

## General Manager's Report April 27, 2015

### GOVERNMENT AFFAIRS UPDATE

#### FEDERAL

House-Senate negotiations on the FY16 budget plan have begun, with the House appointing a team of negotiators last week and the Senate expected to do so this week. The chairmen of the House and Senate Budget Committees returned to Washington during the spring recess to begin the talks. The House and Senate versions of the budget plan (S. Con. Res. 11) are identical when it comes to discretionary appropriations totals subject to the \$1.016 trillion cap under the Budget Control Act. But they have different assumptions for mandatory transportation spending that appear to revolve around Highway Trust Fund (HTF) contract authority. The House budget assumes that new HTF contract authority will drop to near-zero in 2016, while the Senate budget appears to assume a 25 percent cut. But in both chambers, the assumed levels can be offset by the activation of "reserve fund" language that can increase the allowable HTF funding totals if legislation is passed to add money to the Trust Fund and keep it solvent. Though, the House and Senate differ as to the conditions that the HTF solvency plan must meet.

House appropriators are considering a set of FY16 spending allocations. House Appropriators reportedly may provide the Transportation-HUD bill an increase of more than \$1.5 billion over the FY15 allocation. The increased funding will be made possible by reported cuts to the FY16 allocations for EPA and IRS.

Negotiations on the duration of the next surface transportation extension law have begun on Capitol Hill. Current law sunsets the ability of the HTF to make payments on May 31.

Senators Barbara Boxer (D-CA) and Rand Paul (R-KY) recently introduced legislation offering multinational corporations a tax holiday on their overseas earnings. The plan, aimed at filling a budget hole in the highway trust fund, would allow companies to voluntarily bring home offshore profits at a 6.5 percent tax rate, instead of the usual 35 percent. They would only get the reduced rate on money that tops their average repatriations in recent years, the senators said, and companies that subsequently "invert" would have to pay back the break with interest.

### **TRANSPORTATION INVESTMENT GENERATING ECONOMIC RECOVERY (TIGER) VII GRANTS**

As we updated the Board in late February 2015, the Green Line is moving forward in terms of planning and project development. To that end, the candidate TIGER Grant applications discussed below are aspects of the Green Line project.

On April 14<sup>th</sup>, the USDOT announced the Notice of Funding Availability for the seventh round of the TIGER. Working with its partners, Sacramento Regional Transit (RT) will be submitting two grants for the upcoming round of TIGER VII funding – both light rail-related projects – the

*Blue Line Relocation* and the *Gold Line Extension*. RT will be the submitting and the lead agency for both applications.

The *Blue Line Relocation* project is an approximate ½-mile relocation of the Blue Line from K Street to H Street between 12<sup>th</sup> Street and 7<sup>th</sup> Street, and would include new fully accessible stops at 12<sup>th</sup> & H Streets and adjacent to City Hall. The estimated capital cost for this project is \$17M of which approximately \$5M would be a required match derived from Proposition 1A (High Speed Rail Interconnectivity) funding reflecting a 42% match for \$12M in TIGER VII funding. This project has independent utility and provides a number of travel, economic and connectivity benefits to the region. The project is presently being environmentally cleared for both National Environmental Protection Act (NEPA) and California Environmental Quality Act (CEQA) and conceptual engineering have been prepared.

The *Gold Line Extension* project is an approximate 1 & ¼-mile light rail extension from the Sacramento Valley Station (SVS) to Raley Field crossing Tower Bridge. This extension would be used initially for events at Raley Field and the station would accommodate a four-car light rail train including layover. Working with the City of West Sacramento, the project is estimated to have a capital cost of \$34M. The City of West Sacramento would provide a 20% match resulting in a TIGER VII request of approximately \$27M. The project is presently being environmentally cleared for both NEPA and CEQA and conceptual engineering have been prepared. Most of the proposed tract work is also included in the streetcar project. If this TIGER grant is successful this will augment the streetcar project.

Both the *Blue Line Relocation* and the *Gold Line Extension* projects have “independent utility”. As such, the U.S. Department of Transportation (USDOT) could select one or both projects for funding. Although not specifically tied to the Downtown/Riverfront Streetcar Project per se, both projects are key elements in the success of the Streetcar project. If TIGER funding is achieved, this would help to offset the costs of the Streetcar Small Starts funding application that has been submitted to the Federal Transit Administration for consideration and inclusion in the president’s budget in FY 2016.

TIGER is in its seventh round of funding. To date, 342 projects nationwide have been funded. Over the years, approximately 6,100 applications reflecting a total “ask” of \$124B has occurred. Most awards have been “partial funding” intending to fill a gap, reflect a strong partnership in local communities and clearly demonstrate benefits. The Sacramento area has received two TIGER grants since inception. In 2014, the City of West Sacramento received a \$1.5M grant for planning activities for the Broadway Bridge. And previously, the City of Sacramento received a TIGER grant of \$15M for the rehabilitation of the 1926 Sacramento Valley Station. Both projects are underway. For the seventh round, \$500M is available and the USDOT is expecting about 800 applications to be submitted. TIGER VII pre-applications are due May 4, 2015 and the full applications are due June 5, 2015.

## **STATE**

Nothing to report at this time.

**CAP TO CAP 2015 UPDATE**

Oral report by Alane Masui.

**REPORT BACK ON CONCEPT OF “CONDUCTORS”**

At the April 13 Board meeting, Director Hume suggested that RT consider the creation of a conductor position that would move between cars in a train interacting with passengers while they are on the system. This is a brief report back on that concept.

RT staff agrees with Director Hume’s suggestion, and in fact has a job classification, the Transit Officer, that performs this function. The Transit Officers ride the trains in order to inspect for proper fare and to enforce a select list of rules and laws contained in RT’s ordinance and in section 640 of the California Penal Code. We recognize that the Transit Officers represent too small of a group performing this function, so we also schedule a portion of our law enforcement officers to ride as well. Unfortunately, the combination of our Transit Officers and police officers still represent a small force given the number of trains and span of service each day. We regularly hear from our riders that they do not encounter RT security on a frequent enough basis. Our current effort is to expand the role of the security guards to increase the security presence and passenger interaction on board the system. We are working with the guard force to interact more with our passengers while riding. We currently have guards checking for fare in stations from passengers waiting to board, and we are working with the Amalgamated Transit Union (ATU) to potentially expand their ability to inspect on the trains as well. Increasing the utility of the guards is the quickest and most economical approach to significantly improve the security presence on board the system.

**AD HOC STSTEM IMPROVEMENT COMMITTEE UPDATE**

As reported at the last Board meeting, Douglas Carter was here the week of April 13-17. He has completed his initial set of interviews and data collection. Last week, he was continuing with his initial analysis and will return to Sacramento from April 28-30 for follow-up meetings and interviews. He is on track to provide his initial set of findings and recommendations by the end of May, which staff and the Board will consider prior to the adoption of the final budget at the June 22 Board meeting.

**Ad Hoc Committee Meeting**

June 12, 2015  
RT Auditorium  
11:30-1:30 P.M.

September 11, 2015  
RT Auditorium  
11:30-1:30 P.M.

December 11, 2015  
RT Auditorium  
11:30-1:30 P.M.

**RT CALENDAR**

**Regional Transit Board Meeting**

May 11, 2015  
RT Auditorium  
6:00 P.M

June 8, 2015  
RT Auditorium  
6:00 P.M

June 22, 2015  
RT Auditorium  
6:00 P.M

**Mobility Advisory Council**

May 7, 2015  
RT Auditorium  
2:30 P.M

July 2, 2015  
RT Auditorium  
2:30 P.M

September 3, 2015  
RT Auditorium  
2:30 P.M

**Quarterly Retirement Board Meeting**

June 17, 2015  
RT Auditorium  
9:00 A.M

September 16, 2015  
RT Auditorium  
9:00 A.M

December 16, 2015  
RT Auditorium  
9:00 A.M

**Paratransit Board Meeting**

May 28, 2015  
2501 Florin Road  
6:00 P.M

June 25, 2015  
2501 Florin Road  
6:00 P.M