \$2 billion in new spending, the net difference between the LAO and the Governor's outlook is only \$10 billion.

Future Years Remain Bleak: The LAO cautions that the state faces operating deficits of \$37 billion in 2025-26, \$30 billion in 2026-27, and \$28 billion in 2027-28. While these future deficits are smaller, they remain significant since there will be fewer options to address these shortfalls without enacting ongoing spending cuts and revenue increases.

Tapping Reserves: The proposed budget would use \$13.1 billion in reserve accounts, and an additional \$5.7 billion from Prop 98 reserves to support school funding. This includes a withdrawal of \$10.4 billion from the Budget Stabilization Account (BSA), a withdrawal of \$1.8 billion in the discretionary BSA funds, and a \$900 million withdrawal from the Safety Net Reserve. The LAO urges the legislature to withdraw no more than the amount proposed by the Governor, because the state will continue to face significant budget problems in the coming years.

Bridging the Gap: Based on the LAO's review, the Governor proposes a range of cuts, transfers, and delays to bridge the remaining gap, not including changes to education funding. However, the LAO encourages the legislature to examine if additional one-time

spending reductions could be achieved, and to consider acting immediately to ensure savings are realized in the current fiscal year. The Governor's plan includes the following maneuvers:

- **Reductions:** The Governor's budget includes \$8 billion in spending-related reductions. The largest include: a nearly \$800 million reduction to state departments' operation budgets, proposed to be allocated through departments' vacancy rates; about \$500 million in savings to continue an existing two-week delay in Medi-Cal payments; a \$500 million reduction to the school facilities aid program; and a \$350 million reduction to legislative district projects.
- **Delays:** The budget delays about \$8 billion in funding for multiple items and spreads it across the three-year period, beginning in 2025-26. This includes delaying \$2.7 billion in transportation funding, such as the proposal to delay the allocation of \$1 billion for the Transit and Intercity Rail Capital Program (TIRCP) formula allocation until 2025-26.

The LAO points out that these actions result in increased spending is by \$5 billion in 2025-26, nearly \$2 billion in 2026-27, and roughly \$1 billion in 2027-28. Given the LAO's and the administration's forecasts of the budget condition in future years, the state likely cannot afford this spending.

- **Fund Shifts:** The LAO estimates that budget shifts a total of \$6 billion in expenditures from the General Fund to other funds. Overall, the LAO supports this maneuver because it results in lower state spending. These shifts include using \$4 billion in MCO tax revenue to offset general fund Medi-Cal costs, and shifting This includes shifting \$1.8 billion from the general fund to the Greenhouse Gas Reduction Fund.
- **Reversions:** The LAO tallies about \$3 billion in spending reversions in the Governor's budget. While funds that go unspent normally revert to the general fund three years after the initial appropriation, the budget proposal would accelerate the return of some funds.

Transportation Funding:

The Budget maintains \$13.6 billion for transportation programs, but includes \$200 million in General Fund reductions, \$791 million in fund shifts, and \$3.1 billion in delays across various programs.

- No change to funding committed to the Zero Emission Transit Capital program. In the 2023-24 budget, \$1.1 billion was committed to this program over 5 years. The Greenhouse Gas Reduction Fund is the primary source of funding for this program for fiscal years 2024-25 through 2027-28.

- Delays \$2.125 billion of competitive funds for the Transit and Intercity Rail Capital Program (TIRCP) to as late as 2027-2028, and shifts \$529.7 million from General Fund to the Greenhouse Gas Reduction Fund. This delay should not impact the funds awarded, but aligns the allocation of funds to match the cashflow needs of the projects.
- Delays \$1 billion of the formula allocated TIRCP funds. Under this proposal \$1 billion would be allocated in 2024-25, and the remaining \$1 billion would be allocated in 2025-26. In addition, the proposal would replace \$261.4 million general fund revenue with Greenhouse Gas Reduction Fund revenue in 2024-2025.
- Cuts \$200 million from the Active Transportation Program. The budget maintains a commitment to provide \$800 million for ATP projects, but \$400 million would be delayed with \$300 million allocated in 2025-2026 and \$100 million in 2026-2027.
- Delays \$150 million in funds for the Highways to Boulevards included in the 2021-2022 budget, by spreading this allocation over three years at \$50 million per year.
- Delays \$100 million for the Port and Freight Infrastructure Program from 2024-2025 to 2026-2027. This change is not expected to impact the funding needs for projects already awarded.
- Cuts \$96 million from the Port of Oakland. This is a reduction to the \$280 million appropriation made to the Port in the 2021-22 budget act for access improvements.
- State Transit Assistance (STA) funds and other funds allocated based on the STA formula remain stable. For 2024-25 STA revenues are expected to total \$1.1 billion, about \$65 million higher than the current year. However, the allocation of Greenhouse Gas Reduction Fund revenue to TIRCP and the Low Carbon Transit Operations Fund (LCTOP) are reduced, with LCTOP dropping \$32 million to \$182 million, and GGRF portion of TIRCP dropping by \$66 million to \$365 million.

LEGISLATION

Bay Area Transit: It will be a busy year for Bay Area transit operators with measures already introduced that propose to consolidate operators, reform services, and a regional revenue measure tied to service reforms. The following are three bills introduced so far:

- AB 1837 (Papan) is a spot bill that contains legislative intent language. The intent of this measure is to enact legislation that encourages coordination and collaboration among Bay Area transit operators.
- SB 925 (Wiener) is also a spot bill. SB 925 will be the vehicle to authorize MTC to pursue a regional funding measure to stabilize the and improve transit service in the Bay Area. The funding plan will likely include provisions that require regional coordination and service improvements of transit service in order to receive funding.

- SB 926 (Wahab) is the reintroduction of SB 397 (Wahab) that was a “gut and amend” from earlier this year. The Senate Transportation Committee did not hear SB 397. As introduced, SB 926 directs CalSTA to develop a plan to consolidate all transit operators in the Bay Area into a single regional operator. SB 926 is a starting point to address the need to improve coordination of transit service and improve efficiencies in how public transit service is provided in the region. AC Transit has met with Senator Wahab and we are working collaboratively on amendments.

Safer Streets: Senator Scott Wiener has also introduced a two-bill package called the Speeding and Fatality Emergency Reduction on California Streets (SAFER California Streets) Package. This package consists of SB 960 and SB 961.

SB 961 would require every passenger vehicle, truck, and bus sold in the state to be equipped with speed governors that limit the vehicle’s speed to no more than 10 mph over the speed limit for the roadway segment. The proposal includes limited exceptions. In addition, SB 961 would require all truck trailers to be equipped with side guards.

SB 960 would codify Caltrans’ complete streets policy and require Caltrans to make improvements to state-owned surface streets to better accommodate pedestrians, cyclists, the disability community, and transit users. Specifically, SB 960 directs Caltrans to develop – by January 1, 2026 – a transit priority policy with performance targets to improve transit travel time reliability, speeds, reduced transit and rider delay, and improved accessibility at stops, stations, and boarding facilities.

PLATINUM | ADVISORS

January 26, 2024

ATTACHMENT 3
NVTB Board Item 11.4
February 21, 2024

TABLE 1: BOARD ACTION ITEMS

30-day In Print Rule – When new bills are introduced, they may not be heard in committee or be amended for 30 days from the introduction date. The only exception is for measures with an urgency clause. Even spot bills cannot be amended until after being in print for 30 days.

Spot Bills – Bills that contain only intent language or make non-substantive changes are considered “spot bills.” These measures will not be referred to a policy committee for hearing until the bill is amended to make substantive changes.

	Subject	Status	Recommended Position
AB 1837 (Papan D) San Francisco Bay area: public transportation.	AB 1837 is currently a spot bill that contains intent language to enact legislation that will encourage coordination and collaboration among transit agencies in the Bay Area.	Assembly Rules	Watch
AB 1904 (Ward D) Transit buses: yield right-of-way sign.	Existing law allows Santa Clara VTA and Santa Cruz Metropolitan Transit District to equip buses with a “yield right-of-way” sign to inform motorists when the bus re-entering a traffic lane. AB 1904 would expand this authorization to allow any transit operators to equip its bus with yield right-of-way signs. Under AB 1904 these signs could be an illuminated sign or a static decal.	Assembly Rules	Support
SB 925 (Wiener D) San Francisco Bay area: local revenue measure: transportation improvements.	SB 925 is currently a spot bill that includes intent language stating that this bill would authorize MTC to propose a revenue measure to fund the operation, expansion, and transformation of the public transportation system, and other transportation improvements.	Senate Rules	Watch
SB 926 (Wahab D) San Francisco	SB 926 directs CalSTA to develop a plan to consolidate all transit operations in the Bay Area.	Senate Rules	Watch

	Subject	Status	Recommended Position
Bay area: public transportation.	This is the reintroduction of SB 397, which was pulled from being heard by the Senate Transportation Committee earlier this month. Given concerns expressed about SB 397, amendments are expected to be made to SB 926 prior to be heard by the Senate Transportation Committee.		
SB 947 (Seyarto R) Department of Transportation: state highway projects: agreements with public entities: project design changes.	SB 947 would add to the project cost agreement between a local entity and Caltrans a requirement making Caltrans responsible for any additional costs associated with a new project design adopted by Caltrans after the project is included in the state transportation improvement program or the state highway operation and protection program.	Senate Rules	Watch
SB 960 (Wiener D) Transportation: planning: transit priority projects: multimodal.	<p>SB 960 would place in statute the requirement for Caltrans to include “complete street” improvements to all transportation projects.</p> <p>Complete Streets elements can include sidewalks, bike lanes, bus-only lanes, accessible public transit stops, crosswalks, median islands, accessible pedestrian signals, curb extensions, narrower travel lanes, among other improvements.</p> <p>SB 960 includes the following requirements:</p> <ul style="list-style-type: none"> • Caltrans is required to include complete street elements in its asset management plan, and set 4-year and 10-year targets and performance measures reflecting complete streets assets. • Establish a streamlined process for the approval of pedestrian facilities, traffic calming improvements, bicycle facilities, and transit priority treatments at locations where state-owned facilities intersect with local facilities. 	Senate Rules	Support

	Subject	Status	Recommended Position
	<ul style="list-style-type: none"> Develop – by January 1, 2026 – a transit priority policy with performance targets to improve transit travel time reliability, speeds, reduced transit and rider delay, and improved accessibility at stops, stations, and boarding facilities. 		

TABLE 2: BOARD ADOPTED POSITIONS

The measure below with the strikethrough font will be removed from future bill updates. These bills have been either signed into law, vetoed, or are not moving forward this year.

	Subject	Status	Board Position
<u>AB 16</u> <u>(Dixon R)</u> Motor Vehicle Fuel Tax Law: adjustment suspension	<p>Existing law requires the state to annually adjust the tax rate on fuel based on the Consumer Price Index. This adjustment is determined in January, and the adjustment takes effect on July 1st of each year. This annual adjustment was a key change made by SB 1.</p> <p>AB 16 would, starting on July 1, 2024, authorize the Governor to suspend this adjustment based on a determination that the adjustment would impose an undue burden on low-income and middle-class families. AB 16 would impose the following requirements:</p> <p>AB 16 was not heard by the Assembly Transportation Committee before the April 27th deadline for policy committee to act on bills with a fiscal impact.</p>	<p>Assembly Transportation</p> <p>Two-Year Bill</p>	<p>Watch</p>
<u>AB 463</u> <u>(Hart D)</u> Electricity: prioritization of service: public transit vehicles	<p>The goal of AB 463 is to ensure utilities take into consideration the electricity needs to charge electric buses when planning for power shutoffs.</p> <p>This measure would require the California Public Utilities Commission (CPUC) to consider the economic, social equity, and mobility impacts of a temporary power discontinuance to customers that rely on</p>	<p>Assembly Appropriations</p> <p>Held on Suspense File</p> <p>Two-Year Bill</p>	<p>Support</p>

	Subject	Status	Board Position
<u>AB 463 (Cont.)</u>	<p>electrical service to operate public transit vehicles. In addition, AB 463 would require electric utilities to include in their public safety power shutoff plans protocols related to mitigating those public safety impacts on public transit vehicle charging infrastructure.</p> <p>Due to the costs this bill would impose on the CPUC, AB 463 was placed on the Suspense File. The CPUC estimated it would cost \$210,000 annually, and a one-time cost of \$500,000 to hire a consultant to determine how to rank public transit charging stations.</p>		
<u>AB 540 (Wicks D)</u> Social Service Transportation Improvement Act: coordinated transportation services agencies	<p>Assemblywoman Wicks has decided to make AB 540 a two-year bill, meaning it will not move forward this year. The author's office will continue to work with interested parties in an effort to build consensus on addressing paratransit service needs.</p> <p>This bill would amend the Social Services Transportation Improvement Act and impose a \$10 vehicle registration fee.</p> <p>Specifically, the bill would require the <i>coordination</i>, rather than the <i>consolidation</i>, of social service transportation services under the act and would recharacterize consolidated transportation service agencies in the act as coordinated transportation service agencies. The \$10 vehicle fee proposed in the bill would be allocated to each county based on population.</p>	Assembly Transportation Two-Year Bill	Oppose Unless Amended
<u>AB 557 (Hart D)</u> Open meetings: local agencies: teleconferences	<p>AB 557 would extend indefinitely the existing authorization for local legislative bodies with a majority vote to hold remote meetings if a proclaimed state of emergency exists.</p> <p>Specifically, AB 557 would eliminate the January 1, 2024, sunset date on provisions of law authorizing remote meetings during a proclaimed state emergency. The bill also changes the requirement to reauthorize the use of remote meetings from every 30 days to every 45 days.</p>	Signed Into Law Chapter #534, Statutes of 2023	SUPPORT

	Subject	Status	Board Position
<u>AB 610</u> (Holden D) Youth Transit Pass Pilot Program: free youth transit passes AB 610 (Cont.)	<p>AB 610 would create a pilot program that would only take effect if funds are appropriated in the budget. No funding was appropriated in the 2023-24 budget for this program.</p> <p>AB 610 would create a Youth Transit Pass Pilot Program, administered by the Department of Transportation (Caltrans) and upon appropriation of funds, to provide grants to transit agencies for specified costs, including to create, maintain, subsidize, or expand free youth transit pass programs for students attending college or K-12 schools. The bill would require Caltrans to submit a specified report to the Legislature on the outcomes of the program and the status of transit pass programs statewide by January 1, 2027.</p>	Senate Floor Inactive File Two-Year Bill	Support If Amended
<u>AB 817</u> (Pacheco D) Open meetings: teleconferencing: subsidiary body	<p>AB 817 would authorize a “subsidiary body” to remotely hold a public meeting if specified conditions are met.</p> <p>With the Assembly Local Government Committee under new leadership, AB 817 was approved earlier this month, and approved by the Assembly last week on a vote of 54-8.</p> <p>AB 817 was amended to include a sunset date of January 1, 2026, and amendments clarified the public participation requirements.</p> <p>The bill defines a subsidiary body to include:</p> <ul style="list-style-type: none"> • certain types of commissions, committees, or other body as defined in paragraph (b) of Government Code Section 54952, • a body that serves exclusively as an advisory body, • a body that is not authorized to take final action on any contract, legislation, regulation, or permit. 	Senate Desk	SUPPORT
<u>AB 1377</u> (Friedman D) Interagency	Under the Homeless Housing, Assistance and Prevention Program, applicants for funds are required to provide data and other information	Signed Into Law	Support

	Subject	Status	Board Position
Council on Homelessness	<p>on progress toward meeting the goals of the program.</p> <p>As amended, AB 1377 would add to these reporting requirements data and a narrative of specific and quantifiable steps that the applicant has taken to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, on transit properties that operate in their jurisdiction.</p>	Chapter #728, Statutes of 2023	
<u>AB 1379</u> <u>(Papan D)</u> Open meetings: local agencies: teleconferences	<p>The Assembly Local Government Committee hearing on AB 1379 was cancelled. Since this bill is “keyed” fiscal it becomes a two-year bill and will not move until January 2024. The reason for this action was likely due to concerns expressed by the committee staff and chair.</p> <p>AB 1379 would amend the Brown Act to allow a legislative body to hold meetings in any combination of in person or remote participation.</p> <p>The bill specifies a quorum can be established by any of the following:</p> <ul style="list-style-type: none"> • Consisting of members participating remotely. • Consisting of members participating at a designated location. • Consisting of members participating remotely and at a designated location. <p>AB 1379 specifies that the “singular designated physical meeting location” must be open to the public and located within the legislative body’s jurisdiction.</p>	Assembly Local Government 2-Year Bill	WATCH
<u>ACA 1</u> <u>(Aguiar-Curry D)</u> Local government financing: affordable housing and public	<p>ACA 1 would lower the voter threshold for property tax increases, parcel taxes and sales taxes to 55% if the funds are used for affordable housing and infrastructure projects. This includes capital improvements to transit and streets and highways.</p>	Approved Chapter 173, Statutes of 2023 To be placed on the November 2024 Ballot	Support

	Subject	Status	Board Position
infrastructure: voter approval	<p>ACA 1 was amended to include specific conditions on the use of funds as outlined below:</p> <ul style="list-style-type: none"> • Imposes a 5% cap on administrative costs for projects funded by propositions approved with a 55% vote. • The proceeds of the tax shall only be spent on projects and programs that serve the jurisdiction of the local government. • Requires annual audits to be submitted to the California State Auditor for review. • Requires the creation of a citizen oversight committee, and the members of that committee shall receive educational training on local taxation and fiscal oversight. • An entity owned or controlled by a local official that votes on whether to put a proposition on the ballot pursuant will be prohibited from bidding on any work funded by the proposition. • If the voters of the local government have previously approved a tax pursuant to ACA 1, the local government shall not place a proposition on the ballot pursuant to this section until all funds from the previous proposition are committed to programs and projects listed in the specific local program or ordinance. • The legislature by a 2/3 vote may enact laws establishing additional accountability measures. <p><i>ACA 1 does not allow for the 55% local measure to use the tax revenue for transit operations.</i></p>		
SB 5 (Nguyen R) Motor Vehicle Fuel Tax Law: limitation on adjustment	Existing law requires the state to annually adjust the tax rate on fuel based on the Consumer Price Index. This adjustment is determined in January, and the adjustment takes effect on July 1 st of each year. This	Senate Governance & Finance 2-Year Bill	Oppose

	Subject	Status	Board Position
	<p>annual adjustment was a key change made by SB 1.</p> <p>Under SB 5 any adjustment shall not exceed 2 percent. Limiting the adjustment will impact the ability for transportation programs to keep pace with inflation.</p>		
<p><u>SB 411</u> (<u>Portantino D</u>) Open meetings: teleconferences: bodies with appointed membership</p>	<p>SB 411 authorizes a neighborhood council within the City of Los Angeles, to use alternate teleconferencing provisions related to notice, agenda, and public participation, subject to certain requirements and restrictions, if the city council has adopted an authorizing resolution and two-thirds of an eligible legislative body votes to use the alternate teleconferencing provisions.</p> <p>The provisions of SB 411 sunset on January 1, 2026, and require that, at least once per year, at least a quorum of the members of the eligible legislative body must participate in person from a singular physical location.</p>	<p>Signed Into Law</p> <p>Chapter #605, Statutes of 2023</p>	WATCH
<p><u>SB 537</u> (<u>Becker D</u>) Open meetings: local agencies: teleconferences</p>	<p>SB 537 allows multi-jurisdictional, cross-county local agencies with appointed members to use teleconferencing without posting agendas at each teleconference location, identifying each teleconference location in the notice and agenda, making each teleconference location accessible to the public, and requiring at least a quorum of the eligible legislative body to participate from within the local agency's jurisdiction if the legislative body complies with specified conditions.</p>	<p>Assembly Floor Inactive File</p> <p>Two-Year Bill</p>	WATCH
<p><u>SB 670</u> (<u>Allen D</u>) Transportation: vehicle miles traveled; maps</p>	<p>As amended, SB 670 directs the California Air Resources Board (CARB), in consultation with Caltrans and Office of Planning and Research (OPR), to develop maps of average vehicle miles traveled (VMT) at the local, regional, and statewide levels, and provides direction to how those maps should be reconciled with existing ones.</p>	<p>Senate Appropriations</p> <p>Held on Suspense File</p> <p>Two-Year bill</p>	Watch

	Subject	Status	Board Position
SB 769 (Gonzalez D) Local government: fiscal and financial training	<p>SB 769 would require, if a local agency provides any type of compensation, or expense reimbursement to members of its legislative body, to provide the members of the legislative body at least two hours of fiscal and financial training at least once every two years.</p> <p>Fiscal and financial training is defined to include the following:</p> <ul style="list-style-type: none"> • Laws and principles relating to financial administration and short-and long-term fiscal management, • Laws and principles relating to capital financing and debt management, pensions and other postemployment benefits, and cash management and investments. • General fiscal and financial planning principles and any pertinent laws relevant to the local agency official's public service and role in overseeing the local agency's operations. 	<p>Assembly Appropriations</p> <p>Held on Suspense File</p>	<p>Watch</p>