



MEMORANDUM

AGENDA ITEM #8c)1)ii

DATE: OCTOBER 5, 2009

TO: COUNCIL MEMBERS

FROM: STAFF

SUBJECT: A RESOLUTION BY THE SOUTH FLORIDA REGIONAL PLANNING COUNCIL IN
SUPPORT OF THE SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
(SFRTA)

As requested by the Council at its September 14, 2009 meeting, Resolution #09-05 tracks language found in the July 8, 2009 SFRTA Board letter sent to Governor Crist, Senate President Atwater, and House Speaker Cretul requesting that the topic of dedicated funding sources for regional transportation authorities be included in the call of any proposed special session that may be convened prior to the commencement of the regular 2010 Legislative session.

The Resolution also highlights funding challenges facing the SFRTA; potential negative outcomes for the State of Florida, Miami-Dade, Broward, and Palm Beach Counties, and the SFRTA should the SFRTA and its funding partners default on the Full Funding Grant Agreement with the Federal Transit Administration; and requests that Governor Crist and the Florida Legislature support the creation of a dedicated funding source or sources for regional transportation authorities at its earliest opportunity.

Recommendation

Support the Resolution



RESOLUTION #09-05

A RESOLUTION BY THE SOUTH FLORIDA REGIONAL PLANNING COUNCIL REQUESTING THAT GOVERNOR CRIST, SENATE PRESIDENT ATWATER, AND HOUSE SPEAKER CRETUL INCLUDE STATEWIDE DEDICATED FUNDING FOR REGIONAL TRANSPORTATION AUTHORITIES IN THE CALL ANNOUNCING A POSSIBLE SPECIAL SESSION; REQUESTING SUPPORT FOR A DEDICATED FUNDING SOURCE OR SOURCES FOR REGIONAL TRANSPORTATION AUTHORITIES SPECIFICALLY THE SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the membership of the South Florida Regional Planning Council consists of elected officials from Broward, Miami-Dade, and Monroe Counties and South Florida's municipalities, and private sector representatives appointed by Governor Crist; and

WHEREAS, the South Florida Regional Planning Council has identified certain regional transportation projects and transit improvements as critical to South Florida's economy and quality of life; and

WHEREAS, the South Florida Regional Transportation Authority's (SFRTA) Tri-Rail system has been in existence for 20 years and is currently the 3rd fastest growing commuter rail service in the United States, providing 16,000 daily trips for South Florida residents and visitors; and

WHEREAS, the SFRTA has tried for more than five years without success to obtain a dedicated funding source that will generate approximately \$50 million per year; and

WHEREAS, absent the creation of a dedicated funding source for the SFRTA prior to its next fiscal year, it will be unable to meet the terms of its Full Funding Grant Agreement with the Federal Transit Administration and may be found in violation of its agreement to operate a 48 train service with 20-minute headways during peak hours; and

WHEREAS, the Federal Transit Administration has warned that in the event that the SFRTA defaults on the terms of its Full Funding Grant Agreement, it may seek restitution of the total grant amount of approximately \$250 million plus interest from the State and local funding partners which guaranteed the stability and reliability of the funding sources outlined in the original funding plan; and

WHEREAS, the Federal Transit Administration has warned that it will take into account such a default when considering future funding requests from the SFRTA, Miami-Dade, Broward, and Palm Beach Counties, and the State of Florida as it evaluates other projects that rely on these sources and partners; and

WHEREAS, the creation of a dedicated funding source or sources for the South Florida Regional Transportation Authority and other regional transportation authorities is critically needed to ensure statewide rail connectivity over time.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE SOUTH FLORIDA REGIONAL PLANNING COUNCIL THAT:

SECTION 1. The Council supports the creation of a dedicated funding source or sources for the state's regional transportation authorities;

SECTION 2. The urgency of the funding situation for the South Florida Regional Transportation Authority underscores the need for the Governor and Florida Legislature to address the creation of a stable and reliable dedicated funding source as quickly as possible to prevent a foreseeable default of the SFRTA's Full Funding Agreement with the Federal Transportation Administration and possible detrimental impacts to Florida as it pursues future federal funding for transportation and transit projects.

SECTION 3. The Council respectfully requests that Governor Crist, Senate President Atwater, and House Speaker Cretul include in the call of a potential special session of the Florida Legislature the creation of dedicated funding sources for regional transportation authorities.

SECTION 4. The Council further requests that Governor Crist and the Florida Legislature support the creation of a dedicated funding source for the SFRTA and other regional transportation authorities at its earliest opportunity.

SECTION 5. This Resolution shall become effective immediately upon its passage and adoption.

ADOPTED this 5th day of October, 2009.

Sandra Walters, Chair
South Florida Regional Planning Council

Date



**SOUTH FLORIDA
REGIONAL
TRANSPORTATION
AUTHORITY**

800 NW 33rd Street | Pompano Beach, Florida 33064 | P 954/942-7245 | F 954/788-7878 | www.sfrta.fl.gov

March 27, 2009

The Honorable Charlie Crist, Governor
State of Florida
PL 01, The Capitol
Tallahassee, Florida 32399

The Honorable Jeff Atwater, President
Florida Senate
312 Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399-1100

The Honorable Larry Cretul, Speaker
Florida House of Representatives
420 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Governor Crist:

Dear President Atwater:

Dear Speaker Cretul:

As members of the South Florida Regional Transportation Authority Governing Board, we are writing to implore you and the Florida Legislature to create a dedicated funding source for Tri-Rail commuter service as well as all transit systems statewide.

More people than ever before have come to depend upon Tri-Rail for their mobility and for their livelihood. In 2008, Tri-Rail's passenger count topped **FOUR MILLION** for the first time in history, continuing the trend of double-digit annual growth. Tri-Rail led the nation in ridership growth in the commuter rail sector in 2006 (by percentage) and placed in the top three in 2007 and 2008. Tri-Rail ridership has literally doubled since 2005.

As the first new commuter rail start-up in 25 years, Tri-Rail is celebrating its 20th anniversary this year and continues to provide service 365 days a year, to and from 18 stations, throughout South Florida's Palm Beach, Broward and Miami-Dade counties.

In 2000, the Federal Transit Administration, along with support from the Florida Department of Transportation and Palm Beach, Broward and Miami-Dade counties, provided \$334 million for Tri-Rail to complete double-tracking along the entire 72-mile corridor enabling the agency to provide 50 trains on weekdays, weekend and holiday service. Our contract with the FTA stipulates that we operate 48 trains each weekday. A lack of dedicated funding will impact our ability to meet that obligation.

Thousands of people depend upon Tri-Rail to get them to their place of employment every day. Tri-Rail's Employer Discount Program (EDP) provides special transportation benefits to 8,889 active members and 2,527 active employers within South Florida, eliminating automobiles from the highway systems and helping to reduce traffic congestion. Tri-Rail also transports nearly 1200 students to and from schools throughout the region everyday.

Tri-Rail shows its strong commitment to South Florida's environment by operating trains with biodiesel fuel, both palm and soy oils, and helps promote the idea that taking public transportation is the single most important choice an individual can make to "green" the environment.

All of these great benefits are now in jeopardy and we are seeking your support for dedicated funding.

Beginning in October 2009, Tri-Rail is now facing the reduction of daily service and the elimination of service on weekends and holidays. Two of the three SFRTA counties have announced they will no longer be able to support Tri-Rail above the statutory minimum in 2009-2010 for both operations and capital funding levels. It is anticipated the third county will also reduce its support. We announced these cut-backs during our March 27, 2009 Governing Board meeting.

Many of our 16,000 average daily riders will be left without a reliable source of transportation for work, school, airport travel, shopping and leisure time, impacting the local economies. Cars will be added back to an already congested South Florida traffic system, and toxic emissions will be increased throughout the region.

Tri-Rail has been awarded approximately \$15 million from the recent stimulus package. This revenue is slated to purchase passenger cars needed to accommodate our ridership growth. Without funds to operate, these cars will be left to languish in the train yard and federal tax dollars will be wasted.

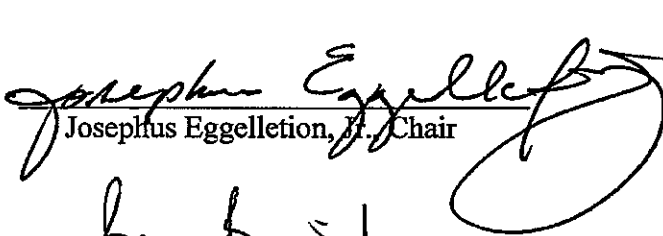
After the upcoming federal census, Florida will likely become the third largest state in the nation. Without a long-range public transportation plan and adequate funding, tourists used to available transit will choose to visit other growing regions such as Charlotte, North Carolina and Salt Lake City, Utah. These regions have prioritized public transportation infrastructure and funding resulting in some of the most modern and forward-thinking systems in the country.

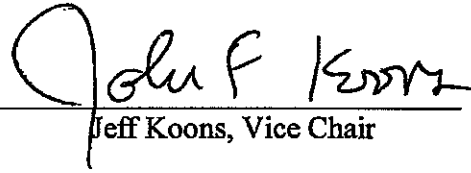
Left without a dedicated funding source, Tri-Rail will limp along for approximately two years and be forced to shut down service leaving the fourth densest metropolitan area in the country without a comprehensive public transportation system.

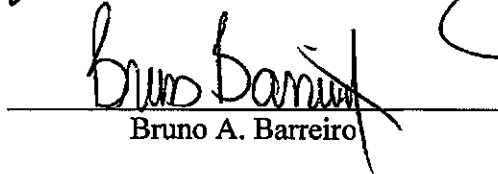
We, the Governing Board Members of the South Florida Regional Transportation Authority respectfully request your assistance to fund one of the fastest growing transit systems in the country by dedicating a funding source.

Respectfully,

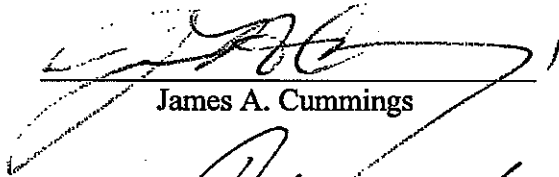
The SFRTA Governing Board


Josephus Eggelction, Jr., Chair


Jeff Koons, Vice Chair


Bruno A. Barreiro

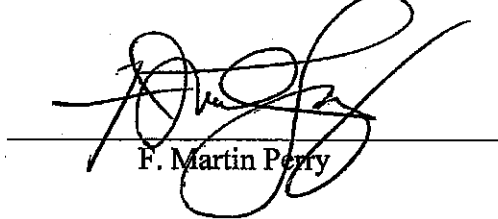
Alice N. Bravo, P.E.


James A. Cummings


Marie Horenburger


Felix M. Lasarte, Esq.


George Morgan, Jr.


F. Martin Perry



U.S. Department
of Transportation

**Federal Transit
Administration**

The Administrator

1200 New Jersey Avenue, SE
Washington, D.C. 20590

SEP 17 2009

Mr. Joseph Giuliatti
Executive Director
South Florida Regional Transit Authority
800 NW 33rd Street
Pompano Beach, FL 33064

Dear Mr. Giuliatti:

Thank you for meeting with me on July 24 in Washington, DC. During this meeting, you indicated that there may be future reductions in the South Florida Regional Transit Authority's (SFRTA) current service levels given the uncertainty of stable funding levels beyond 2010. This information is of great concern to the Federal Transit Administration (FTA), and I want to reiterate the seriousness of this potential reduction, as I am sure you have heard before from our Atlanta Regional Office.

As with any other New Starts project, FTA's approval to provide federal funding for the Segment 5 Double Track Project was predicated on SFRTA's ability to ensure stable and reliable funding to cover both capital and operating costs. The Full Funding Grant Agreement (FFGA) was executed to expand the capacity of the system to a level of service utilizing 48 trains with 20-minute headways during peak hours upon completion of the project and to maintain this expanded capacity and higher levels of service for long-term operations. Approval of federal funding for this project was predicated upon continued delivery of the improved performance which the project permitted.

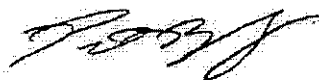
Any significant reduction in these service levels and associated reductions in your operating and maintenance funding will call into question your continued compliance with the terms and conditions of the FFGA and may result in a default of the FFGA. In the event of default, the Federal Government will have all remedies at law and equity, including the right of specific performance, termination, and or suspension. In particular, the FTA may demand all federal funds that have been provided to support the project be returned. Furthermore, a default of the FFGA will be taken into consideration with respect to the award of future grant requests by SFRTA. The FTA may withhold all future funding and suspend drawdown of funds until the necessary corrective action has been taken. Any substantial reduction in funding called for in the original funding plan would call into question the stability and reliability of the funding sources which were included in the plan, and of the funding partners which provided such funding, as we evaluate other projects which rely on these sources and partners. Section 12 of the FFGA requires, as a condition of grant award, that the grantee provide a financing plan to support the future operation and maintenance of the project. A 20-year financial plan was submitted, which assured FTA that SFRTA had the stable and reliable funding sources required by statute to

operate and maintain the system at an adequate and sufficient level of service without additional federal assistance.

Any change in circumstances or commitments that adversely affect this plan to fund the maintenance and operating costs of the project requires immediate notification to FTA, including any plan of action SFRTA has taken or intends to take to ensure adequate funding resources. At such time, FTA will perform a comprehensive analysis to determine the degree to which the FFGA may have been breached and substantiate the associated amount of federal funding that may be in jeopardy.

The FTA will continue to closely monitor SFRTA's efforts to secure local commitments, as well as the performance of your system in achieving the levels of service operations and maintenance as identified in the FFGA. I am hopeful that SFRTA will continue to provide safe and reliable service to the riding public.

Sincerely yours,



Peter M. Rogoff

cc: Secretary Stephanie Kopelousos, Florida Department of Transportation
Yvette G. Taylor, PhD, Regional Administrator, Region IV