Cross Valley Corridor Funding Plan

Executive Summary

The Cross Valley Corridor funding plan requires both operating and capital funds to meet the program objectives of providing robust and competitive service that is phased-in over time, with infrastructure that is maintained in a state of good repair. Key to achieving these objectives are financial partnerships that embrace a variety of stable funding sources including state, federal and local funds, as well as committed collaborations with local agencies.

The corridor is currently served by three key intercommunity bus operators within two counties, includes a large federal military facility and will provide important feeder service to the future high-speed rail service, partnerships and collaboration are necessary to ensure success. The financial responsibilities a key part of these partnerships, and it is assumed that the operation and capital expenses related with the phased implementation will be shared by a number of stakeholders.

The partnership/collaboration approach helps strengthen the concept that the CVC bus service is a shared commitment to immediately meeting mobility goals and enhancing and advancing the broader vision for rail service in the future.

Annual operating costs for the phases are as follows:

- Phase 1A: $240,000 annually
- Phase 1B (2025) $1.64 M annually
- Phase 1C (2027): $6.5 M annually

Approximately 8% of the total identified funds that could be used for transit service provision is assumed to be allocated to the CVC bus operations over the 10-year horizon of the plan. However, additional or alternative funding could be realized through discretionary funds provided by partners that would likely come from their own operating budgets or specialized programs. In kind services from NAS Lemoore and revenue-sharing approaches from High Speed Rail (HSR) or the San Joaquin Joint Powers Authority (SJJPA) are examples of these opportunities.

Capital Costs

In order to cover the Capital Costs of assumed for the project, it will be necessary to tap into all identified federal, state and local fund sources. The total project cost is estimated at $61 million, which includes approximately $3.8 million in local funds needed to match the federal grant that is assumed for the purchase of Battery Electric Buses. State and local sources are assumed for the remaining funds, which include grant programs such as the California Transit and Intercity Rail Capital Program (TIRCP) that includes both discretionary grant programs as well as funds that are allocated by formula (SB125), and State Highway Operation and Protection Program (SHOPP) program used for signal work on state roadways.

Introduction

The Cross Valley Corridor funding plan requires both operating and capital funds to meet program objectives:

- Service operates with infrastructure and vehicles in a state of good repair;
- Service is incrementally deployed with multi-phased implementation
- Service design provides for a robust and competitive service.

Key to achieving these objectives are financial partnership that embrace a variety of stable funding sources that include state, federal and local funds, as well as innovative collaborations with local agencies.

Operating Assumptions:

The Cross Valley Corridor Plan, released in 2018, recommended a phased, incremental approach to ultimately deliver a Cross Valley Corridor rail service that links communities from Huron in Fresno County to Porterville in Tulare County. As a first step, the Plan recommended bus service to mimic the entire rail corridor. The Cross Valley Corridor Phase 1 Implementation Plan refines this previous recommendation and phases implementation of the Phase 1 bus service as follows:

- Phase 1A increases service on the existing KART Route 15 between Hanford and Visalia (Phase 1A)
- Phase IB further increases service on the route to every 30 minutes and rebrands the service to Cross Valley Express (CVX)
- Phase IC expands the CVX route to NAS Lemoore and Lindsay and enhances the span-of-service to about 16 hours daily.
- In Phase 2, with the start of high-speed rail service at the Kings-Tulare Station, the CVX route is altered to serve the HSR station while service to the planned abandoned Amtrak station is discontinued.

Further phases, not included in the funding plan, would extend service to Porterville (Phase 3) and increase service costs by about 20% from Phase 2 levels. Phase 4, which extends service to Huron, would require a further 25% increase in costs and also require significant coordination with NAS Lemoore due to potential security protocols with through-riding passengers.

Because the service is to be implemented in phases over time, the cost estimates assume a full year of operation. This may overstate the actual estimates for Phase 1C, as service is expected to begin operation in August 2027 to coincide with school year opening which is about one month into Fiscal Year 2027. However, costs associated with test runs and driver training is anticipated. As a result, costs may be someone overestimated in FY27.

The financial approach assumes that the service's partners and stakeholders share in the cost of operation and capital replacement. This includes funds already planned for capital and operating expenses obtained through a variety of grants such as TIRCP, as well as in-kind contributions that assist in the operation of the service.

Cost Assumptions

Operating Cost

Based on cost estimates, annual operating costs for the phases are as follows:

- Phase 1A: $240,000 annually
- Phase 1B (2025) $1.64 M annually
- Phase 1C (2027): $6.5 M annually

Capital Cost Assumptions

Capital Costs assume new battery electric vehicles and electric charging infrastructure, transit center/bus station improvements, passenger amenities (shelters/benches, Ticket Vending Machines, information), Transit Signal Priority (TSP) to help speed the buses through mixed-flow traffic signals, and bus access improvements and electrical infrastructure. This includes the following costs:

Bus Purchase:

A total of 12 battery-electric double deck buses are required for this operation – 10 will be in service daily, with provision for two spare vehicles. The total anticipated cost for each vehicle is $1.8 million or about $21 million for the fleet.

Passenger Amenities:

Passenger amenities include provision for significant shelter and passenger information, as well as sidewalk, curb and gutter improvements at seven locations. These stops and shelter improvements will total about $300,000 each, with a total of 15 required (one shelter serves both directions at one location), or about $4.5 million.

Improvements within NAS Lemoore include provision for sidewalks for stops in both directions, and shelters for the eastbound service, and will likely total about $1 million for seven locations. In addition, a peak-only stop at the NAS Lemoore Airfield gate will be required, along with a shelter.

At Lindsay and Hanford, new transfer centers are currently funded through state TIRCP funds. There is no or minimal cost assumed for CVX serving the Visalia and Hanford Transit Centers (and in the future the Kings-Tulare HSR Station), however some electrical equipment could be required at Visalia for Phase 1B.

TSP/Street Improvements:

Traffic signal improvements include Transit Signal Priority, pavement and striping that is assumed for 20 locations in Tulare County and up to 12 locations in Kings County. The total cost is approximately $16 million.

Electrical Infrastructure:

The provision for operating 10 EV Buses, along with two spares, requires charging facilities at the Visalia Transit and KART maintenance facilities, and at NAS Lemoore and the Lindsay Transit Center. In addition, in Phase 1B, charging is required at Visalia Transit Center, although this charging unit is already programmed by Visalia Transit.

At NAS Lemoore, electrical work includes three chargers, two reverse pantographs, as well as cabling to the NAS Lemoore electrical substation and the paving for three buses to dwell concurrently.

In Lindsay, two chargers and one reverse pantograph are required, as well as an interconnection to the SCE grid.

Total estimated cost for the electrical infrastructure is estimated at $8.9 million

Total Capital Cost

Vehicles	$21.6 million
Transit Facilities and Amenities	$8.6 million
TSP/Street Improvements	$16.3 million
Electrical Infrastructure	$8.9 million
Engineering/Design	$4.5 million
Demo/Pavement	$1.1
Total	$61 million

Financial Partnerships

Because the corridor is currently served by three key intercommunity bus operators (Visalia Transit, Kings Area Rural Transit and Tulare County Regional Transit Authority) and is within two Regional Transportation Planning Agencies and Metropolitan Planning Organizations (Kings County Association of Governments and Tulare County Association of Governments) and provides important feeder service to the future high-speed rail service, it is assumed that the operation and capital expenses related with the phased implementation will be shared by a number of stakeholders. This approach helps strengthen the concept that the CVC bus service is a partnership between the stakeholders. By committing resources to the corridor, this approach also recognizes that the CVC service is a shared commitment to the broader vision for rail service in the future.

The following partners are assumed to participate and commit resources or in-kind services to the CVC operation:

- Tulare County Association of Governments (TCAG)
- Kings County Association of Governments (KCAG)
- San Joaquin Air Pollution Control District (SJAPCD)
- Naval Air Station Lemoore
- San Joaquin Joint Powers Authority (SJJPA)
- California High Speed Rail Authority

Fund Sources

Some partners have a variety of fund sources under their purview that can be programmed toward the capital or operating needs of the project. These funds are categorized as federal, state or local/regional funds. Estimates for these fund sources, when available, were obtained through the Kings County 2022 Regional Transportation Plan[1] projections, and the Tulare County Association of Governments 2022 Regional Transportation Plan/Sustainable Communities Strategy [2]

Federal Funds:

The federal government collects fuel taxes on gasoline (18.4 cents per gallon) and diesel (24.4 cents per gallon). These revenues are deposited in the federal Highway Trust Fund, which are distributed to states

[1] Kings County Regional Transportation Plan, July 7, 2022, Chapter 11: Revenue Forecast
[2] Tulare County Association of Governments 2022 Regional Transportation Plan/Sustainable Communities Strategy, Chapter E: Financial Element.

and local governments as well as transit agencies through both formula allocations via the Federal Transit Administration (FTA) and through competitive grant programs. Federal programs include those funds that can be used for either capital or operating purposes depending on the operating circumstances (FTA 5307, FTA 5340 and FTA 5311) or for capital uses only (FTA 5337, 5339, 5339c, 5309 and 5310).

Federal funds are most often used to fund capital expenses due to restrictions on how the funds can be spent; however, they can be used for operating purposes based on the needs of the region in certain operating conditions.

Federal Funds are authorized and appropriated through congress. The last authorization, the Bipartisan Infrastructure Law (BIL) also known as the Infrastructure Investment and Jobs Act (IIJA), included surface transportation programs for FY 2022-2026 including transit. The BIL authorizes up to $108 billion nationally to support federal public transportation programs, including discretionary grant programs and $91 billion in guaranteed funding. Grants include the Congestion Management and Air Quality (CMAQ) program that can be used to fund service under certain circumstances and Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program, Low- and No-Emission and Bus and Bus Facilities program and Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program that are for eligible capital projects.

Additional capital funding may also be available through the Department of Energy for construction of infrastructure necessary to facilitate bus charging.

FTA 5307/FTA 5340 and 5311

Section 5307 funds are divided among regions within the state, and further divided by operators within regions on a formula basis. Section 5340 funding (Growing States and High-Density States Formula) is included within the 5307 distributions. There are three small Urbanized Areas (UZAs) for this purpose: 1) Visalia/Goshen/Farmersville; 2) Tulare; and 3) Porterville. These areas can use Section 5307 funds for capital and operations.

A portion of Section 5307 funds can be used to support annual operating budgets on a 50% federal and 50% local basis or a 75% federal and 25% local basis depending on the number of buses operating during peak service hours. Approximately $107 million of federal funds sources for the two counties (Tulare and Kings) is anticipated over the next 10 ten years of the CVC financial plan.

5311 funds provide capital and operating funds for non-urbanized areas with less than 50,000 in population. Unlike other federal funds, the California Division of Rail and Mass Transportation (DRMT) manages the 5311 programs. While approximately $10.1 million is available in Tulare county over the 10-year horizon of the funding plan, commuter bus funds are not eligible for these funds. Consequently, these funds could only be use in Phase 1 A and 1 B. 10-year Estimates for 5311 funds within Kings County were not readily available.

Congestion Mitigation Air Quality (CMAQ)

First authorized by the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and reauthorized under every successive transportation law, the Bipartisan Infrastructure Law (BIL) continues the CMAQ program. CMAQ provides a flexible funding source to state and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act.

CMAQ funds must be invested in nonattainment areas (or any area that does not meet the national primary or secondary ambient air quality standard for a NAAQS), or former nonattainment (also known as maintenance) areas in a state. Projects must come from a transportation plan and Transportation Improvement Program (TIP). The BIL also allows for CMAQ funds to be used for operating assistance in association with a transit system in certain areas.

If a state does not have nonattainment or maintenance areas, it may use its CMAQ funds for projects that are eligible under CMAQ or other elements of flexible federal aid highway spending. This is not a grant program per se, and instead provides reimbursements to state DOTs for project costs after receiving funding authorization for an eligible project. Approximately $90 million is anticipated in CMAQ funds within the 10-year horizon of the CVC financial plan within Kings and Tulare counties.

State Funds

State funds can include both competitive grants as well as those distributed to regions on a formula basis for specific transit-related purposes. For a variety of funding programs, programming and allocation of the funds and/or programs are subject to California Transportation Commission (CTC) approval.

State Transportation Improvement Program (STIP)

The State Transportation Improvement Program (STIP) is funded from federal and state sources and is eligible for use on highways and certain transit projects, such as construction of transit infrastructure and purchase of expansion buses. The STIP is a biennial document and covers a five-year period adding two new years of programming capacity with each new STIP. The STIP is made up of regional spending plans (Regional Transportation Improvement Program) that are developed by regional planning agencies such as TCAG and KCAG, and includes a recommended program of capital transportation improvements including new facilities, rehabilitation and operational improvements. The STIP also includes the Interregional Improvement Program that is developed by Caltrans that funds projects that connect metro areas or cross regional boundaries.

Both the TCAG and KCAG are the programming agency for STIP funds in the service area. Due the demand for these funds, and the limited growth in funding, funding availability for new projects is extremely competitive and is typically used for roadway construction. Kings County assumes no available STIP funds until 2026/27 due to previous STIP advances.

State Highway Operation and Protection Program (SHOPP)

The SHOPP is a four-year document of projects that is adopted by the California Transportation Commission. The program is funding through a mixture of both federal and state sources. Projects included in the program are limited to capital improvements relative to the maintenance, safety, operation, and rehabilitation of the state highway system that do not add new capacity to the system. This can include capital elements such as Transit Signal Priority (TSP) or bus-related improvements on the roadway based on the availability of funds.

Transportation Development Act (TDA)

California has three funds under by the Transportation Development Act. The original 1971 statute included Local Transportation Funds (LTF), derived from a ¼ cent of general retail sales tax, and the State Transit Assistance funds (STA) generated by sales tax on diesel fuel. These sources provide key funding

for many transit operations. STA funds are allocated to the regions based on both population and operator revenues and must be used for transit purposes only.

In 2017, under SB 1, the Legislature created a third category of STA funds--State of Good Repair (SGR) funds--that can only be used on transit capital and maintenance projects. Like STA funds, half of the funds are allocated according to population and half according to transit operator revenues. These funds, once they are allocated to the transit operators, are discretionary and can be used for either capital or operating purposes.

In smaller counties, such as Kings County and Tulare County, the LTF may be used for both transit and street and road purposes if all transit needs are addressed first. However, STA funds may only be used for transit purposes. Currently, the Cities of Visalia and Tulare expend all the LTF funds on transit. With the two counties combined, there is approximately $411 million of LTF funds over the 10-year horizon of the CVC financial plan.

San Joaquin Joint Powers Authority (SJJPA) Operating funds

Assembly Bill 1779 (AB 1779) enabled the formation of the San Joaquin Joint Powers Authority (SJJPA) and transferred the administration and management of the existing San Joaquin Rail Service from the state to SJJPA.

Ten Member Agencies compose the SJJPA including: Alameda County, Contra Costa Transportation Authority, Fresno Council of Governments, Kings County Association of Governments, Madera County Transportation Commission, Merced County Association of Governments, Sacramento Regional Transit, San Joaquin Regional Rail Commission, Stanislaus Council of Governments, and Tulare County Association of Governments. The San Joaquin Regional Rail Commission was selected by the SJJPA Board to be the Managing Agency in 2013 and they provide all necessary administrative support for the SJJPA.

Under AB 1779, the state provides the funding necessary for service operations, administration and marketing. This includes a variety of state and federal fund sources, as well as member agency contributions that are used for rail and associated bus service operation, maintenance and expansion, including the Thruway Bus Route 18 that links Hanford to Visalia (on the east) to the Central Coast (on the west).

SJJPA entered into an MOU with Kings CAG, Kings County Area Public Transit Agency (KCAPTA), Tulare CAG, Tulare County Region Transit Agency, and Visalia Transit to partner in the development of the Cross-Valley Corridor Phase 1 Bus Service and the planning and implementation of the Cross-Valley Rail Project.

High Speed Rail Authority Funds

It is anticipated that once HSR is operational, the CVX service will provide significant feeder service to the HSR Kings-Tulare Station, allowing for a discussion of revenue-sharing. Every passenger CVX delivers to HSR will result in an average fare of about $60 and sharing a small amount of the HSR fare to increase overall passenger revenue could provide a significant source of “base” operating revenue to CVX. HSR construction is being funded from a state appropriation of special funds and through competitive federal grants. In 2008, Proposition 1A was passed that provided $9 billion that is earmarked for HSR. In 2014, HSR also received a one-time appropriation of $650 million from California’s Cap-and-Trade program and also received a 25% continuous funding appropriation from proceeds of the quarterly Cap and Trade auction, providing an ongoing revenue stream during the duration of the Cap-and-Trade program.

Transit and Intercity Rail Capital Program (TIRCP)

Supported by Cap and Trade funds collected by the state, the Transit and Intercity Rail Capital Program (TIRCP) was created to provide grants from the Greenhouse Gas Reduction Fund (GGRF) to fund "transformative capital improvements" that will modernize California's rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. In 2022, Tulare County Regional Transit Agency (TCRTA) Kings Area Rural Transit (KART), Visalia Transit and San Joaquin JPA was awarded $33.8 million for the phased development of an east-west Cross Valley Corridor through the purchase of 14 zero-emission feeder buses and 16 micro-transit vehicles along the corridor that will provide access to the future rail system and connecting to the California High Speed Rail system. These funds are defined for an initial phase of the CVC implementation, including transit centers in Visalia and Lindsay. The service enhancements include doubling the three daily roundtrips currently operated by KART (weekdays only). This funding is the catalyst for implementing Phases 1A and 1B services. TIRCP funds may also be sought for Phase 1C.

SB 125

SB 125 guides the distribution of $4 billion in General Fund through the Transit and Intercity Rail Program (TIRCP) on a population-based formula to regional transportation planning agencies to use the money for either transit operations or capital improvements. In 2023, the budget trailer bill also established a $1.1 billion Zero-Emission Transit Capital Program to be allocated to regional transportation planning agencies on the TDA formula (population and revenue) for zero-emission transit equipment and Transit operations. Approximately $74 million is available (including Tulare and Kings Counties) for capital and operating assistance for eligible projects.

Low Carbon Transit Operations Program (LCTOP)

LCTOP is part of California's comprehensive Transit, Affordable Housing, and Sustainable Communities Program established in 2014 by Senate Bill 862. This funding source was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving Disadvantaged Communities. In 2023/24 cycle, approximately $400,000 was available in Kings County and approximately $1.3 million was available in Tulare County.

Local and Regional Funds

Measure R:

On November 6, 2006, Measure R was approved that allowed the Tulare County Association of Governments (TCAG) to impose a ½ cent retail transaction and use tax for 30 years (between April 1, 2007, and March 31, 2037). Funding is distributed towards regional projects (50%), city/county improvements (35%), transit, bicycle, rail, and environmental projects (14%) and administration and planning (1%). Actual Measure R receipts were $41.584 million in FY 2020/21. [3]

While some specific projects are outlined in the Expenditure Plan, use of transit funds generally include: new routes to enhance existing transit service, low emission buses, night and weekend service and bus shelters and other capital equipment.

[3] FINAL 2006 ½ Cent Transportation Sales Tax Measure EXPENDITURE Plan (Amendment No. 5), Tulare County Association of Governments

The TCAG Board may annually review and propose amendments to the Expenditure Plan to provide for the use of additional Federal, State and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances.

Measure R regional sales tax expires after FY 2036/37. However, an extension of the regional sales tax is assumed beyond FY 2036/37 with an estimated 50% to city/county improvements (typically road rehabilitation), 29% regional, 20% transit, bicycle, rail and environmental and 1% administration and planning. There is approximately $73 million anticipated over the 10-year horizon of the CVC corridor plan for non-road uses, including transit projects.

Fares

Passenger fares remain one of the most stable sources of funding once ridership has been established. In addition to passenger fares that are paid by riders, fares can also include revenue provided by outside agencies or companies to incentivize ridership to meet vehicle reduction goals or to manage travel demand. Such programs exist at the Naval Air Station Lemoore that are provided by the Department of Defense that reimburse vanpool and transit fares of their enlisted personnel and federal employees working at the facility.

We have assumed that the fares will be consistent with other transit operators in the area for Phase 1, with increases for inflation throughout the horizon of the plan. This is to ensure that the fares result in a farebox recovery of 10% which is consistent with the other transit operators in the area.

San Joaquin Pollution Control District Public Transportation Subsidy and Park and Ride Lot Component

San Joaquin Pollution Control District provides subsidies to municipalities, government agencies, private companies and public education institutions by funding a portion of the monthly passenger fares, fees, tickets, passes or coupons to new participants of the system. The goal is to replace Single Occupant Vehicle (SOV) commutes among frequent long-distance commuters (greater than 30 miles) in the San Joaquin Valley by increasing passenger ridership. Funding for this program is available on a first-come, first-served basis until the funds are exhausted.

Other Funds

State Route 99 Mitigation

SB 743 (Steinberg, 2013) updates the way transportation impacts are measured in California for new development projects, making sure they are built in a way that allows Californians more options to drive less.

TCAG (with Caltrans) has sponsored three major SR 99 widening projects over the next decade for which SB 743 VMT mitigations are required. The current TCAG/Caltrans mitigation program for these widening projects consists of investments in vanpool programs and the Cross Valley Corridor Express Bus Service. This includes $2 million of funding over the next 20 years for additional KART service. Approximately $5 million is anticipated over the next 10 years associated with SR 99 mitigations.

Navy-Naval Air Station Lemoore (NAS)

The Navy has indicated a willingness to support the CVC service once it operates to the NAS through in-kind contribution associated with vehicle charging. This revenue estimate association with the Navy is

based on best estimates for vehicle charging costs using statewide average kWh rates and the charging needs of electric buses that are envisioned for the CVC service.

Operating Funding Plan

The funding plan for the operation of CVC service includes the understanding that agencies have some flexibility as to how they allocate funds toward the CVC service operation and the funds needed to match federal grants for the capital requirements. This is demonstrated by the grouping of fund sources by agency, rather than indicating how each fund source would be applied and in what amount.

Operating Funding Plan Assumptions

The funding plan assumes that agencies have latitude in determining how their contribution will be funded. For example, once the new CVC service is established, there may be changes to underlying service that would result in savings that can be applied to the CVC allocation. Additionally, some agencies, such as the Navy, are assumed to provide in-kind services associated with allowing the proposed electric vehicles to access electrical charging when service is extended to the Naval Air Station. Approximate percentages of the partners' participation vary by phase of operation.

The plan also assumes a standard 3% growth factor for revenues and cost to address mid-range inflation.

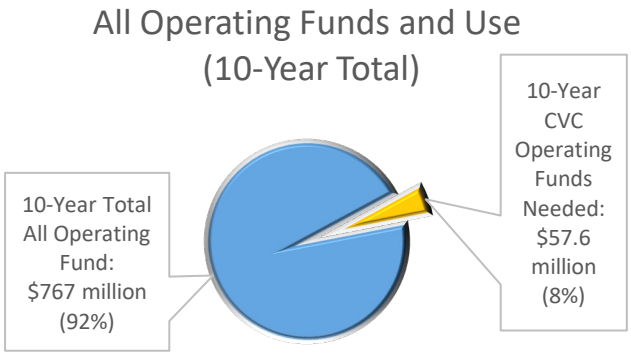
Fares are estimated to provide an average of 10% of the overall annual operating costs. This is consistent with the pre-COVID averages for the local transit operators, who saw between 10% to 13% Farebox Recovery Ratio. Currently, the average fixed route fare of the local operators is approximately $1.20, which includes both full fare and reduced fare (senior/disabled) riders. This average also includes discounts provided by some operators that offer passes and other ticket options. Using a local average fare adjusted for inflation, this equates to approximately 80 passengers per day in Phase 1A up to almost 500 passengers per day in Phase 1B. The plan also assumes that as the service transitions to a fully commuter bus service in Phase 2, the average fare will be approximately 25% higher to account for the quality of service.

Capital Funding Assumptions

A number of potential funding sources have been identified for the capital costs associated with the CVC service, including both federal and state. While the state sources do not necessarily require matching local funds, the federal funds that are anticipated for the purchase of the Battery Electric Buses would require a local match, which can be any combination of state, regional or local funds. These matching funds have been included in the operating budget to ensure they are available prior to awarding purchase contracts for the buses.

Funding Plan Summary

Approximately 8% of the total identified funds that could be used for service provision is assumed to be allocated to the CVC bus operations over the 10-year horizon of the plan. This does not include those discretionary funds that would be provided by partners that would likely come from their own operating budgets or specialized programs, such as contributions from HSR or the SJJPA. Total 10-year operating costs are approximately $57.6 million compared to approximately $767 million in known revenues that could be allocated to this project. The cost estimates include the modest enhancements in Phase 1, through to the full implementation of the CVC Express service. Even when disaggregating all of the fund sources, only approximately 4% of identified funding groups are assumed to be allocated to the CVC bus operations. TIRCP SB125 revenue is the only source that is higher than 5%, which is planned to be allocated by TCAG at approximately 12% of the 4-year total.



Attachment 1 contains the total funds by fund source and year that are available for all transportation uses for those funding sources for which estimates exist. As previously noted, these estimates were developed through the Regional Transportation Plan planning process by Kings and Tulare Counties. Some funds, such as those associated with partner agencies have been estimated based on a general percentage share of the total costs.

Funding Plan Phased Approach

Based on the increase in service and associated revenues, a greater number of fund sources are required to support the operations and the local match for capital improvements. Additionally, as service is extended to the NAS and the HSR station, additional partners' participation helps to reduce the reliance on some agency-directed fund sources.

Tables 1 and 2 provide an overview of the revenue sources and yearly estimates for each phase of the operation. This includes the estimated operating costs and approximate percentage of each partners' funding participation. Table 3 presents all phases of the operation with a 10-year total for each phase.

Table 1: Phase 1A and Phase 1B Operating Funding Plan

Cross Valley Corridor Operations Funding Plan	FY 2024	FY 2025	FY 2026
	Phase 1A	Phase 1B	
Estimated Annual Operating Costs	$ 238,700	$1,639,825	$1,689,020
Estimated Local Match to Capital		$3,820,000	
Subtotal All Costs	$ 238,700	$5,459,825	$1,689,020

Phase 1A			FY 2024
Partner	Source	Percent	Annually
Fares	Fares	10%	$ 23,870
KGAG	FTA/LTF	45%	$ 107,415
San Joaquin JPA-SJJPA	FTA/LTF/SB 743	45%	$ 107,415
Subtotal Phase 1A Revenues		100%	$ 238,700

Phase 1B			FY 2025	FY 2026
Partner	Source	Percent	Annually	Annually
Fares	Fares	10%	$ 163,983	$ 168,902
San Joaquin JPA-SJJPA	Operating	9%	$ 150,000	$ 154,500
KCAG	FTA/LTF	18%	$ 297,965	$ 306,904
TCAG	SB 743/FTA/LTF	73%	$ 1,191,860	$ 1,227,616
Subtotal Phase 1B Revenues		100%	$ 1,639,825	$ 1,689,020

Local Match For Capital Element	Percent	FY 2024	FY 2025	FY 2026
		Annually	Annually	Annually
San Joaquin JPA-SJJPA	10%	$ -	$ 382,000	
KCAG	45%	$ -	$ 1,719,000	$ -
TCAG	45%	$ -	$ 1,719,000	$ -
Subtotal All Phases Capital Match		$ -	$ 3,820,000	$ -

Table 2: Phase 1C/2 Operating Funding Plan

Cross Valley Corridor Operations Funding Plan			FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
			Phase 1C			Phase 2			
Estimated Annual Operating Costs			$6,556,362	$6,753,053	$6,955,644	$ 7,164,314	$ 7,379,243	$ 7,600,620	$ 7,828,639
Estimated Local Match to Capital									
Subtotal All Costs			$6,556,362	$6,753,053	$6,955,644	$ 7,164,314	$ 7,379,243	$ 7,600,620	$ 7,828,639
Phase 1C/2			FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
			CVX Pilot			High Speed Rail in Operation			
Partner	**Source**	**Percent**	**Annually**	**Annually**	**Annually**	**Annually**	**Annually**	**Annually**	**Annually**
Fares	Fare Program	10%	$ 655,636	$ 675,305	$ 695,564	$ 716,431	$ 737,924	$ 760,062	$ 782,864
SJJPA/HSR	Fare Program	11%	$ 718,155	$ 739,700	$ 761,891	$ 784,748	$ 808,290	$ 832,539	$ 857,515
SJAPCD	Fare Program	5%	$ 359,078	$ 369,850	$ 380,945	$ 392,374	$ 404,145	$ 416,269	$ 428,757
NAS Lemoore	In kind	4%	$ 287,262	$ 295,880	$ 304,756	$ 313,899	$ 323,316	$ 333,015	$ 343,006
Tulare County Measure R	Transit	7%	$ 430,893	$ 443,820	$ 457,135	$ 470,849	$ 484,974	$ 499,523	$ 514,509
KCAG	FTA/LTF	13%	$ 821,068	$ 845,700	$ 871,071	$ 897,203	$ 924,119	$ 951,842	$ 980,398
TCAG	SB 125	50%	$ 2,286,602	$ 2,355,200	$ 2,358,198				
TCAG	SB743/CMAQ/FTA/LTF		$ 997,668	$ 1,027,598	$ 1,126,084	$ 3,588,811	$ 3,696,475	$ 3,807,369	$ 3,921,590
Subtotal Phase 1C/2 Revenues			$ 6,556,362	$ 6,753,053	$ 6,955,644	$ 7,164,314	$ 7,379,243	$ 7,600,620	$ 7,828,639

Table 3: All Phases of Operation Funding Plan

Cross Valley Corridor Operations Funding Plan			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10 Year Total
			Phase 1A	Phase 1B		Phase 1C			Phase 2				
Estimated Annual Operating Costs			$ 238,700	$1,639,825	$1,689,020	$5,251,477	$5,409,021	$5,571,292	$ 5,921,897	$ 6,099,554	$ 6,282,541	$ 6,471,017	$ 44,574,344
Estimated Local Match to Capital				$3,820,000									
Subtotal All Costs			$ 238,700	$5,459,825	$1,689,020	$5,251,477	$5,409,021	$5,571,292	$ 5,921,897	$ 6,099,554	$ 6,282,541	$ 6,471,017	$ 48,394,344
Phase 1A			FY 2024										Phase 1A 10-Year Total
Partner	Source	Percent	Annually										
Fares	Fares	10%	$ 23,870										$ 23,870
San Joaquin JPA-SJJPA	FTA/LTF	90%	$ 214,830										$ 214,830
Subtotal Phase 1A Revenues		100%	$ 238,700										$ 238,700
Phase 1B				FY 2025	FY 2026								Phase 1B 10-Year Total
Partner	Source	Percent		Annually	Annually								
Fares	Fares	10%		$ 163,983	$ 168,902								$ 332,885
San Joaquin JPA-SJJPA	Operating	9%		$ 150,000	$ 154,500								$ 304,500
KCAG	FTA/LTF	18%		$ 297,965	$ 306,904								$ 604,869
TCAG	SB 743/FTA/LTF	73%		$ 1,191,860	$ 1,227,616								$ 2,419,476
Subtotal Phase 1B Revenues		100%		$ 1,639,825	$ 1,689,020								$ 3,328,845
Phase 1C/2						FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Phase 1C/2 10-Year Total
						CVX Pilot			High Speed Rail in Operation				
Partner	Source	Percent				Annually	Annually	Annually	Annually	Annually	Annually	Annually	
Fares	Fare Program	10%				$ 525,148	$ 540,902	$ 557,129	$ 573,843	$ 591,058	$ 608,790	$ 627,054	$ 4,023,924
SJJPA/HSR	Fare Program	11%				$ 577,662	$ 594,992	$ 612,842	$ 631,227	$ 650,164	$ 669,669	$ 689,759	$ 4,426,313
SJAPCD	Fare Program	5%				$ 210,059	$ 216,361	$ 222,852	$ 229,537	$ 236,423	$ 243,516	$ 250,821	$ 1,609,569
NAS Lemoore	In kind	4%				$ 262,574	$ 270,451	$ 278,565	$ 286,922	$ 295,529	$ 304,395	$ 313,527	$ 2,011,963
Tulare County Measure R	Transit	7%				$ 367,603	$ 378,631	$ 389,990	$ 401,690	$ 413,740	$ 426,153	$ 438,937	$ 2,816,744
KCAG	FTA/LTF	13%				$ 682,692	$ 716,124	$ 737,608	$ 759,736	$ 782,528	$ 806,004	$ 830,184	$ 5,314,874
TCAG	SB 125	50%				$ 2,286,602	$ 2,355,200	$ 2,358,198					$ 7,000,000
TCAG	SB743/CMAQ/FTA/LTF					$ 339,137	$ 336,360	$ 414,109	$ 3,038,943	$ 3,130,111	$ 3,224,015	$ 3,320,735	$ 13,803,411
Subtotal Phase 1C/2 Revenues						$ 5,251,477	$ 5,409,021	$ 5,571,292	$ 5,921,897	$ 6,099,554	$ 6,282,541	$ 6,471,017	$ 41,006,799
Local Match For Capital Element		**Percent**	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**	**FY 2032**	**FY 2033**	**Capital 10-Year Total**
			Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	
San Joaquin JPA-SJJPA		10%	$ -	$ 382,000		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 382,000
KCAG		45%	$ -	$ 1,719,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,719,000
TCAG		45%	$ -	$ 1,719,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,719,000
Subtotal All Phases Capital Match			$ -	$ 3,820,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-Year Total
Total All Revenues			$ 238,700	$ 5,459,825	$ 1,689,020	$ 5,251,477	$ 5,409,021	$ 5,571,292	$ 5,921,897	$ 6,099,554	$ 6,282,541	$ 6,471,017	$ 48,394,344
Estimated Total Operating Costs			$ 238,700	$ 5,459,825	$ 1,689,020	$ 5,251,477	$ 5,409,021	$ 5,571,292	$ 5,921,897	$ 6,099,554	$ 6,282,541	$ 6,471,017	$ 48,394,344
Surplus/Deficit			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Attachment 1: Fund Sources by Year Available for all Transportation Uses

CMAQ	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
Tulare	$ 6,319,000	$ 6,445,000	$ 6,574,000	$ 6,706,000	$ 6,840,000	$ 6,977,000	$ 7,116,000	$ 7,258,000	$ 7,404,000	$ 7,552,000	$ 69,191,000
KCAG	$ 1,989,563	$ 1,988,944	$ 1,988,311	$ 2,047,960	$ 2,109,399	$ 2,172,681	$ 2,237,862	$ 2,304,997	$ 2,374,147	$ 2,445,372	$ 21,659,236
	$ 8,308,563	**$ 8,433,944**	**$ 8,562,311**	**$ 8,753,960**	**$ 8,949,399**	**$ 9,149,681**	**$ 9,353,862**	**$ 9,562,997**	**$ 9,778,147**	**$ 9,997,372**	**$ 90,850,236**

FTA 5307	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
Visalia*	$ 6,002,000	$ 6,134,000	$ 6,269,000	$ 6,407,000	$ 6,548,000	$ 6,692,000	$ 6,839,000	$ 6,989,000	$ 7,143,000	$ 7,300,000	$ 66,323,000
KCAG**	$ 3,760,231	$ 3,316,838	$ 3,989,229	$ 3,518,834	$ 4,232,173	$ 3,733,130	$ 4,489,913	$ 4,763,348	$ 4,201,671	$ 5,053,436	$ 41,058,803
	$ 9,762,231	**$ 9,450,838**	**$10,258,229**	**$ 9,925,834**	**$10,780,173**	**$10,425,130**	**$11,328,913**	**$11,752,348**	**$11,344,671**	**$ 12,353,436**	**$107,381,803**

All Federal	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
	$18,070,794	$17,884,782	$18,820,540	$18,679,794	$19,729,572	$19,574,811	$20,682,775	$21,315,345	$21,122,818	$ 22,350,808	$198,232,039

**funding is split between Visalia and Tulare*

***includes all federal 5307,5339, 5310, 5311, and 5340*

FTA 5311	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
Tulare Only	$ 1,001,000	$ 1,023,000	$ 1,045,000	$ 1,068,000	$ 1,092,000	$ 1,116,000	$ 1,140,000	$ 1,166,000	$ 191,000	$ 1,217,000	$ 10,059,000

*Dinuba, Woodlake and Tulare county

Measure R	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
NonRoads	$ 6,362,000	$ 6,552,000	$ 6,749,000	$ 6,951,000	$ 7,160,000	$ 7,375,000	$ 7,596,000	$ 7,824,000	$ 8,059,000	$ 8,300,000	$ 72,928,000

LTF	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-year total
TCAG	$29,408,000	$30,290,000	$31,199,000	$32,135,000	$33,099,000	$34,092,000	$35,115,000	$36,168,000	$37,253,000	$ 38,371,000	$337,130,000
KCAG	$ 6,430,693	$ 6,623,614	$ 6,822,322	$ 7,026,992	$ 7,237,802	$ 7,454,936	$ 7,908,941	$ 8,146,209	$ 8,390,596	$ 8,642,314	$ 74,684,419
	$35,838,693	$36,913,614	$38,021,322	$39,161,992	$40,336,802	$41,546,936	$43,023,941	$44,314,209	$45,643,596	$ 47,013,314	$411,814,419

SB125	Year 1 TIRCP	Year 2 TIRCP	Year 1 ZETCP	Year 2 ZETPC	Year 3 ZEPTC	Year 4 ZEPTC	Term Total
Tulare	$24,305,505	$24,366,115	$ 2,748,056	$ 1,541,592	$ 1,541,592	$ 1,541,592	**$56,044,452**
Kings	$ 7,982,701	$ 8,002,098	$ 827,175	$ 464,025	$ 464,025	$ 464,025	**$18,204,049**
	$32,288,206	$32,368,213	$ 3,575,231	$ 2,005,617	$ 2,005,617	$ 2,005,617	$74,248,501

All Federal *(includes 5311)*	$ 208,291,039
Measure R	$ 72,928,000
LTF	$ 411,814,419
SF 125	$ 74,248,501
Total All Revenue	***$767,281,959***

Capital Funding Plan

The Capital Funding Plan is based on the capital costs assumptions identified in previous sections. The total project cost is estimated at $61 million, which includes approximately $3.8 million in local funds needed to match the federal program for the purchase of Battery Electric Buses as previously identified.

State funding sources will be used primarily for the construction of the corridor investments identified in the capital plan. This includes use of state SHOPP funds for the Transit Signal Priority (TSP) along the corridor. While these funds are not often used for transit purposes, TSP contributes to improved safety and reliability on the roadway and would be eligible for the funds. Additional assumed state sources include TIRCP, STIP, LCTOP, and SB125 funds. Funds within these sources are not segregated by funding type, as there may be opportunities associated with grant funds—such as TIRCP—that may impact the type and quantity of funds needed to complete the project.

Funds will be needed by FY2025 in order to meet the bus purchase deadline and begin project development. The following is the proposed funding plan by fiscal year, including the local match that has been included in the operating plan.

Table 4: CVC Capital Funding Plan

Cross Valley Corridor Capital Funding Plan	FY 2025	FY 2026	FY 2027	Capital Total
Estimated Annual Capital Cost by Year	**$23,500,000**	**$35,000,000**	**$2,500,000**	**$61,000,000**
Federal Grant (Earmarks/Discretionary Programs)	**$19,080,000**	**--**	**--**	**$19,080,000**
State (TIRCP, STIP, SB125, LCTOP)	**$500,000**	**$27,332,000**	**$2,500,000**	**$30,332,000**
State (SHOPP)	**$100,000**	**$7,668,000**		**$7,768,000**
Estimated Local Match to Capital	**$3,820,000**	**--**	**--**	**$3,820,000**
Total Capital Revenue	**$23,500,000**	**$35,000,000**	**$2,500,000**	**$61,000,000**