

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.6g.(13), Action Item

Prepared By: Jeffrey Wyly, Chief (Acting)  
Division of Mass Transportation

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM – (2022:05) SOUTH BAY MICROTRANSIT EXPANSION (MICROTRANSIT EXPANSION - PHASE 1) COMPONENT RESOLUTION TIRCP-2526-78S**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve a request for an additional \$2,904,000 for the Construction (CON) phase of the Transit and Intercity Rail Capital Program (TIRCP) (2022:05) South Bay Microtransit Expansion (Microtransit Expansion - Phase 1) component (PPNO CP105), in Santa Clara County?

### **RECOMMENDATION:**

The California Department of Transportation recommends that the Commission approve a request for an additional \$2,904,000 for the CON phase of the TIRCP (2022:05) South Bay Microtransit Expansion (Microtransit Expansion - Phase 1) component (PPNO CP105), in Santa Clara County.

### **BACKGROUND:**

In June 2023, the Commission approved an allocation of \$5,561,000 for the CON phase of the Microtransit Expansion - Phase 1 component (PPNO CP105), under Resolution TIRCP-2223-82.

### **PROJECT LOCATION AND DESCRIPTION:**

The project will expand the service area of the existing on-demand microtransit program into the City of Santa Clara by incorporating an additional 6.5 square miles for a total of 26.5 square miles throughout the service zone. The number of leased vehicles will expand from 9 to 16 and transition the entire fleet to zero-emission vehicles.

**FUNDING STATUS:**

The Microtransit Expansion - Phase 1 component (PPNO CP105) currently has \$5,561,000 programmed and allocated for the CON phase; however, an additional \$2,904,000 is needed to complete the phase.

**REASON(S) FOR THE COST INCREASE:**

The City of Cupertino is requesting the supplemental funding that was awarded to address its 5-year service plan. These funds would continue to support Cupertino's existing on-demand microtransit service and provide safe, affordable, and efficient travel throughout the community. Phase 2 of this plan has been combined with Phase 1. Phase 2 is incorporating an additional 6.5 square miles (for a total of 26.5 square miles throughout the entire zone) and adding 4 more vehicles (for a total of 16). The project will provide efficient service and improve first/last-mile connections to regional public transit services, including Caltrain, Valley Transportation Authority, and Amtrak.

**CONSEQUENCES:**

If this request for supplemental funds is not approved, the Microtransit Expansion - Phase 1 component (PPNO CP105) will stall the existing on-demand microtransit service that improves first/last-mile connections throughout the region.

**FINANCIAL RESOLUTION:**

Resolved, that \$2,904,000 be allocated from the Budget Act of 2024, Budget Act Item Items 2660-301-0046R and 2660-101-0046, to complete the CON phase of the TIRCP (2022:05) South Bay Microtransit Expansion (Microtransit Expansion - Phase 1) component (PPNO CP105).

Attachment

2.6 Mass Transportation Financial Matters

Project #	Allocation Amount	Recipient	District-County	Project Title	Location	Project Description	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
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2.6g.(13) Supplemental Allocation - Transit and Intercity Rail Capital Program							Resolution TIRCP-2526-78S			
1	\$2,904,000	City of Cupertino MTC	04-Santa Clara	<b>(2022:05) South Bay Microtransit Expansion (Microtransit Expansion - Phase 1).</b> Phase 1 of the South Bay Microtransit Expansion project will expand the City of Cupertino's on-demand microtransit program into the City of Santa Clara and specific location including, Mountain View Transit Center and El Camino Hospital. The microtransit vehicles will be electric and the custom app to request rides will be integrated into the Clipper Card.			04-CP105 TIRCP/2024-25 CONST 301-0046R GGRF 30.20.301.100		\$1,743,000	\$1,743,000
				<u>Outcome/Outputs:</u> Reduce greenhouse gas emissions, improve mobility and accessibility to public transit options, and address first-last mile issue.			TIRCP/2024-25 CONST 101-0046 PTA 30.10.030.200		\$1,161,000	\$1,161,000
				Total revised amount \$8,465,000.			TIRCP/2021-22 CONST 301-0046R GGRF 30.20.301.100	\$3,337,000		\$3,337,000
				Supplemental funds are needed to continue construction.			TIRCP/2021-22 CONST 101-0046 PTA 30.10.030.200	\$2,224,000		\$2,224,000
				CEQA- CE, 03/15/2023			0026000175 S T530GB			
				As part of this allocation request, the local agency is requesting to extend the period of project completion an additional 20 months beyond the 36-month deadline.						
				Right of Way Certification: N/A						