CALIFORNIA STATE TRANSPORTATION AGENCY

Transit Transformation Task Force (TTTF) Meeting 9

March 11, 2025

Welcome to Sacramento

Image source: Public Policy Institute of California

Public comment and remarks

Roll Call and Approval of the TTTF[1] Meeting Minutes for February 5, 2025

1. Transit Transformation Task Force

Agenda

Topic		
1 2	Welcome and Opening Remarks, Roll Call	
3	Discussion and Possible Action to Approve the TTTF Meeting Minutes for February 5, 2025 (Roll Call)	
4	Staff Report and possible action to approve on TTTF Roadmap and Initial TTTF Report Concepts	a Staff presentation on 2025 TTTF roadmap and TTTF report process
		b Public comment (2 minutes per speaker)
		c Discussion and possible action
5	Staff Report on Recommendations for strategies to provide first- and last-mile access to transit	a Staff report on providing first- and last-mile access to transit
		b Public comment (2 minutes per speaker)
		c Discussion
6	Discussion of accessible transportation, including paratransit, dial-a-ride, and transit needs of seniors and people with disabilities	a Staff report on accessible transportation, including paratransit, dial-a-ride, and transit needs of seniors and people with disabilities
		b Public comment (2 minutes per speaker)
		c Discussion
7	Discussion on Transportation Development Act reform for transit operations, Funding, Unmet Needs Process	a Staff report on Transportation Development Act reform for transit operations, Funding, Unmet Needs Process
		b Public comment (2 minutes per speaker)
		c Discussion
8	Discussion on reforms needed to reduce capital construction costs & timelines	a Staff report on reforms needed to reduce capital construction costs & timelines
		b Public comment (2 minutes per speaker)
		c Discussion
9	Public comment for items not on the agenda (2 mins per speaker)	
10	Preview of next steps and topics for future meetings	

1. Transit Transformation Task Force

Source: California State Transportation Agency (CalSTA) TTTF Agenda #9

4. Staff report on TTTF Roadmap and Initial TTTF Report Concepts

Please refer to Staff Report with Working Outline circulated

Public comment

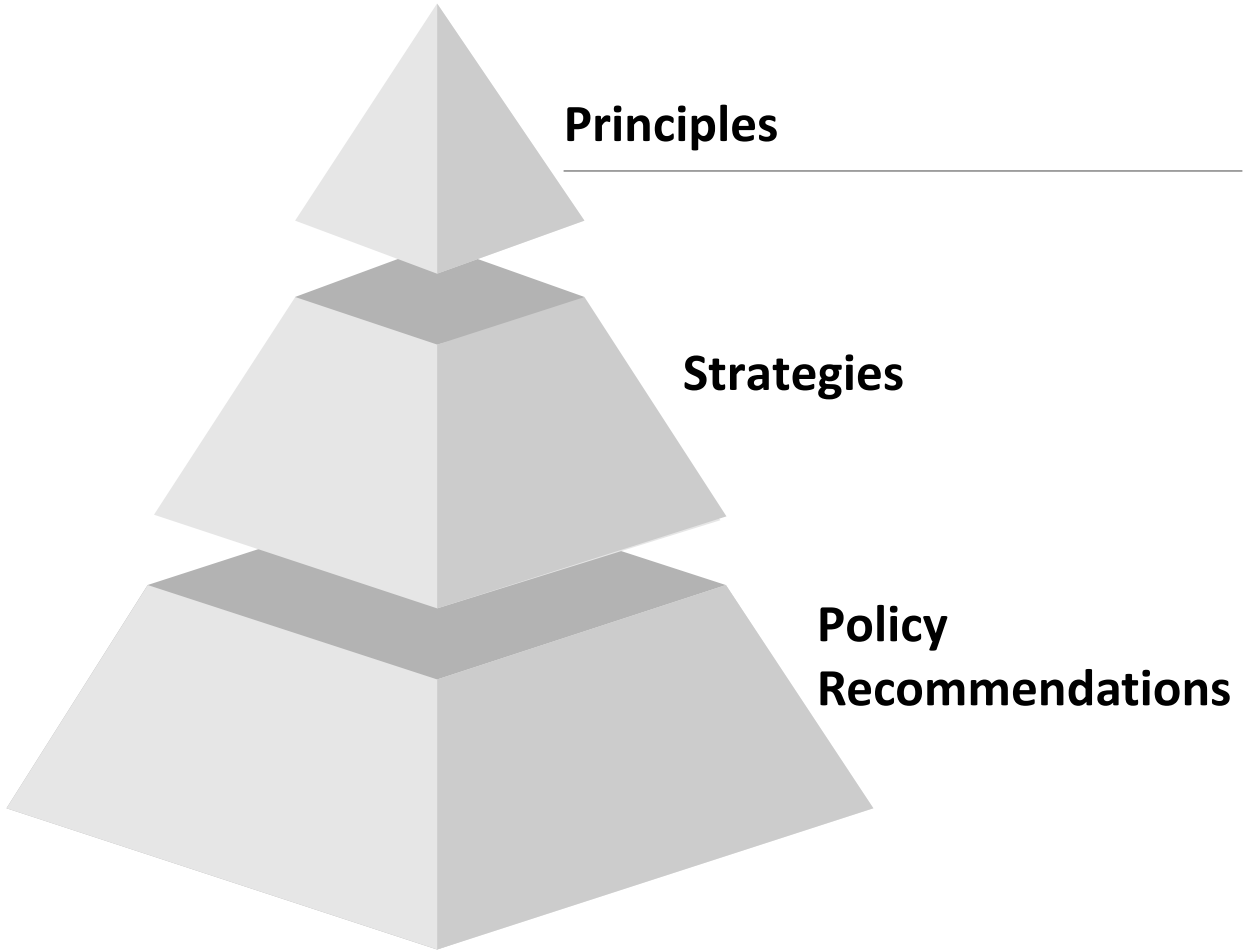
For discussion

Is there any feedback on the TTTF Draft Report Outline?

5. Staff Report on Recommendations for strategies to provide first- and last-mile access to transit

Strategies and policy recommendations are grouped by principles

Final report will be structured around principles, strategies, and policy recommendations



First- and last-mile strategies would fit under the principle:

“Better Service, Better Outcomes”

Source: California State Transportation Agency (CalSTA) Transit Transformation Task Force Meeting 9 Staff Report

Draft recommendations on providing first- and last-mile access to transit (1/2)

Strategies	Staff Report recommendations based on TTTF / TWG / SME Discussions[1]	
JJ	**Reform planning process to improve access to transit**	**JJ.1.** Empower regional agencies to establish clear urban design guidelines that promote active transportation in areas surrounding transit hubs (including factors such as building placement, parking and loading areas, protected sidewalks, and mobility lanes)
		JJ.2. Streamline permitting processes and timelines for delivering active transportation projects near transit hubs and stations
		JJ.3. Assess conditions and collect data on sidewalk, mobility lanes, and transit hubs and create GIS maps highlighting existing accessibility infrastructure, including sidewalk quality and continuity, street furniture such as benches and lighting, and transit hub features such as signage and shelter to identify and address locations
		JJ.4. Create a statewide registry of bus stops, each with a unique ID, and include stop amenity information
KK	**Ensure consistent and flexible funding for active transportation and first- and last- mile access to transit**	**KK.1.** Increase funding for active transportation (e.g. Active Transportation Program funding) with reduced variability from year-to-year
		KK.2. Encourage existing and new State funding for active transportation projects to prioritize its use for projects that better increase first/last mile access to transit

1. TTTF: Transit Transformation Task Force, TWG: Technical Working Group, SME: Subject Matter Expert identified by CalSTA

Source: California State Transportation Agency (CalSTA) Transit Transformation Task Force Meeting 9 Staff Report

Draft recommendations on providing first- and last-mile access to transit (2/2)

Strategies	Staff Report recommendations based on TTTF / TWG / SME Discussions[1]	
LL **Coordinate and collaborate to provide first- and last- mile access to transit across jurisdictions**	**LL.1.**	Ensure interagency coordination on first- and last- mile planning and implementation between MPOs, local jurisdictions, and transit agencies
	LL.2.	Create opt-in State Purchasing Schedule agreements for bikeshare infrastructure and service providers

Source: California State Transportation Agency (CalSTA) Transit Transformation Task Force Meeting 9 Staff Report

Public comment

Action items

Approve, deny, or amend initial policy recommendations related to providing first- and last-mile access to transit

6. Discussion of accessible transportation, including paratransit, dial-a-ride, and transit needs of seniors and people with disabilities

Accessible transportation services can be complex to manage, and demand will grow as population ages

Transit operators must provide accessible services

- Federal statute establishes ADA complementary paratransit in 1990[1]
- Price can be higher than fixed route (e.g., in 2020, national average of $60-90 vs. $5 per trip)[2] and is largely government-subsidized[3]
- Users are required to prove inability to use fixed route bus[4]
- Service must be provided within at least 3/4 of a mile of a fixed route (operators often go further)[4]

Routes may be complex to manage; drivers may have more requirements

- Service could be costly for municipalities to manage, requiring fleet management and customer contact capabilities[5]
- A portion of the service requires Wheelchair Accessible Vehicles (WAV)[6]
- Some drivers are expected to have a certification in CPR and first aid[7]
- Drivers may be required to help clients into vehicles and, as well as have good communication skills[8]

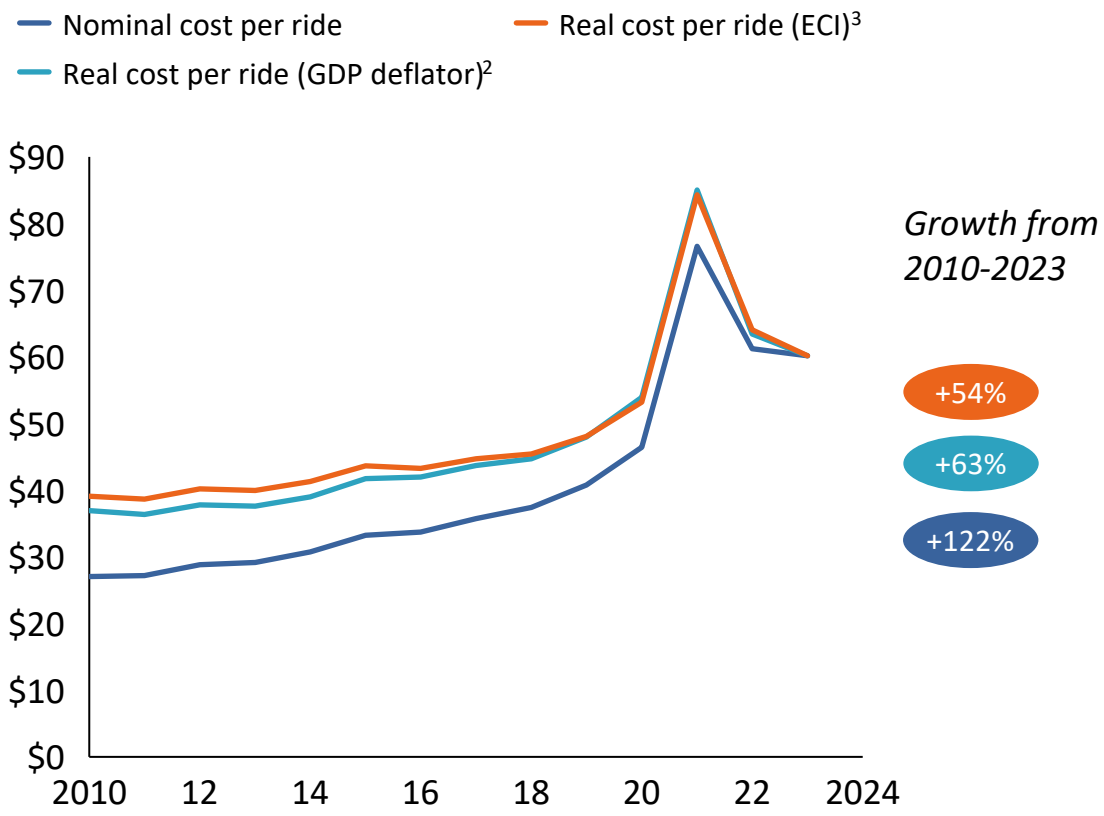
Aging population may increase need for paratransit services

- CA population age 65+ expected to grow ~2.3% p.a.[9] vs. the general population at ~0.8% p.a.[10]
- Almost 1 in every 4 citizens ages 65+ have an ambulatory disability[11]
- A large share of paratransit riders are 65+, with SFMTA reporting the average age of a paratransit rider is 75[12,13]

Sources: 1. U.S. Equal Employment Opportunity Commission; 2. Via Transportation; 3. SF County Transit Authority; 4. Department of Transportation , 5. USF Center for Urban Transportation Research; 6. National Rural Transit Assistance Program; 7.Paratransit Rider's Guide; 8. GovernmentJobs.com; 9. Public Policy Institute of California; 10. Public Policy Institute of California; 11. CDC; 12. SFMTA; 13. Spare Labs

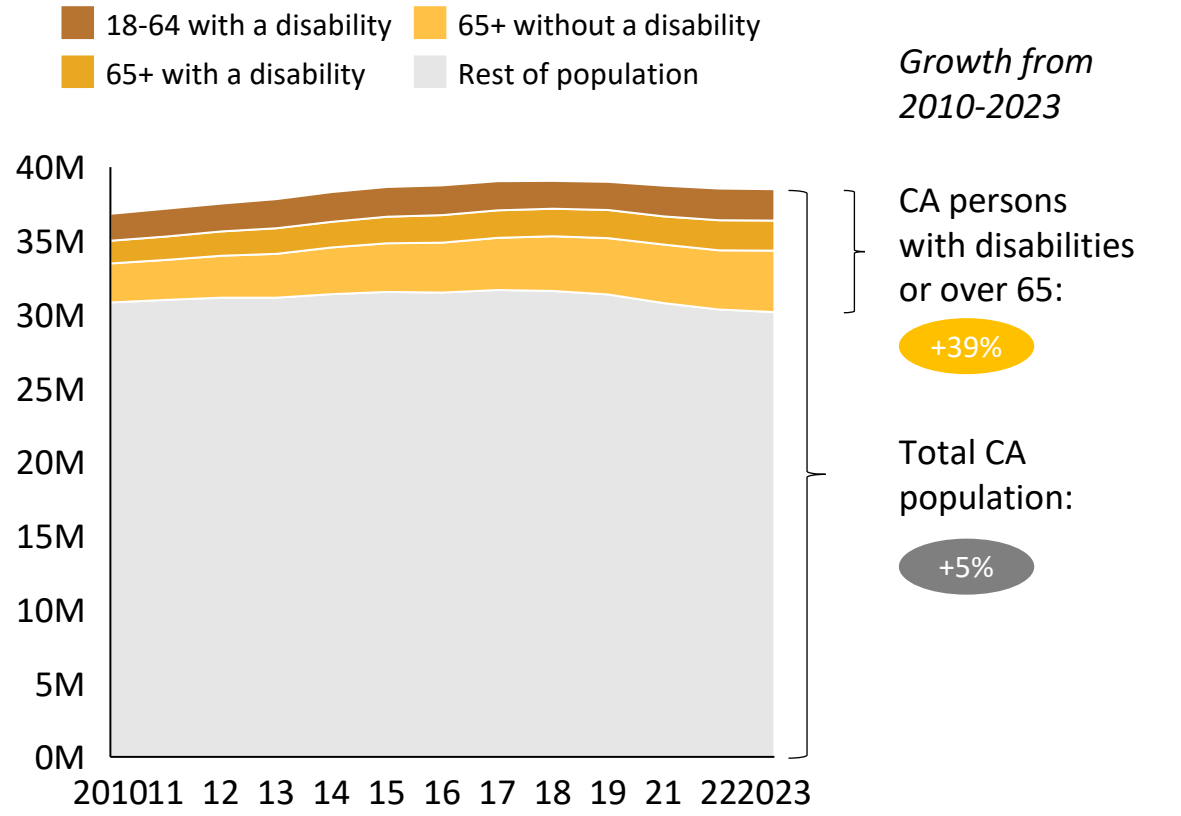
Paratransit ride costs have increased by at least ~50% since 2010, while the number of persons with a disability or over the age of 65 has increased by ~40%

California transit agencies cost ($/trip) on paratransit[1]



Paratransit user price[4] ~$3-$10

California population by age and disability status, million



1. Cost per trip calculated by dividing annual operating expenses by annual unlinked passenger trips ; 2. Gross Domestic Product: Implicit Price Deflator; 3. Employment Cost Index: Wages and Salaries; 4. Paratransit rider prices vary across California, from San Francisco Access and Merced ($2.50) to East Bay Paratransit ($10). According to a Caltrans report transit providers may not charge more than twice the fare for a comparable trip on the fixed-route system

Source: National Transit Database, US Census Bureau

Areas for potential improvement in accessible transportation services

Areas of possible **improvement** identified by CalSTA Subject Matter Experts and industry research[1]

Paratransit and dial-a ride (on-demand)

Coordination of services

Coordination agreements between operators: are not universally in place to facilitate 'one-seat' rides across service boundaries leading to some users having to switch services

Coordination with healthcare providers: may sometimes be limited, despite high share of trips to/from healthcare appointments[2]

Insurance coverage and training requirements: may differ across jurisdictions, which can limit the ability of drivers and/or operators to work across regions[2]

Booking and dispatch of rides

Booking information: Difficult for users to compare trip options, costs and accessibility across paratransit, fixed route, and private car services[1]

Trip times: wait and trip times can be long relative to fixed route services as a result of limited capacity or un-optimized dispatching or routing[2,3]

Fixed route

Accessibility of bus and rail stops

Accessibility information: Lack of information and education on whether fixed route services will be accessible and how to use them[2,5]

Accessibility infrastructure: Lack of accessibility features (e.g., wheelchair ramps, audible announcements, priority seating) and/or street design surrounding stops on some services[2,5]

Cross-cutting

Overall planning and funding of services

Overall planning: Transit operators facing high costs and low occupancy rates in providing accessible services to a growing user base[1]

Flexibility in funding programs: Federal grants for accessible transit, such as Section 5310,[6] come with requirements that may not align with local priorities (e.g., at least 55% of funds must go toward capital projects, potentially limiting flexibility for operational needs like paratransit)[7]

Sources & footnotes: 1. CalSTA interviews on accessible services from December 2024 - January 2025 as well as the other articles cited here; 2. CalSTA interviews on accessible services from December 2024- January 2025; 3.Paratransit Fleet Configurations; 4. Paratransit Emergency Preparedness and Operations Handbook; 5. National Library of Medicine; 6. Enhanced Mobility of Seniors & Individuals with Disabilities; 7. Federal Transit Administration

Potential strategies to improve accessible transportation (1 of 2)

Transit agencies | California

Area for potential improvement	Potential strategies to improve accessible transportation identified by CalSTA Subject Matter Experts, industry research and AB1351 discussion draft
Coordination of services	**Harmonize training, insurance and other rules** across local jurisdictions to make it easier for drivers and private paratransit operators to work and provide services in multiple jurisdictions[1,2] **Empower transit agencies to provide more 'one-trip' services** i.e., that originate and/or end in other jurisdictions by creating frameworks for revenue sharing and paratransit service coordination[1,2] **Encourage healthcare providers** to engage in strategic planning with transit operators to better plan and coordinate public and private transport to healthcare in jurisdictions
Booking and dispatch of rides	**Encourage transit operators to improve information** describing paratransit services, required documentation to use paratransit services and the ride request process[3] **Create an ADA accessible statewide eligibility verification service** for transit agencies that provides information on service eligibility and Medi-Cal/Medicaid enrollment[1,3] **Provide software services to transit operators** (optionally, to those that want it) to optimize digital booking, dispatch and/or routing to increase operational efficiency and reduce wait and trip times[1,4]

Sources: 1. CalSTA interviews on accessible services from December 2024- January 2025; 2. SFMTA: Regional Paratransit Connections; 3. Caltrans: AB 1351 Discussion Draft: Paratransit and Dial-A-Ride; 4. Cornell University

Potential strategies to improve accessible transportation (2 of 2)

Transit agencies | California

Area for potential improvement	Potential strategies to improve accessible transportation identified by CalSTA Subject Matter Experts, industry research and AB1351 discussion draft
Accessibility of bus and rail stops	**Conduct inventories of transit stop accessibility** (e.g., ramps, wayfinding/signage, audio announcements) in line with the Master Plan for Aging initiatives[1,2,3] **Improve the information available to users** on transit stop accessibility[1]
Overall planning and funding of services	**Utilize ADA transition plans** to guide spending, including including identifying accessibility barriers, outlining methods for modifications, scheduling of improvements, and assigning responsibilities for implementation[4] **Explore options to better serve ADA needs** including discounted or free travel on fixed route or discounted taxis/rides provided through transportation network companies (e.g., Uber, Lyft)[1] **Identify partners** to enhance information on public and private paratransit service offerings to make it easier for users to book rides and compare trip options, cost, and accessibility features **Provide greater flexibility to MPO/RTPAs[5] to determine priorities for Section 5310 funds**[1] **Encourage cost sharing agreements between transportation providers and healthcare providers**, including improving Medi-Cal cost recovery programs for operators[6] **Provide technical assistance** to transit operators that either do not provide paratransit services, or use their own certification process, in conjunction with statewide guidelines[7]

Sources & footnotes: 1. CalSTA interviews on accessible services from December 2024- January 2025; 2. National Aging and Disability Transportation Center; 3 . MPA initiatives Report; 4. ADA Transition Plans: Guide to Best Management Practices; 5. Metropolitan Planning Organization/ Regional Transportation Planning Agency; 6. MTC: Coordinated Public Transit-Human Services Transportation Plan; 7. Caltrans: AB 1351 Discussion Draft: Paratransit and Dial-A-Ride

Public comment

For discussion

- What are some of the challenges faced in the provision of accessible services across paratransit, dial-a-ride and fixed route?
- What are transit agencies and regions already doing (and planning to do) to improve services?
- How could the State best support transit agencies and regions to improve accessibility at-pace and at-scale?

Source: California State Transportation Agency (CalSTA) RFO #23 -02; discussions with CalSTA and Caltrans January - February 2025

7. Discussion on Transportation Development Act reform for transit operations, Funding, Unmet Needs Process

Previous feedback from the TTTF on the TDA

Focus for further discussion today

TDA sections[1]	Topics discussed to date[2]	Summary of previous TTTF feedback [2]
Local Transportation Funds (Art. 3)	**Performance audits and other reporting requirements**	• Align as far as possible with Federal NTD data reporting requirements • Benchmark operators of similar sizes • Improve data reporting from transit agencies
	Claimant priority order	• One TTTF member discussed removing priority of rail passenger services over public transit in TDA section 99233
Claims for funds (Art. 4)	**Farebox recovery ratio (FRR) requirements**	• Remove minimum FRR requirements designed to reduce an operator's funding eligibility by the percent deficit below the required ratio (TDA Art. 4) • Where metrics are used (e.g., performance assessment), focus on metrics that better measure transit ridership, service quality and coverage
State Transportation Fund (Art. 6.5)	**Efficiency standards**	• Remove eligibility standards related to operating cost increases (TDA section 99314.6)
Other claims for funds (Art. 8)	**Unmet needs process**	• Increase transparency on amount of funding allocated to streets and roads

Other areas not discussed: allocation formulas (Art. 3, 5), claims process (Art. 4), claims for community transit services (Art. 4.5), relationships between operators (Art. 5), limited obligation bonds (Art. 7), joint development authority (Art. 9)

Focus for today

Objective is to further discuss how TDA requirements for transit agencies and RTPAs could be updated to:

- **Provide more funding flexibility**
- **Reduce administrative burden**
- **Identify more holistic measures of performance** (i.e., vs. current focus on FRR)

Sources: 1. Transportation Development Act: Public Utilities Code (PUC) section 99241; 2. Meeting minutes for meetings #5 and #7 of the TTTF

Transit operators may apply for waivers from the TDA

Processes for obtaining waivers from Transportation Development Act (TDA) provisions

Type	Waiver rules	Description
Operator-specific waivers	**Administration of the TDA**	Agencies may apply for relief from TDA requirements from RTPAs and Caltrans, who have responsibility for administration and enforcement of TDA rules[1]
Previous Covid-19 Relief Measures	**Assembly Bill 90 (2020)**	Provided temporary exemptions to TDA farebox recovery ratio requirements in 2019/20 and 2020/21[2]
	Assembly Bill 149 (2021)	Extended Assembly Bill 90 through 2022/23 and provided further flexibility in how certain requirements are assessed[3]

Source: 1. Transportation Development Act delegates administration responsibilities to Caltrans | 2. Assembly Bill 90 (2020) | 3. Assembly Bill 149 (2021)

Agencies can apply for waivers directly from RTPAs and Caltrans as needed[1]

Covid-19 measures were in place until 2022/23 financial year to provide waivers from TDA requirements for all operators[2,3]

Public comment

For discussion

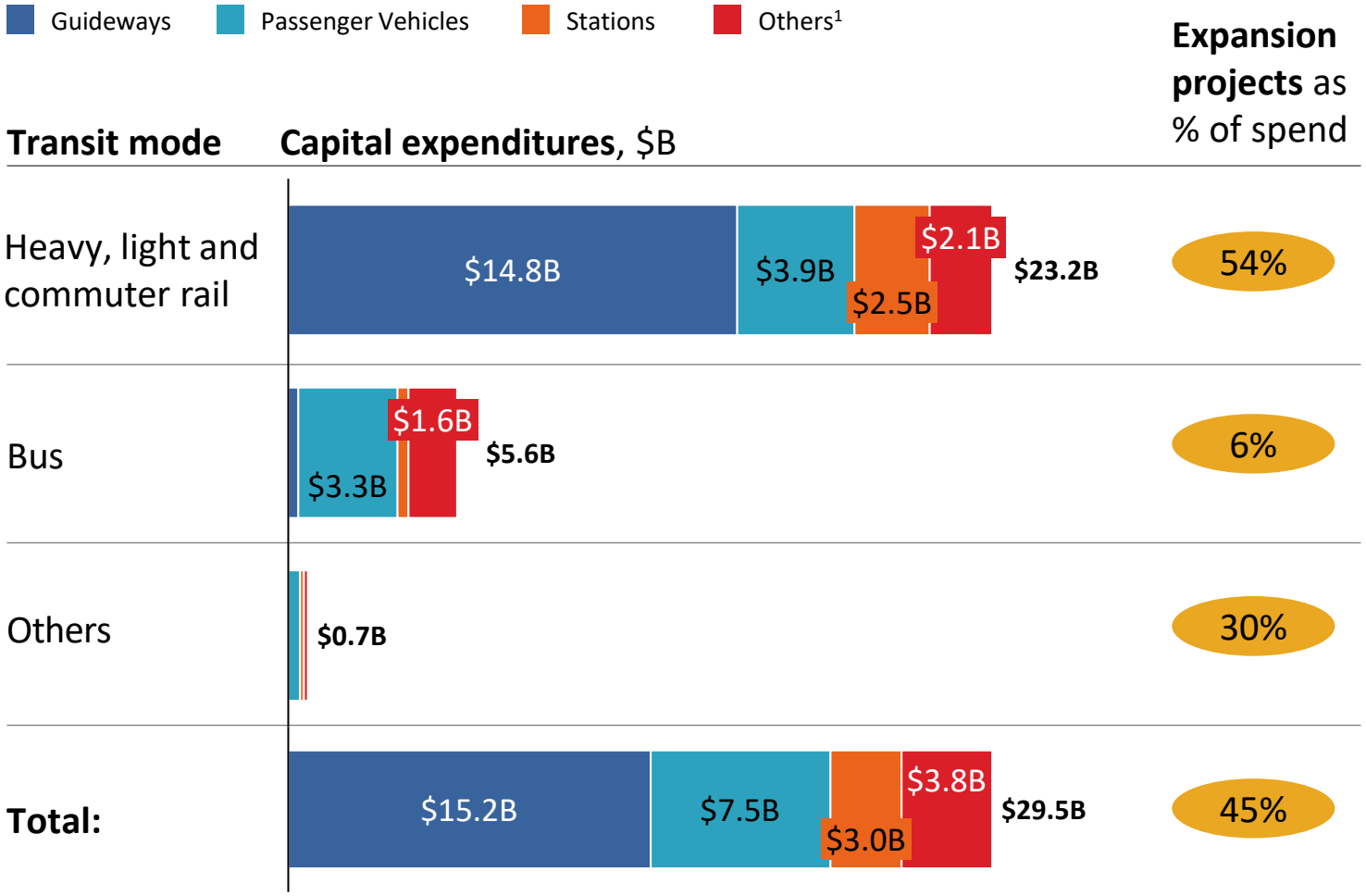
- What are public transit outcomes that the TDA should promote?
- Do current TDA requirements promote these outcomes?
- What performance measures should be tracked to promote these outcomes?

Source: California State Transportation Agency (CalSTA) RFO #23-02; discussions with CalSTA and Caltrans January - February 2025

8. Discussion on reforms needed to reduce capital construction costs & timelines

CA transit agencies spent ~$30B between 2018 and 2023 in capital expenditures, with a majority in rail

CA capital expenditure spend of NTD reporting agencies, FY2018-2023



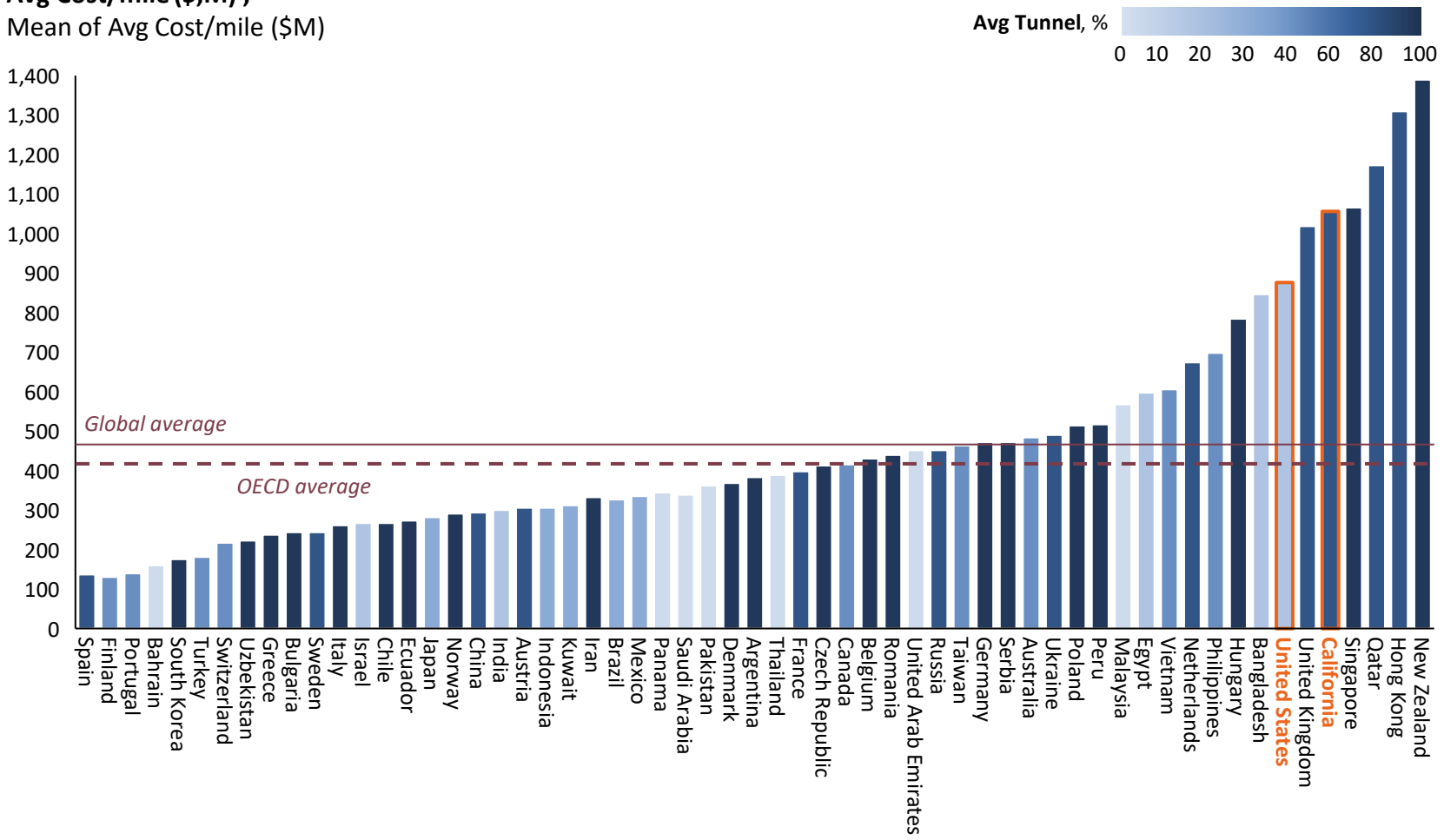
1. Other includes: Administrative Buildings, Maintenance Buildings, Other vehicles, Fare Collection Equipment, Communication Information, Other, Reduced Reporter

Source: National Transit Database

- **Between FY2018-23, transit agencies in California spent ~$30 billion on capital expenditures** , with most capital expenditures going towards building out and maintaining the State's heavy, light and commuter rail systems
  - **Most of this capex was spent on rail (~80% or $23 billion)**, with 64% of that (~$15 billion) spent on guideways
- **Across transit modes, rail has the highest share of capital costs allocated to expansion projects (54%)**, with buses having the lowest (6%); most bus capital costs are allocated to state of good repair work

Costs for transit rail expansion projects in the United States as a whole, and in California, are high relative to projects in other countries

Transit rail capital costs across projects in different geographies, Avg. cost/mile, adjusted for purchasing power[1]



Average **costs in the US are $876M/mile, almost twice as high as the global average** of $456M/mile, despite lower than average tunneling

This **cost premium relative to projects in other countries also exists in California**[1], with costs of $1,056M/mile is higher than the rest of the US

1. Includes heavy and light rail transit projects

Source: Transit costs project (2022)

Potential causes of high capital construction costs identified by SMEs and industry research

Causes identified by SMEs and industry research

Project lifecycle

Design, scoping and planning

Over-scoping design of physical structures relative to peer projects, (e.g., inc. back-of-house space within underground stations in NY's Second Avenue subway Phase 1[1])

Limited standardization of design elements such as escalators, exits and crossovers between stations[1]

Numerous stakeholders often requires coordination that adds cost, time and complexity[2]

Evaluating extractive betterment requirements leading to delays in service and increased cost[2]

Land acquisition and permitting

Multi-year timelines for obtaining land and permits (e.g., 4.5 years for NEPA approval; Council on Environmental Quality guidance suggests it should not take more than a year)[4,5,6]

Litigation can extend timelines, 33% of heavy rail transit projects were litigated between 2010-18[6]

Project delivery and execution

Construction productivity globally has lagged the total economy over the past two decades (0.4% vs. 2.0% CAGR 2000-22)[7]

Low use of incentive-based contracting methods (e.g. not taking account of incentives, risk allocation, strategic sourcing)[2]

Thin marketplace for specialty transit contractors compared to international peers[1]

Identifying and managing utilities especially for underground works (e.g. LA Purple Line extension)[2]

Enablers

Organizational capacity, expertise and coordination

Lack of institutional experience building large and infrequent transit projects[2]

Lack of adequate staff capacity to manage various contractors[8]

Source: 1: Transit Costs Project, 2: Getting Back on Track: Policy Solutions to Improve California Rail Transit Projects; 3. Cost Overruns and Demand Shortfalls in Urban Rail and Other Infrastructure; 4. NEPA Modernization; 5: Competitive Enterprise Institute: Global Infrastructure Permitting, 6: Getting Infrastructure Built: The Law and Economics of Permitting 7: Delivering on construction productivity is no longer optional; 8. Eno Saving Time and Making Cents A Blueprint for Building Transit Better

US and international agencies have reduced capital costs with centralized program management, using in-house experienced labor, and standardized scope and design

BART's Fleet of the Future project was delivered $394 million under budget[1]

- **Over 6 years BART replaced 775 train cars,** with new cars being constructed at a rate of 20 per month, almost double the original contracted rate[1]
- **Project came under by budget by $394 million**, or approximately 15% below the original ~$2.6B original forecast[1]
- **Increased tempo of train car deliveries**, and BART's decision to have **highly experienced staff do engineering work in-house** were two main drivers of cost savings[1]

Madrid built out the Metro at much lower cost than other regions of Europe or the US[2]

- **Spain builds heavy rail at $137M/mile, 15% of the cost of the US ($876M/mile) and lower than other European countries** (Germany $472M/mile, France $398M/mile)[3]
- **Scale matters: Madrid Metro more than doubled its system in 12 years** at low cost through centralized program administration, in-house labor and standardized project scope and design[3]
- The Madrid assembly **accelerated permitting**, and **construction was expedited** with 24-hour, simultaneous boring to complete the project quickly and minimize overall disruption[3]

Sources: 1. BART Fleet of the Future now projected to come under budget; 2. Transit costs project; 3. How Madrid built its metro so cheaply; 4. Efficiency of the Spanish sector in the development of the high-speed railways

Potential strategies to lower capital construction costs identified by SMEs and industry research (1 of 2)

Strategies identified by SMEs and industry research[1,2]

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Project elements	Potential strategies to reduce capital construction costs
Design, scoping and planning	Form an early stakeholder coalition to build support for the route/design, streamline negotiations, and minimize the risk of costly delay[2]
	Limit design changes once near-final design is chosen[2]
	Conduct surveys early to limit site-specific challenges in route design[2]
	Balance efficiency of using existing rights of way, with project access and ridership goals[2]
	Condition construction funding on cost-per-anticipated-rider criteria[2]
	Allocate state funds for upfront design to avoid costly surprises[2]
	Explore ways to allow for alternative procurement (e.g., CMGC/CMAR[3]) methods statewide[2]
Land acquisition and permitting	Enter agreements with cities and others to clarify expectations before design is finalized[2]
	Grant infrastructure owners (inc. transit agencies) master permitting authority for priority rail projects to reduce delays and costs[2]
	Invest in reducing timelines for permits and approvals[2]
	Continue to streamline permitting requirements within the public right of way

Source: 1: Transit Costs Project, 2: Getting Back on Track: Policy Solutions to **Improve** California Rail Transit Projects; 3. Construction manager/general contractor or construction manager-at-risk

Potential strategies to lower capital construction costs identified by SMEs and industry research (2 of 2)

Strategies identified by SMEs and industry research[1,2]

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Project elements	Potential strategies to reduce capital construction costs
Project delivery and execution	Use line-item procurement to avoid leverage issues with contractors[2]
	Use project delivery structures that are appropriate for the project[2]
	Structure or create state grants to reward transit agencies that use efficient procurement strategies[2]
	Invest Caltrans resources to directly execute transit projects[2]
Organizational design and capabilities	Form regional collaboratives to develop institutional expertise, available for project consultation[2]
	Ensure staff and management capacity matches project scale before bidding[2]
	Hire staff with procurement expertise, delegate authority for non-critical decisions[2]
	Establish megaproject teams to convene all stakeholders
	Fund staff capacity enhancement and extensive advance planning[2]

Source: 1: Transit Costs Project, 2: Getting Back on Track: Policy Solutions to **Improve** California Rail Transit Projects

Public comment

For discussion

- What is driving increased capital construction costs?
- What are transit agencies doing successfully to bring costs more in-line with international and national peers?
- How can the State help to expand these cost improvement initiatives at-scale and at-pace?

Source: California State Transportation Agency (CalSTA) RFO #23-02; discussions with CalSTA and Caltrans January - February 2025

Public comment for items not on the agenda

Next steps

Homework: please provide via the SB125 inbox:

1. Feedback on additional data sources, subject matter experts, or TTTF discussion topics
2. Feedback you have on today's discussions (accessible transit, TDA updates, capital construction costs)

Please email your responses by March 21st, 2025, which will inform the content for the next TTTF meeting 10 scheduled for April 2025.

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