

**From:** VTA Board Secretary

**Sent:** Thursday, March 16, 2023 2:47 PM

**To:** VTA Board of Directors

**Cc:** VTA Board Secretary

**Subject:** From VTA: Letter Addressed to the Bay Area Air Quality Management District (BAAQMD)

**VTA Board of Directors:**

Please see attached letter from Carolyn M. Gonot, General Manager/CEO, and Stacey Mortensen, SJRRC Exec. Director, addressed to the Bay Area Air Quality Management District (BAAQMD).

Thank you.

Office of the Board Secretary  
Santa Clara Valley Transportation Authority  
3331 North First Street, Building B  
San Jose, CA 95134-1927  
Phone [408-321-5680](tel:408-321-5680)



Conserve paper. Think before you print.

March 10, 2023

Bay Area Air Quality Management District (BAAQMD)  
375 Beale Street, Suite 600  
San Francisco, CA 94105

**Re: #28 Removal of Existing Last-Mile Commuter Connections**

To whom it may concern:

San Joaquin Regional Rail Commission (SJRRRC) owns and operates ACE Commuter Rail Service (ACE) operating between Stockton and San Jose. For the last 25 years, ACE has provided last-mile connections between the ACE train service and major employment sites in Santa Clara County. The ACE Shuttles are possible mainly due to the funding from Bay Area Air Quality Management District (BAAQMD). The ACE Shuttle program began on October 19, 1998, and was undertaken to provide sustainable transportation strategies for the Bay Area community. VTA operates 12 propane-powered buses for ACE passengers transferring at Santa Clara Great America Station (GA).

The GA Station is the most heavily used station within the ACE system. Pre-COVID, the shuttles transferred approximately 1,700 riders daily from the GA Station to their jobs throughout Silicon Valley. Ridership is slowly increasing from an all-time low of 42 riders each day (at the height of COVID) to 442 riders each day, and ridership trends continue to grow significantly each month.

The ACE train and shuttle system is one of the most-used public transportation systems to commute to and throughout Silicon Valley. Investing in public transportation is crucial for communities to recover from the ongoing pandemic and is a key strategy to reduce carbon emissions in the Bay Area.

We cannot understate the importance of being able to provide last-mile solutions for people to continue choosing public transportation. In recent shuttle passenger surveys, most passengers riding the ACE train said they would either have to find another job or resort to driving to work if the ACE shuttles were unavailable. Given that a high percentage of these passengers begin their journey in the Central Valley, this would significantly increase greenhouse gas emissions.

For 25 years, the BAAQMD, which awards an annual grant from the Transportation Fund for Clean Air (TFCA) Regional Funds for the existing ACE Shuttle program, has been an invaluable partner to ACE and VTA. BAAQMD's TFCA annual grant provides revenue that reimburses VTA for two-fifths of the approximately \$2.1 million in ACE Shuttle operating expenses annually. The remainder of the funding for these shuttles is provided by the SJRRRC, and a small portion is provided by a private employer.

Given the significant contribution from the TFCA Regional Funds, any change that will decrease or terminate the existing grant for 2023 and beyond will result in the untimely displacement of ACE passengers. Abandoning the program in terms of funding also runs counter to the main objective for which TFCA was generated: to allocate funds to alternative fuels, arterial management, and trip reduction projects that reduce vehicle emissions.

We understand that ending this program has been under consideration for some time. With the pandemic's challenges for public transit agencies, SJRRC and VTA have not yet identified replacement funding to continue the ACE Shuttle Service. At this time, we have a team in place who is actively investigating alternate funding sources, including public-private partnerships, and we are confident that we will make significant progress in the coming 18 months. We request that BAAQMD reconsider its decision to end its meaningful contribution to the valuable ACE Shuttle Service.

The continued contribution will bridge the operation funding as the team works to identify new funding sources.

Thank you for your consideration.

Sincerely,



Carolyn Gonot  
VTA General Manager



Stacey Mortensen  
SJRRC Executive Director

cc: Margaret Abe-Koga, BAAQMD Board of Directors and Ex-officio Member of VTA Board  
Cindy Chavez, VTA Board of Directors  
Lily Mei, SJRRC Board of Directors  
Melissa Hernandez, SJRRC Board of Directors Otto Lee, VTA and BAAQMD Board of  
Directors Sergio Lopez, VTA and BAAQMD Board of Directors Pat Burt, VTA Board of  
Directors