

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Dave Klotzle, City Engineer/Public Works Director
Prepared by: Shaun Kroes, Senior Management Analyst



DATE: December 6, 2013 (CC meeting of 12/18/2013)

**SUBJECT: Consider Resolution Authorizing the City's Fiscal Year 2013/14
Transportation Development Act Claim**

SUMMARY

The City Council is being asked to consider authorizing the submittal of the Fiscal Year (FY) 2013/14 Transportation Development Act (TDA) claim, in the amount of \$1,396,063.00.

BACKGROUND

Each year the City Council is asked to approve a resolution authorizing the City Manager to submit a claim for the City's TDA funds. The City is required to file this claim annually in order to receive the funds. TDA revenue is generated from a ¼ cent of the 7.50-cent retail sales tax, and the revenue received must first be spent on transit projects. After meeting any "unmet transit needs that could be reasonably met using TDA funds," the remaining local TDA funds may be used for streets and roads related purposes. If approved, the City would claim its entire \$1,396,063.00 apportionment. This is \$210,157.00 more than the currently adopted FY 2013/14 budget of \$1,185,906.00. The large increase in additional revenue is explained by the Ventura County Transportation Commission (VCTC) December 6, 2013 Agenda Report (Item 11) detailed in the paragraph below.

"In 2003 the City of Fillmore entered into a "sales tax revenue sharing" agreement to raise sales tax revenues for the City [of Fillmore]. In 2006, two cities outside Ventura County filed complaints with the State Board of Equalization [BOE] against Fillmore followed by a lawsuit in 2009. Pending the outcome of the actions taken against the City of Fillmore, the BOE

withheld both the 1% city sales tax and the quarter cent LTF sales tax revenues beginning in September 2008. The tax revenues were placed in an escrow account until the matter was resolved.

Recently, the City of Fillmore resolved the sales tax issue and the BOE released the city and LTF sales tax revenues held in escrow. In September, the Commission received a one-time payment of LTF receipts in the amount of \$5,795,327.58. For the last four years these receipts were withheld and had artificially lowered the countywide LTF apportionment. These funds are being added to the Fiscal Year 2013/2014 apportionment.”

DISCUSSION

TDA funds are apportioned to the ten Ventura County cities and the County using a formula based on population. The City's FY 2013/14 TDA apportionment is \$1,396,063.00. This is an increase of 23.78% compared to the City's FY 2012/13 apportionment of \$1,127,817.00. This spike in revenue is a one-time increase due to the BOE's release of previously held revenue. Prior to the release, the City's apportionment was projected to be \$1,191,426, or a 5.64% increase compared to FY 2012/13.

TDA revenue has traditionally been the primary funding source for the City's transit system, including the Senior Dial-A-Ride and the Americans with Disabilities Act (ADA) Paratransit Dial-A-Ride, the Moorpark City Transit fixed routes, and other transit improvements such as bus shelters. Transit planning efforts by Public Works staff are also funded with TDA revenue. Major capital costs, such as buses, are often funded with federal grants. The City also receives federal funding for bus preventive maintenance, security camera preventive maintenance, and paratransit preventive maintenance/vehicle leases. In those cases, the local matching funds (typically twenty percent) come from TDA funds.

After the City's transit (8C) related expenses are met, the remainder is available for streets and roads (8A). Staff proposes that the City's FY 2013/14 claim include \$325,000.00 for Local Transit Programs 8C Fund (5000) and \$1,071,063.00 for Local Transportation 8A Fund (2603). The claim is \$210,157.00 more than the City's FY 2013/14 budget, with Fund 5000 receiving an additional \$25,000.00 and Fund 2603 receiving an additional \$185,157.00.

The FY 2013/14 budget includes \$347,560.00 in Traffic Systems Management Fund (2001) to fund the operation and fueling of the City's compressed natural gas (CNG) buses. The use of Fund 2001 enables additional TDA funds to be spent on streets and roads projects.

Staff has reviewed the potential impacts that the proposed revenue allocations will have on Fund 2603 and Fund 5000. Each fund should remain with sufficient funds to continue its

respective budgeted expenses. Adjustments to the FY 2013/14 budget are proposed to be made during the FY 2013/14 Mid-Year Budget Adjustment.

FISCAL IMPACT

The FY 2013/14 TDA Allocation will provide the City with \$1,396,063.00. Streets and roads will receive \$1,071,063.00 and transit will receive \$325,000.00.

STAFF RECOMMENDATION

Adopt Resolution No. 2013 - _____ (FY 2013/14 TDA Claim)

Attachment: Resolution 2013-_____

RESOLUTION NO. 2013 - ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AUTHORIZING THE FILING OF A CLAIM FOR FISCAL YEAR 2013/14 TRANSPORTATION DEVELOPMENT ACT FUNDS

WHEREAS, the Transportation Development Act (TDA), as amended (Public Utilities Code Section 99200 et seq.), provides for the allocation of funds from the Local Transportation Fund (LTF) and the State Transit Assistance Fund, for use by eligible claimants for various transportation purposes; and

WHEREAS, pursuant to the provisions of the TDA, as amended, and pursuant to the applicable rules and regulations there under (Cal. Code of Regulations Sections 6600 et seq.), a prospective claimant wishing to receive an allocation from the LTF or the State Transit Assistance Fund shall file its claim with the Ventura County Transportation Commission; and

WHEREAS, the City has a need for these funds for both transit and street purposes in FY 2013/14; and

WHEREAS, the City is eligible for an estimated amount of \$1,396,063.00 in TDA Funds, Article 8 monies for FY 2013/14.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the City Manager and or his designee is authorized to execute and file the City's FY 2013/14 TDA Claim in the amount of \$1,396,063.00, broken down as follows:

1. \$1,071,063.00 – Local Transportation Funds Article 8A (Streets and Roads), and
2. \$325,000.00 – Local Transportation Funds Article 8C (Transit).

SECTION 2. The City Clerk is directed to transmit a copy of this resolution to the Ventura County Transportation Commission.

SECTION 3. The City Clerk shall certify to the adoption of the resolution and shall cause a certified resolution to be filed in the book of original Resolutions.

PASSED AND ADOPTED this 18th day of December, 2013.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk