



**HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS**  
**Regional Transportation Planning Agency**  
**Humboldt County Local Transportation Authority**  
**Service Authority for Freeway Emergencies**  
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**AGENDA ITEM 6b**  
HCAOG Board Meeting  
February 19, 2026

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DATE: February 11, 2026  
TO: HCAOG Policy Advisory Committee (PAC)  
FROM: Brendan Byrd, Executive Director  
SUBJECT: **SB 125 Formula Transit Funding Revised Regional Allocation**

### **STAFF REPORT**

#### **Contents:**

- Staff's Recommended Action
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#### **Staff's Recommended Action:**

1. Introduce the item as an action item;
2. Allow staff to present the item;
3. Receive public comment;
4. Discuss item and consider making the motion:

“I move that the HCAOG Board approve the revised SB 125 transit funding allocation and direct staff to finalize and submit the revision to CalSTA.”

#### **Staff Summary:**

Senate Bill 125 (SB 125) provides a one-time augmentation of State Transit Assistance funding to support public transit operations and capital projects. The funding is distributed by formula to regional transportation planning agencies and transit operators and is intended to help stabilize service and address operating shortfalls. HCAOG submitted a regional allocation plan requesting the full regional allocation amount of \$16,492,431. The request was approved by CalSTA in April 2024, and several funding cycles (amounting to \$11.5 million as of this month) have been distributed to HTA.

Over the past six-months City of Fortuna, HCAOG, and HTA staff have been meeting to discuss the possibility of opening Fortuna Transit to the general public as a micro-transit system, which is also a stated recommendation of HCAOG's recently completed Transit Development Plan. In

concurrency with this operational change, HTA could streamline their RTS service in Fortuna by reducing little-used existing RTS stops, which would assist in allowing for increased service frequency to the remaining stops across the entire RTS line (initially projected to be every half-hour instead of every hour). All staff participating in these meetings feel that this proposal across the two transit agencies represents the best outcome for transit users in Fortuna, and the change also is key to the reduced travel times HTA is targeting with their update to the RTS service.

In February 2026, the City of Fortuna directed their staff to open Fortuna Transit to the general public, where before the on-demand service was available only for seniors and people with disabilities. By opening to the public, Fortuna Transit becomes eligible for state transit assistance funds, including SB 125 funds, which they were previously ineligible for. These additional funding eligibility will be key to keep the transit service operating in Fortuna in the coming years.

In order for Fortuna Transit to successfully launch the micro-transit system there are a number of initial capital expenditures that need to be made which Fortuna does not currently have sufficient funds to make. These include two new transit vehicles and license and startup for the RideCo scheduling app, the latter of which will be key in enabling the small staff in Fortuna the time to schedule and route plan for a larger number of transit users. To cover these initial costs and enable the transition HCAOG staff are proposing to revise the SB 125 allocation plan (included as an attachment), which would allow for reassignment of up to \$300,000 of HTA's existing allocation to Fortuna Transit. While every dollar is needed to support HTA's operations, the change to Fortuna Transit will allow HTA to streamline their RTS services as noted above, which is key to HTA's long-term vision for RTS. Similar to the collective staff recommendation noted above on the concept of making these operational changes, all staff involved at all three agencies recommend this revision to the SB 125 spending plan.

Lastly, staff will note that the City of Fortuna is currently projecting their capital purchase needs to be approximately \$250,000 - \$270,000. In this item staff are asking for concurrency on reassignment of up to \$300,000 to make sure that the final quotes received for the purchases will be covered under the funding revision. Any unused funds within the \$300,000 capacity would be provided back to HTA's portion of the SB 125 allocation.

Should the Board approve this modification to the spending plan, staff will finalize the updated SB 125 spending plan and submit to CalSTA for their review and approval. Staff will note that CalSTA has already been consulted on the proposed revision, and they have indicated that this is an eligible use of SB 125 funds and advances the goals of the program. Staff will also continue to work with City of Fortuna and HTA representatives to initiate the transit system changes as noted above.