

AGENDA ITEM IV – A

**YUBA-SUTTER TRANSIT AUTHORITY
MEETING MINUTES
MARCH 20, 2025**

I. Call to Order & Roll Call (4:00 p.m.)

Present: Bradford, Buttacavoli, Cole, Flores, House, Hudson and Kirchner

Absent: Bains (Vice-Chair).

II. Public Business from the Floor

None.

III. Closed Session

The Board adjourned to closed session at 4:02 p.m. The Board reconvened at 4:11 p.m.

A. Conference with Real Property Negotiators

No reportable action was taken.

B. Pursuant to Government Code Section 54956.9: Conference with Legal Counsel – Anticipated Litigation, (Paragraph (4) of subdivision (d) of Section 54956.9) One Potential Case.

No reportable action was taken.

IV. Consent Calendar

Director Hudson made a motion to approve the consent calendar. Director Flores seconded the motion, and it carried unanimously.

V. Reports

A. Caltrans State Route 70 Binney Junction Roadway and Complete Streets Project Settlement Agreements.

Executive Director Mauk requested approval of the settlement terms of a permanent access deed and two temporary construction easement agreements necessary to allow access to Caltrans for construction of the Binney Junction project. Mauk explained that construction will require relocation of some bus operations, and an offsite location is being leased from Yuba County for this purpose. Included in the requested action was approval of the lease to be paid by Caltrans.

Director Bradford made a motion to approve the settlement terms of the Permanent Access Easement Deed, two Temporary Construction Easements, and property lease with the County of Yuba as proposed, and authorized the Chair or designee, to sign said agreements and any other documents necessary to affect the terms of the said agreements. Director Hudson seconded the motion, and it carried unanimously.

B. Authorizing Resolution for Federal Transit Administration (FTA) Grant Documents.

Executive Director Mauk stated that this routine annual resolution designates the Executive Director or their designee to execute and file federal grant and contract related documents each year.

Director Hudson made a motion to adopt Resolution No 1-25 authorizing the Executive Director, or their designee to execute all federal grant and contract documents as proposed. Director Bradford seconded the motion, and it carried unanimously.

C. Preliminary Draft Operating and Capital Budgets for FY 2026.

Mauk stated that the joint powers agreement requires that a preliminary draft budget for the next fiscal year be presented by the end of March of each year and a final budget be adopted by the end of May.

The total expense projection for fiscal year (FY) 2026 is just over \$10.5 million. Over 3/4 of the operations budget is direct costs including payments to the contractor on both a fixed and variable cost basis. This is driven by the contract rates and by the number of vehicle service hours that our contractor operates on our behalf. The other big direct cost for operations is fuel, which is driven by fuel prices and how much service we have on the street. We are budgeting for 92,500 vehicle service hours in FY 2026, this is due in part to running later fixed route hours, micro transit service launch later in the spring, a slight increase in Sacramento commuter service hours and the anticipated service to Lincoln and Roseville. We have assumed some costs in FY 2026 associated with the Caltrans Binney Junction project and moving part of our operations off-site. You will see later that revenue from the agreement with Caltrans will completely offset the cost. Our administrative expenditure is 13% of the budget, which includes wages for our administration staff.

The largest portion of the operating revenue is State funding under the Transportation Development Act (TDA), which includes two pots of funding. One is State Transit Assistance (STA) and the other Local Transportation Funds (LTF). About 30% of our budget is federal formula grant funds allocated to us through the Section 5311 and Section 5307 programs. Also, this is expected to be the last budget year we will be using Covid relief funds.

STA is generated by diesel sales tax and is only for transit purposes. LTF is derived from a portion of sales tax revenues that is allocated back to the county of origin. LTF is primarily for transit purposes, but if the unmet transit needs process doesn't identify any additional needs, any unclaimed funds can be used for other purposes. Per the appropriations that were approved by SACOG there is a total of \$8 million in LTF available collectively for the four jurisdictions and our claim for FY 2026 budget is \$4.2 million.

Director Bradford stated that the amount has gone up every year, assuming for multiple reasons, but would like to know if the percentage has stayed similar or has that changed over time?

Mauk stated that the percentage has been similar over the last few fiscal years, and the LTF has fluctuated with the economy somewhat. Mauk offered to send Director Bradford a document maintained by staff that tracks the numbers over the last ten years.

Mauk stated that the FY 2026 projected expenditures are about a 12% increase over the current fiscal year in direct operations cost, which is due to a rise in service hours as well as a small escalation of the contract rates. Another contributing factor in the operating cost increase for FY2026 is the Binney Junction Project.

The Capital revenue projections include a bus purchase, which is there for programming purposes, but the expenditure is not anticipated until a later fiscal year. It will be for a four-bus purchase which will have a zero-emission component as required by the State. We are also anticipating costs for the final design and the beginning of construction on the new facility project.

Director Renick asks for the LTF percentages for the last four years. Mauk responded that staff will bring an informational item to April's meeting since there have been a couple of questions regarding LTF.

Director Flores asked with respect to what is happening with the federal government, do you have expectations for the budget, or can predictions be made at this point. Mauk replied that he has heard from a number of industry forums that formula funding is likely secure, but that discretionary funding may be another issue, which may impact our capital program.

D. Special Service for the 2025 Sikh Parade.

Mauk stated the requested action is formation of an Ad Hoc Committee to discuss the shuttle service for the next Sikh parade on the 1st Sunday in November. Yuba-Sutter staff have concerns regarding compliance with federal regulations and operational safety risks. The findings of the Ad Hoc Committee will be conveyed to the board during a special meeting or the regular April board meeting.

Director Kirchner, Director Renick and Director Buttacavoli volunteered for the Ad Hoc Committee.

E. Transit Operations Agreement Option.

Mauk stated that our operations and maintenance contract with Storer Transit Systems expires in September 2025. Under the existing terms of the contract, we have the unilateral option to exercise one more two-year term on the contract. The pricing structure is set in the contract terms, and any increases in rates are based on the CPI, with a minimum of 2% and limit of 4%. The CPI for the applicable twelve-month period ending February was 2.8%, which is within the range per the contract terms.

Mauk stated that the contractor has expressed some concerns with respect to wages and retention of frontline staff but reminded the board that the Authority does not set the wages for the contractor's staff. Mauk stated the recommended action is authorization to notify the contractor of our intent to exercise the last two-year option on the contract per the stated contract terms.

Director Buttacavoli asked if the CPI increase is already built into the new budget. Mauk stated that the 2.8% rate increase was assumed in the budget.

Director Flores made a motion to authorize the Executive Director to notify Storer Transit Systems of our intent to exercise the final two-year option of the Transit Operations Agreement, for the performance period October 1, 2025, through September 30, 2027. Director Bradford seconded the motion, and it carried unanimously.

F. State Low Carbon Transit Operations Program (LCTOP) Project Selection.

Mauk stated that LCTOP is a state formula program to fund projects that reduce pollution. Yuba-Sutter Transit is eligible for an allocation of \$499,000 for the FY 2025 cycle. Historically, these funds have been used for facility improvements, technology implementations, commuter service operations, reduced fare programs, expanded transit services and the zero emission bus elements of the planned transit facility.

Mauk stated that staff is recommending that the FY 2025 LCTOP funds be used to launch the Lincoln Roseville service for up to eighteen months. Staff will use \$200,000 from FY 2024 LCTOP funds that were previously approved for the Lincoln Roseville service to extend the reduced fare programs for the monthly local fixed route passes through July 2026.

Director Bradford made a motion to authorize the submittal of the specified project for LCTOP funding as proposed, and adoption of Resolution No. 2-25 authorizing execution of the related LCTOP certifications and assurances including designation of the Executive Director as the authorized agent. Director Flores seconded the motion, and it carried unanimously.

G. Project and Program Updates.

1. NextGen Transit Facility Project

Mauk reported that design is in progress. Mauk also stated he would like to thank the Yuba County staff for their help with the preliminary civil engineering on the facility project. At the next board meeting there will be a presentation on charging as a service. Mauk also stated that an early cost estimate indicated the need for some additional value engineering on the project.

2. NextGen Transit Plan Implementation/Frontrunner Vehicle Showcase

Mauk reported that plans are to launch the microtransit system in Linda and Olivehurst in May and a ribbon cutting ceremony is planned for late May. Mauk also stated that we brought a newly branded MOD (Mobility on Demand) vehicle for the board to preview and that we have gifts for the board in honor of Driver Appreciation Week.

Director Renick expressed his thanks to our transit drivers and that he wants to let them know the board does appreciate all they do.

VI. Correspondence / Information

None

VII. Other Business

None

VIII. Adjournment

The meeting was adjourned at 5:03 p.m.

The next regular meeting is scheduled for Thursday, April 17, 2025, at 4:00 p.m. in the Yuba County Board of Supervisors Chambers, unless otherwise noticed.