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# California State Senate

STATE SENATOR  
**DR. AISHA WAHAB**  
TENTH SENATE DISTRICT  
ASSISTANT MAJORITY LEADER  
CHAIR, HOUSING COMMITTEE



COMMITTEES

APPROPRIATIONS

BUDGET & FISCAL REVIEW

ENERGY, UTILITIES AND  
COMMUNICATIONS

GOVERNMENT ORGANIZATION

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JUDICIARY

BUDGET SUBCOMMITTEE #5

April 23, 2025

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The Honorable John Harabedian  
Chair, Joint Legislative Audit Committee  
1020 N Street, Room 107  
Sacramento, CA 95831

Dear Chair Harabedian and Members,

I respectfully request the Joint Legislative Audit Committee approve an audit of the East Bay transit agencies.

The Bay Area has one of the most fragmented transit landscapes in the country, with 27 agencies across nine counties. Having 27 agencies, each with its own board of directors and administrative staff, makes consensus difficult and wastes taxpayer resources that could be put to better use funding transit operations. The 2021 Metropolitan Transit Commission's Transit Transformation Action Plan showed near universal support from riders for integrated, seamless transit. 89% of respondents said that they would vote yes on a proposal for Bay Area transit to operate as a single transit system.

While MTC has attempted to facilitate greater inter-agency coordination, the fact remains that having so many disparate agencies is detrimental to rider experience. Divvying up the Bay into small service areas does a disservice to riders; forcing them to make multiple transfers just to travel within one county is both time-consuming for the rider and less cost-effective for the transit agencies. Geographic transit silos are especially harmful to elderly and disabled passengers, who are more transit-dependent, and for whom making transfers can be physically dangerous.

As pandemic funding dries up, public transit in the Bay is facing a fiscal cliff, with some agencies facing hundreds of millions of dollars a year in budget shortfalls. Improving operational efficiency would make existing funds and new revenue go further without resorting to service reductions. As it stands, there is a lack of transparency about how the money is being spent.

Of the nine counties, Marin, Sonoma, Solano, Contra Costa, and Alameda are the worst offenders. The North Bay agencies have conducted an operator-neutral structural analysis, focusing on how to improve regional transit for riders along the Highway 101 transit corridor, but there has not been a similar effort in the East Bay.

Contra Costa County and Alameda County have six bus services: WestCAT, County Connection, TriDelta, AC Transit, Union City Transit, and LAVTA. We would like the auditor to collect information about these East Bay transit agencies to evaluate how well they are serving the public, assess how we might facilitate future consolidation, and find other opportunities to improve service.

To this end, we request that the State Auditor conduct an audit related to Contra Costa and Alameda County transit agencies to evaluate the following:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. For a selection of transit agencies operating in Alameda County and Contra Costa County, determine the following:
  - a. The autonomy each agency has to plan its own routes and invest in transit projects without coordination with other agencies.
  - b. The barriers that may exist to collaboration between transit agencies and their counterparts.
3. From the selected agencies, review a selection of routes that cross service areas and that can require riders to transfer between agencies and between different modes of transit to determine the following:
  - a. The clarity of the information provided to riders about how to navigate within and transfer between the systems.
  - b. The availability and accessibility of connecting transfer schedules, including frequency, timing, and any physical obstacles to making a transfer.
  - c. The ease of payment.
  - d. Whether there are duplicative services that could be eliminated.
4. Review pre-pandemic and post-pandemic ridership levels at each of the selected agencies and determine whether ridership has returned to pre-pandemic levels, what initiatives were implemented before the pandemic to improve ridership levels, how current ridership compares to pre-pandemic ridership trends, and what initiatives the agencies have employed since the pandemic to attract riders.
5. Determine the financial condition of the selected agencies by determining their financial reserves, the extent to which they rely on nonoperating revenue as compared to operating revenue, and whether the agencies will face challenges in funding their upcoming capital asset costs.
6. Review MTC's efforts to collaborate and coordinate with the selected agencies and determine whether they have been effective.
7. Determine for each selected agency the amount of funding MTC provides, the restrictions on such funding, and what proportion of the funding the agency used for operating costs and capital expenses.

8. Evaluate whether the selected agencies are at risk of not being able to continue offering or expanding service without further external, nonoperating funding.
9. To the extent possible, determine the likely financial condition of a single transit agency for local bus service serving Contra Costa County and a single transit agency for local bus service serving Alameda County if such agencies comprised the combined agencies currently operating in each county. Specifically, determine for the new single agency in each county what its potential assets, liabilities, revenue, expenses, and reserves would be.
10. To the extent possible, determine the fiscal benefit of combining transit agencies in each of the two counties, and identify legal and practical impediments to merging transit agencies.
11. Review and assess any other issues that are significant to the audit.

Thank you for your consideration.

Sincerely,



Dr. Aisha Wahab  
Senator, District 10

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