



DATE: February 7, 2025
TO: STA Board
FROM: Ron Grassi, Director of Programs
Lorene Garrett, Senior Program Coordinator
RE: Coordinated Short Range Transit Plans (SRTPs) for Fiscal Year (2026-27)

Background:

Transit operators are required by Metropolitan Transportation Commission (MTC), to prepare an SRTP every four years in order to remain eligible to receive federal funding through the TIP. Prior to the pandemic, these SRTPs were completed on a two-year cycle, alternating years between large operators and small-to-medium sized operators.

The SRTP format was substantially altered in calendar year 2022 for the SRTP that covered a shortened period from FY 2022-23 through FY 2027-28. The guidelines and requirements were reduced to fit a short timeframe in a period of great uncertainty. MTC added a scenario-planning component, in which operators were asked to submit operations plans to fit different revenue envelopes. All operators were required to complete a SRTP, putting them in compliance with the SRTP requirement until 2026.

Discussion:

In April of 2025, the Metropolitan Transportation Commission (MTC), is expected to release the guidelines and funding plan. MTC anticipates small and medium-sized operators will be eligible for up to \$40,000 in reimbursements. Funding levels are contingent upon approval of the MTC FY 2025-26 Budget. The FY 2026-27 Short Range Transit Plan Proposal presented by MTC to the Transit Finance Working is included as Attachment A.

STA and five Solano County transit Operators last completed their SRTPs in 2022. The STA coordinated the SRTPs for all of Solano County, and each transit operator represented a chapter within the Solano County Coordinated SRTP. For this SRTP cycle, STA will select a consultant to complete SRTPs for all Solano County operators who elect to participate in the coordinated SRTP. STA will cover the difference in costs above the MTC reimbursement for transit operators who participate in the coordinated plan. Transit operators who elect to use a consultant of their choice will have to cover the difference in costs. STA requests all operators align with STA's coordination process and have their draft available for review in time for submittal to MTC.

The cities of Dixon, Fairfield, Rio Vista, Suisun City, and Vacaville have elected to partner with STA for a coordinated plan. SolTrans plans to enlist Jarrett Walker and Associates to perform their SRTP because they are developing the SolTrans Comprehensive Operational Analysis.

All SRTPs (Dixon, Fairfield, SolTrans, Suisun City, Rio Vista, and Vacaville) will have to be approved by each transit operator's governing board and incorporated into the coordinated SRTP approved by the STA Board. **Draft SRTPs are due to STA by November 7, 2025**, in order to be presented to the Solano Intercity Transit Consortium, STA TAC, and at the STA December 10th Board meeting. Draft SRTPs must be delivered to MTC by December 15, 2025 per the updated draft guideline schedule presented to the MTC Transit Finance Working Group on March 5th and included in the table below.

Deliverable	Delivery Dates
Draft SRTP	12/15/2025
Final Board-Adopted SRTP	3/15/2025

In anticipation of meeting the December 15, 2025, deadline for submission of draft SRTPs to MTC, STA staff seeks authorization to release an RFP for the completion of the FY 2026-27 coordinated SRTP.

At the February 25, 2025, meeting, the Solano County Intercity Transit Consortium unanimously approved the recommended action. At the February 26, 2025, meeting, the STA TAC voted unanimously to forward the recommendation to the STA Board for approval.

Fiscal Impacts

MTC will reimburse transit operators for \$40,000 of the cost to develop SRTPs. The difference in costs for participating operators will be provided by STA utilizing State Transit Assistance Funds (STAF).

Recommendation:

Authorize the Executive Director to:

1. Conduct an update to the Solano County Coordinated SRTP as requested by the Metropolitan Transportation Commission (MTC);
2. Execute a funding agreement with MTC for \$40,000 per participating transit operator for each SRTP completed by STA; and
3. Issue a Request for Proposal (RFP) and enter into a contract for the Solano County Coordinated SRTPs funded by MTC with contributions matched by STA using State Transit Assistance Funds (STAF).

Attachments:

- A. MTC February 7, 2025, Short Range Transit Plan (SRTP) Proposal
- B.

Attachment A



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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San Francisco, CA 94105
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Memorandum

TO: Transit Finance Working Group

DATE: February 5, 2025

FR: Terence Lee

RE: Short Range Transit Plan (SRTP) Proposal

SRTP Background

- SRTP Requirement: Transit operators are required by MTC to prepare an SRTP every four years in order to remain eligible to receive federal funding through the TIP. Prior to the pandemic, these SRTPs were completed on a two-year cycle, alternating years between large operators and small-to-medium sized operators.
- FY23-28 “Reimagined” SRTP: The SRTP format was substantially altered in calendar year 2022 for the SRTP that covered a shortened period from FY23 through FY28. The guidelines and requirements were reduced to fit a short timeframe in a period of great uncertainty. MTC added a scenario-planning component, in which operators were asked to submit operations plans to fit different revenue envelopes. All operators were required to complete an SRTP, putting them in compliance of the SRTP requirement until 2026.

Proposed Scope

1. Operator Participation

- Standard Practice: Alternating cycles of large operators and small/medium operators every other year.
- Reimagined: All operators were required to complete SRTPs simultaneously.
- Proposed FY27: Keep operators on the same cycle to facilitate a better regional understanding of short-term plans.

2. Time Horizon

- Standard Practice: At least 10-years
- Reimagined: Reduced to 5-years to focus on the immediate term given long-term uncertainties, and reduce burden of producing the Reimagined SRTP in a short timeframe.

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- Proposed FY27: Revert to a 10-year horizon (FY27-FY36), which also covers all of “Bin 1” of Plan Bay Area 2050+.

3. Breadth of Scope

- Standard Practice: Lengthy document with a detailed articulation of operator background, and operating and capital plans.
- Reimagined: Shortened considerably to focus on current and near-term planning under 3 different revenue envelope scenarios
- Proposed FY27: Hybrid version that maintains the structure of the standard SRTP, while eliminating or reducing the scope of certain components to streamline the document. There is great value in maintaining a consistent structure for the SRTP for temporal comparisons of how operators and service plans change over time.

4. Revenue Constraints

- Standard Practice: Operators articulated operating plans without necessarily holding to revenue constraints. Operating revenues were discussed independently, with funding gaps called out where applicable.
- Reimagined: Operators submitted condensed service plans (brief narrative and supporting service hours/miles data) to fit within revenue constraints that MTC provided.
- Proposed FY27: Hybrid version that requires operators to submit two to three operations plans:
 1. A fiscally constrained operations plan where the revenue envelope is based on operator assumptions for locally generated revenues (ie. fares, local sales tax, advertising), as well as MTC-provided guidance for other assistance funds (STA, TDA, Bridge Tolls).
 - a. MTC will also provide guidance on Regional Revenue Measure funding based on the “Scenario 1A” Framework presented to the Transportation Revenue Measure Select Committee in Fall 2024. Operators eligible to receive this funding should express service plans constrained to envelopes with and without this funding.
 2. A loosely constrained operations plan that can first consider non-financial factors such as ridership forecasts, demand for new or redesigned routes, or new or improved capital assets. However, the operating expense cannot exceed 125% of the revenue envelope established in the fiscally constrained plan.

5. Capital Planning

- Standard Practice: Operators were required to describe and discuss the capital programs required to carry out operations and service plans.

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- Reimagined: Discussion of capital planning was entirely eliminated from the “Reimagined” SRTPs.
- Proposed FY27: Limited set of required discussion

Proposed Schedule

- February & March 2025: Operator Discussion and Feedback
- April 2025: Guidelines and Funding Plan Adoption by MTC Commission
- September 15, 2025: Draft SRTP Due
- December 31, 2025: Final Board-adopted SRTP Due

Proposed Funding

MTC will program FTA 5303 funds to support SRTP development. These funds require an 11.47% local match.

Large operators will be eligible for up to \$60,000 in reimbursements. Small and medium-sized operators will be eligible for up to \$40,000 in reimbursements. Funding levels are contingent upon approval of the MTC FY 2025-26 Budget.

Invoices should be submitted by 1/31/2026.

Next Steps

Operators should review the proposed SRTP parameters and submit any feedback to Terence Lee (tplee@bayareametro.gov). An update will be provided to operators at the March 2025 Transit Finance Working Group meeting, in advance of any action by the MTC Commission (planned for April 2025).

Attachments:

- A. Presentation Slides
- B. Draft Guidelines