RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MEETING AGENDA

Budget and Implementation Committee

Time: 9:30 a.m.

Date: July 27, 2026

Location: BOARD ROOM
County of Riverside Administration Center
4080 Lemon St, First Floor, Riverside, CA 92501

TELECONFERENCE SITES

COUNCIL CHAMBER CONFERENCE ROOM
City of Palm Desert
73510 Fred Waring Drive, Palm Desert, CA 92260

LARGE CONFERENCE ROOM
French Valley Airport
37600 Sky Canyon Drive, Murrieta, CA 92563

COMMITTEE MEMBERS

Linda Molina, **Chair** / Eric Cundieff, City of Calimesa
Valerie Vandever, **Vice Chair** / Alonso Ledezma, City of San Jacinto
Jeremy Smith / Kasey Castillo, City of Canyon Lake
Raymond Gregory / Ernesto Gutierrez, City of Cathedral City
Bob Magee / Timothy Sheridan, City of Lake Elsinore
Kathleen Fitzpatrick / Deborah McGarrey, City of La Quinta
Ricky Estrada / Bob Karwin, City of Menifee
Ulises Cabrera / Edward Delgado, City of Moreno Valley
Cindy Warren / Lisa DeForest, City of Murrieta
Jan Harnik / Joe Pradetto, City of Palm Desert
David Ready / Grace Garner, City of Palm Springs
Steve Downs / Ted Weill, City of Rancho Mirage
James Stewart / Brenden Kalfus, City of Temecula
Chuck Washington, County of Riverside, District III
Yxstian Gutierrez, County of Riverside, District V

STAFF

Aaron Hake, Executive Director
David Knudsen, Deputy Executive Director

AREAS OF RESPONSIBILITY

Annual Budget Development and Oversight
Competitive Federal and State Grant Programs
Countywide Communications and Outreach Programs
Countywide Strategic Plan
Legislation
Public Communications and Outreach Programs
Short Range Transit Plans

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

BUDGET AND IMPLEMENTATION COMMITTEE

www.rctc.org

AGENDA*

**Actions may be taken on any item listed on the agenda*

9:30 a.m.

Monday, July 27, 2026

BOARD ROOM

County of Riverside Administrative Center

4080 Lemon Street, First Floor

Riverside, California 92501

TELECONFERENCE SITES

COUNCIL CHAMBER CONFERENCE ROOM	**LARGE CONFERENCE ROOM**
City of Palm Desert	***French Valley Airport***
73510 Fred Waring Drive, Palm Desert, California	***37600 Sky Canyon Drive, Murrieta, California***

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting at the Commission office, 4080 Lemon Street, Third Floor, Riverside, CA, and on the Commission's website, www.rctc.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Commission meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Committee may, either at the direction of the Chair or by majority vote of the Committee, waive this three minute time limitation. Depending on the number of items on the Agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. Also, the Committee may terminate public comments if such comments become repetitious. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Committee shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Board should not take action on or discuss matters raised during public comment portion of the agenda which are not listed on the agenda. Board members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

5. ADDITIONS/REVISIONS *(The Committee may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Committee subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Committee. If there are less than 2/3 of the Committee members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)*

6. CONSENT CALENDAR - *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

6A. APPROVAL OF MINUTES – APRIL 27, 2026

Page 1

6B. QUARTERLY SALES TAX ANALYSIS

Page 12

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the sales tax analysis for Quarter 1, 2026 (Q1 2026).

6C. SINGLE SIGNATURE AUTHORITY REPORT

Page 21

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Single Signature Authority report for the fourth quarter ended June 30, 2026.

6D. MONTHLY INVESTMENT REPORT

Page 23

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Monthly Investment Report for the month ended May 31, 2026.

6E. MONTHLY INVESTMENT REPORT

Page 26

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Monthly Investment Report for the month ended June 30, 2026.

6F. QUARTERLY PUBLIC ENGAGEMENT METRICS REPORT, APRIL – JUNE 2026

Page 29

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Quarterly Public Engagement Metrics Report for April through June 2026.

6G. QUARTERLY REPORTING OF EXECUTED CONTRACT CHANGE ORDERS FOR CONSTRUCTION CONTRACTS

Page 34

Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Quarterly Report of Executed Contract Change Orders for Construction Contracts for the three-month period ending June 30, 2026.

7. AMENDMENT TO SUNLINE TRANSIT AGENCY'S FISCAL YEAR 2025/26 SHORT RANGE TRANSIT PLAN

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Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Approve a $2,000,000 increase in the Fiscal Year (FY) 2025/26 Local Transportation Funding (LTF) allocation for SunLine Transit Agency (SunLine) for a total amount not to exceed $33,721,487; and
2) Approve the amendment to SunLine's FY 2025/26 Short-Range Transit Plan (SRTP) reflecting the funding adjustment.

8. STATE AND FEDERAL LEGISLATIVE UPDATE

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Overview

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file a state and federal legislative update.

9. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

10. EXECUTIVE DIRECTOR REPORT

11. COMMISSIONER COMMENTS

Overview

This item provides the opportunity for brief announcements or comments on items or matters of general interest.

12. ADJOURNMENT

The next Budget and Implementation Committee meeting is scheduled to be held at **9:30 a.m., August 24, 2026**.

AGENDA ITEM 6A

MINUTES

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

BUDGET AND IMPLEMENTATION COMMITTEE

Monday, April 27, 2026

MINUTES

1. CALL TO ORDER

The meeting of the Budget and Implementation Committee was called to order by Vice Chair Valerie Vandever at 9:31 a.m. in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California 92501 and at the teleconference sites: Council Chamber Conference Room, City of Palm Desert, 73510 Fred Waring Drive, Palm Desert, California 92260, and the Large Conference Room, French Valley Airport, 37600 Sky Canyon Dr., Murrieta, California 92563.

2. ROLL CALL

Members/Alternates Present	**Members Absent**
Kathleen Fitzpatrick**	Ulises Cabrera
Raymond Gregory**	Linda Molina
Yxstian Gutierrez***	
Jan Harnik**	
Bob Karwin*	
Bob Magee	
David Ready**	
Jeremy Smith	
James Stewart*	
Valerie Vandever	
Cindy Warren*	
Chuck Washington*	
Ted Weill**	

*Joined the meeting at French Valley.
**Joined the meeting at Palm Desert.
*******Arrived after the meeting was called to order.*

3. PLEDGE OF ALLEGIANCE

Commissioner Smith led the Budget and Implementation Committee in a flag salute.

At this time, Commissioner Yxstian Gutierrez joined the meeting.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. CONSENT CALENDAR - *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

M/S/C (Smith/Gregory) to approve the following Consent Calendar item(s):

6A. APPROVAL OF MINUTES – MARCH 23, 2026

6B. SINGLE SIGNATURE AUTHORITY REPORT

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Single Signature Authority report for the third quarter ended March 31, 2026.

6C. MONTHLY INVESTMENT REPORT

1) Receive and file the Monthly Investment Report for the month ended March 31, 2026.

6D. FISCAL YEAR 2025/26 LOW CARBON TRANSIT OPERATIONS PROGRAM ALLOCATIONS

1) Approve the allocation of $4,872,489 related to Fiscal Year (FY) 2025/26 Low Carbon Transit Operations Program (LCTOP) funds to eligible Riverside County transit operators;
2) Authorize the Executive Director, or designee, to review the transit operators' projects to ensure consistency with the LCTOP guidelines and to execute and submit required documents to the California Department of Transportation (Caltrans) for LCTOP; and
3) Adopt Resolution No. 26-008 for "*Authorization for the Execution of the Certifications and Assurances and Authorized Agent Forms for the Low Carbon Transit Operations Program for the Southern California Regional Rail Authority Service Optimization in Riverside County in the amount of $900,000".*

7. PROPOSED BUDGET FOR FISCAL YEAR 2026/27

Sergio Vidal, Chief Financial Officer, presented the proposed Budget Fiscal Year 2026/27 Executive Summary, highlighting the following areas:

- Budget process
  - ✓ Budget Development
    - Resource Estimation
    - Commission Goals
    - Department Goals and Budget Development
  - ✓ Budget Compilation
    - Analysis
    - Reconciliation
    - Forecast
  - ✓ Budget Review and Adoption
    - Initial: Executive Summary
    - Final: Budget Document
- FY 2026/27 Budget Considerations
  - ✓ Budget Practices
    - Long Term Financial Planning Principles
      - Conservatively budget revenue
      - Fund balance review
    - Long Term Financial Planning Goals
      - Flexibility to change scope and timing of capital projects and programs
      - Flexibility to use accumulated reserves for projects and programs, as necessary
  - ✓ Measure A, Local Transportation Funds (LTF), Transportation Uniform Mitigation Fee (TUMF), and Intergovernmental Revenues
    - Use of Measure A and TUMF revenues for project expenditures such as Mid County Parkway
    - Use of LTF/State Transit Assistance (STA) revenues for transit operations and capital needs
    - Use of federal, state, and local reimbursements for project expenditures such as Interstate 15 Express Lanes Southern Extension and 91 Eastbound Corridor Operations
- Budget Summary
- Revenue/Sources – Detail
- Expenditures/Expenses by Department
- Expenditures/Expenses by Function
- Capital Projects Highlights
  - ✓ Engineering
    - State Route 79 Realignment
    - Coachella Valley Rail – Tier 2

- Beaumont Pennsylvania Avenue Grade Separation
- ✓ Construction
  - Mid County Parkway Projects
  - South Perris Station & Layover Facility Expansion
  - Jurupa Valley Avenue Grade Separation
- ✓ Design-Build
  - I-15 Express Lanes Southern Extension
  - 91 Eastbound Corridor Operations
  - SR-91 Corridor Design-Build
- ✓ Right of Way
  - SR 79 Realignment
  - Calimesa Realignment
  - SR-91 Eastbound Corridor Operations
  - I-15/Franklin St. Interchange Project

- Partner Project Highlights
  - ✓ Engineering
    - I-10/SR-79 Project Study Report
    - I-15 Bundy Canyon Road Interchange
  - ✓ Construction
    - Beaumont Potrero Interchange Phase II
    - Santa Ana Trail – West of SR-71
    - Santa Ana Trail – SR-71 to Eastvale
  - ✓ Right of Way
    - Santa Ana Trail – West of SR-71
- Toll Operations Highlights (Expenses)
  - ✓ 91 Express Lanes
    - Intra-fund transfer for future repair and rehabilitation ($35 million)
    - Intra-fund transfer of anticipated FY26 surplus ($70 million)
      - SR-91 Eastbound Corridor Operations
      - SR-91 Corridor Design-Build
      - 15/91 Express Lanes Transit Connector
      - 91 Pavement Rehabilitation
  - ✓ 15 Express Lanes
    - I-15 Express Lanes Southern Extension
    - Loan Repayment to Measure A ($19 million)
    -
- Debt Service Highlights
  - ✓ Sales Tax Revenue Bonds
    - FY27 Debt Service: $69 million
    - Outstanding Balance as of 06/30/2027: $576 million
      - Bond Limit $975 million: In compliance as of 06/30/2027
  - ✓ Toll Revenue Bonds
    - 91 Express Lanes FY26 Debt Service: $27 million
      - Outstanding Balance as of 06/30/2026: $678 million

- Excludes 15 Express Lanes Loan Repayment to Measure A – Up to $19 million
  - Outstanding Balance as of 06/30/2027: $0
  - Budgeted for as a Transfer Out to Measure A
- Measure A Cap on Administrative Costs
- Next Steps

Sergio Vidal thanked the finance team and departmental partners for their work throughout this budget process. A lot of effort goes into pulling this together and he appreciates the collaboration and diligence supported at today's presentation. Staff appreciates the Committee Member's feedback and direction, and with their guidance staff will move forward with opening the public hearing at its May Commission meeting and bringing the final budget back to the Commission for adoption.

Commissioner Magee stated on the revenues slide Sergio Vidal had indicated that sales tax revenues are anticipated to go down by 7 percent, that is a significant number. He asked where they came up with that.

Sergio Vidal stated this is for RCTC's STA Sales Tax, which is the diesel fuel and those amounts come from the California State Controller's Office.

Commissioner Karwin stated the expenditures slide showed the Toll Operations are up 63 percent from the prior year. It would seem to be the difference between expenses and revenue is almost exactly that increase in Toll Expenditures. He asked what accounts for such a sharp increase.

Sergio Vidal replied that the biggest change in expenditures from the previous year is the anticipated funding for the SR-91 Eastbound Corridor Operations so those are design-build activities along with I-15 Express Lanes Southern Extension. Those two projects have been planned in the last few years and RCTC has accumulated surplus toll revenue over the last few fiscal years in anticipation for delivery of these projects.

Commissioner Karwin asked what the timeline on the delivery of that project is and is it essential they budget that entire extra 63 percent this year.

Sergio Vidal replied yes, the expenditures are received from RCTC's departmental partners so this includes their projection for the upcoming year phases or what they anticipate the expenditure will be in the upcoming year. The projects will likely be a lot more expensive than the $80 million increase, this is just the first phase for the I-15 Express Lanes Southern Extension. It has some design-build activities but also primarily a design component as well in the upcoming year.

Commissioner Karwin expressed concern if the trend continues, the sales tax revenues continue to fall and this toll expenditure continues to rise, they are going to have a continuing change in the future budget analysis.

Aaron Hake, Executive Director, stated regarding the sales tax item, Measure A RCTC's sales tax that funds their highway projects is projected to remain flat that is budgeted at $280 million and that is about what staff believes will come in next year. The -7 percent that was seen on the slide was for STA Sales Tax, which is sales tax that is based on the sale of diesel fuel and that is dedicated to public transit only and RCTC uses that for Transit Capital. That revenue source is not tied to RCTC's Toll Program it is tied to RCTC's Transit Program. The expenses being seen in the Toll Revenue Department as Sergio Vidal mentioned for the 91 Eastbound Corridor Operations Project and the I-15 Express Lanes Southern Extension Project for RCTC's express lanes are planned expenditures because those projects are ramping into the progressive design-build phase. At their next Commission meeting and again later this year staff plans to award progressive design-build contracts to teams of construction contractors and designers to get those projects going. They need to have the expenditure in RCTC's budget to award those contracts and keep those projects on schedule.

Commissioner Gregory asked Sergio Vidal when they get reimbursement from the conservation agency, does that go in the revenues and is that intergovernmental or other revenue.

Sergio Vidal replied that it is primarily located within Intergovernmental Revenue.

Vice Chair Vandever clarified with Sergio Vidal the Other Revenue was up 622 percent, but they also are going to be down at the end of the day by 5 percent, did he specify specifically what is causing that.

Sergio Vidal replied on the Other Revenue this is a one-time revenue, so it is not a recurring revenue, and it is tied to a one-time sale of land, which is $40 million. It is anticipated to occur in the upcoming year so obviously it is not something that is recurring or happens every year.

M/S/C (Smith/Gutierrez) for the Committee to recommend the Commission take the following action(s):

1) **Discuss, review, and provide guidance on the proposed Fiscal Year 2026/27 Executive Summary; and**
2) **Conduct a public hearing to receive input and comments on the proposed FY 2026/27 Proposed Budget on May 13 and June 10, 2026, and thereafter close the public hearing.**

Commissioner Ready requested to email a copy of the FY 2026/27 Proposed Budget and Executive Summary presentation to the Committee Members as it is a very good presentation and good information.

At this time, Commissioner Smith left the meeting.

8. FISCAL YEAR 2025/26 SB 821 BICYCLE AND PEDESTRIAN FACILITIES PROGRAM ADDITIONAL FUNDING RECOMMENDATIONS

Mina Kim, Planning and Programming Manager, presented the FY 2025/26 SB 821 additional funding recommendations, highlighting the following:

- SB 821 background
  - ✓ Biennial program for bicycle and pedestrian projects
  - ✓ 2 percent of Local Transportation Fund (LTF) revenue
  - ✓ 13 projects awarded June 2025
    - o 1 project partially funded
  - ✓ Additional $491,000 LTF available
- Jurupa Valley
  - ✓ Pedley Elementary School and Felspar Street Pedestrian Improvements
    - o Received partial award
- Eastvale
  - ✓ ADA Pedestrian Safety Improvement Project
    - o Need scope adjustment

M/S/C (Gutierrez/Harnik) for the Committee to recommend the Commission take the following action(s):

1) Approve additional project awards for the Fiscal Year (FY) 2025/26 SB 821 Bicycle and Pedestrian Facilities (SB 821) program for an additional amount of $491,000, and a total amount not to exceed $7,770,863;
2) Direct staff to prepare and execute a memorandum of understanding (MOU) with the city of Eastvale and an amendment with the city of Jurupa Valley to outline the project schedules and local funding commitments; and
3) Authorize the Executive Director to execute the MOU and amendment with the local agencies, pursuant to legal counsel review.

9. AMENDMENT TO PALO VERDE VALLEY TRANSIT AGENCY'S FISCAL YEAR 2025/26 SHORT RANGE TRANSIT PLAN

Eric DeHate, Transit Manager, provided an overview and some background information for the amendment to Palo Verde Valley Transit Agency's FY 2025/26 Short Range Transit Plan.

M/S/C (Washington/Gutierrez) for the Committee to recommend the Commission take the following action(s):

1) **Approve a $217,350 increase in the Fiscal Year 2025/26 Local Transportation Funding (LTF) allocation for the Palo Verde Valley Transit Agency (PVVTA) for a new allocation amount of $1,693,971; and**
2) **Approve the amendment to PVVTA's FY 2025/26 Short-Range Transit Plan (SRTP) reflecting the funding adjustment.**

10. AGREEMENT FOR PUBLIC AND SPECIALIZED TRANSIT PLANNING SERVICES

Eric DeHate presented the agreement for Public and Specialized Transit Planning Services, highlighting the following:

- Background information
  - ✓ Professional consultant services to provide public and specialized transit planning and technical support
  - ✓ Consultant support helps ensure regulatory compliance, effective use of funds, and ongoing coordination and improvement of specialized transit programs countywide
- Scope of work
  - ✓ Provide technical assistance in administering the Federal Transit Administration Section 5310 Program
  - ✓ Develop and update the Public Transit-Human Services Coordinated Transportation Plan
  - ✓ Conduct site visits and performance assessments of Measure A Specialized Transit recipients
  - ✓ Other ad hoc transit analyses or market research as needed during the contract period
- Procurement process

Eric DeHate noted that Dennis Brooks, President of AMMA Transit Planning, Inc., is here today if there are any specific questions of the firm.

M/S/C (Harnik/Fitzpatrick) for the Committee to recommend the Commission take the following action(s):

1) **Award Agreement No. 26-62-053-00 to AMMA Transit Planning, Inc., for Public and Specialized Transit Planning Services, for a three-year term and two one-year options to extend the agreement, in an amount not to exceed $740,827; and**
2) **Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission.**

At this time, Commissioner Gutierrez left the meeting.

11. STATE AND FEDERAL LEGISLATIVE UPDATE

Tyler Madary, Legislative Affairs Manager, presented an update on state and federal legislative activities.

Commissioner Magee stated the California Environmental Quality Act (CEQA) exemption attempt by Assemblymember Jeff Gonzalez, and wanted the bill number and the committee it died in.

Tyler Madary replied it was AB 1855 and they held it in the Assembly Natural Resources Committee, so it was set for a hearing, and they pulled it from a hearing so there were no votes. He clarified the bill was dead, but they pulled it back so it would not look like it would reflect negatively on the project, and it did not in the process from their discussions.

M/S/C for the Committee to recommend the Commission take the following action(s):

1) Receive and file a state and federal legislative update.

12. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

There were no items pulled from the Consent Calendar.

13. EXECUTIVE DIRECTOR REPORT

Aaron Hake:

- Pointed out on this legislative item, Tyler Madary gave the Commissioners a lot of reports on legislation they have been acting upon and negotiating with members of the Legislature. This is because they have a very effective Legislative Platform the Commission adopted that allows them to be very nimble. He thanked the Commissioners for adopting policies that give staff the ability to engage in these bills. A couple of the cases that Tyler Madary mentioned they have been able to secure favorable amendments to the bills as they move forward that would help the Commission. They have also been able to support positive legislation such as the legislation Southern California Association of Governments is running with the other MPOs in the state to try to improve the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) process make it less costly, give them some more regulatory certainty and efficiency in how they do their regional planning. He thanked the legislative team for all the work they are doing, this is a busy season in Sacramento where bills are living, dying, and changing sometimes on a moment's notice.

- Thanked and congratulated Mina Kim for her first presentation to this committee on the SB 821 item. Mina Kim is RCTC's new Planning and Programming Manager who they hired away from the Orange County Transportation Authority and are proud to have her on the team.
- Noted the Mid County Parkway is under construction and there are construction alerts going out. If they would like to receive them staff is happy to sign them up.
- Stated the SR-60/Potrero Boulevard Groundbreaking is being held on April 28 at 3:00 p.m. in the city of Beaumont and they would love to see everybody there.
- Announced on April 29 at 5:30 p.m. there is another Telephone Townhall with RCTC. They will be phoning residents in the western part of the county. Chair Gregory is the host and did an excellent job in the Coachella Valley, they had some great dialogue with residents. If you get a phone call or if you hear of your residents getting a phone call on Wednesday night that is what it is. They end up leaving more voicemails than they talk to people so it will say this is RCTC calling you and just wanted to connect with you. He just wanted to make sure the Commissioners are aware that this is out there.
- Announced that the California Transportation Foundation is a statewide organization that recognizes excellence in transportation. RCTC has been nominated for four awards, in the Innovation Project of the Year RCTC has been nominated for the 91 Occupancy Detection System. The Rail Transit Project category RCTC has been nominated for the March Field/Moreno Valley Station Improvement Project that was completed last year. In the Sustainable Transportation and Environmental Enhancement Program RCTC, San Bernardino County Transportation Authority, and their consultant partners have been nominated for the Experience Metrolink Program. This is their incentive to try to get people on the train. In the Interchange Project category RCTC is nominated for the 71/91 Interchange Project which also wrapped up this year. There is a lot of statewide recognition for the work the Commissioners are doing here. The award ceremony is being held on May 13 in the evening in San Jose and that is when they will find out if RCTC won any of those awards. He congratulated the team for just being nominated. He thanked the Commissioners for allowing staff to do this work and for their support.

14. COMMISSIONER COMMENTS

14A. Commissioner Stewart noted he had a recent trip to Illinois, and they have a lot of toll roads. They have the ability to allow you to use the toll roads without having a transponder by just registering their license plate which he does with his rental car when he goes there and then the tolls are taken directly out of his credit card. No transponder is required and what struck him immediately was the Commission is losing out on casual income by people who are here visiting or by people who have never been through the process of getting a transponder, so they do not use the toll roads. Whereas if the freeway is packed and you want to try the toll road out it would be much easier if you could just register your license plate. Obviously, the Commission has plate readers because they send tickets to people who use the toll road without a transponder. They should just have the ability to register their plates so when they casually want to use the toll roads they could. He asked to look into this to see if they can ditch the transponders except for the HOV3+ where transponders are required. He thinks they are missing out on casual toll users by saying transponder is required because that immediately keeps people off the toll roads.

Commissioner Harnik stated that she does know that if you chose to use the toll roads and this happened to her the other day as she was using a rental and did not have a transponder, so she was able to afterwards and there are signs on the toll roads that state the same. You can go on your computer and register those license plates and your credit card, and they will take it going forward as long as you would like them to do that. Also, many of you may know, maybe not so much in Coachella Valley since they do not have a train, but she did go into Los Angeles on Earth Day. She drove to the San Bernardino station took the train and then she took the Metro as well around Los Angeles and it was all free because it was Earth Day and she thanked staff for that.

15. ADJOURNMENT

There being no further business for consideration by the Budget and Implementation Committee, the meeting was adjourned at 10:29 a.m.

Respectfully submitted,

Tara S. Byerly

Tara S. Byerly
Deputy Clerk of the Board

AGENDA ITEM 6B

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Maria Garcia, Financial Budget Manager Jennifer Fuller, Deputy Director of Finance
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Quarterly Sales Tax Analysis

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the sales tax analysis for Quarter 1, 2026 (Q1 2026).

BACKGROUND INFORMATION:

At its May 2023 meeting, the Commission awarded an agreement with MuniServices, an Avenu Insights and Analytics Company (now referred to as Neumo), for quarterly sales tax reporting services plus additional fees contingent on additional sales tax revenues generated from the transactions and use tax (sales tax) audit services. The services performed under this agreement pertain only to the Measure A sales tax revenues.

Since the commencement of sales tax audit services, MuniServices submitted audits, which reported findings to the California Department of Tax and Fee Administration (CDTFA), for review and determination of errors in sales tax reporting related to 1,530 businesses. Through Q1 2026, CDTFA approved $19,665,139 of cumulative sales tax revenues recovered for the Commission. If CDTFA concurs with the error(s) for the remaining findings, the Commission will receive additional revenues; however, the magnitude of the value of additional revenues is not available. It is important to note that while the recoveries of additional revenues are tangible, it will not be sufficient to alter the overall trend of sales tax revenues.

MuniServices provided the Commission with the Quarterly Sales Tax Digest Summary report for Q1 2026. The majority of Q1 2026 Measure A sales tax revenues were received in the second quarter of calendar year 2026, during the period March 2026 through May 2026. The delay is due to the timing of when sales tax for the reported period is collected and distributed by CDTFA.

The summary section of the Q1 2026 report is attached (Attachment 1) and includes an overview of the following: California’s economic outlook; local results, historical cash collections analysis by quarter, top 25 sales/use tax contributors, historical sales tax amounts, annual sales tax by business category, and five-year economic trend (general retail).

RCTC quarterly sales tax cash receipts (net of administrative fees) are stable, reflecting an increase of 1.2 percent, when comparing Q1 2026 to Q1 2025. Increased sales tax receipts in the general retail and food products categories were offset by decreases in the transportation, construction, and business to business categories.

Taxable transactions for the top 25 contributors in Riverside County generated 26.3 percent of taxable sales for Q1 2026. Categories for business identified within the top 25 are primarily general retail, food products, and transportation related.

In the Economic Category Analysis table below, sales tax performance is on a gross basis, specifically it includes estimates for anticipated sales tax receipts, and it does not include the CDTFA administrative fee. The analysis presents three (general retail, food products, and miscellaneous) of the six categories experienced year-over-year gains as of Q1 2026 compared to Q1 2025. Three of the six categories (transportation, construction, and business to business) are lower in the Q1 2026 period, including decreases in auto sales - used, auto parts/repair, building material – retail and wholesale, and business services.

ECONOMIC CATEGORY ANALYSIS

% of Total / % Change	RCTC	State Wide	Orange County	Riverside County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast
General Retail	29.9 / 3.8	30.1 / -0.2	28.1 / 2.4	36.9 / 1.8	27.0 / 2.7	31.9 / 1.7	38.4 / -19.2	28.4 / 3.9	28.0 / 1.4
Food Products	17.8 / 1.1	22.4 / -0.5	22.1 / 1.2	18.8 / 1.1	24.2 / 3.5	17.6 / -4.4	15.0 / -18.9	24.2 / 0.9	19.9 / 2.0
Transportation	21.2 / -4.1	21.2 / -7.4	22.0 / -5.4	21.8 / -3.8	17.6 / -4.7	24.4 / -12.6	20.6 / -21.9	21.8 / -5.0	26.7 / -5.8
Construction	10.2 / -2.1	9.4 / -4.5	8.2 / -1.0	11.5 / -6.6	9.8 / 1.5	10.8 / -15.1	9.2 / -20.7	8.8 / -0.7	14.1 / -2.1
Business to Business	15.4 / -4.0	15.8 / -2.2	18.6 / 3.7	10.5 / 0.3	20.0 / -1.7	13.7 / -9.8	16.1 / -10.0	15.7 / -0.2	10.5 / 3.6
Miscellaneous	5.5 / 11.9	1.1 / -4.0	1.0 / -6.2	0.5 / -6.5	1.5 / 2.6	1.5 / 7.9	0.7 / -26.1	1.1 / -5.0	1.0 / -12.7
Total	**100.0 / 0.1**	**100.0 / -2.7**	**100.0 / 0.2**	**100.0 / -0.8**	**100.0 / 0.5**	**100.0 / -6.6**	**100.0 / -18.6**	**100.0 / 0.0**	**100.0 / -1.0**

General Retail: Apparel Stores, Department Stores, Furniture/Appliances, Drug Stores, Recreation Products, Florist/Nursery, and Misc. Retail
Food Products: Restaurants, Food Markets, Liquor Stores, and Food Processing Equipment
Construction: Building Materials Retail and Building Materials Wholesale
Transportation: Auto Parts/Repair, Auto Sales - New, Auto Sales - Used, Service Stations, and Misc. Vehicle Sales
Business to Business: Office Equip., Electronic Equip., Business Services, Energy Sales, Chemical Products, Heavy Industry, Light Industry, Leasing, Biotechnology, I.T. Infrastructure, and Green Energy
Miscellaneous: Health & Government, Miscellaneous Other, and Closed Account Adjustments

The Economic Segment Analysis noted in the table below discloses miscellaneous retail as the largest economic segment which includes online retailers, followed by restaurants, and auto sales – new. Miscellaneous retail represents 13.2 percent of total sales tax by segment and experienced an increase of 7.8 percent year over year. Restaurants also experienced an increase of 2.3 percent year over year, reflecting ongoing growth within fast food casual restaurants. New auto sales experienced a decrease of 1.4 percent.

ECONOMIC SEGMENT ANALYSIS									
	RCTC	State Wide	Orange County	Riverside County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast
Largest Segment	Miscellaneous Retail	Restaurants	Restaurants	Miscellaneous Retail	Restaurants	Miscellaneous Retail	Miscellaneous Retail	Restaurants	Restaurants
% of Total / % Change	13.2 / 7.8	16.5 / 0.3	16.9 / 1.9	19.5 / 2.1	18.4 / 5.0	15.0 / 8.6	18.7 / -14.5	18.2 / 1.6	12.9 / 2.3
2nd Largest Segment	Restaurants	Miscellaneous Retail	Auto Sales - New	Restaurants	Miscellaneous Retail	Restaurants	Department Stores	Auto Sales - New	Department Stores
% of Total / % Change	11.8 / 2.3	12.8 / 5.9	12.5 / -3.9	12.5 / 2.2	11.5 / 11.1	12.4 / -2.7	11.3 / -14.6	11.4 / -2.6	11.3 / -0.4
3rd Largest Segment	Auto Sales - New	Auto Sales - New	Miscellaneous Retail	Auto Sales - New	Auto Sales - New	Auto Sales - New	Restaurants	Miscellaneous Retail	Auto Sales - New
% of Total / % Change	10.8 / -1.4	10.5 / -4.2	11.0 / 8.6	10.9 / 1.2	8.5 / -3.0	11.4 / -4.5	9.9 / -21.6	10.9 / 12.9	10.7 / -2.8

Staff will monitor sales tax receipts and other available economic data to determine the need for any adjustments to the revenue projections. Staff will utilize the forecast scenarios with the complete report and receipt trends in assessing such projections.

FISCAL IMPACT:

This is an informational item. There is no fiscal impact.

Attachments:
1) Sales Tax Summary Q1 2026
2) Sales Tax Performance Analysis by Quarter Q1 2026
3) Quarterly Sales Tax Comparison by City for Q1 2025 to Q1 2026

Riverside County Transportation Commission
Sales Tax Digest Summary

Collections through May 2026
Sales through March 2026 (2026Q1)

CALIFORNIA'S ECONOMIC OUTLOOK

California sales tax receipts increased by 1.9% over the same quarter from the previous year for Q1 of 2026, with Northern California reporting a 2.7% increase compared to a 1.3% increase for Southern California. Receipts for the RCTC increased by 1.2% over the same period.

Real Gross Domestic Product (GDP) increased at an annual rate of 2.6% in the first quarter of 2026. U.S. inflation ticked up to 3.8% in April of 2026, up 1.0 percentage points from March of 2025. In March of 2026 gasoline inflation accelerated to 18.9% year-over-year. (DIR, BEA, BLS, April Finance Bulletin)

The U.S. unemployment rate decreased slightly to 4.3% in April of 2026. California's unemployment rate decreased by 0.2 percentage point to 5.3% as of April of 2026. (BLS, April Finance Bulletin)

U.S. personal income increased by 3.6% for the first quarter of 2026, compared to the same quarter previous year. Compensation of employees increased by 3.7%, personal current taxes increased by 2.1% from the previous period, resulting in a net gain of 3.8% in disposable income. (BEA)

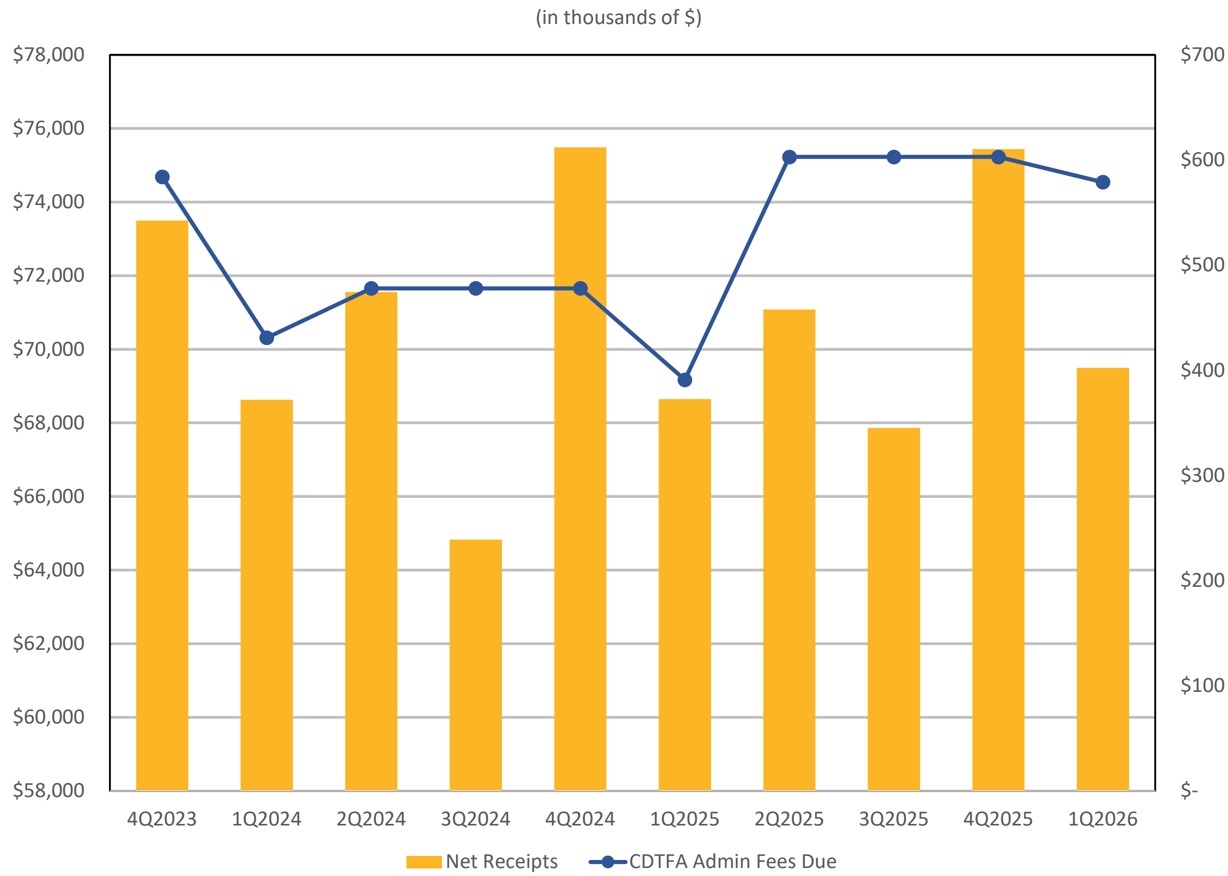
LOCAL RESULTS

Net Cash Receipts Analysis	
Local Collections	$70,075,726
Less: Cost of Administration	$(579,230)
Net 1Q2026 Receipts	$69,496,496
Net 1Q2025 Receipts	$68,647,639
Actual Percentage Change	1.2%

Business Activity Performance Analysis	
Local Collections – Economic Basis 1Q2026	$68,963,357
Local Collections – Economic Basis 1Q2025	$67,551,262
Quarter over Quarter Change	$1,412,095
Quarter over Quarter Percentage Change	2.1%

Avenu Insights & Analytics' On-Going Audit Results	
Total Recovered Since Inception	$19,665,139

HISTORICAL CASH COLLECTIONS ANALYSIS BY QUARTER



TOP 25 SALES/USE TAX CONTRIBUTORS

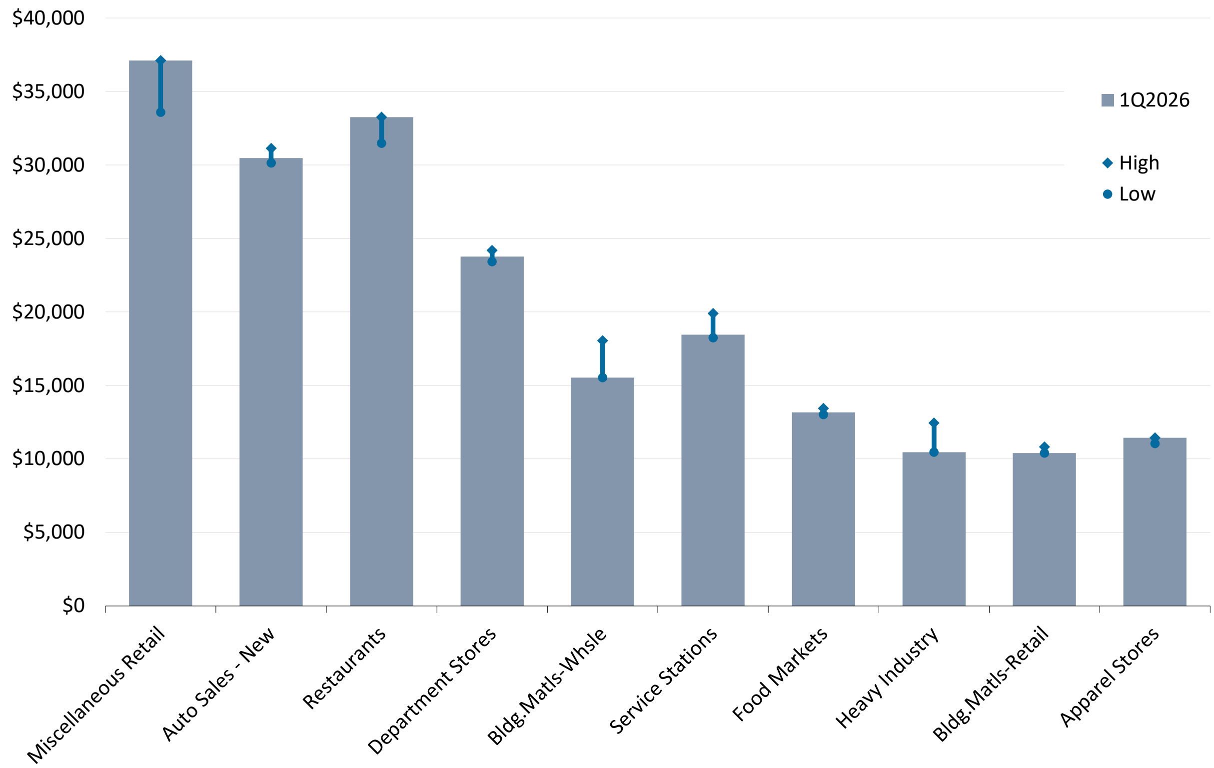
The following list identifies RCTC's Top 25 Sales/Use Tax contributors. The list is in alphabetical order and represents sales from April of 2025 through March 2026. The Top 25 Sales/Use Tax contributors generate 26.3% of RCTC's total sales and use tax revenue.

7-ELEVEN FOOD STORES
AMAZON.COM – EC
AMAZON.COM SERVICES – EC
ARCO AM/PM MINI MARTS
BEST BUY STORES
CARMAX AUTO SUPERSTORES
CED LIGHTING SOLUTIONS
CHEVRON SERVICE STATIONS
CIRCLE K FOOD STORES
COSTCO WHOLESALE
DEPARTMENT OF MOTOR VEHICLES
EBAY - EC
FLUENCE ENERGY
HOME DEPOT
IN-N-OUT BURGERS
LOWE'S HOME CENTERS
MCDONALD'S RESTAURANTS
ROSS STORES
SAM'S CLUB
SHELL SERVICE STATIONS
STATER BROS MARKETS
TARGET STORES
TESLA
VERIZON WIRELESS
WAL MART STORES

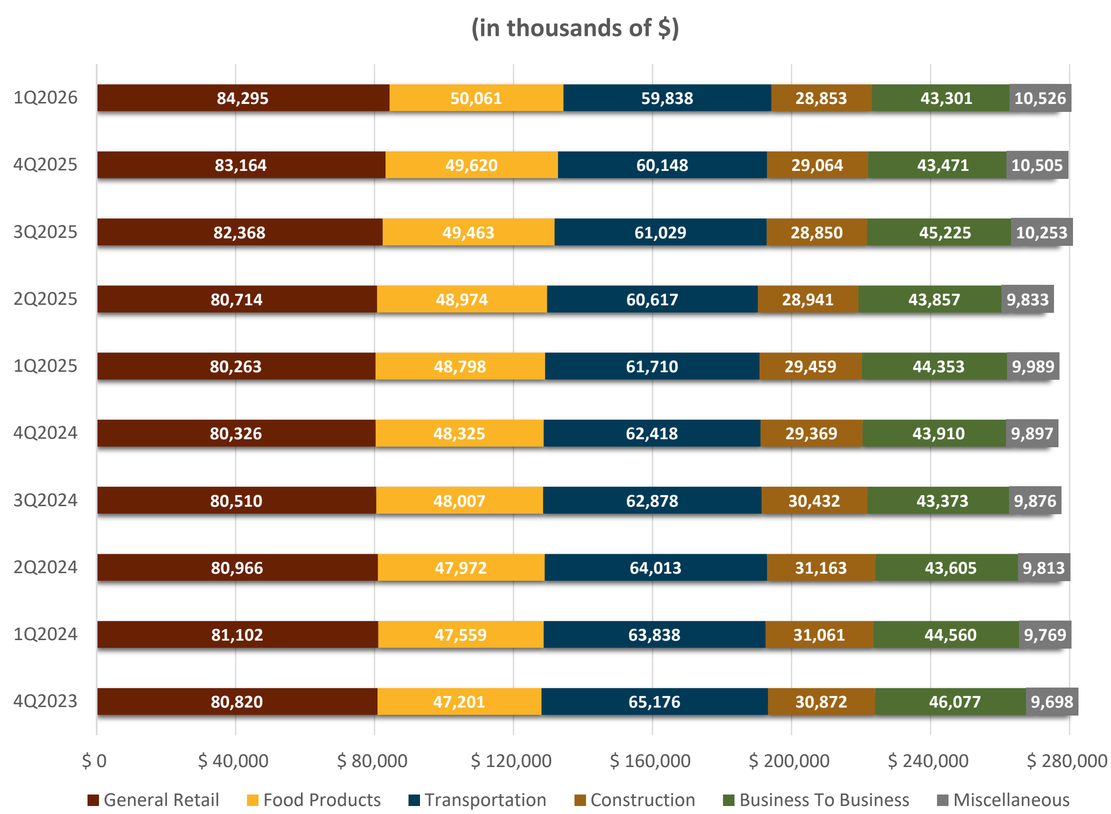
* "- EC" added to the end of business names represents electronic commerce.

HISTORICAL SALES TAX AMOUNTS

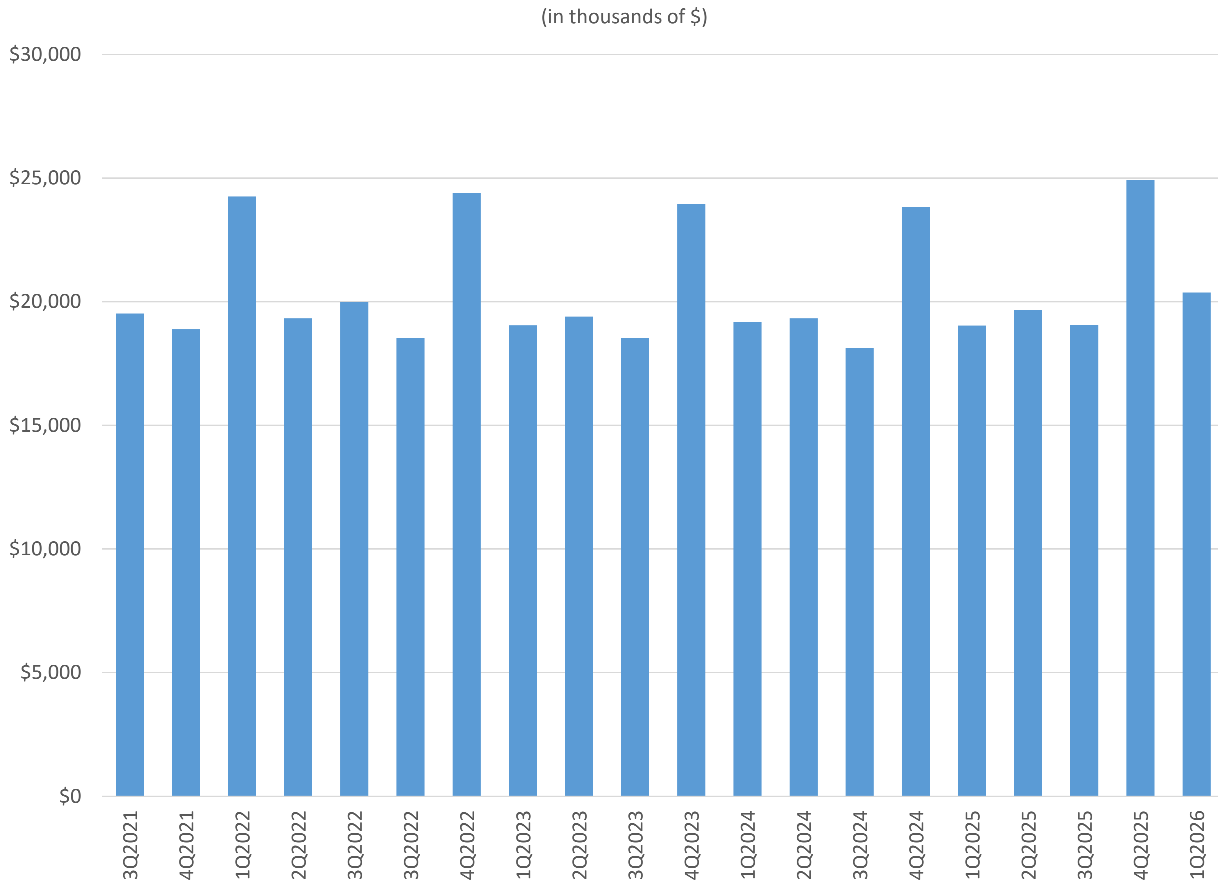
The following chart shows the sales tax level from annual sales through March of 2026, the highs, and the lows for the top ten segments over the last two years in thousands of $.



ANNUAL SALES TAX BY BUSINESS CATEGORY

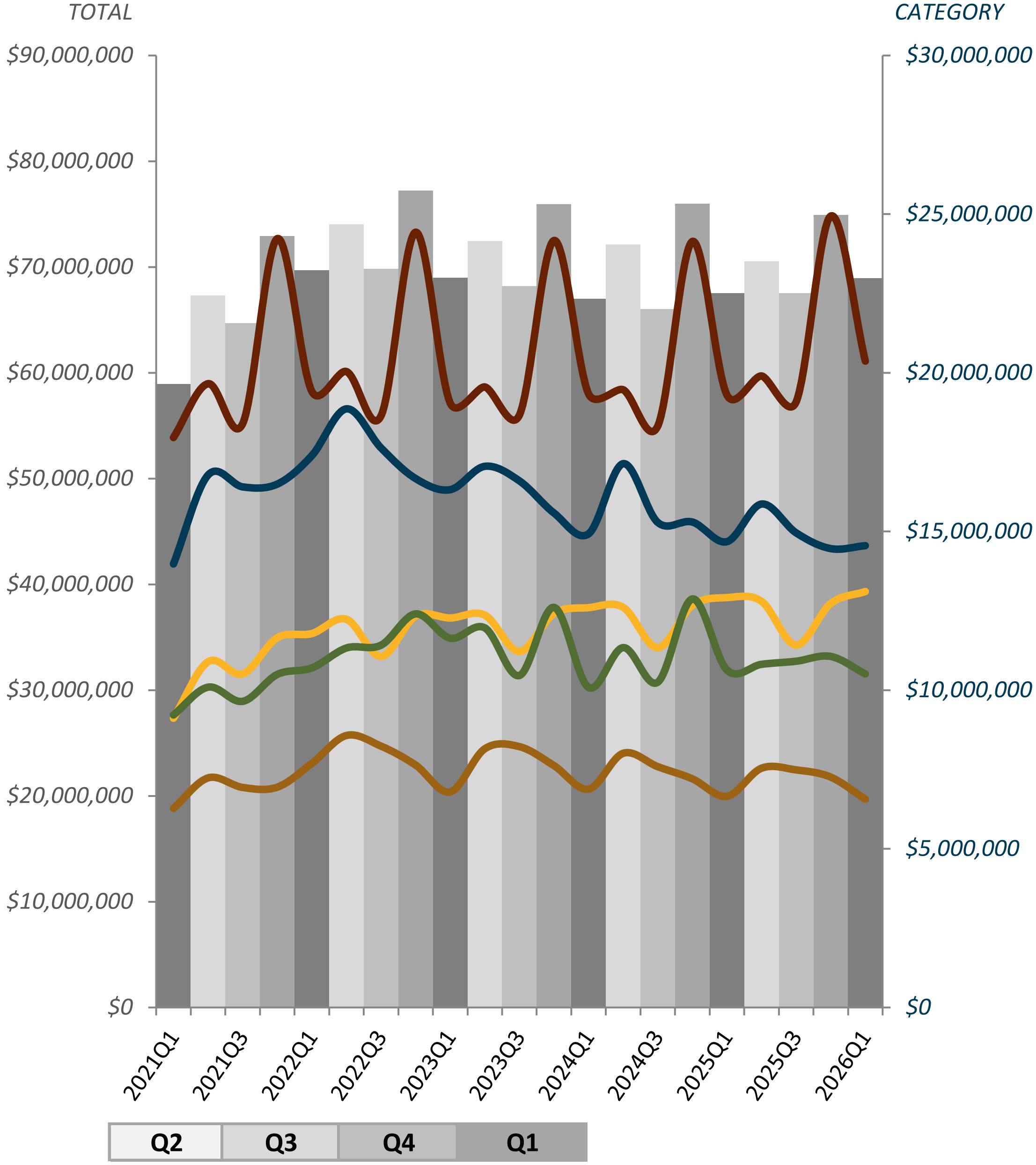


FIVE-YEAR ECONOMIC TREND: General Retail



TOTAL

Economic



TOTAL

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$68,963,357	2.1%	$1,412,095	0.1%	$264,755

GENERAL RETAIL

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$20,369,623	5.5%	$1,067,857	3.8%	$3,062,108
% of 2026Q1 Total:		29.5%		

FOOD PRODUCTS

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$13,108,475	1.5%	$191,271	1.1%	$520,900
% of Total:	19.0%			

TRANSPORTATION

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$14,553,342	-0.9%	-$126,355	-4.1%	-$2,563,822
% of Total:	21.1%			

CONSTRUCTION

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$6,564,001	-1.4%	-$90,103	-2.1%	-$607,123
% of Total:	9.5%			

BUSINESS TO BUSINESS

2026Q1	QoQ %Δ	QoQ $Δ	YoY %Δ	YoY $Δ
$10,510,993	-1.2%	-$124,259	-4.0%	-$1,801,323
% of Total:	15.2%			

QoQ = 26Q1 / 25Q1 *YoY = YE 26Q1 / YE 25Q1*

ATTACHMENT 3

RCTC: Quarterly Comparison of 2025Q1 and 2026Q1 (January through March Sales)

	General Retail	Food Products	Transportation	Construction	Business To Business	Miscellaneous	Jan - Mar 2026 (2026Q1)	Jan - Mar 2025 (2025Q1)	% Chg	Gain	Gain	Decline	Decline
RIVERSIDE COUNTY													
BANNING	1.6%	-2.0%	-0.2%	26.1%	26.7%	9.3%	**730,311**	711,696	**2.6%**	Electronic Equipment	Bldg.Matls-Whsle	Auto Sales - Used	Restaurants
BEAUMONT	24.0%	0.2%	2.7%	-44.1%	-10.3%	37.2%	**6,074,261**	5,258,918	**15.5%**	Miscellaneous Retail	Misc. Vehicle Sales	Bldg.Matls-Retail	Light Industry
BLYTHE	-7.4%	-12.2%	17.5%	-8.1%	177.6%	-8.2%	**396,896**	346,935	**14.4%**	Light Industry	Auto Sales - New	Restaurants	Service Stations
CALIMESA	-1.5%	-1.5%	-6.8%	-21.4%	-8.5%	-0.7%	**329,407**	339,639	**-3.0%**	Department Stores	Leasing	Service Stations	Restaurants
CANYON LAKE	22.4%	-1.4%	1.9%	610.0%	48.3%	-35.7%	**76,427**	72,064	**6.1%**	Miscellaneous Retail	Heavy Industry	Restaurants	Miscellaneous Other
CATHEDRAL CITY	0.8%	1.4%	5.3%	5.2%	4.9%	18.7%	**2,810,389**	2,693,424	**4.3%**	Auto Sales - New	Light Industry	Auto Parts/Repair	Service Stations
COACHELLA	-13.8%	8.6%	-7.2%	29.7%	-14.1%	13.3%	**1,047,474**	1,080,913	**-3.1%**	Food Markets	Bldg.Matls-Whsle	Service Stations	Florist/Nursery
CORONA	1.2%	3.2%	-12.6%	5.0%	3.4%	85.9%	**11,759,458**	11,683,565	**0.6%**	Bldg.Matls-Whsle	Auto Sales - New	Service Stations	Auto Sales - Used
COUNTY OF RIVERSIDE	9.3%	4.3%	-4.2%	-10.1%	0.0%	-1.8%	**9,999,858**	9,749,488	**2.6%**	Miscellaneous Retail	Restaurants	Bldg.Matls-Whsle	Light Industry
DESERT HOT SPRINGS	-2.7%	2.7%	-0.8%	-16.1%	0.6%	-72.3%	**517,394**	520,014	**-0.5%**	Food Markets	Miscellaneous Retail	Drug Stores	Auto Sales - Used
EASTVALE	5.9%	4.1%	-1.6%	3.4%	9.8%	70.7%	**10,321,165**	9,802,644	**5.3%**	Miscellaneous Retail	Department Stores	Business Services	Food Markets
HEMET	7.4%	0.3%	13.0%	-1.6%	8.7%	66.4%	**3,539,686**	3,298,132	**7.3%**	Auto Sales - New	Miscellaneous Retail	Auto Sales - Used	Service Stations
INDIAN WELLS	-1.5%	-2.5%	0.0%	14.3%	91.6%	-10.2%	**836,573**	839,282	**-0.3%**	Business Services	Apparel Stores	Restaurants	Recreation Products
INDIO	8.2%	2.9%	0.7%	-14.8%	-7.4%	-31.4%	**3,823,143**	3,845,798	**-0.6%**	Auto Sales - New	Miscellaneous Retail	Bldg.Matls-Whsle	Heavy Industry
JURUPA VALLEY	26.2%	3.5%	-3.0%	-12.6%	-1.2%	-8.7%	**4,599,668**	4,422,694	**4.0%**	Department Stores	Recreation Products	Bldg.Matls-Whsle	Heavy Industry
LA QUINTA	5.4%	8.0%	-5.9%	0.8%	3.7%	-32.0%	**3,135,244**	2,999,399	**4.5%**	Restaurants	Miscellaneous Retail	Auto Sales - New	Office Equipment
LAKE ELSINORE	1.6%	2.5%	-4.2%	0.4%	0.5%	35.7%	**2,983,614**	2,987,192	**-0.1%**	Light Industry	Miscellaneous Retail	Auto Sales - New	Bldg.Matls-Whsle
MENIFEE	-32.6%	0.1%	10.7%	6.7%	37.2%	-41.2%	**2,769,087**	3,059,461	**-9.5%**	Light Industry	Misc. Vehicle Sales	Miscellaneous Retail	Miscellaneous Other
MORENO VALLEY	3.5%	0.4%	5.9%	-8.4%	17.9%	3.2%	**6,720,577**	6,530,902	**2.9%**	Auto Sales - New	Miscellaneous Retail	Bldg.Matls-Whsle	Service Stations
MURRIETA	4.2%	-0.5%	-5.3%	5.9%	0.1%	-9.2%	**5,390,930**	5,359,753	**0.6%**	Miscellaneous Retail	Bldg.Matls-Whsle	Auto Sales - Used	Auto Parts/Repair
NORCO	3.4%	-2.3%	-4.7%	46.0%	4.5%	-3.7%	**2,218,880**	2,199,740	**0.9%**	Bldg.Matls-Whsle	Miscellaneous Retail	Auto Sales - Used	Apparel Stores
PALM DESERT	-2.1%	-0.9%	-2.4%	4.1%	6.0%	1.0%	**5,910,737**	5,969,499	**-1.0%**	Bldg.Matls-Whsle	Miscellaneous Retail	Furniture/Appliance	Auto Sales - Used
PALM SPRINGS	3.8%	0.9%	13.5%	-2.0%	11.8%	15.8%	**5,078,230**	4,812,419	**5.5%**	Auto Sales - New	Energy Sales	Auto Sales - Used	Electronic Equipment
PERRIS	-16.9%	3.4%	-1.8%	1.3%	34.1%	38.4%	**5,334,056**	5,431,710	**-1.8%**	Business Services	Heavy Industry	Miscellaneous Retail	Apparel Stores
RANCHO MIRAGE	-7.0%	2.0%	22.5%	0.0%	6.5%	-24.7%	**1,794,341**	1,713,992	**4.7%**	Auto Sales - New	Leasing	Department Stores	Furniture/Appliance
RIVERSIDE	13.1%	1.8%	-3.4%	-1.8%	-11.7%	4.6%	**18,374,045**	18,405,885	**-0.2%**	Department Stores	Miscellaneous Retail	Auto Sales - Used	Energy Sales
SAN JACINTO	10.9%	-1.0%	-2.8%	-16.7%	-17.0%	16.9%	**990,577**	964,304	**2.7%**	Department Stores	Miscellaneous Retail	Auto Sales - Used	Florist/Nursery
TEMECULA	2.5%	1.5%	-2.1%	-0.4%	-3.4%	14.1%	**9,838,182**	9,884,342	**-0.5%**	Miscellaneous Retail	Restaurants	Furniture/Appliance	Light Industry
WILDOMAR	6.1%	-2.2%	-0.7%	14.8%	-12.4%	40.7%	**635,381**	634,677	**0.1%**	Bldg.Matls-Whsle	Business Services	Light Industry	Restaurants

AGENDA ITEM 6C

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Linda Fakhouri, Senior Procurement Analyst
THROUGH:	Matthew Wallace, Deputy Director of Financial Administration
SUBJECT:	Single Signature Authority Report

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action:

1) Receive and file the Single Signature Authority report for the fourth quarter ended June 30, 2026.

BACKGROUND INFORMATION:

Certain contracts are executed under single signature authority as permitted in the Commission's Procurement Policy Manual adopted in December 2025. The Executive Director is authorized to sign services contracts that are less than $250,000 individually and in an aggregate amount not to exceed $2 million in any given fiscal year. Additionally, in accordance with Public Utilities Code Section 130323(c), the Executive Director is authorized to sign contracts for supplies, equipment, materials, and construction of all facilities and works under $50,000 individually.

The attached report details all contracts that have been executed for the fourth quarter ended June 30, 2026, under the single signature authority granted to the Executive Director. The unused capacity of the single signature authority for services and goods as of June 30, 2026, is $ 212,545.

Attachment: Single Signature Authority Report as of June 30, 2026.

SINGLE SIGNATURE AUTHORITY
AS OF June 30,2026

CONTRACT #	CONSULTANT	DESCRIPTION OF SERVICES	ORIGINAL CONTRACT AMOUNT	PAID AMOUNT	REMAINING CONTRACT AMOUNT
	AMOUNT AVAILABLE July 1, 2025		$ 2,000,000.00		
25-31-070-00	BNSF	PVL Double Track Project- Reimbursement Agreement	$ 45,000.00	$ 25,305.56	$ 19,694.44
09-31-081-17	Parsons	91 Express Lanes Three Lane Study	$ 200,000.00	$ 199,229.78	$ 770.22
10-31-099-18	Stantec	91 Express Lanes Three Lane Study	$ 200,000.00	$ 188,766.30	$ 11,233.70
23-31-024-01	City of Temecula Coop	I-15 Smart Freeway Project RCTC/City of Temecula Coop-RSO	$ 250,000.00	$ 31,449.04	$ 218,550.96
25-18-068-01	Eagle Leadership Group	Eagle Leadership Group -Training Academy	$ 60,000.00	$ 60,000.00	$ -
19-31-066-02	Glenn Lukos Associates Inc	Mitigation and Monitoring Implementation Services	$ 72,000.00	$ 51,137.35	$ 20,862.65
26-18-008-00	Gallagher Benefit Services, INC.	Compensation, Classification and Benefits Studies.	$ 57,000.00	$ 18,390.00	$ 38,610.00
25-67-121-01	Fairbank, Maslin, Maullin, Metz &	Public survey services	$ 52,500.00	$ 52,500.00	$ -
PO 3444	Empire Inc.'s	Station and facilities HVAC services	$ 25,000.00	$ 7,983.00	$ 17,017.00
10-31-099-19	Stantec	71/91 IC Project	$ 50,000.00	$ 35,693.10	$ 14,306.90
26-18-030-00	ACA Compliance Solution Services, INC	The Affordable Care Act (ACA) compliance services	$ 2,500.00	$ 543.25	$ 1,956.75
25-67-121-02	Fairbank, Maslin, Maullin, Metz &	Public survey services	$ 71,500.00	$ 71,500.00	$ -
25-18-068-02	Eagle Leadership Group	Eagle Leadership Group -Training Academy	$ 24,000.00	$ 19,350.00	$ 4,650.00
18-31-164-08	CHA	SR-60 Truck Climbing Lanes- CM Services	$ 20,000.00	$ 17,202.36	$ 2,797.64
25-33-001-02	SCRRA	Cooperative Agreement -Riverside-Downtown Station (Station)	$ 64,380.00	$ -	$ 64,380.00
26-19-051-00	MS Excel Solutions	Microsoft Excel programming and consulting Services (increase	$ 50,000.00	$ 15,975.00	$ 34,025.00
26-31-039-00	Union Pacific Railroad Company	Union Pacific Railroad Reimbursement Agreement - RCTC San	$ 25,000.00	$ 25,000.00	$ -
21-31-012-05	CHA	CM FOR 71/91 INTERCHANGE PROJECT	$ 195,000.00	$ 176,163.44	$ 18,836.56
23-31-024-01	City of Temecula Coop	I-15 Smart Freeway Project -Revised memo to return unused	$ (200,000.00)		$ (200,000.00)
21-66-020-03	Netkinetix	CLOUD BASED DATABASE SYSTEM CUSTOMIZATION AND	$ 96,000.00	$ -	$ 96,000.00
25-67-121-03	Fairbank, Maslin, Maullin, Metz &	Public survey services	$ 97,990.00	$ 97,990.00	$ -
26-19-075-00	Workiva	Financial reporting module and upgraded budget module	$ 90,000.00	$ 90,000.00	$ -
26-18-080-00	Toll Insight LLC	Recruitment Search Services	$ 42,655.00	$ -	$ 42,655.00
25-67-106-01	Beacon Economics, LLC	Economic forecasting and impact analysis services	$ 72,100.00	$ -	$ 72,100.00
26-11-078-00	OPR Communications	Specialized Stakeholder and Elected-Official outreach services	$ 45,000.00	$ -	$ 45,000.00
26-19-076-00	LSL, LLP	Financial Statement Automation though the Workiva platform	$ 79,830.00	$ 47,905.00	$ 31,925.00
	AMOUNT USED		1,787,455.00		
	AMOUNT REMAINING through June 30, 2026		$212,545.00		

Agreements that fall under Public Utilities Code 130323 (C)

None	N/A	$-	$-	$-

Linda Fakhouri
Prepared by

Matthew Wallace
Reviewed by

Note: Shaded area represents new contracts listed in the 4th quarter.

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AGENDA ITEM 6D

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Amy Weston, Accounting Supervisor Maria Garcia, Financial Budget Manager Jennifer Fuller, Deputy Director of Finance
THROUGH:	Sergio Vidal, Chief Financial Officer
SUBJECT:	Monthly Investment Report

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Monthly Investment Report for the month ended May 31, 2026.

BACKGROUND INFORMATION:

The Commission's investment report reflects investments primarily concentrated in the Riverside County Pooled Investment Fund as well as investments in mutual funds for sales tax revenue bonds debt service payments.

The Commission engaged Payden & Rygel Investment Management to make specific investments for Commission operating funds. The Commission approved an initial agreement with Payden & Rygel in May 2013 following a competitive procurement and has extended the agreement through the annual recurring contracts process. The Commission allowed the contract to expire when it terminated on June 30, 2026, and is in the process of moving the funds to the County Treasurer's Pooled Investment Fund.

The monthly investment report for May 2026, as required by state law and Commission policy, reflects the investment activities resulting from the 91 Project 2021 Financing and available operating cash. As of May 31, 2026, total cash and investments in the Commission's portfolio totaled nearly $2.2 billion and were comprised of the following:

CASH AND INVESTMENTS PORTFOLIO	AMOUNTS [1]
Operating	$ 1,509,388,838
Trust	416,270,351
Commission-managed	237,581,007
Total	**$ 2,163,240,196**
Note: [1] Unreconciled and unaudited	

As of May 31, 2026, the Commission's cash and investments adhere to both the Commission's investment policy adopted on December 10, 2025, and permitted investments described in the indenture for the Commission's sales tax revenue bonds and the master indenture for the Commission's toll revenue bonds. Additionally, the Commission has adequate cash flows for the next six months.

FISCAL IMPACT:

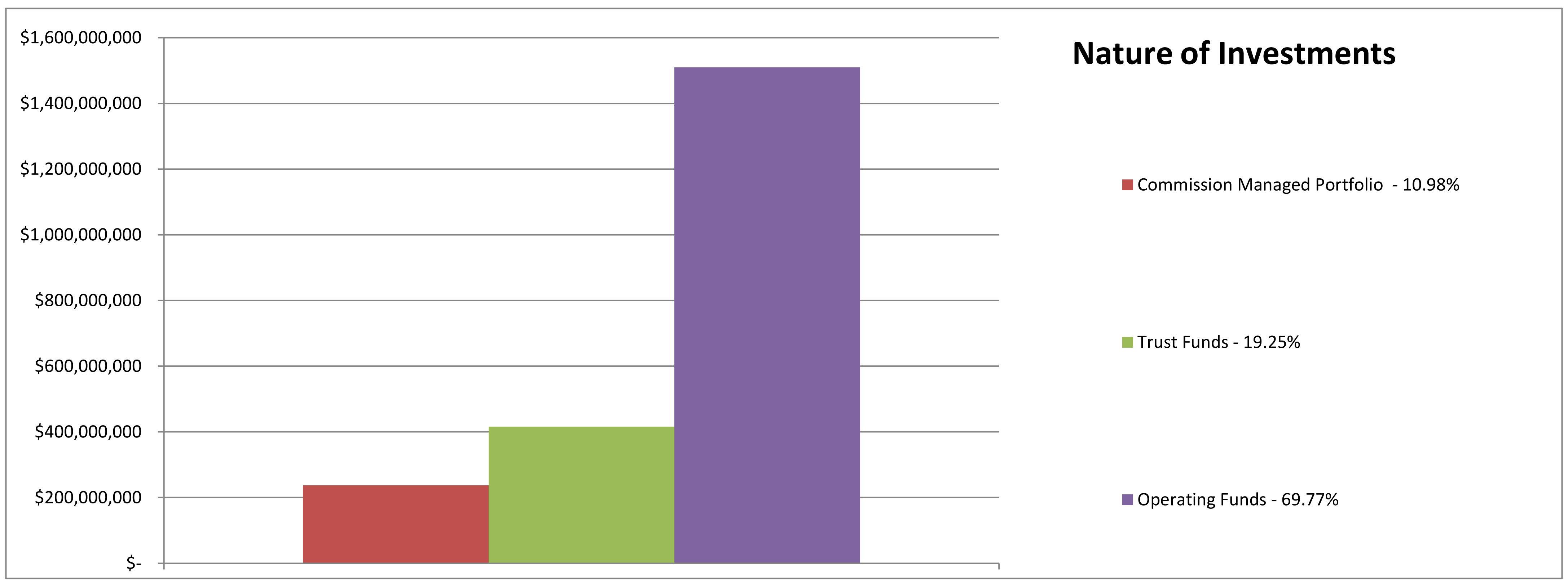
This is an information item. There is no fiscal impact.

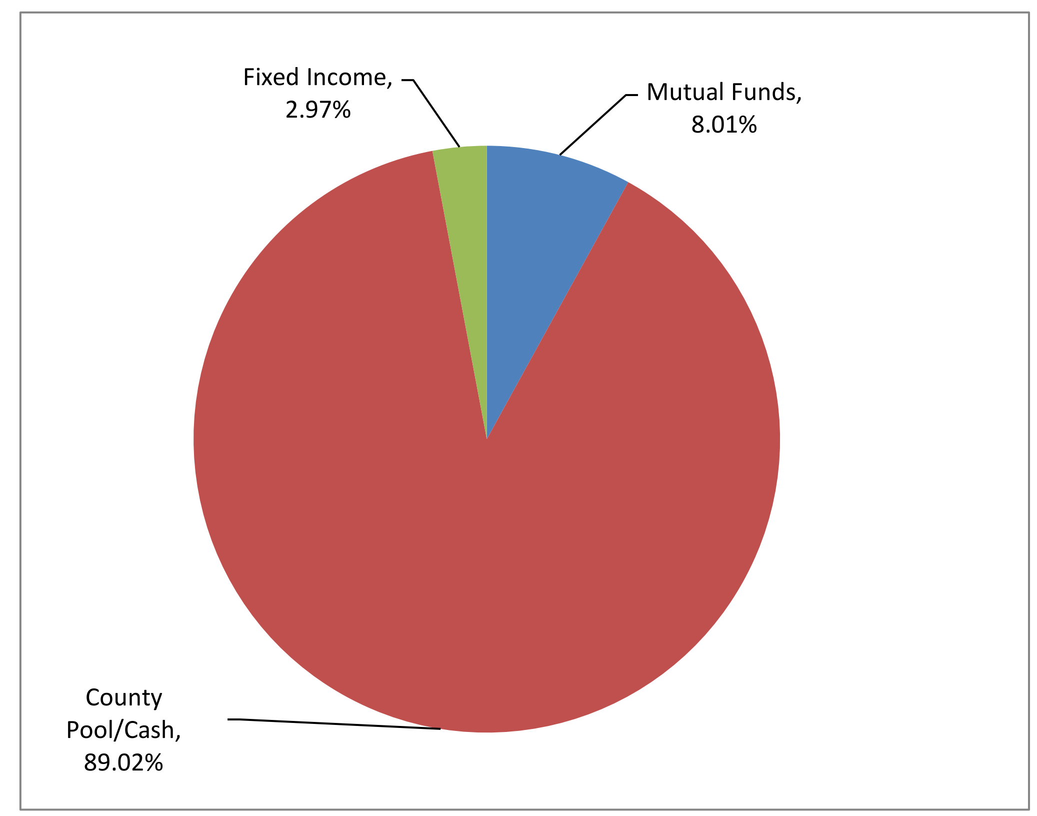
Attachment: Investment Portfolio Report for May 31, 2026

Riverside County Transportation Commission
Investment Portfolio Report
Period Ended: May 31, 2026

	STATEMENT BALANCE [1]	FINANCIAL INSTUTION	STATEMENTS	RATING Fitch [2]	COUPON RATE	PAR VALUE	PURCHASE DATE	MATURITY DATE	YIELD TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN (LOSS)
OPERATING FUNDS												
City National Bank Deposits	18,570,515	City National Bank	Available upon request	AA-	N/A				N/A			
County Treasurer's Pooled Investment Fund	1,490,818,323	County Treasurer	Available upon request	AAAf/S1								
Subtotal Operating Funds	1,509,388,838											
FUNDS HELD IN TRUST												
County Treasurer's Pooled Investment Fund:												
Local Transportation Fund	416,270,351	County Treasurer	Available upon request					Available upon request				
Subtotal Funds Held in Trust	416,270,351											
COMMISSION MANAGED PORTFOLIO												
US Bank Payden & Rygel Operating	1,377,879	US Bank	Available upon request					Available upon request				
2013 Series A & Series B Reserve Fund	13,419,313	US Bank	Available upon request					Available upon request				
2021 Series B Reserve Fund	41,282,279	US Bank	Available upon request					Available upon request				
2021 Series C Reserve Fund	8,224,094	US Bank	Available upon request					Available upon request				
First American Government Obligation Fund	173,277,442	US Bank	Available upon request	N/A	N/A				N/A			
Subtotal Commission Managed Portfolio	237,581,007											
TOTAL All Cash and Investments	**2,163,240,196**											

Notes:
[1] Unreconciled and unaudited
[2] As of latest available information





AGENDA ITEM 6E

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Amy Weston, Accounting Supervisor Maria Garcia, Financial Budget Manager Jennifer Fuller, Deputy Director of Finance
THROUGH:	Sergio Vidal, Chief Financial Officer
SUBJECT:	Monthly Investment Report

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission to:

1) Receive and file the Monthly Investment Report for the month ended June 30, 2026.

BACKGROUND INFORMATION:

The Commission's investment report reflects investments primarily concentrated in the Riverside County Pooled Investment Fund as well as investments in mutual funds for sales tax revenue bonds debt service payments.

The Commission engaged Payden & Rygel Investment Management to make specific investments for Commission operating funds. The Commission approved an initial agreement with Payden & Rygel in May 2013 following a competitive procurement and has extended the agreement through the annual recurring contracts process. The Commission allowed the contract to expire when it terminated on June 30, 2026. Nearly all funds moved to the County Treasurer's Pooled Investment Fund as of June 30, 2026. The final amount was transferred in the beginning of July and the account was fully closed.

The monthly investment report for June 2026, as required by state law and Commission policy, reflects the investment activities resulting from the 91 Project 2021 Financing and available operating cash. As of June 30, 2026, total cash and investments in the Commission's portfolio totaled approximately $2.1 billion and were comprised of the following:

CASH AND INVESTMENTS PORTFOLIO	AMOUNTS [1]
Operating	$ 1,527,963,665
Trust	415,986,660
Commission-managed	183,204,483
Total	**$ 2,127,154,808**
Note: [1] Unreconciled and unaudited	

As of June 30, 2026, the Commission’s cash and investments adhere to both the Commission’s investment policy adopted on December 10, 2025, and permitted investments described in the indenture for the Commission’s sales tax revenue bonds and the master indenture for the Commission’s toll revenue bonds. Additionally, the Commission has adequate cash flows for the next six months.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

Attachment: Investment Portfolio Report for June 30, 2026

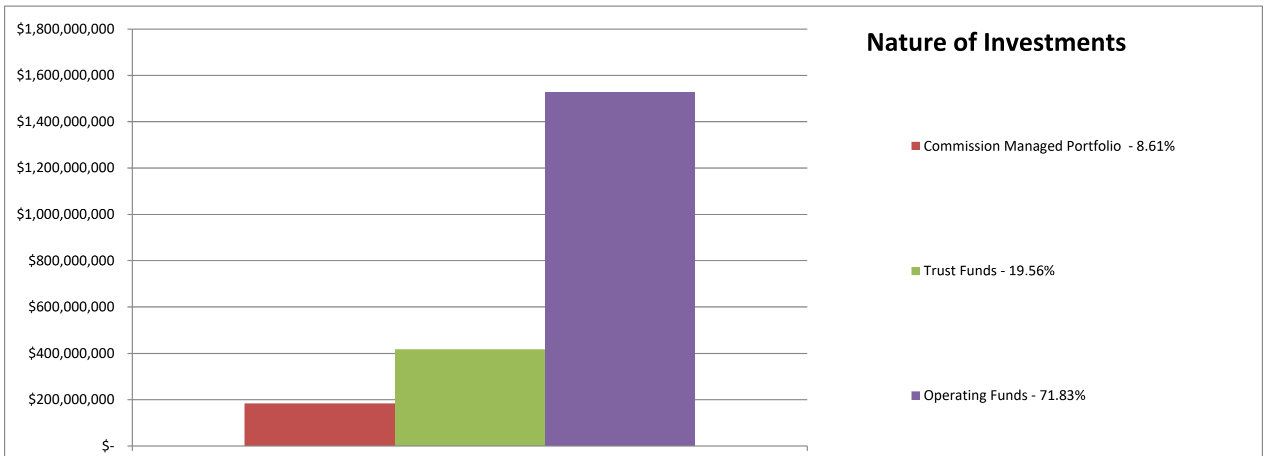
Riverside County Transportation Commission
Investment Portfolio Report
Period Ended: June 30, 2026

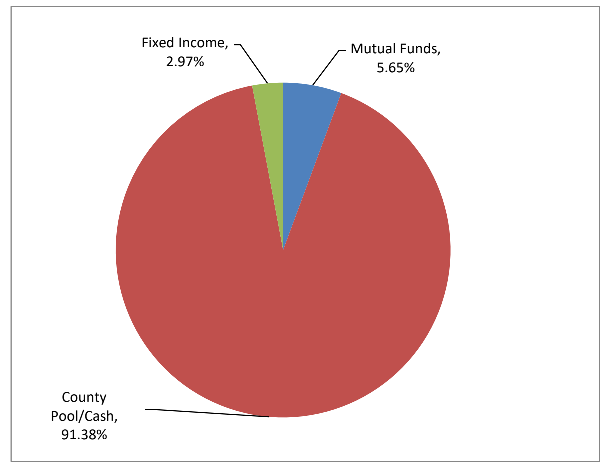
	STATEMENT BALANCE [1]	FINANCIAL INSTUTION	STATEMENTS	RATING Fitch [2]	COUPON RATE	PAR VALUE	PURCHASE DATE	MATURITY DATE	YIELD TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN (LOSS)
OPERATING FUNDS												
City National Bank Deposits	32,619,738	City National Bank	Available upon request	AA-	N/A				N/A			
County Treasurer's Pooled Investment Fund	1,495,343,927	County Treasurer	Available upon request	AAAf/S1								
Subtotal Operating Funds	1,527,963,665											
FUNDS HELD IN TRUST												
County Treasurer's Pooled Investment Fund:												
Local Transportation Fund	415,986,660	County Treasurer	Available upon request					Available upon request				
Subtotal Funds Held in Trust	415,986,660											
COMMISSION MANAGED PORTFOLIO												
US Bank Payden & Rygel Operating	84	US Bank	Available upon request					Available upon request				
2013 Series A & Series B Reserve Fund	13,454,494	US Bank	Available upon request					Available upon request				
2021 Series B Reserve Fund	41,395,765	US Bank	Available upon request					Available upon request				
2021 Series C Reserve Fund	8,246,703	US Bank	Available upon request					Available upon request				
First American Government Obligation Fund	120,107,437	US Bank	Available upon request	N/A	N/A				N/A			
Subtotal Commission Managed Portfolio	183,204,483											
TOTAL All Cash and Investments	**2,127,154,808**											

Notes:

[1] Unreconciled and unaudited

[2] As of latest available information





AGENDA ITEM 6F

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Jonathan Marin, Senior Management Analyst Ariel Alcon Tapia, Public Affairs Manager
THROUGH:	David Knudsen, Deputy Executive Director
SUBJECT:	Quarterly Public Engagement Metrics Report, April – June 2026

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Quarterly Public Engagement Metrics Report for April through June 2026.

BACKGROUND

The Quarterly Public Engagement Metrics Report provides a data-driven view of how the Commission engages with Riverside County residents through its various digital communication channels including the website, social media platforms, e-newsletter, and other outreach tools. These digital communication channels help the Commission connect with the public on timely information relating to projects, programs, construction updates, Measure A investments, and opportunities for community participation.

This report, along with the accompanying Public Engagement Metrics dashboard, summarizes digital engagement activities from April through June 2026. Comparative data from the second quarter of 2025 is included to provide a comparison, helping identify trends over time and inform future communication strategies. While year-over-year comparisons offer valuable insights, variations in project milestones and activity levels may influence overall results.

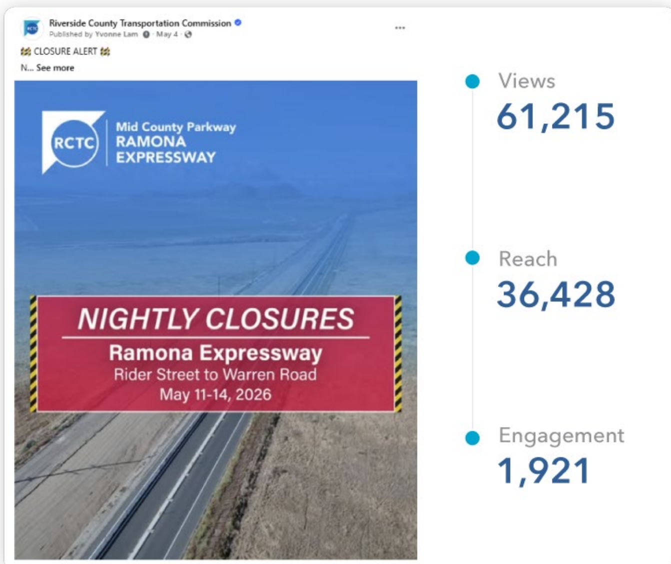
RCTC Quarterly Public Engagement

Social Media

Public sentiment across RCTC's digital social media channels during the second quarter of 2026 was mixed. Public Affairs staff published content about the launch of the Interstate 15 Smart Freeway Pilot Project, the groundbreaking ceremony for the Mid County Parkway Ramona Expressway Project, construction activity information, and invitations for the public to attend tele-town halls and a webinar for the Commission's Traffic Relief Plan.

During this past quarter, Public Affairs staff collaborated with partner agencies and stakeholders to elevate awareness about Riverside County transportation projects and programs. A collaboration with the city of Beaumont celebrated the groundbreaking ceremony for Phase II of the State Route 60/Potrero Boulevard. The Commission also collaborated with Skanska USA on a video highlighting the benefits and a few of the construction safety protocols of the 71/91 Interchange Project in Corona, while a post with the San Bernardino County Transportation Authority (SBCTA) highlighted the numerous industry awards given to IE Commuter's Experience Metrolink – a program made possible by the partnership between SBCTA and RCTC.

A post announcing road closures as part of construction for the Commission's Mid County Parkway Ramona Expressway Project was one of the most widely engaged posts during this quarter. The post provided information about scheduled construction activity along this corridor and reached an estimated 36,428 users and was viewed over 61,000 times.



Comparative metrics for the Commission's social media channels for the second quarter of 2026, versus the second quarter of 2025, are highlighted in the tables below. For context, *engagement* measures the total number of interactions such as likes, comments, shares, and clicks, representing how users react and respond to content. *Reach* is the number of unique users who see the content, indicating how many people had the chance to view the posts. *Impressions* count the number of times content is displayed, regardless of whether it was clicked or engaged with.

Facebook	Q2 2025	Q2 2026	Difference
Followers	14,562	15,057	+495 (+3.4%)
Engagement	2,812	5,348	+2,536 (+90%)
Reach	607,412	499,113	-108,299 (-17%)

Instagram	Q2 2025	Q2 2026	Difference
Followers	5,241	5,870	+629 (+12%)
Engagement	2,508	3,126	+618 (+25%)
Reach	477,823	501,942	+24,119 (+5%)

LinkedIn	Q2 2025	Q2 2026	Difference
Followers	2,191	2,626	+435 (+20%)
Engagement	1,032	488	-544 (-52%)
Impressions	28,498	15,676	-12,822 (-45%)

The Point E-Newsletter

Public Affairs staff continue to write and publish high-quality content for the Commission's blog, *The Point*, to further enhance public awareness about new programs, project progress, and establish transparency with the Commission's work. Staff publish several compelling stories each month that showcase the Commission's achievements, key project milestones, funding initiatives, and program updates. The blog serves as a vital communication tool that reflects the Commission's commitment to transparency and education.

Stories published on *The Point* during the second quarter of 2026 highlighted the Commission's groundbreaking ceremonies for the SR-60/Potrero Boulevard Interchange and Mid County Parkway Ramona Expressway projects, the launch of the I-15 Smart Freeway Pilot Project, industry awards for the 71/91 Interchange and Smart Freeway projects, and the Commission's award of a progressive design-build contract for the I-15 Smart Freeway Project Southern Extension. The story with the highest readership during this quarter was titled *I-15 Smart Freeway Pilot Project Prepares to Boot Up*; covering the start of the baseline data collection period for the project. The story was read nearly 1,022 times during this quarter.

Each month, stories are compiled for the Commission's digital newsletter and distributed to email and text subscribers. This year's second quarter newsletter metrics – versus second quarter of 2025 – are highlighted below:

The Point	Q2 2025	Q2 2026	Difference
Email Subscribers	8,239	8,509	+270 (+3.2%)
Text Subscribers	2,225	2,303	+78 (+3.5%)

Average Open Rate	43.4%	18.4%	-57%
Average Click Rate	4.1%	2.4%	-41%

Website

During the second quarter of 2026, the Commission's website hosted 121,899 sessions from 94,476 unique visitors. 31 percent of website traffic originated from social media, while direct visits – typing in rctc.org into the web browser – made up 24 percent of all website sessions. Organic search traffic was 21 percent of all visits, and paid digital ads, such as Google Ads, accounted for 19 percent of this quarter's web traffic. Referrals from external sources – such as CBS News, The Patch, The Press Enterprise, and SFGate – made up 5 percent of the remaining web traffic.

The most visited pages during the past quarter were the Traffic Relief Plan webpages, followed by the homepage and the project page for the I-15 Smart Freeway.

Website metrics for the second quarter of 2026 – versus second quarter of 2025 – are highlighted in the table below:

RCTC.org	Q2 2025	Q2 2026	Difference
Website Sessions	80,416	121,899	+41,483 (+52%)
Unique Visitors	52,541	94,476	+41,935 (+80%)

<u>FISCAL IMPACT</u>:

This is an informational item. There is no fiscal impact.

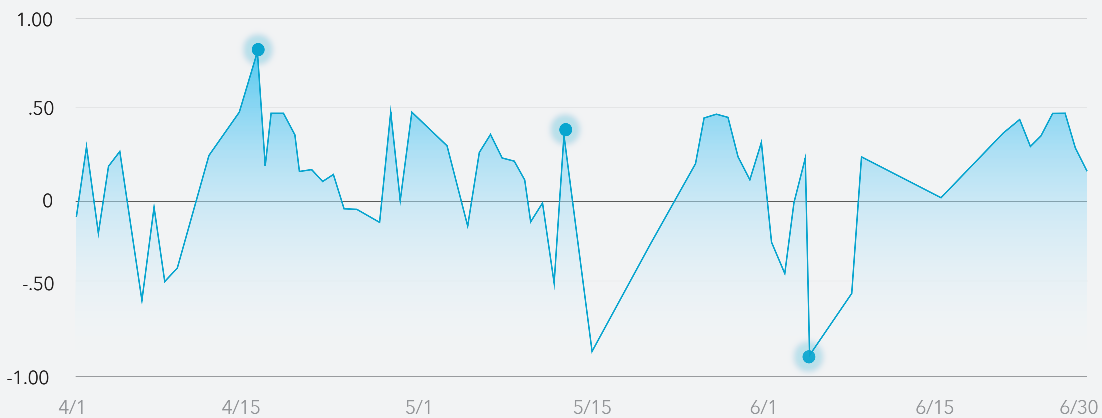
Attachment: RCTC Quarterly Public Engagement Metrics Dashboard

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

Public Engagement Metrics: Q2 2026

April through June

Public Sentiment



4/16 High level of engagement on announcement of groundbreaking ceremony for the SR-60/Potrero Interchange Project

5/13 High engagement with mixed sentiment about road closures for construction on the Mid County Parkway Ramona Expressway Project

6/2 Users expressed frustration about traffic near I-15 Smart Freeway Project area

Social Media

Facebook

15,057 Followers
+3.4% vs Q2 of 2025

5,348 Engagement
+90% vs Q2 of 2025

499,113 Reach
-17% vs Q2 of 2025

Instagram

5,870 Followers
+12% vs Q2 of 2025

3,126 Engagement
+25% vs Q2 of 2025

501,942 Reach
+5% vs Q2 of 2025

LinkedIn

2,626 Followers
+20% vs Q2 of 2025

488 Engagement
-52% vs Q2 of 2025

15,676 Impressions
-45% vs Q2 of 2025

Website

121,899 Total Sessions
+52% vs Q2 of 2025

94,476 Unique Visitors
+80% vs Q2 of 2025

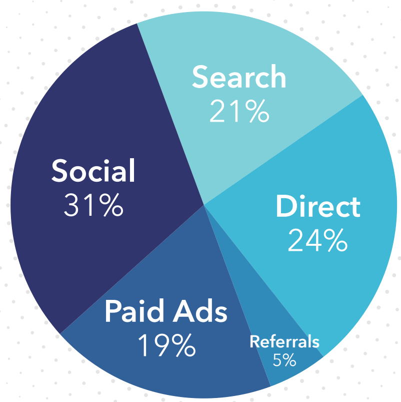
Sessions by Device

- Desktop (35%)
- Mobile (65%)
  Includes phones and tablets

Top Pages Visited

1. Traffic Relief Plan
2. Homepage
3. I-15 Smart Freeway Project Page

Sessions by Channel



External referrals originated from sources such as CBS News, The Patch, The Press Enterprise, and SFGate.

Newsletter

8,509 Email Subscribers
+3.2% vs Q2 of 2025

2,303 Text Subscribers
+3.5% vs Q2 of 2025

18.4% Average
Open Rate

2.4% Average
Click Rate

Most Read Story

I-15 Smart Freeway Pilot Project Prepares to Boot Up
Baseline data collection period underway along northbound I-15 in Temecula

AGENDA ITEM 6G

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	John Tarascio, Senior Capital Projects Manager
THROUGH:	Erik Galloway, Project Delivery Director
SUBJECT:	Quarterly Reporting of Executed Contract Change Orders for Construction Contracts

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission take the following action(s):

1) Receive and file the Quarterly Report of Executed Contract Change Orders for Construction Contracts for the three-month period ending June 30, 2026.

BACKGROUND INFORMATION:

During the past quarter, April through June 2026, the Commission has had the following projects with open construction contracts:

1. SR-71 / SR-91 Interchange
2. I-15 SMART Freeways
3. Perris-South Metrolink Station Expansion
4. Mid County Parkway / Ramona Expressway Construction Contract 3
5. SR-60 / Potrero Boulevard Interchange – Phase II

DISCUSSION:

At the direction of the Executive Committee in its March 2021 meeting, a quarterly report will be filed listing the construction contract change orders issued during the previous quarter. The following table summarizes the Contract Change Orders issued in the second quarter of 2026, which is the fourth quarter of Fiscal Year 2025/26.

Contractor Change Orders executed in the 2nd Quarter of CY 2026			
Project	**CCO No.**	**Description**	**Amount**
SR-71 / SR-91 Interchange	CCO 04-S2	Public Trash Removal	$123,824.00
	CCO 43	Value Engineering Change Proposal (VECP) for Drainage System No.16 (RFI 100)	($8,432.00)
	CCO 55	SKANSKA Global Impacts	$3,400,000.00
I-15 SMART Freeways	CCO-19	Additional Works for French Valley Project (FVP) Ramp Metering System (RMS) 1 & 2	$66,157.00
	CCO-22	Additional Activated Blank-out (ABO) Sign at French Valley Project (FVP) I-15 Connector	$112,179.00
	CCO-23	Miscellaneous Additional Works for Project Close-out.	$95,840.00
	CCO-24	Furnish Dynamic Messaging System (DMS) / Variable Messing Sign (VMS) Spare Parts	$31,849.00
	CCO-25	Furnish TIRTL (The Infra-Red Traffic Logger) Spare Parts	$90,546.00
	CCO-26	Weed Control for TIRTLs (The Infra-Red Traffic Logger)	$25,412.00
Perris-South Metrolink Station Expansion		None	
Mid-County Parkway / Ramona Expressway Construction Contract 3	CCO 01	Maintain Traffic	$100,000.00
	CCO 03	Stormwater Pollution Prevention Plan (SWPPP) Maintenance	$50,000.00
	CCO 04	Trash Removal	$75,000.00
	CCO 05	Tribal Monitoring Connex Storage Container	$10,000.00
	CCO 06	Crash Cushion (RFI-021)	($1,430.00)
SR-60 / Potrero Blvd. Interchange - Phase II	CCO 01	Flagging and Maintenance of Traffic	$75,000.00

FISCAL IMPACT:

The Contract Change Orders were executed using available contingency authorized with the construction contract for each project.

AGENDA ITEM 7

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Eric DeHate, Transit Manager
THROUGH:	Lorelle Moe-Luna, Multimodal Services Director
SUBJECT:	Amendment to SunLine Transit Agency’s Fiscal Year 2025/26 Short Range Transit Plan

STAFF RECOMMENDATION:

This item is for the Committee to recommend to the Commission take the following action(s):

1) Approve a $2,000,000 increase in the Fiscal Year (FY) 2025/26 Local Transportation Funding (LTF) allocation for SunLine Transit Agency (SunLine) for a total amount not to exceed $33,721,487; and
2) Approve the amendment to SunLine’s FY 2025/26 Short-Range Transit Plan (SRTP) reflecting the funding adjustment.

BACKGROUND INFORMATION:

In June 2025, the Commission approved the seven bus operators’ FY 2025/26 SRTPs and allocated funding to meet their operational and capital needs. If a transit operator requires additional financial resources throughout the year, Commission Transit Funding Policy No. 1-2 requires that any additional transit funding be brought to the Commission for review and approval through a formal SRTP amendment request. Consistent with this policy, staff has received a formal SRTP amendment request from SunLine seeking additional LTF operating assistance.

SunLine had a total FY 2025/26 operating budget of $50,500,000, consisting of $5,900,123 in federal funds, $32,523,821 in state funds, and $12,076,056 in local funds. Of the state funds, SunLine was allocated $31,721,487 of LTF and is requesting an additional $2,000,000 in LTF to address higher-than-anticipated operating expenses incurred during the fiscal year, primarily related to increased hydrogen fuel costs and insurance expenditures associated with the agency's transition to zero-emission operations. At its June 24, 2026, meeting, the SunLine Board of Directors approved a budget amendment to its FY 2025/26 operating budget and request of $2,000,000 in LTF operating assistance (Attachment 1).

Commission staff have reviewed SunLine’s amendment request and recommends approval of an additional $2,000,000 in LTF operating assistance, and approval of their amended FY 2025/26 SRTP to reflect this funding adjustment (Attachment 2).

FISCAL IMPACT:

The existing FY 2025/26 budget has sufficient funding in LTF to cover this request and does not require an adjustment to the budget.

Financial Information					
In Fiscal Year Budget:	Yes	Year:	FY 2025/26	Amount:	$2,000,000
Source of Funds:	LTF Coachella Valley Bus	Budget Adjustment:	No		
GLA No.:	002211 86101 00000 0000 6010 62 86101	$ 2,000,000			
Fiscal Procedures Approved:		Date:	7/9/2026		

Attachments:

1) SunLine's FY 2025/26 Budget Amendment Staff Report, June 24, 2026
2) SunLine's FY 2025/26 SRTP Table 4.0 Amendment No. 2

SunLine Transit Agency

Board Report

Item 10B

June 24, 2026

AGENDA ITEM: ACTION

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Approval of Fiscal Year 2026 Budget Amendment

Recommendation:

Recommend that the Board of Directors approve an amendment to the Fiscal Year (FY) 2026 Operating Budget increasing budget authority by $2,000,000, from $50,500,000 to $52,500,000.

Background:

SunLine Transit Agency (SunLine) has experienced unique operational changes during FY2026, as compared to prior years, as the agency continues implementation of leading edge, zero-emission technology, facilities, and vehicles. The most notable impacts of these changes were seen in 1) fuel consumption related expenses, 2) insurance costs, and 3) the reduced use of compressed natural gas (CNG) powered buses with the expanded use of hydrogen fuel cell buses in the active fleet. Budget expenditures tied to these impacts resulted in increases beyond original budget assumptions, and the following are contributing factors:

Federal Transit Administration (FTA) Spare Ratio Requirements

SunLine must comply with the Federal Transit Administration's (FTA) spare ratio requirement, which limits active fleet spares to 20 percent of peak service needs. As a result, SunLine relies heavily on its active fleet of 32 hydrogen fuel cell buses, which represent more than 63 percent of the agency's active fixed-route fleet and cannot be reassigned to the contingency fleet because they have not yet reached useful life.

Liquid Hydrogen Station Commissioning

The agency's new liquid hydrogen fueling station entered testing and operational phases during FY2025 and FY2026. As with any new infrastructure deployment, commissioning activities required extensive operational testing, performance verification, and optimization of fueling procedures. These activities resulted in fuel consumption patterns and operating costs that differed from historical assumptions.

Increased Fuel Cell Bus Availability

SunLine has achieved substantial improvements in fuel cell bus reliability and availability through targeted training, maintenance enhancements, and operational improvements. Daily fuel cell bus availability increased from approximately 5-8 buses in 2024 to 20-22 buses in 2026, with peak availability reaching 26 buses. Overall downtime for fuel cell buses improved by more than 70 percent during FY2026. As a result, hydrogen consumption increased significantly as a larger portion of fixed-route service was operated using fuel cell vehicles rather than compressed natural gas (CNG) vehicles.

Fuel Production and Procurement Changes

During FY2026, SunLine continued refining operating parameters associated with hydrogen production through its electrolyzer and liquid hydrogen fueling operations. Staff also worked to better distinguish fuel produced internally from fuel purchased externally and to understand the cost impacts associated with each source. Increased use of hydrogen fuel, combined with operational adjustments necessary to improve station efficiency and reliability, contributed to higher-than-budgeted fuel expenditures.

Operational Optimization Efforts

Throughout the year, staff implemented numerous operational improvements designed to reduce hydrogen losses and improve fueling efficiency. These efforts included revised fueling procedures, reduced pre-cooling requirements, improved station startup and shutdown protocols, optimized fueling windows, and increased use of electrolyzer-produced hydrogen during midday operations. Initial results indicate significant reductions in system losses and improved overall fuel utilization.

Although fuel expenditures are projected to exceed budget, the increased costs are largely associated with the successful deployment and operation of SunLine's expanding fuel cell fleet and supporting hydrogen infrastructure. Service levels have remained unchanged, and the agency continues to advance its zero-emission transportation goals while improving fleet reliability and availability.

Staff believes the operational data gathered during FY2026 provides valuable insight into long-term hydrogen production, fueling, and consumption trends that will improve future budget development and forecasting efforts.

To enhance transparency and oversight, staff will implement a semi-annual fuel utilization and hydrogen operations report to the Finance/Audit Committee. These reports will provide updates regarding fuel expenses, station performance, operational efficiencies, and areas for continued improvement.

Insurance Expenses

In addition to fuel costs, insurance expenses also exceeded original budget assumptions. The insurance market has generally hardened in recent years, with public entities experiencing particularly significant impacts. A primary factor contributing to these increases is "social inflation," which refers to legal, cultural, and societal trends that drive higher claim costs and insurance premiums. Examples include the expansion of liability standards, increasing settlement and jury award values, the influence of social media on public perception, and a growing number of large claim settlements and verdicts.

Insurance premiums also increased as the Agency's insured asset values grew and additional facilities and vehicles were added to the insurance program. While insurance premiums represent the majority of the agency's insurance-related costs, claim losses can have a significant impact on annual expenses and are more difficult to forecast. Unlike premiums, which are generally known in advance, claim losses are driven by actual incidents and the evolving estimates associated with those claims. As a result, insurance loss expenses can fluctuate significantly from year to year and may exceed budgeted amounts when claim activity or settlement estimates increase.

In accordance with GASB Statement No. 10, the agency is required to recognize the estimated future cost of known and accepted insurance claims when those costs are considered probable and can be reasonably estimated. These amounts are recorded as expenses and liabilities in the financial statements even though the claims have not yet been paid. Accordingly, a portion of insurance loss expense represents accounting accruals for anticipated future claim settlements rather than actual cash expenditures made during the fiscal year. Actual claim payments may occur over multiple years and may differ from the original estimates as claims are resolved

Financial Impact:

Approval of the proposed amendment for $2,000,000 will provide sufficient budget authority to address FY2026 fuel-related operating expenditures while allowing the agency to continue operating its fleet and supporting infrastructure without disruption. $3,852,476 of underutilized Local Transportation funds are available. In addition, service levels remain unchanged, and no adverse impacts to the agency's long-term financial position are anticipated.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management be effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Mona Babauta, CEO/General Manager
Catherine J. Groves, General Counsel

Attachment:

- FY26 Budget Amendment Presentation

FY26 Budget Amendment

Executive Summary

- Adopted FY26 Budget: $50,500,000
- Projected FY26 Operating Expenditures: $52,479,852
- Projected Variance: $1,979,852
  - Primarily attributed to hydrogen fuel consumption levels
  - Significant, unanticipated increase in insurance costs
  - Increased staff productivity in moving projects/programs forward & improving fleet availability

Key Takeaways:

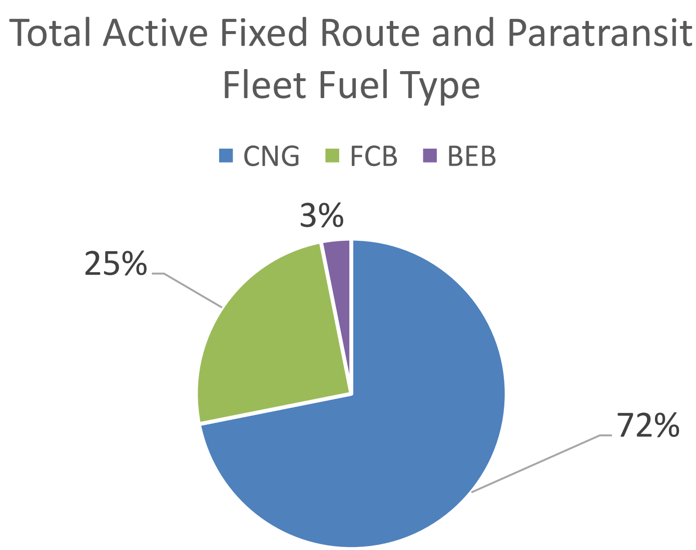
- Service levels remain unchanged
- Funding sources are available
- No adverse impact on long-term financial stability

Fuel Budget Considerations

- Commissioning of new liquid hydrogen station
- Electrolyzer repairs and new operating parameters
- Determining between produced or purchased hydrogen and CNG
- Improvements to fuel cell bus availability
- Public fuel sales

Current Fleet Characteristics

- 51 total active fixed route fleet – 32 FCB, 4 BEB & 15 CNG
- 37 total contingency CNG fleet for fixed route
- Average age of fixed route bus is nearly 10 years
- Average age of paratransit vehicle is nearly 5 years



Regulations on Fleet

- Federal spare ratio
  - 20% maximum spares in active fleet
  - Contingency fleet
    - Restrictive use
    - Must be past useful life
- Innovative Clean Transit (ICT) Rule
  - California requirement for zero-emission transit buses by 2040

Self-Consumed Fuel

- Allocates expenses from cost center (SunFuels) to end user (Maintenance)
- Dependent on demand for internally produced fuel for CNG and hydrogen produced via electrolysis

Historical Expenses for Self-Consumed Fuel

FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Projected (March)	FY26 Annual Budget
$(2,937,569.53)	$(4,009,829.17)	$(2,847,737.30)	$(2,212,518.64)	$(2,044,987.09)	$(4,038,056.00)

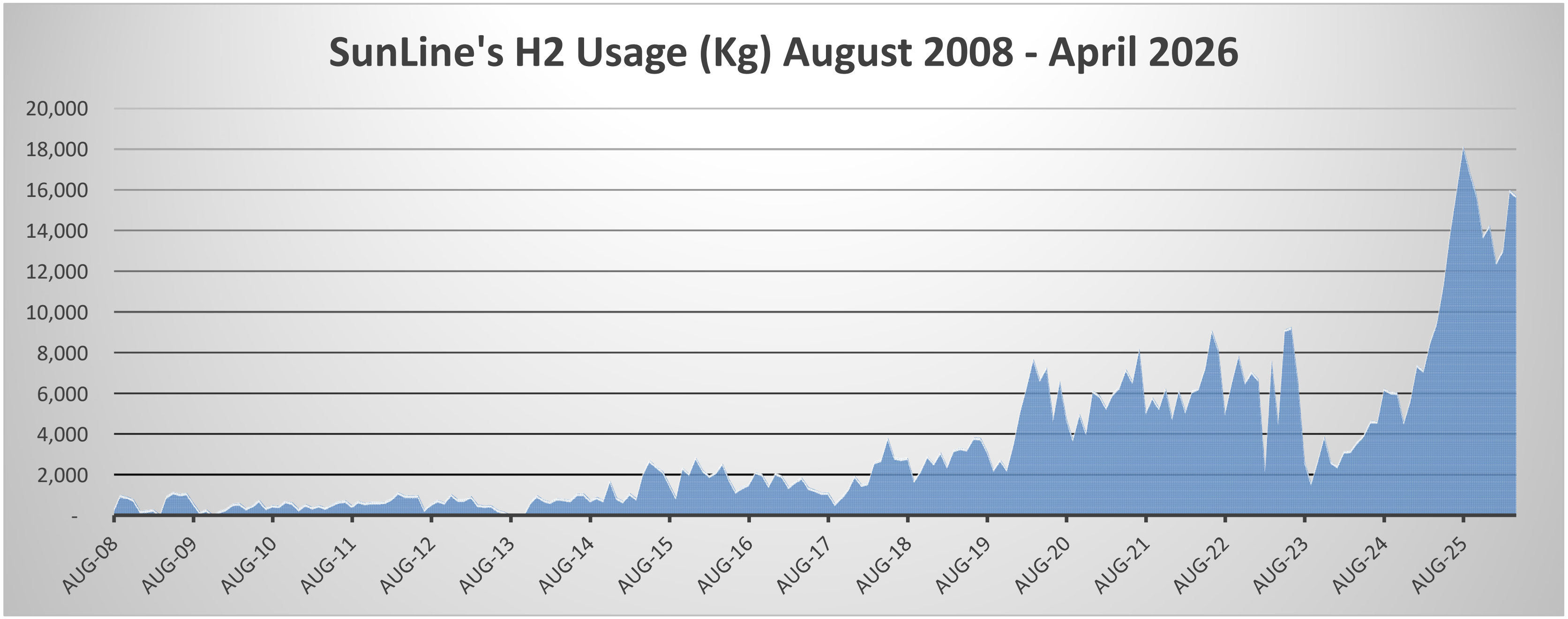
LH2 Station Timeline

- Construction began late 2023 (FY24)
- Began test fueling in July 2024 (FY25)
- Steady usage since September 2024 (FY25)

Fuel Cell Bus Fleet Availability

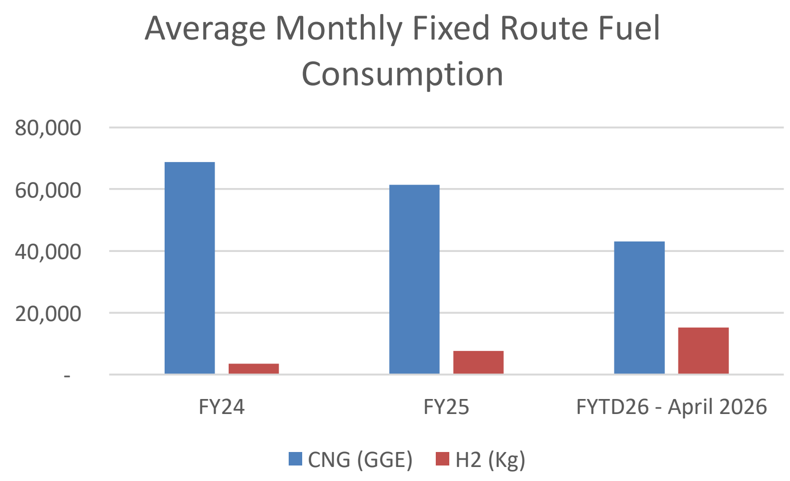
- Over the past three years fuel cell availability has gone from a daily average of:
  - 5 - 8 in 2024
  - 12 - 15 in 2025
  - 20 - 22 in 2026 with a high of 26
- Downtime for fuel cell buses improved over 73% in FY26

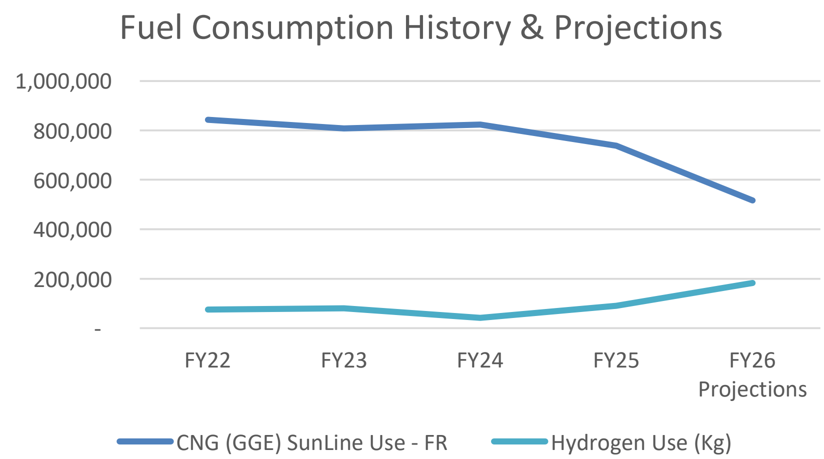
Historical Hydrogen Consumption



Steam Methane Reformer (SMR) ➔ Electrolyzer ➔ Liquid H2

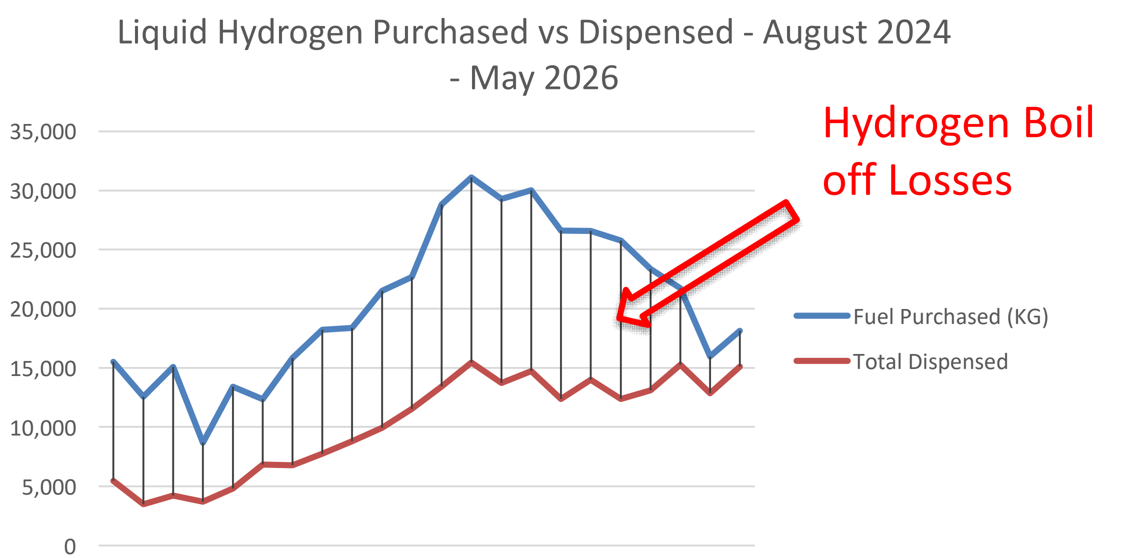
Recent Changes in Fixed Route Fuel Utilization – CNG vs. H2





Hydrogen Boil Off

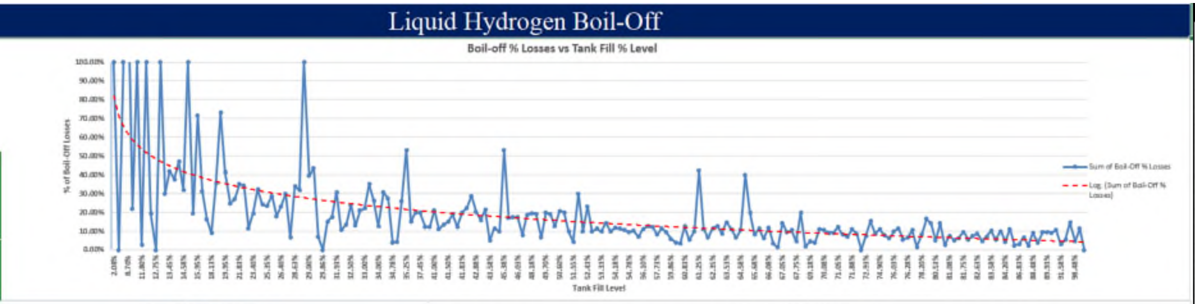
- Boil off inherent to the use of LH2
- Sparce information on total losses due to boil off
- Experience with LH2
- Adjusting operating procedures to increase efficiency
- Reviewing potential equipment that could further reduce boil off



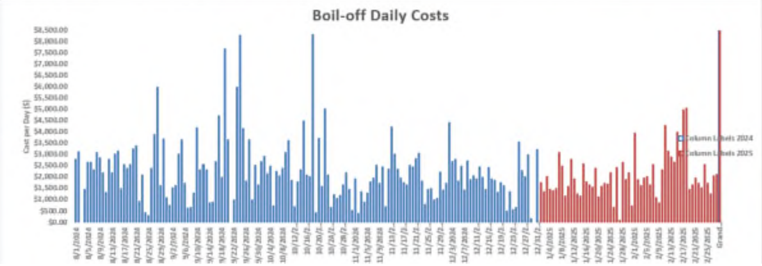
LH2 Data Collection

- Types of variables collected
  - Number of deliveries in a month
  - Delivery quantities
  - Fueling window (number of hours station in operation)
  - Number of times station initiated/stopped
  - Fueling efficiency (dispensed fuel versus what was burnt off)

- Established critical time-stamps throughout the day
  - Monthly Analysis
    - Results in establishing and identifying ‘normal’ parameters
    - Monitor anomalies in Well-to-Wheel stages
      - Normalizes what are “acceptable” losses throughout each stage



Fueling Window by Month							
1-Dec	8	1-Jan	10	1-Feb	0	1-Mar	1
2-Dec	13	2-Jan	9	2-Feb	14	2-Mar	14
3-Dec	15	3-Jan	9	3-Feb	11	3-Mar	14
4-Dec	14	4-Jan	7	4-Feb	12	4-Mar	15
5-Dec	14	5-Jan	13	5-Feb	10	5-Mar	14
6-Dec	11	6-Jan	9	6-Feb	10	6-Mar	15
7-Dec	3	7-Jan	10	7-Feb	7	7-Mar	8
8-Dec	11	8-Jan	10	8-Feb	8	8-Mar	10
9-Dec	14	9-Jan	13	9-Feb	9	9-Mar	10
10-Dec	15	10-Jan	6	10-Feb	13	10-Mar	16
11-Dec	13	11-Jan	6	11-Feb	10	11-Mar	14
12-Dec	14	12-Jan	14	12-Feb	12	12-Mar	13
13-Dec	10	13-Jan	8	13-Feb	12	13-Mar	11
14-Dec	11	14-Jan	12	14-Feb	8	14-Mar	12
15-Dec	1	15-Jan	13	15-Feb	7	15-Mar	8
16-Dec	12	16-Jan	11	16-Feb	0	16-Mar	10
17-Dec	11	17-Jan	1	17-Feb	12	17-Mar	0
18-Dec	12	18-Jan	9	18-Feb	14	18-Mar	13
19-Dec	12	19-Jan	15	19-Feb	13	19-Mar	10
20-Dec	11	20-Jan	14	20-Feb	14	20-Mar	13
21-Dec	10	21-Jan	14	21-Feb	6	21-Mar	13
22-Dec	13	22-Jan	12	22-Feb	10	22-Mar	7
23-Dec	12	23-Jan	15	23-Feb	13	23-Mar	15
24-Dec	10	24-Jan	9	24-Feb	14	24-Mar	10
25-Dec	0	25-Jan	9	25-Feb	13	25-Mar	10
26-Dec	9	26-Jan	11	26-Feb	14	26-Mar	9
27-Dec	9	27-Jan	11	27-Feb	15	27-Mar	14
28-Dec	9	28-Jan	12	28-Feb	9	28-Mar	11
29-Dec	9	29-Jan	14	TOTAL	290	29-Mar	9
30-Dec	11	30-Jan	15			30-Mar	11
31-Dec	10	31-Jan	11			31-Mar	1
TOTAL	327	TOTAL	332			TOTAL	331



1-Dec	2	1-Jan	5	1-Feb		1-Mar	
2-Dec	4	2-Jan	2	2-Feb	3	2-Mar	1
3-Dec	2	3-Jan	4	3-Feb	3	3-Mar	3
4-Dec	3	4-Jan	3	4-Feb	3	4-Mar	4
5-Dec	3	5-Jan	2	5-Feb	3	5-Mar	3
6-Dec	3	6-Jan	2	6-Feb	3	6-Mar	4
7-Dec	1	7-Jan	2	7-Feb	2	7-Mar	1
8-Dec	3	8-Jan	2	8-Feb	4	8-Mar	3
9-Dec	3	9-Jan	2	9-Feb	3	9-Mar	2
10-Dec	4	10-Jan	2	10-Feb	2	10-Mar	3
11-Dec	2	11-Jan	2	11-Feb	4	11-Mar	5
12-Dec	3	12-Jan	3	12-Feb	2	12-Mar	4
13-Dec	3	13-Jan	3	13-Feb	3	13-Mar	2
14-Dec	3	14-Jan	5	14-Feb	1	14-Mar	4
15-Dec		15-Jan	4	15-Feb	2	15-Mar	3
16-Dec	4	16-Jan	3	16-Feb	4	16-Mar	4
17-Dec	3	17-Jan		17-Feb	3	17-Mar	2
18-Dec	3	18-Jan	2	18-Feb	2	18-Mar	2
19-Dec	2	19-Jan	2	19-Feb	2	19-Mar	
20-Dec	3	20-Jan	2	20-Feb	1	20-Mar	2
21-Dec	2	21-Jan	2	21-Feb	2	21-Mar	1
22-Dec	4	22-Jan	2	22-Feb	3	22-Mar	1
23-Dec	3	23-Jan	4	23-Feb	3	23-Mar	3
24-Dec	3	24-Jan	2	24-Feb	2	24-Mar	3
25-Dec		25-Jan	2	25-Feb	2	25-Mar	2
26-Dec	2	26-Jan	2	26-Feb	3	26-Mar	4
27-Dec	3	27-Jan	4	27-Feb	2	27-Mar	2
28-Dec	2	28-Jan	3	28-Feb	2	28-Mar	1
29-Dec	2	29-Jan	2	1-Mar		29-Mar	2
30-Dec	4	30-Jan	3	2-Mar		30-Mar	2
31-Dec	3	31-Jan	4	3-Mar		31-Mar	

Well to Wheel — Delivery → Station → Operations → End Use (Before March 2026) Add in second row of where we are now

Delivery Truck: 10-12% (Transfill)

LH2 Station (idle): 5-8%

Operations: 30-35%

Bus: LH2-BOG=Fuel Consumption

Losses at Each Stage

Well to Wheel — Delivery → Station → Operations → End Use (Before March 2026)

Delivery Truck: 10-12% (Trans-fill)

LH2 Station (Idle): 5-8%

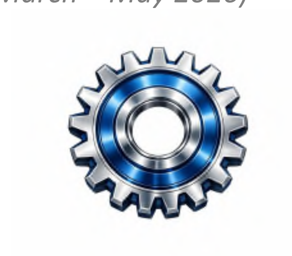
Operations: 30-35%

Bus: LH2-BOG=Fuel Consumption

Well to Wheel — Current (March – May 2026)

Delivery Truck: 3-5% (Trans-fill)

LH2 Station (Idle): 3-5%



Operations: 14-15%

Bus: LH2-BOG=Fuel Consumption

Operational Adjustments

- System Changes:
  - Modified Pre-cooling procedure
    - Prevent pump cavitation (less hot liquid backflow)
  - Continuous fueling
    - Energy efficiency (Low-and-High pressure pump speed variability)
    - Use of one cryogenic pump during fueling to reduce operating pressure
    - Staging of two buses maintains an even flow rate to reduce pressure
- Operational Changes
  - Scheduling of larger loads (the first delivery on the truck is the coldest)
  - Use of the electrolyzer station for midday fueling
  - Shortened fueling window (staging of buses back to back)
  - Optimized station usage
    - Less initiation of station pre-cooling (starting and stopping)
- Boil off mitigation equipment
  - Transfill Pump
    - Used to transfer LH2 from truck to storage tank, without introducing heat
  - Cryogenic Refrigerator
    - Active cooling of the LH2 to recondense the gas back into liquid
  - Recovery Compressor
    - Compresses gaseous hydrogen (boil-off) back into a low-pressure storage vessel

Available Funding Sources

- $3,852,467 of underutilized budgeted Local Transportation Funds available from RCTC
    - This funding was initially projected to be surplus and returned to RCTC for future operational needs. Instead, SunLine will claim $2 million of this amount to fully fund FY 2026 expenses.

New Reporting

- Quarterly reports to the Finance/Audit Committee on SunLine's fuel consumption and annual budget changes/progress
  - Hydrogen fuel will continue to be a driving budget factor

FY 2026 Budget Amendment Request

- Current Budget Authority: $50,500,000
- Requested Increase: $2,000,000
- Revised Budget Authority: $52,500,000

Questions?

ATTACHMENT 2

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 1

Operating

Project	Total Amount of Funds	5307 IC	5307 IC OB	5307 RS OB	5311	5311(f)	5339 COMP	5339 IC	5339 IC OB	5339 RS OB	CEC Funds	CMAQ	CRP	FARE	LCTOP PUC99313	LCTOP PUC99314
1. Operating Assistance -	$47,574,465	$5,161,120			$439,003									$1,791,893		
2. SunRide Ride Share Program -	$1,325,000													$25,000		
3. Commuter Link 10 -	$723,201					$300,000										
4. Haul Pass Program -	$433,334														$433,334	
5. Taxi Voucher Program -	$75,000															
6. Workforce Training -	$369,000										$369,000					
Sub-total Operating	$50,500,000	$5,161,120	$0	$0	$439,003	$300,000	$0	$0	$0	$0	$369,000	$0	$0	$1,816,893	$433,334	$0

Capital

Project	Total Amount of Funds	5307 IC	5307 IC OB	5307 RS OB	5311	5311(f)	5339 COMP	5339 IC	5339 IC OB	5339 RS OB	CEC Funds	CMAQ	CRP	FARE	LCTOP PUC99313	LCTOP PUC99314
Buildings and Facilities - Div 1 Backup Generator - SL-26-05	$1,700,000		$121,277													
Buildings and Facilities - Indio Liquid Hydrogen Station - SL-26-03	$6,000,000										$2,649,750		$2,680,200			
Buildings and Facilities - Maintenance Upgrade & Equipment - SL-26-07	$400,000															
Buildings and Facilities - Office Furniture & Equipment - SL-26-08	$82,000															
Buildings and Facilities - Replacement Bus Wash - SL-26-06	$1,200,000															
Buildings and Facilities - Solar Covered Parking - SL-26-02	$6,000,000											$5,100,000				
Buildings and Facilities - Solar Microgrid to Hydrogen - SL-26-01	$11,536,134														$1,795,720	$204,280
Buildings and Facilities - Workforce Training Center - SL-26-04	$3,716,667						$2,043,508									
Bus Charging Stations (3) - SL-24-04	$-1,679,854						$-1,343,883									
Bus Stop Improvements - SL-22-08	$-28,680		$-28,680													
Bus Stops and Amenities - SL-23-12 & SL24-14	$-560,000		$-560,000													
Communication and ITS - IT Projects - SL-26-09	$735,850		$588,680													
Expansion Fixed Route Bus 17-10 - SL-17-10	$-449,975		$-360,243													
Expansion Motor Coach Bus (1) - SL-22-01	$-45,857		$-36,685													
Expansion Paratransit Vans (up to 2) 17-02 - SL-1 7-02	$-5															
Facility Maintenance Upgrade & Equipment - SL-24-13	$-363,000															
Fixed Route Bus Hydrogen Electric Hybrid Fuel Cell Bus 17-09 - SL-17-09	$-382,147		$-300,000													
Hydrogen Electric Fuel Cell Bus (4) RIV220509 - SL -24-05	$-3,149,403								$-2,683,516							
Maintenance Equipment - Specialized Tools and Fueling Equipment - SL-26-10	$200,000															
Non-Revenue Vehicles - Replacement Support Vehicles - SL-26-11	$500,000	$400,000														
Operation Facility Replacement, Phase III 20-11 - SL -20-11	$-186,725															
Operator Training Ground - SL-24-07	$-998,107															
Project Management and Administration - SL-26-12	$200,000															
Purchase of Electric Bus (6) - SL-24-03	$-7,064,109						$-5,802,910									
Purchase of Hydrogen Electric Fuel Cell Buses (3) - SL-24-01	$-2,305,014						$-1,899,526									

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 1

Refurbished Hydrogen Fueling Station in Thousand Palms 16-03 - SL-16-03	$-152,161		$-121,277													
Replacement Bus - SL-21-02	$-449,250		$-359,400													
Replacement of Fixed Route Buses Six (6) 20-01 - SL-20-01	$-649,088		$-571,574													
Revenue Vehicles - Bus Rehabilitation - SL-26-15	$300,000															
Revenue Vehicles - Purchase of Hydrogen Fuel Cell Electric Buses - SL-26-13	$17,797,756		$1,627,902				$9,046,319		$2,683,516							
Revenue Vehicles - Purchase of Paratransit Vehicles - SL-26-14	$3,500,000	$1,305,644						$1,284,770		$209,586						
Safety and Security - Safety Enhancements - SL-26-16	$150,000															
Transit Shelters and Amenities - Bus Stop Improvement - SL-26-17	$200,000															
Vehicle Systems - Openloop Contactless Fare Payment System - SL-26-18	$642,768															
Vehicle Systems - Vehicle Equipment - SL-26-19	$50,000															
Sub-total Capital	$36,447,800	$1,705,644	$0	$0	$0	$0	$2,043,508	$1,284,770	$0	$209,586	$2,649,750	$5,100,000	$2,680,200	$0	$1,795,720	$204,280
Total Operating & Capital	$86,947,800	$6,866,764	$0	$0	$439,003	$300,000	$2,043,508	$1,284,770	$0	$209,586	$3,018,750	$5,100,000	$2,680,200	$1,816,893	$2,229,054	$204,280

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 1

Operating

Project	Total Amount of Funds	LTF	LTF-OB	MA SPT	OTHR FED [1]	OTHR LCL	SB 125 TIRCP GF	SB 125 TIRCP GGRF	SGR PUC99313	SGR PUC99314	SGR-OB PUC99313	STA - OB	STA PUC99313	STA PUC99314	TIRCP COMP	
1. Operating Assistance -	$47,574,465	$30,141,786		$7,000,000		$3,040,663										
2. SunRide Ride Share Program -	$1,325,000	$1,300,000														
3. Commuter Link 10 -	$723,201	$242,201				$181,000										
4. Haul Pass Program -	$433,334															
5. Taxi Voucher Program -	$75,000	$37,500				$37,500										
6. Workforce Training -	$369,000															
Sub-total Operating	$50,500,000	$31,721,487	$0	$7,000,000	$0	$3,259,163	$0	$0	$0	$0	$0	$0	$0	$0	$0	

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 1

Capital

Project	Total Amount of Funds	LTF	LTF-OB	MA SPT	OTHR FED [1]	OTHR LCL	SB 125 TIRCP GF	SB 125 TIRCP GGRF	SGR PUC99313	SGR PUC99314	SGR-OB PUC99313	STA - OB	STA PUC99313	STA PUC99314	TIRCP COMP	
Buildings and Facilities - Div 1 Backup Generator - SL-26-05	$1,700,000											$1,578,723				
Buildings and Facilities - Indio Liquid Hydrogen Station - SL-26-03	$6,000,000												$670,050			
Buildings and Facilities - Maintenance Upgrade & Equipment - SL-26-07	$400,000												$400,000			
Buildings and Facilities - Office Furniture & Equipment - SL-26-08	$82,000												$82,000			
Buildings and Facilities - Replacement Bus Wash - SL-26-06	$1,200,000								$1,062,223	$137,777						
Buildings and Facilities - Solar Covered Parking - SL-26-02	$6,000,000												$900,000			
Buildings and Facilities - Solar Microgrid to Hydrogen - SL-26-01	$11,536,134						$5,219,548	$4,316,586								
Buildings and Facilities - Workforce Training Center - SL-26-04	$3,716,667				$1,000,000								$673,159			
Bus Charging Stations (3) - SL-24-04	$-1,679,854											$-335,971				
Bus Stop Improvements - SL-22-08	$-28,680															
Bus Stops and Amenities - SL-23-12 & SL24-14	$-560,000															
Communication and ITS - IT Projects - SL-26-09	$735,850												$147,170			
Expansion Fixed Route Bus 17-10 - SL-17-10	$-449,975											$-89,732				
Expansion Motor Coach Bus (1) - SL-22-01	$-45,857											$-9,172				
Expansion Paratransit Vans (up to 2) 17-02 - SL-17-02	$-5											$-5				
Facility Maintenance Upgrade & Equipment - SL-24-13	$-363,000											$-363,000				
Fixed Route Bus Hydrogen Electric Hybrid Fuel Cell Bus 17-09 - SL-17-09	$-382,147											$-82,147				
Hydrogen Electric Fuel Cell Bus (4) RIV220509 - SL-24-05	$-3,149,403										$-465,887					
Maintenance Equipment - Specialized Tools and Fueling Equipment - SL-26-10	$200,000												$200,000			
Non-Revenue Vehicles - Replacement Support Vehicles - SL-26-11	$500,000												$100,000			
Operation Facility Replacement, Phase III 20-11 - SL-20-11	$-186,725											$-186,725				
Operator Training Ground - SL-24-07	$-998,107											$-998,107				
Project Management and Administration - SL-26-12	$200,000												$200,000			
Purchase of Electric Bus (6) - SL-24-03	$-7,064,109		$-1,261,199													
Purchase of Hydrogen Electric Fuel Cell Buses (3) - SL-24-01	$-2,305,014											$-405,488				
Refurbished Hydrogen Fueling Station in Thousand Palms 16-03 - SL-16-03	$-152,161											$-30,884				
Replacement Bus - SL-21-02	$-449,250											$-89,850				
Replacement of Fixed Route Buses Six (6) 20-01 - SL-20-01	$-649,088											$-77,514				
Revenue Vehicles - Bus Rehabilitation - SL-26-15	$300,000												$300,000			
Revenue Vehicles - Purchase of Hydrogen Fuel Cell Electric Buses - SL-26-13	$17,797,756		$1,261,199		$900,000						$465,887	$1,089,872	$622,283	$100,778		
Revenue Vehicles - Purchase of Paratransit Vehicles - SL-26-14	$3,500,000												$28,000	$672,000		
Safety and Security - Safety Enhancements - SL-26-16	$150,000												$150,000			

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 1

Transit Shelters and Amenities - Bus Stop Improvement - SL-26-17	$200,000												$200,000		
Vehicle Systems - Openloop Contactless Fare Payment System - SL-26-18	$642,768													$30,568	$612,200
Vehicle Systems - Vehicle Equipment - SL-26-19	$50,000												$50,000		
Sub-total Capital	$36,447,800	$0	$0	$0	$1,900,000	$0	$5,219,548	$4,316,586	$1,062,223	$137,777	$0	$0	$4,722,662	$803,346	$612,200
Total Operating & Capital	$86,947,800	$31,721,487	$0	$7,000,000	$1,900,000	$3,259,163	$5,219,548	$4,316,586	$1,062,223	$137,777	$0	$0	$4,722,662	$803,346	$612,200

FY 2025/26 Projected Funding Details

5307 IC	$5,161,120	
5307 IC OB	$0	
5307 RS OB	$0	
5311	$439,003	
5311(f)	$300,000	
CEC Funds	$369,000	
FARE	$1,816,893	
LCTOP PUC99313	$433,334	
LTF	$31,721,487	
MA SPT	$7,000,000	
OTHR LCL	$3,259,163	
Total Estimated Operating Funding Request	$50,500,000	
5307 IC	$1,705,644	
5307 IC OB	$0	
5339 COMP	$2,043,508	
5339 IC	$1,284,770	
5339 IC OB	$0	
5339 RS OB	$209,586	
CEC Funds	$2,649,750	
CMAQ	$5,100,000	
CRP	$2,680,200	
LCTOP PUC99313	$1,795,720	
LCTOP PUC99314	$204,280	
LTF-OB	$0	
OTHR FED	$1,900,000	[1] These funds are ARCHES funds
SB 125 TIRCP GF	$5,219,548	
SB 125 TIRCP GGRF	$4,316,586	
SGR PUC99313	$1,062,223	
SGR PUC99314	$137,777	
SGR-OB PUC99313	$0	
STA - OB	$0	
STA PUC99313	$4,722,662	
STA PUC99314	$803,346	
TIRCP COMP	$612,200	
Total Estimated Capital Funding Request	$36,447,800	
Total Funding Request	**$86,947,800**	

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 2

Operating

Project	Total Amount of Funds	5307 IC	5307 IC OB	5307 RS OB	5311	5311(f)	5339 COMP	5339 IC	5339 IC OB	5339 RS OB	CEC Funds	CMAQ	CRP	FARE	LCTOP PUC99313	LCTOP PUC99314
1. Operating Assistance -	$49,574,465	$5,161,120			$439,003									$1,791,893		
2. SunRide Ride Share Program -	$1,325,000													$25,000		
3. Commuter Link 10 -	$723,201					$300,000										
4. Haul Pass Program -	$433,334														$433,334	
5. Taxi Voucher Program -	$75,000															
6. Workforce Training -	$369,000										$369,000					
Sub-total Operating	$52,500,000	$5,161,120	$0	$0	$439,003	$300,000	$0	$0	$0	$0	$369,000	$0	$0	$1,816,893	$433,334	$0

Capital

Project	Total Amount of Funds	5307 IC	5307 IC OB	5307 RS OB	5311	5311(f)	5339 COMP	5339 IC	5339 IC OB	5339 RS OB	CEC Funds	CMAQ	CRP	FARE	LCTOP PUC99313	LCTOP PUC99314
Buildings and Facilities - Div 1 Backup Generator - SL-26-05	$1,700,000		$121,277													
Buildings and Facilities - Indio Liquid Hydrogen Station - SL-26-03	$6,000,000										$2,649,750		$2,680,200			
Buildings and Facilities - Maintenance Upgrade & Equipment - SL-26-07	$400,000															
Buildings and Facilities - Office Furniture & Equipment - SL-26-08	$82,000															
Buildings and Facilities - Replacement Bus Wash - SL-26-06	$1,200,000															
Buildings and Facilities - Solar Covered Parking - SL-26-02	$6,000,000											$5,100,000				
Buildings and Facilities - Solar Microgrid to Hydrogen - SL-26-01	$11,536,134														$1,795,720	$204,280
Buildings and Facilities - Workforce Training Center - SL-26-04	$3,716,667						$2,043,508									
Bus Charging Stations (3) - SL-24-04	$-1,679,854						$-1,343,883									
Bus Stop Improvements - SL-22-08	$-28,680		$-28,680													
Bus Stops and Amenities - SL-23-12 & SL24-14	$-560,000		$-560,000													
Communication and ITS - IT Projects - SL-26-09	$735,850		$588,680													
Expansion Fixed Route Bus 17-10 - SL-17-10	$-449,975		$-360,243													
Expansion Motor Coach Bus (1) - SL-22-01	$-45,857		$-36,685													
Expansion Paratransit Vans (up to 2) 17-02 - SL-17-02	$-5															
Facility Maintenance Upgrade & Equipment - SL-24-13	$-363,000															
Fixed Route Bus Hydrogen Electric Hybrid Fuel Cell Bus 17-09 - SL-17-09	$-382,147		$-300,000													
Hydrogen Electric Fuel Cell Bus (4) RIV220509 - SL-24-05	$-3,149,403								$-2,683,516							
Maintenance Equipment - Specialized Tools and Fueling Equipment - SL-26-10	$200,000															
Non-Revenue Vehicles - Replacement Support Vehicles - SL-26-11	$500,000	$400,000														
Operation Facility Replacement, Phase III 20-11 - SL-20-11	$-186,725															
Operator Training Ground - SL-24-07	$-998,107															
Project Management and Administration - SL-26-12	$200,000															
Purchase of Electric Bus (6) - SL-24-03	$-7,064,109						$-5,802,910									
Purchase of Hydrogen Electric Fuel Cell Buses (3) - SL-24-01	$-2,305,014						$-1,899,526									

Refurbished Hydrogen Fueling Station in Thousand Palms 16-03 - SL-16-03	$-152,161		$-121,277													
Replacement Bus - SL-21-02	$-449,250		$-359,400													
Replacement of Fixed Route Buses Six (6) 20-01 - SL-20-01	$-649,088		$-571,574													
Revenue Vehicles - Bus Rehabilitation - SL-26-15	$300,000															
Revenue Vehicles - Purchase of Hydrogen Fuel Cell Electric Buses - SL-26-13	$17,797,756		$1,627,902				$9,046,319		$2,683,516							
Revenue Vehicles - Purchase of Paratransit Vehicles - SL-26-14	$3,500,000	$1,305,644						$1,284,770		$209,586						
Safety and Security - Safety Enhancements - SL-26-16	$150,000															
Transit Shelters and Amenities - Bus Stop Improvement - SL-26-17	$200,000															
Vehicle Systems - Openloop Contactless Fare Payment System - SL-26-18	$642,768															
Vehicle Systems - Vehicle Equipment - SL-26-19	$50,000															
Sub-total Capital	$36,447,800	$1,705,644	$0	$0	$0	$0	$2,043,508	$1,284,770	$0	$209,586	$2,649,750	$5,100,000	$2,680,200	$0	$1,795,720	$204,280
Total Operating & Capital	$88,947,800	$6,866,764	$0	$0	$439,003	$300,000	$2,043,508	$1,284,770	$0	$209,586	$3,018,750	$5,100,000	$2,680,200	$1,816,893	$2,229,054	$204,280

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 2

Operating

Project	Total Amount of Funds	LTF	LTF-OB	MA SPT	OTHR FED [1]	OTHR LCL	SB 125 TIRCP GF	SB 125 TIRCP GGRF	SGR PUC99313	SGR PUC99314	SGR-OB PUC99313	STA - OB	STA PUC99313	STA PUC99314	TIRCP COMP	
1. Operating Assistance -	$49,574,465	$32,141,786		$7,000,000		$3,040,663										
2. SunRide Ride Share Program -	$1,325,000	$1,300,000														
3. Commuter Link 10 -	$723,201	$242,201				$181,000										
4. Haul Pass Program -	$433,334															
5. Taxi Voucher Program -	$75,000	$37,500				$37,500										
6. Workforce Training -	$369,000															
Sub-total Operating	$52,500,000	$33,721,487	$0	$7,000,000	$0	$3,259,163	$0	$0	$0	$0	$0	$0	$0	$0	$0	

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 2

Capital

Project	Total Amount of Funds	LTF	LTF-OB	MA SPT	OTHR FED [1]	OTHR LCL	SB 125 TIRCP GF	SB 125 TIRCP GGRF	SGR PUC99313	SGR PUC99314	SGR-OB PUC99313	STA - OB	STA PUC99313	STA PUC99314	TIRCP COMP	
Buildings and Facilities - Div 1 Backup Generator - SL-26-05	$1,700,000											$1,578,723				
Buildings and Facilities - Indio Liquid Hydrogen Station - SL-26-03	$6,000,000												$670,050			
Buildings and Facilities - Maintenance Upgrade & Equipment - SL-26-07	$400,000												$400,000			
Buildings and Facilities - Office Furniture & Equipment - SL-26-08	$82,000												$82,000			
Buildings and Facilities - Replacement Bus Wash - SL-26-06	$1,200,000								$1,062,223	$137,777						
Buildings and Facilities - Solar Covered Parking - SL-26-02	$6,000,000												$900,000			
Buildings and Facilities - Solar Microgrid to Hydrogen - SL-26-01	$11,536,134						$5,219,548	$4,316,586								
Buildings and Facilities - Workforce Training Center - SL-26-04	$3,716,667				$1,000,000								$673,159			
Bus Charging Stations (3) - SL-24-04	$-1,679,854											$-335,971				
Bus Stop Improvements - SL-22-08	$-28,680															
Bus Stops and Amenities - SL-23-12 & SL24-14	$-560,000															
Communication and ITS - IT Projects - SL-26-09	$735,850												$147,170			
Expansion Fixed Route Bus 17-10 - SL-17-10	$-449,975											$-89,732				
Expansion Motor Coach Bus (1) - SL-22-01	$-45,857											$-9,172				
Expansion Paratransit Vans (up to 2) 17-02 - SL-17-02	$-5											$-5				
Facility Maintenance Upgrade & Equipment - SL-24-13	$-363,000											$-363,000				
Fixed Route Bus Hydrogen Electric Hybrid Fuel Cell Bus 17-09 - SL-17-09	$-382,147											$-82,147				
Hydrogen Electric Fuel Cell Bus (4) RIV220509 - SL-24-05	$-3,149,403										$-465,887					
Maintenance Equipment - Specialized Tools and Fueling Equipment - SL-26-10	$200,000												$200,000			
Non-Revenue Vehicles - Replacement Support Vehicles - SL-26-11	$500,000												$100,000			
Operation Facility Replacement, Phase III 20-11 - SL-20-11	$-186,725											$-186,725				
Operator Training Ground - SL-24-07	$-998,107											$-998,107				
Project Management and Administration - SL-26-12	$200,000												$200,000			
Purchase of Electric Bus (6) - SL-24-03	$-7,064,109		$-1,261,199													
Purchase of Hydrogen Electric Fuel Cell Buses (3) - SL-24-01	$-2,305,014											$-405,488				
Refurbished Hydrogen Fueling Station in Thousand Palms 16-03 - SL-16-03	$-152,161											$-30,884				
Replacement Bus - SL-21-02	$-449,250											$-89,850				
Replacement of Fixed Route Buses Six (6) 20-01 - SL-20-01	$-649,088											$-77,514				
Revenue Vehicles - Bus Rehabilitation - SL-26-15	$300,000												$300,000			
Revenue Vehicles - Purchase of Hydrogen Fuel Cell Electric Buses - SL-26-13	$17,797,756		$1,261,199		$900,000						$465,887	$1,089,872	$622,283	$100,778		
Revenue Vehicles - Purchase of Paratransit Vehicles - SL-26-14	$3,500,000												$28,000	$672,000		
Safety and Security - Safety Enhancements - SL-26-16	$150,000												$150,000			

Table 4.0 - Summary of Funding Requests - FY 2025/26

SunLine Transit Agency

Amendment # 2

Transit Shelters and Amenities - Bus Stop Improvement - SL-26-17	$200,000												$200,000		
Vehicle Systems - Openloop Contactless Fare Payment System - SL-26-18	$642,768													$30,568	$612,200
Vehicle Systems - Vehicle Equipment - SL-26-19	$50,000												$50,000		
Sub-total Capital	$36,447,800	$0	$0	$0	$1,900,000	$0	$5,219,548	$4,316,586	$1,062,223	$137,777	$0	$0	$4,722,662	$803,346	$612,200
Total Operating & Capital	$88,947,800	$33,721,487	$0	$7,000,000	$1,900,000	$3,259,163	$5,219,548	$4,316,586	$1,062,223	$137,777	$0	$0	$4,722,662	$803,346	$612,200

FY 2025/26 Projected Funding Details

5307 IC	$5,161,120	
5307 IC OB	$0	
5307 RS OB	$0	
5311	$439,003	
5311(f)	$300,000	
CEC Funds	$369,000	
FARE	$1,816,893	
LCTOP PUC99313	$433,334	
LTF	$33,721,487	
MA SPT	$7,000,000	
OTHR LCL	$3,259,163	
Total Estimated Operating Funding Request	$52,500,000	
5307 IC	$1,705,644	
5307 IC OB	$0	
5339 COMP	$2,043,508	
5339 IC	$1,284,770	
5339 IC OB	$0	
5339 RS OB	$209,586	
CEC Funds	$2,649,750	
CMAQ	$5,100,000	
CRP	$2,680,200	
LCTOP PUC99313	$1,795,720	
LCTOP PUC99314	$204,280	
LTF-OB	$0	
OTHR FED	$1,900,000	[1] These funds are ARCHES funds
SB 125 TIRCP GF	$5,219,548	
SB 125 TIRCP GGRF	$4,316,586	
SGR PUC99313	$1,062,223	
SGR PUC99314	$137,777	
SGR-OB PUC99313	$0	
STA - OB	$0	
STA PUC99313	$4,722,662	
STA PUC99314	$803,346	
TIRCP COMP	$612,200	
Total Estimated Capital Funding Request	$36,447,800	
Total Funding Request	**$88,947,800**	

AGENDA ITEM 8

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	July 27, 2026
TO:	Budget and Implementation Committee
FROM:	Tyler Madary, Legislative Affairs Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	State and Federal Legislative Update

STAFF RECOMMENDATION:

This item is for the Committee to recommend the Commission ta the following action(s):

1) Receive and file a state and federal legislative update.

BACKGROUND INFORMATION:

State Update

Fiscal Year 2026-27 Budget

On June 15, the Legislature approved budget legislation, Assembly Bill (AB) 109, for Fiscal Year (FY) 2026-27, sending the bill to Governor Gavin Newsom. Over the following weeks, the Legislature considered and approved subsequent budget legislation on items not initially included in AB 109. These additional budget-related bills were signed into law by Governor Newsom on June 29.

Notably, these budget bills do not include funding or actions related to the Transit and Intercity Rail Capital Program (TIRCP) and Low Carbon Transit Operations Program (LCTOP), which were deferred to August when the Legislature reconvenes for broader Greenhouse Gas Reduction Fund negotiations. Additionally, the budget did not include an expenditure of remaining Senate Bill (SB) 125 (2023) funding for the Zero Emission Transit Capital Program (ZETCP), including the planned allocation of $230 million in FY 2026-27.

The budget package did include a one-year extension of statutory relief for transit agencies, including relief from farebox recovery requirements and relief from the requirement that agencies hold operating costs per vehicle year over year in order to apply State Transit Assistance funds fully towards operations.

Staff will continue to monitor and engage the Legislature to preserve funding for TIRCP, LCTOP, and ZETCP as negotiations unfold.

Senate Bill 1087 (Cabaldon) – Update

SB 1087 by Senator Christopher Cabaldon (Yolo) was amended on June 25 to address RCTC's concerns regarding unintended impacts to SB 1 gas tax programs and the Commission's competitiveness for these funding programs administered by the California Transportation Commission (CTC). As previously reported, RCTC submitted a Support if Amended letter on Senate Bill (SB) 1087 by Senator Chrisopher Cabaldon (Yolo) on April 15. This position was adopted based on the Commission-adopted State and Federal Legislative Platform. The bill modernizes the development and approval of Regional Transportation Plans (RTP)/Sustainable Communities Strategies (SCS) in a manner that makes the goals of SB 375 (Steinberg, 2008) achievable. Sponsored by the four largest metropolitan planning organizations in the state including the Southern California Association of Governments (SCAG), SB 1087 would lengthen the SCS cycle, establish necessary guardrails for the transparent and timely development and approval of the RTP/SCS, and reform the Alternative Planning Strategy process to set regions up for success.

RCTC will continue to monitor the bill for additional amendments and work with SCAG to ensure the bill accounts for regional needs and provides net benefits for Riverside County. SB 1087 will next be heard by the Assembly Appropriations Committee on a date yet to be determined.

Assembly Bill 1740 (Zbur) – Update

On June 24, RCTC submitted an Oppose Unless Amended letter on AB 1740 by Assemblymember Rick Chavez Zbur (Los Angeles). This position was adopted based on the Commission-adopted State and Federal Legislative Platform. The coastal permitting legislation, as amended on June 15, would have also granted priority to the City of Santa Monica's Active Transportation Program (ATP) applications above all others in the state, so long as the city met specified coastal permitting requirements by December 31, 2027. This language seemingly established a new precedent where other ATP applications, no matter how highly ranked in the ATP scoring process, could go unfunded. RCTC staff communicated concerns with the Senators Sabrina Cervantes (Riverside) and Kelly Seyarto (Murrieta), who serve on the Senate Local Government Committee, which considered the bill on July 1. As a result of RCTC's concerns and outreach, AB 1740 was amended on July 2 to remove language granting preference to the City of Santa Monica's ATP applications. RCTC staff have since removed the Commission's Oppose Unless Amended position on the bill and RCTC remains neutral.

Assembly Bill 2168 (Wicks) – Update

Following productive meetings with the author's office and sponsor, AB 2168 by Assemblymember Buffy Wicks (Oakland) was amended on June 22 to address RCTC's concerns. The amendments removed language requiring the CTC to develop ATP guidelines that maximize State Transportation Improvement Program funds for ATP projects and sufficiently balances the need to encourage the timely expenditure of ATP awards with providing the CTC discretion to waive penalties for previous delays outside the control of applicants. RCTC subsequently removed its Oppose Unless Amended position on the bill on June 23. RCTC originally submitted an Oppose Unless Amended letter in April based on the Commission-adopted State and Federal Legislative Platform.

Assembly Bill 2560 (Schultz) – Update

As previously reported, RCTC opposed AB 2560 by Assemblymember Nick Schultz (Burbank) on April 10, as the bill sought to codify the goals of the Climate Action Plan for Transportation Infrastructure (CAPTI) into state law, requiring their incorporation into state transportation funding program guidelines, including programs funded by SB 1 (Beall, 2017). AB 2560 was subsequently amended on April 15 to codify CAPTI goals into state law, while removing the requirement that these goals be incorporated into state transportation funding program guidelines. RCTC remains opposed to AB 2560 as codifying into law the goals of CAPTI – an administrative document – reduces the flexibility of future state administrations to implement transportation policies and funding decisions to effectively respond to the timely and diverse needs of regions across California. AB 2560 will next be heard by the Senate Appropriations Committee on August 3.

Federal Update

Surface Transportation Reauthorization – BUILD America 250 Act

As previously reported, the House Transportation and Infrastructure Committee (House T&I) introduced the Building Unrivaled Infrastructure and Long-term Development for America's 250th Act (BUILD America 250 Act), which would serve as the five-year surface transportation reauthorization to invest in the nation's roads, bridges, transit, rail, and highway programs. The base text of the BUILD America 250 Act did not include language submitted by RCTC and several other regional county transportation commissions to restore the distribution of Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) program funds to CTCs, which was done for decades until 2021.

RCTC, in collaboration with partnering county transportation commissions, engaged the Office of Representative Julie Brownley (Oxnard), who serves on House T&I, to introduce an amendment in committee with the requested STBG/CMAQ language. Representative Brownley filed the amendment during the committee markup hearing on May 21 and, at the request of RCTC and partners, subsequently withdrew the amendment to enable ongoing dialogue with the committee chair and members as the legislative process continues. RCTC and regional county transportation commissions across the region submitted a joint letter to House T&I leadership on July 10, urging their support for this proposed amendment as the BUILD America 250 Act is considered in the House Rules Committee and on the House Floor. RCTC will continue to engage partners, the Office of Representative Brownley, and members of Congress in support of this language and will keep the Commission apprised of updates as the process unfolds.

FISCAL IMPACT:

This is a policy and information item. There is no fiscal impact.

Attachments:
1) Legislative Matrix – August 2026
2) AB 1740 (Zbur) Oppose Unless Amended Letter
3) Regional CTC STBG/CMAQ Letter

RIVERSIDE COUNTY TRANSPORTATION COMMISSION - POSITIONS ON STATE AND FEDERAL LEGISLATION – AUGUST 2026

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
AB 334 (Petrie-Norris)	Current state law limits the sharing of toll customer data necessary for interoperability with other states, limiting toll operators' ability to collect toll revenue from out-of-state drivers in an efficient manner. The existing process is cumbersome, requires significant staff time, and may lead to penalties on customers that may otherwise be avoided. AB 334 enables toll operators in California, such as RCTC, to participate in a future national interoperability program, enhancing service to customers and streamlining the transaction process.	Ordered to Senate Inactive File on 9/13/2025. Two-year bill.	*Support*	4/9/2025
AB 1678 (Harabedian)	Reduces the San Bernardino County Transportation Authority's oversight and discretion on a project within its own jurisdiction, setting a concerning precedent for self-help counties such as Riverside County that have an obligation to deliver promised transportation improvements.	Failed deadline. 4/24/2026.	*Oppose Based on Platform*	4/10/2026
AB 1855 (Gonzalez)	Expands California Environmental Quality Act (CEQA) exemptions for certain passenger rail projects, including the Coachella Valley Rail Project.	Failed deadline. 4/24/2026.	*Sponsor*	3/11/2026
AB 2059 (Wilson)	Provides direct relief from vehicle miles traveled (VMT) mitigation requirements if at least 80 percent of a transportation project lies within one or more nonmetropolitan counties. Addition of one or more general lanes on the state highway system are excepted from this relief unless there is a demonstrated safety or evacuation need for the project.	Hearing in the Senate Appropriations Committee on 8/3/2026.	*Support if Amended Based on Platform*	4/14/2026
AB 2560 (Schultz)	Codifies the goals of the Climate Action Plan for Transportation Infrastructure into state law.	Hearing in the Senate Appropriations Committee on 8/3/2026.	*Oppose Based on Platform*	4/10/2026
SB 512 (Pérez)	SB 512 provides statutory clarity confirming that transportation agencies with existing sales tax authority may administer a voter-approved transactions and use tax as determined by a citizens' initiative.	Passed out of the Assembly on 9/4/2025. Assembly amendments concurred in on 9/11/2025. Vetoed by Governor on 10/13/2025.	*Support Based on Platform*	7/9/2025
SB 1087 (Cabaldon)	Modernizes the development and approval of Regional Transportation Plans (RTP)/Sustainable Communities Strategies (SCS) with intention to make the goals of SB 375 (Steinberg, 2008) achievable.	Referred to the Assembly Appropriations Committee. 6/30/2026.	*Support if Amended Based on Platform*	4/15/2026

ATTACHMENT 2

RIVERSIDE COUNTY TRANSPORTATION COMMISSION
4080 Lemon St. 3rd Fl. Riverside, CA 92501
Mailing Address: P.O. Box 12008 Riverside, CA 92502-2208
951.787.7141 • rctc.org

June 24, 2026

The Honorable Maria Elena Durazo
Chair, Senate Local Government Committee
State Capitol, Room 407
Sacramento, CA 95814

Subject: AB 1740 (Zbur)—Oppose Unless Amended

Dear Chair Durazo:

On behalf of the Riverside County Transportation Commission (RCTC), I write to share our Oppose Unless Amended position on Assembly Bill (AB) 1740 by Assemblymember Rick Chavez Zbur. As amended on June 15, 2026, the bill unfairly grants priority to the City of Santa Monica's future Active Transportation Program (ATP) applications above all others in the state.

While a vast majority of the provisions in AB 1740 are specific to the City of Santa Monica and coastal zones, and therefore outside of RCTC's jurisdiction, recent amendments have broad, statewide implications. Public Resources Code Section 30512.5(b) would provide priority to the City of Santa Monica's ATP applications above all others in the state, so long as certain conditions are met. As a result, AB 1740 seemingly establishes a new precedent where other applications, no matter how highly ranked in the ATP scoring process, could go unfunded. Administered by the California Transportation Commission, the ATP is highly competitive and severely oversubscribed. Understanding this scarcity of funding, project selection for ATP awards should be conducted in a fair and just manner.

Additionally, RCTC is concerned with the process in which these amendments were adopted. The Senate and Assembly Transportation Committees retain jurisdiction over policy matters impacting transportation programs, including the ATP. Neither committee has nor will be given the opportunity to consider the amendments impacting this program.

With these concerns in mind, RCTC must oppose AB 1740 if the following language is not removed:

> *"~~(b) If the city submits to the commission a complete, proposed local coastal program, as required by subdivision (a), on or before December 31, 2027, the city shall be prioritized for funding made available to local governments by the Active Transportation Program pursuant to Chapter 8 (commencing with Section 2380) of Division 3 of the Streets and Highways Code for projects consistent with the city's certified local coastal program to the extent not in conflict with federal law~~."*

Thank you for your consideration. Should you have questions regarding RCTC's Oppose Unless Amended position, please contact Legislative Affairs Manager Tyler Madary at tmadary@rctc.org or (951) 787-7141.

Sincerely,

Aaron Hake
Executive Director

CC: The Honorable Rick Chavez Zbur, Assembly District 51
Members, Senate Local Government Committee
Members, Riverside County Legislative Delegation

July 10, 2026

The Honorable Sam Graves
Chairman, House Transportation and Infrastructure Committee
United States House of Representatives
1135 Longworth House Office Building
Washington, D.C. 20515

The Honorable Rick Larsen
Ranking Member, House Transportation and Infrastructure Committee
United States House of Representatives
2163 Rayburn House Office Building
Washington, D.C. 20515

Subject: **Support for Amendment to Authorize Local Funding Distribution and Selection of Projects from the Surface Transportation Block Grant and Congestion Mitigation and Air Quality Improvement Programs**

Dear Chairman Graves and Ranking Member Larsen:

As the County Transportation Commission (CTC) for each one of the six counties in the largest metropolitan planning area in the nation, we write to express our strong support for a priority surface transportation reauthorization request, as submitted via amendment by Representative Julia Brownley (D-CA) during the House Transportation Infrastructure Committee markup of the BUILD America 250 Act, that would authorize CTCs created by state law to receive federal Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality Improvement (CMAQ) program funds and select projects for funding from these programs within their regions. Importantly, this request reflects a unified regional position among all six CTCs within the Southern California Association of Governments (SCAG) region and has garnered strong bi-partisan support by members of Congress throughout the region. We would encourage reconsideration of this language when the BUILD America 250 Act is taken up on the House Floor.

For three decades, the SCAG region successfully operated under a locally driven framework in which the State Department of Transportation suballocated STBG and CMAQ funds to CTCs following the federal apportionment formula for each program. This approach empowered these local agencies to plan and deliver transportation projects tailored to their communities, while ensuring accountability and timely use of federal funds.

In 2021, a federal corrective action prohibited the State DOT from suballocating STBG and CMAQ program funds and Metropolitan Planning Organizations (MPOs) from delegating project selection to CTCs and other units of local government, effectively centralizing control at the regional level. In the SCAG region, which is home to over 18.8 million people across six counties and nearly 200 cities, this shift has disrupted long-range planning, delayed project delivery, and diminished local responsiveness. The approval of the proposed amendment will yield substantial efficiency gains by reducing administrative layers and directing more funding to project delivery, in a manner that expedites and ensures the full obligation of the federal funds. It will also ensure accountability and responsiveness to local needs while preserving MPO oversight and approval of the transportation improvement program for the region.

The undersigned County Transportation Commissions of the SCAG region encourage your support for the proposed amendment when the BUILD America 250 Act is taken up by the House Rules Committee and when the bill is considered on the House Floor.

Sincerely,

Stephanie Wiggins
Chief Executive Officer
Los Angeles County Metropolitan Transportation Authority

Darrell E. Johnson
Chief Executive Officer
Orange County Transportation Authority

Martin Erickson
Executive Director
Ventura County Transportation Commission

Carrie Schindler
Executive Director
San Bernardino County Transportation Authority

Aaron Hake
Executive Director
Riverside County Transportation Commission

David Aguirre
Executive Director
Imperial County Transportation Commission

c: The Honorable David Rouzer (NC-7), Chairman, House Transportation and Infrastructure Subcommittee on Highways and Transit
The Honorable Eleanor Holmes Norton (DC), Ranking Member, House Transportation and Infrastructure Subcommittee on Highways and Transit
The Honorable Julia Brownley (CA-26), Member, House Transportation and Infrastructure Committee
The Honorable Salud Carbajal (CA-24), Member House Transportation and Infrastructure Committee
The Honorable Laura Friedman (CA-30), Member, House Transportation and Infrastructure Committee
The Honorable Robert Garcia (CA-42), Member, House Transportation and Infrastructure Committee