



SERVICE EXPANSION POLICY

Adopted:
Revised:

Approved by: City of El Paso
Mass Transit Board

PURPOSE

This policy establishes the Sun Metro Service Expansion Policy (SEP) and defines four methods for service to jurisdictions within the El Paso Urbanized Area (UZA) that are not currently served by the City of El Paso through its mass transit department, Sun Metro. The first method, joining Sun Metro, provides the preferred option for service expansion; however, some jurisdictions may not have the capacity to participate through a dedication of 0.5 % local sales tax. In that case, the remaining methods provide options for service expansion and allow Sun Metro to split Federal Transit Administration (FTA) Section 5307 funds for the UZA utilizing a prescribed calculation based on the most recent United States Census data.

SERVICE EXPANSION

The SEP applies to local governmental entities with jurisdictions within the UZA, but outside the existing Sun Metro service area, and includes the following four methods for service expansion:

1. Join Sun Metro Service Area
A municipality, county or part of a county receives voter approval to join the Sun Metro service area and dedicates 0.5% local sales tax* to fund mass transit within the service area, established at least 12 months prior to initiation of service.
2. Contract for Service
Service contracts allow Sun Metro to provide service to a jurisdiction through an interlocal agreement between the local government entity and Sun Metro. The entity pays the cost of service identified by Sun Metro.
3. Form a Local Government Corporation (LGC)
Sun Metro and one or more jurisdictions may enter into an agreement to form an LGC, whereby the local jurisdiction and Sun Metro would establish a board of directors to oversee transit initiatives in the agreed upon area. Sun Metro would calculate shares of FTA Section 5307 funding, while the local jurisdiction would provide local funds, such as general revenue, sales tax or private sector funding.
4. Become a Direct Recipient
Direct recipients receive Section 5307 funds directly from FTA for eligible expenses. The recipient is responsible for the management of funds and assumes all responsibility for federal compliance, certifications and local match, when required. When the procedures included

* Must comply with the provisions of Title 6, Subtitle K, Chapter 457 of the Texas Transportation Code

within Appendices A and B have been completed, and following execution of an SEP agreement between Sun Metro and the prospective direct recipient, the Director of Sun Metro will submit a “split letter” to FTA identifying the direct recipient and amount of Section 5307 funds to be shared for the specified year.

AGREEMENTS

An SEP agreement is required regardless of which method of service expansion is utilized, and the specific method will dictate the conditions required in the agreement. All SEP agreements between a local government entity and Sun Metro must be approved by the City of El Paso Mass Transit Board (MTB), with recommendation from El Paso Metropolitan Planning Organization (MPO), and must meet the minimum requirements established in the SEP and its appendices. The appendices are included as reference for procedures and are incorporated into the policy.

REVISION TO POLICY

The SEP may be revised from time to time, as needed. Any entity affected by this policy may request a proposed revision by notifying the MTB through the Director of Sun Metro and the MPO through the Executive Director of MPO. The request must be in writing and include any proposed revisions, along with supporting documentation.

The Director and Executive Director shall have 90 days to review revision proposal, during which time comment will be accepted from the public or stakeholders affected by the policy. After the review period has concluded, the Director and Executive Director will place the proposed policy revision on the next regular meeting of their respective boards. They will recommend approval, no action, or request more time to consider the revision.

Once the MTB and MPO have approved or denied a SEP revision, the Director of Sun Metro will notify the requestor of the revision in writing. When a revision has been approved, the date of revision will be noted on the revised policy, and a copy will be provided to the requestor, MPO, and any other entity affected by the SEP within 30 days of the revision. In order for a revision to this policy to be approved, both MTB and MPO must approve the revision, otherwise, the revision will be considered denied.

Sun Metro Service Expansion Policy (SEP)

Appendix A: Guidelines for Service Expansion

To ensure that the SEP is implemented in a manner that achieves regional goals, procedures have been developed to provide instruction on the administration of Section 5307 funds. Sun Metro is responsible for managing the process, but all applications will receive input from a review team comprised of staff of Sun Metro and El Paso Metropolitan Planning Organization (MPO).

Share of Federal Transit Administration (FTA) Funds

Each year, Sun Metro will determine the share of Section 5307 funds for local government entities allocated to the UZA by FTA, based on FTA and US Census data analyzed by MPO. The data will be recorded in a table maintained by MPO that will be made available for review upon request. Calculation of fund share will be based on population of census blocks within the UZA. Due to the fact that the UZA boundaries and population of census blocks change every ten years, the calculation of fund share will be based on the most recent available census data.

Once the annual FTA fund share for local government entities in the UZA has been calculated, Sun Metro will report the figures to the El Paso Mass Transit Board (MTB). The shares will be considered official as reported to MTB, unless otherwise modified by the Board. Any share of funds for a local government entity that does not have an agreement with Sun Metro in accordance with the SEP shall be retained by Sun Metro. Correspondence from the Director of Sun Metro that includes fund share amounts will be sent to local government entities with an SEP agreement after reporting to MTB.

Proposals for Service Expansion

Local government entities that are not currently participating in an SEP agreement with Sun Metro, but would like to initiate mass transit service within their jurisdiction, shall provide Sun Metro with a proposal, supported by relevant data, that demonstrate there is sufficient need and support for mass transit services in their jurisdiction. Proposals, which are accepted between September 1 – March 30 for the following fiscal year, shall include the following:

1. A resolution demonstrating intent of commitment through a city council, commissioners court, mass transit board, or equivalent policy-making body. The resolution will provide the following assurances:
 - **Funding Commitment:** The resolution must include commitment to local funding for no less than one year for the program in order to provide for a 12-month initial service period. Thereafter, funding must be maintained to continue eligibility for FTA 5307 funds shared within the El Paso UZA. While actual amount of local funding may vary from year to year, consecutive decreases in annual funding will require that the local government entity present before the MPO to address and explain the funding decreases, prior to Sun Metro completing the next required annual fund share calculation.

- Community Support: The resolution must document sufficient community and stakeholder support is present for mass transit service in the jurisdiction. Statements in support of service must be verifiable in order to be considered during the proposal review process.
 - Support of a Regional Fare Structure: In cases where Sun Metro will not be providing mass transit service to the jurisdiction, the resolution must include a fare structure for the proposed service that is consistent with existing fares established in the UZA. All service provided by Sun Metro will use the most current fare structure approved by the City of El Paso Mass Transit Board, which the resolution shall reference in cases where Sun Metro will be providing service. The resolution shall also include a commitment to support and participate in regional fare analysis studies, when recommended or initiated by MPO.
 - Acknowledgement of ADA Complementary Paratransit Service Needs: For local fixed-route projects only, the resolution shall also address the requirement to provide ADA complementary paratransit service. Service providers are required to fulfill any ADA complementary paratransit request from an ADA-qualified passenger for an ADA-eligible trip, per 49 CFR 37, Subpart F. In cases where Sun Metro will be providing paratransit service to the jurisdiction, the SEP agreement will require that the local government entity reimburse the cost of service to Sun Metro on a monthly basis.
2. A Transit Development Plan (TDP) that identifies transit needs, analyzes service options and financing, and provides recommendations for service. Guidelines for developing a TDP are included in Appendix B.
- MPO may provide assistance as needed to develop the TDP. MPO will also review all TDPs to confirm that procedures have been followed and to ensure consistency. Eligible portion of Section 5307 funds may be used to support planning efforts for the TDP. MPO staff may communicate with consultants representing local government clients, but will not provide task direction or participate in project management activities with a consultant.
3. Additional information pursuant to FTA requirements or when requested by the review team to further supplement or clarify information included in the proposal may be required.

Continuing Service

Local government entities that have entered into a SEP agreement with Sun Metro shall provide an administrative update to the TDP once a year, submitted to MPO on anniversary date of SEP agreement execution; Appendix B contains the guidelines for annual updates. Local government entities providing mass transit service in the UZA that demonstrates sufficient progress toward TDP goals and that meets SEP agreement requirements should expect to receive annual correspondence reflecting annual calculation for their share of Section 5307 funds.

Sun Metro Service Expansion Policy (SEP)

Appendix B: Guidelines for the Transit Development Plan (TDP)

A transit development plan provides recommendations for mass transit service in a specific service area. The plan helps to identify the transit service needs, assists in developing and evaluating transit system alternatives, and includes a description of funding mechanisms and commitments. TDP developed in accordance with the SEP must be reviewed by Sun Metro and MPO, and once deemed complete, adopted by the local government entity's policy-making body or council.

TDP subject to this policy are required to cover at least three years of service and must be updated annually, on the anniversary of the execution date of the SEP agreement. Annual updates will allow Sun Metro and MPO staff to evaluate performance of the service based on the measures identified in the TDP and to determine if any amendments to the plan are warranted.

Sun Metro and MPO will also review initial TDP and annual updates to confirm guidelines have been followed and to ensure consistency. Eligible portion of FTA Section 5307 funds may be used to support planning efforts for TDP.

TDP will include:

- Transit vision, mission and goals of the local government entity
- Documentation of a public participation process in development of the TDP
- Review of state and local transportation plans and how they will affect the TDP
- How transit service will connect with and other transit systems in the UZA and how service will complement regional transit goals, as documented by MPO
- Identification of opportunities for transit service with other local agencies, communities, or private entities
- Detailed description of FTA-required paratransit services within the service area
- Explanation of how service will be integrated in a regional transit network that increases connectivity, closes gaps and minimizes duplication of service
- Analysis of transit-supportive growth patterns in the area of service
- Analysis of multimodal accommodations that support transit service, such as bicycle and pedestrian facilities
- Estimates of demand for transit services in the service area
- Performance evaluation of any existing transit service in the service area
- Analysis of transit service alternatives, including financial impacts of each alternative
- Maps of services areas and types and levels of transit service provided or proposed
- Three-year strategic plan that includes policies to support the provided or proposed service
- Three-year funding plan for staff, vehicles, and capital improvements for mass transit in the service area

Additionally, local government entities must develop and maintain a performance evaluation program (PEP) to track progress of proposed transit service. If Sun Metro is the provider of service in the area, it will be responsible for providing necessary data so that it can in turn be used by the entity to evaluate performance, per the program. The program must be able to evaluate system performance, quality of service, and level of customer satisfaction. The following measures are generally accepted mass transit performance indicators that will be required to be tracked per the program:

- Ridership
- On-time performance
- Passengers per mile
- Number and nature of complaints received from customers
- Call center performance
- Number and nature of incidents
- Number of vehicle breakdowns
- Complementary paratransit service missed trips
- Complementary paratransit service delays
- Revenue, expenses and cost recovery
- Cost per vehicle mile
- Revenue per passenger and revenue per mile

Annual updates to the TDP shall be in the form of a progress report and shall include:

- Detailed description of goals achieved
- Identification of areas of TDP that need to be addressed, based on implementation challenges, and description of proposed action items to ensure the TDP is implemented as planned
- Analysis of service based on performance measures identified in the PEP
- Description of any proposed changes to transit service for the upcoming year
- Any revisions to strategies and policies
- Any revisions to funding plan

Sun Metro Service Expansion Policy (SEP)

Appendix C: Timeline Table

<i>Item</i>	<i>Requirement</i>	<i>Time Period</i>
Service Expansion Proposals	Proposals from local government entities, including required resolution and TDP must be submitted to Sun Metro prior to a SEP agreement being executed	Accepted September 1 – March 30 for following fiscal year
TDP Span	Complete TDP, per Appendix A and Appendix B	Must cover a three-year period
Funding	Resolution adopted by local government entity committing funding for service expansion	12-month funding period
SEP Agreement	Agreement between Sun Metro and local government entity for transit service expansion within the UZA	Executed following adopted resolution by local government entity and completion of TDP
Section 5307 Funds Share Amounts	Calculation of shares will be performed annually by Sun Metro and presented to MTB	Director of Sun Metro will issue correspondence with share amounts following action by MTB for local government entities that have entered into an SEP agreement with Sun Metro
Split Letter	Sun Metro will submit split letter to FTA to identify Section 5307 share of funding to a direct recipient	For new service, upon completion of TDP and execution of SEP agreement, for the following fiscal year; for continued service, upon receipt of annual TDP update
TDP Update	Progress report, per Appendix B	Annually, on the anniversary of the executed SEP agreement with the local government entity
Policy Revision	Requestor must notify MTB, in writing, through Director of Sun Metro, and MPO, through Executive Director of MPO, and include proposed revision	Director and Executive Director will have 90 days to review revision and receive comment prior to recommending approval or denial by their respective boards; after board action, Director will issue revised policy within 30 days to local government entities that have entered into an SEP agreement with Sun Metro

Sun Metro Service Expansion Policy (SEP)

Appendix D: Grants for Bus and Bus Facilities Section 5339

Purpose

The Grants for Buses and Bus Facilities program (49 U.S.C. 5339) makes Federal resources available to States and designated recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations and competitive grants. A sub-program provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles.

Statutory References

49 U.S.C. Section 5339 / FAST Act Section 3017

Program Guidance

FTA Circular C 5100.1, Bus and Bus Facilities Program: Guidance and Application Instructions

Eligible Recipients

- Eligible Recipients include designated recipients that operate fixed route bus service or that allocate funding to fixed route bus operators; and State or local governmental entities that operate fixed route bus service that are eligible to receive direct grants under 5307 and 5311
- Subrecipients - An eligible recipient that receives a grant under the formula or discretionary programs may allocate amounts from the grant to subrecipients that are public agencies or private nonprofit organizations engaged in public transportation.

Eligible Activities

- Capital projects to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

Funding

- Federal Share - The Federal share is not to exceed 80 percent of the net project cost.
- Apportionment Formula - The remainder of program funds will be apportioned based on population and service factors using the Section 5307 Urbanized Area Formula Program apportionment formula.
- Period of Availability - Funds are available for three years after the fiscal year in which the amount is apportioned.

Section 5339 funding in the El Paso UZA is available to designated recipients. The recipient designation process is outlined in FTA Circular 9030.1E. Sun Metro, as a designated recipient, chooses not to enter into pass-through arrangements with sub-recipients for Section 5339 funds, so eligible recipients must become designated recipients to access funding directly from FTA.