

**SACRAMENTO REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS
BOARD MEETING
April 11, 2011**

ROLL CALL: Roll Call was taken at 6:30 p.m. PRESENT: Directors Ashby, Cohn, Fong, Hume, MacGlashan, Miller, Morin, Pannell, Sander, Serna, and Chair Nottoli.

CONSENT CALENDAR

1. Action Summary: Board Meeting of March 28, 2011
2. Motion: Rejection of Claim: *Gomez, A.*
3. Resolution: Delegating Authority to the General Manager/CEO to Sign a Nondisclosure Agreement with SKF USA Inc. in Order to Obtain the Specifications Required for Regional Transit to Rebuild Journal Bearings for Light Rail Vehicles (Lonergan)
4. Resolution: Approving Work Order No. 12 to the Contract for General Engineering Support Services - 2010 with Psomas (Abansado)
5. Resolution: Authorizing Solicitation of Proposals for Banking, Line of Credit and Investment Services (Bernegger)
6. Resolution: Authorizing Regional Transit to Elect to be Subject to the Public Employees' Medical and Hospital Care Act with Respect to the International Brotherhood of Electrical Workers 1245 Employee Group, Fixing the Contribution for Employees and the Employer's Contribution for Retirees at Minimum Unequal Contribution Rates and Authorizing the General Manager/CEO to Execute Any and All Agreements, Forms and Documents Necessary to Effectuate Enrollment and Participation (Bonnel)
7. Resolution: Amending Exhibit A of Resolution No. 11-02-0023, and Approving Job Descriptions and the District's Authorized Classifications, Positions and Salary Grades (Bonnel)
8. Resolution: Approving the Release of the Proposed Short Range Transit Plan for a Public Review Period of 30 Calendar Days from April 24 to May 23, 2011, and Setting the Public Hearing for May 23, 2011 (Covington)

ACTION: APPROVED - Director Miller moved; Director Hume seconded approval of

the consent calendar as written. Motion was carried by voice vote.

GENERAL MANAGER'S REPORT

9. General Manager's Report
 - a. Government Affairs Update
 - b. RT Meeting Calendar

Mike Wiley verbalized his written report. Mike Wiley noted that Congressional lawmakers approved another short-term continuing resolution to keep the federal government operating. The New Starts program for FY 2011 will be reduced by approximately \$102 million. This reduction will not have an impact on RT because RT did not have a request in place in the FY 2011 budget, but did have earmarks/appropriations in FY 2010 and prior to that, and in FY 2012.

INTRODUCTION OF SPECIAL GUESTS

UNFINISHED BUSINESS

PUBLIC HEARING

10. Resolution of Necessity to Acquire Certain Real Property Interests by Eminent Domain for the South Sacramento Corridor Phase 2 Light Rail Extension Project – Stone Boswell Property - Sacramento County Assessor's Parcel Number 053-0010-047 (Scofield)
 - A. Motion: To Cancel the Hearing Scheduled for April 11, 2011; and
 - B. Resolution: Rescinding Resolution No. 11-03-0043 and Setting a Public Hearing to Consider Adoption of a Resolution of Necessity for Property Located at 8000 Detroit Boulevard, Further Identified as Sacramento County Assessor's Parcel Number 053-0010-047

ACTION: APPROVED - Director Pannell moved; Director Fong seconded approval of the item as written. Motion was carried by voice vote.

NEW BUSINESS

11. Information: FY 2012 Preliminary Operating Budget Update (Tyler)

Dee Brookshire noted that FY 2011 show total revenues at \$122.3 million. This is a total increase of \$5.2 million over the amended budget. The increase is due to projected increases in RT's sales tax based revenues. The FY 2012 preliminary budget for expected revenues projects total revenues at \$125.5 million. This is a \$3.2 million increase over FY 2011 year-end projections primarily due to an increase fare revenues

and the State Transit Assistance. Ms. Brookshire reviewed Table 1 (Operating Revenues) and the various District revenues of the issue paper.

Mike Wiley noted that RT is receiving assumptions from SACOG and the Sacramento Transportation Authority which are “flat” with respect to sales tax and LTF. RT’s research indicates an assumption, in ranges, above “flat”. RT is presenting a balanced budget; however, RT’s ability to implement service enhancements/recovery will be tied to assumptions and actual growth with respect to sales tax.

Dee Brookshire noted that since the issue paper was distributed, staff has received word that there may be an increase in one of the categories of federal funding: 5309 Light Rail Fixed Guideway Funding. The increase may provide a level of up to \$2 million in revenue in FY 2012. Mike Wiley noted that this funding is formula driven. In the next few months, RT will explore this detail to see if RT can budget this funding.

Dee Brookshire reviewed the expenditure section of the issue paper and described why year end projects are higher than in the amended budget. Les Tyler noted a one-time adjustment in FY 2010 to the Casualty & Liability section of Table 2.

Chair Nottoli suggested that staff add a footnote to Table 2 about the casualty & liability adjustment in cost.

Dee Brookshire noted that the preliminary budget for FY 2012 would have a \$3.3 million dollar reserve (carryover) because revenues exceed expenditures. RT’s budget goal of accumulating reserves shows that RT is falling a little short of the goal of \$4.3 million. Mike Wiley noted that the funding for transit is in two pots. The first pot is most secure and is protected by Proposition 22; that is the existing sales tax on diesel that flows in the State Transit Assistance account. That amounts to about half of RT’s revenue for next fiscal year. The other pot (about \$4.3 million) does not have that level of protection of Proposition 22 (the increase in sales tax on diesel) that will take affect with the implementation of the gas tax swap in July. One of the criteria that RT has to meet to qualify for federal New Starts is to build 1 ½ months of operating reserve. RT’s current forecasting financial model predicts that we will reach this number in 2017, if we continue to accumulate reserves in a steady rate.

Dee Brookshire noted that staff’s recommendation for additional service will be based on the ability to tie on-going revenues to on-going costs.

Speaker: Mike Barnbaum - encouraged about revenue projections; consider later light rail service

ACTION: None - Oral Presentation by Dee Brookshire and Les Tyler.

REPORTS, IDEAS AND QUESTIONS FROM DIRECTORS, AND COMMUNICATIONS

Chair Nottoli acknowledged the State of RT TransitAction Awards event and recognized that the Transit Advocate of the Year was an RT Employee, Victor Muro.

Director Fong noted the upcoming Detroit Neighborhood Association Meeting on Wednesday, April 13th.

PUBLIC ADDRESSES THE BOARD ON MATTERS NOT ON THE AGENDA

Speakers:

Rick Hodgkins - Mr. Hodgkins wanted to know if there will be audible readers for the electronic messaging signs. He also noted that he cannot read bus stop numbers because he is blind. Mr. Hodgkins wanted to when there would be a way to get information via phone on trip planning.

Mike Wiley indicated that staff would provide a report back on the planned implementation of the trip planning by telephone.

Jessica Meinke - Ms. Meinke wanted to know how she was supposed to travel after 9:00 since there was no service past that time. She also inquired as to telephone trip planning.

Jeffery Tardaguila - Mr. Tardaguila would like to see other joint RT/PI meeting within five years. Mr. Tardaguila noted that it will be difficult to digest the materials in "the comprehensive". What would the consequences be of reversing routes that are overcrowded - a suggestion for "the comprehensive which is coming up for public comment"? Mr. Tardaguila noted that he will read through that document. Mr. Tardaguila noted that this coming Sunday is going to hopefully raise the awareness of community colleges.

ANNOUNCEMENT OF CLOSED SESSION ITEMS

RECESS TO CLOSED SESSION

CLOSED SESSION

RECONVENE IN OPEN SESSION

CLOSED SESSION REPORT

ADJOURN

As there was no further business to be conducted, the meeting was adjourned at 7:32 p.m.

DON NOTTOLI, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary