

General Manager's Report January 12, 2015

GOVERNMENT AFFAIRS UPDATE

FEDERAL

The 114th Congress will begin on January 6, 2015. A look ahead reveals that Congress faces a number of deadlines in the coming months:

- The highway trust fund will become insolvent in May if no action is taken. Congress last extended the programs in July 2014 and relied on changes to pension rules to raise nearly \$8 billion needed to keep the HTF afloat. Lawmakers have vowed not to depend on such short-term maneuvers anymore but to find a sustainable way to keep money flowing, which is expected to fall \$160 billion short over the next 10 years, according to the Congressional Budget Office;
- The federal debt limit will need to be extended sometime between late spring and early fall; and
- For FY16 (beginning October 1, 2015), lawmakers will be returning to the tight limits on discretionary spending set in 2011 by the Budget Control Act. That means defense spending will rise by only \$1.7 billion to \$523 billion, while non-defense spending must fall slightly to \$492.3 billion from \$492.4 billion, according to Congressional Budget Office estimates. A big factor that could determine whether appropriators can complete their work on the annual appropriations bills will be what defense and non-defense top-line spending levels the Budget committees set for FY16 this spring, which will guide the work for the appropriations panels this year. If the majority passes a budget resolution that boosts defense spending at the expense of domestic programs, it could imperil action on non-defense bills, similar to what occurred with Transportation/Housing and Urban Development appropriations bill in 2013 in the lead-up to the shutdown.

The 2015 State of the Union Address will occur on January 20, 2015.

STATE

Governor Brown Administration

On January 6th, Governor Brown was sworn in before the State Legislature for his fourth and final term as Governor. He took the opportunity to deliver his Inaugural Address and, of great interest to the transportation community, he listed taking care of our transportation system as a priority for this coming year and to call on lawmakers to work with him on this policy issue.

Following on this theme, Secretary of Transportation, Brian Kelly, called on the California Transportation Infrastructure Priorities (CTIP) Working Group, of which I am a member, to convene later in the month to begin to delve further into the state's transportation and funding needs.

Legislature

As reported previously, the Assembly has made their full slate of committee assignments.

On Tuesday January 6th, the Senate released its listing of committee assignments for the coming session. Key assignments affecting transportation and transit interests include:

Senate Transportation & Housing Committee

Beall (Chair), Cannella (Vice Chair), Allen, Bates, Gaines, Galgiani, Leyva, McGuire, Mendoza, Roth, and Wieckowski.

Budget Subcommittee #2 - Resources, Environmental Protection, Energy and Transportation:

Wolk (Chair), Nielsen, and Pavley.

RT ENTERTAINMENT AND SPORTS COMPLEX BUSINESS ADVISORY PANNEL FINDING AND RECOMMENDATIONS

RT/ESC Business Advisory Panel Report

In September 2014, Chair Serna asked a group of twelve key business leaders to serve on an Advisory Panel to review RT's service and to develop a set of recommendations to enhance and improve RT's service in conjunction with the development of the new Entertainment and Sports Complex (ESC) in Downtown Sacramento. The panel has completed their work and their written report is attached. I had an opportunity to participate in the first of the four meetings conducted by the panel. In addition, I had the opportunity meet with several of the panel members and discuss some of the panel's recommendations on December 16th.

Chair Serna will introduce this item and ask the panel to provide an overview of their report and recommendations. The panel's report provides recommendations in the areas of Safety and Fare Evasion, Station Cleaning, Consolidation of Bus Stops and Light Rail Stations, Operations Related to the ESC, and Marketing and Customer Service. Many of the recommendations are consistent with the recommendations of the recently completed security peer review. Following the presentation of this report, staff will prepare an action/implementation plan for Board consideration within the next sixty days.

CHARITIES PRESENTATION

Annually, RT employees volunteer to participate in a variety of fund-raising events, intended to provide the employees entertaining activities while helping Sacramento area charities. Each committee is staffed by RT employees who volunteer time, and often donate materials, to ensure the event is a success.

Each committee selects a local charity to support, with all proceeds from the event donated directly to a local charity. This year's RT employee supported activities raised \$17,174.80, marking another great year of giving by RT employees.

Date	Activity	Charity	Amount Collected
4/10/2014	Bake Sale	Make a Wish Foundation	1,260.27
7/17/2014	Ice Cream Social	Precious Den's Animal Shelter	\$1,405.00
7/27/14	Golf Event	Breathe California	\$10,609.53
10/31/2014	It's Not a Raffle	<ul style="list-style-type: none"> • Special Olympics • Sacramento Children's Home • Leukemia & Lymphoma Society 	\$1,285 to Special Olympics \$1,300 to Sacramento Children's Home \$500 to Leukemia & Lymphoma Society Totaling \$3,085.00
11/4/2014	Light The Night Walk	Leukemia and Lymphoma Society	\$450.00
11/20/2014	Chili Cook-off	Community for Peace	\$365.00

Charity Information is as Follows:

Make A Wish Foundation:

Part of the national organization whose charter is: *We grant the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength and joy.* proceeds from this year's bake sale will ensure that a local child receives their wish.

Theresa Gerhard will be accepting the check on behalf of the Make a Wish Foundation.

Precious Den's Animal Shelter:

Precious Den's Animal Shelter, located in Herald, CA and founded in 2000, is a no-kill, non-profit retirement ranch for elderly and special needs dogs, cats, fowl, and goats. They charge no adoption fees and 100% of donations goes to the animals for their housing, food, supplies, and medical care.

Mitch and Pam Inman will be accepting the check on behalf of Precious Den's Animal Shelter.

Breathe California:

The Regional Transit Cycling Team, participated in the 27th annual Emigrant Trails Bike Trek, which is a major fundraiser for Breathe California. Breathe California of Sacramento Emigrant Trails is dedicated to healthy air and to preventing lung and other air-pollution related diseases by partnering with youth, advocating public policy, supporting air pollution research, and educating the public. Regional Transit was a Platinum Sponsor for the event, providing in-kind donations valued at over \$15,000.00* by way of featuring banner advertisements for the Trek at bus stops, printed advertisements as well as car cards on buses and trains. The RT Cycling Team raised \$7,278.89*, through individual fundraising efforts and finally the \$10,609.53 raised through the RT Golf Tournament.

Stacey Springer will be accepting the check on behalf of Breathe California.

*not included in the Board presentation

Community for Peace:

Community for Peace began as an all-volunteer grassroots organization in 2000 called the Citrus Heights Women's Center (CHWC). The mission then, was to provide domestic violence (DV) information, referral & peer support to victims through a 24-hour crisis line. In April 2008, the Board sought the expertise of Whitefeather Basinger & Associates, consultants and trainers in the DV and wellness fields. Staffed with 40+ highly trained certified DV Advocates, Harmony House, emergency shelter was opened in 2008.

Shannon Mlcoch will be accepting the check on behalf of Community for Peace.

Sacramento Children's Home:

A part of the Sacramento fabric since 1867, the Sacramento Children's Home mission is clear: The Sacramento Children's Home is committed to helping build strong families; to opening doors to the future; to maximizing potential; and ending the cycle of child abuse.

Todd Koolakian will be accepting the check on behalf of Sacramento Children's Home.

Special Olympics:

Special Olympics Northern California provides athletic opportunities to children and adults with intellectual disabilities, instilling the confidence they need to succeed in life.

Jonathan Sparks will be accepting the check on behalf of Special Olympics.

Leukemia and Lymphoma Society:

Part of the national organization whose mission is: *Cure leukemia, lymphoma, Hodgkin's disease and myeloma, and improve the quality of life of patients and their families*, proceeds from this year's It's Not A Raffle will ensure services are provided in the Sacramento Area.

SEASON OF CIVIL RIGHTS – MLK365 UPDATE: SPECIAL GUEST, SAM STARKS

RT Celebrates “Season of Civil Rights ... It All Started on a Bus”

Since 2008, RT has been celebrating its “Season of Civil Rights ... It All Started on a Bus” with a series of events during the months of December, January and February to build awareness of the significant role that transit has played in the American Civil Rights Movement. In 2009, the RT Board of Directors adopted a resolution recognizing RT's Season of Civil Rights.

The 7th annual Season of Civil Rights campaign started on December 1 and promotes a number of regional activities and events to raise awareness about civil rights. This year's Season of Civil Rights campaign features a commemorative bus with exterior images of Rosa Parks and Martin Luther King Jr. that travels on different routes through February 28; sponsorship of the 16th annual Martin Luther King Jr. Celebration Dinner; and participation in the annual Capitol March for the Dream and Diversity Expo at the Sacramento Convention Center. Winning poems from RT's “I Am the Dream and the Dream Is Now” art and poetry contest and RT's historic “Old Blue” bus will be on display at the expo.

RT will provide supplemental bus service from the Sacramento Convention Center on J Street back to Sacramento City College and Grant Union High School for attendees who participate in the march.

RT CALENDAR

Regional Transit Board Meeting

January 26, 2015
RT Auditorium
6:00 P.M

February 9, 2015
RT Auditorium
6:00 P.M

February 23, 2015
RT Auditorium
6:00 P.M

Mobility Advisory Council

January 22, 2015
RT Auditorium
2:30 P.M

March 05, 2015
RT Auditorium
2:30 P.M

May 07, 2015
RT Auditorium
2:30 P.M

Quarterly Retirement Board Meeting

March 18, 2015
RT Auditorium
9:00 A.M

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

January 22, 2015
2501 Florin Road
6:00 P.M

March 26, 2015
Health for All
2730 Florin Road
Sacramento, CA 95822

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

RT|Entertainment and Sports Complex (ESC) Business Advisory Panel

Purpose: Phil Serna, as the Chairman of the Sacramento Regional Transit (RT) Board of Directors, invited a handful of key business leaders with invested interest in Downtown Sacramento to serve on an Advisory Panel looking at RT's service as it relates to the new Entertainment and Sports Complex (ESC). The Panel's purpose is to provide the RT Board, RT management, and the general public honest and constructive advice about how to improve the RT system.

For many attendees of the future ESC, their first encounter with this exciting new experience won't be at the turnstiles of the arena; rather, it will be using RT buses and light rail trains (LRT) to get to the venues. Many of these people will be using these transit options for the first time. That means RT has to do some things differently in order to facilitate and complement the experience offered by a new urban entertainment and sports complex downtown.

In 20 months, the ESC, with approximately 17,500 seats and hundreds of performances anticipated each year, will open its doors to a demanding public. The ESC is the single largest potential trip generator on the LRT and bus system. As such, the ESC will provide a tremendous opportunity to make a positive first impression with special event riders and, if done right, it will lead to new choice riders at other times and for other trip purposes.

The RT|ESC Business Advisory Panel wants to work collaboratively with RT on parallel tracks for both short-term performance improvements (prior to the ESC opening in 2016) and longer-term institutional, management, and governance changes.

Immediate Focus: Attention must be given in the short-term to clear performance standards and accountability on station/stop *cleanliness, safety, and location/consolidation*, as well as developing an *operational plan specific to the ESC*.

Longer-term Focus: Management and institutional issues, both current and with the future Streetcar system, must also be targeted for strategic improvements.

Participants

The following business leaders, each a major Stakeholder in the downtown area and beyond, have actively participated in this process.

- Mark Friedman
- Warren Smith
- Ali Youssefi
- Steve Goodwin
- David Taylor
- Roger Kittredge
- Michael Heller
- Dain Domich
- Michael Ault
- Larry Kelley
- Tina Thomas
- Dion Dwyer

Panel Meetings: The RT|ESC Business Advisory Panel met four times in late 2014: September 29, October 20, and November 5 and 17. The meetings were facilitated by Wendy Hoyt. The Advisory Panel discussed a number of issues and ideas to address real and perceived safety issues and fare evasion, improve operating and maintenance efficiencies, plan possible

station/stop consolidations near the ESC, improve marketing/ branding and customer service, and facilitate greater private citizen and private-sector stakeholder support and involvement in RT. The Advisory Panel also met with the RT General Manager on December 16th to discuss their observations and recommendations.

1. SAFETY AND FARE EVASION

The Problem: Light rail is not safe at night, and in some cases even during the daytime. In short, there is a significant safety problem – both real and perceived. As a result, there are many lost opportunities for choice riders in the evening; for example, many restaurant and bar patrons would like to take light rail home at night but may feel unsafe.

Recommendations: The RT-initiated Safety Peer Review provided several excellent recommendations. The Panel endorses those recommendations, including but not limited to the following:

1. Create a full-time RT Director of Security (or similar) position responsible for managing all security contracts and day-to-day system security.
2. Place both plain-clothed and uniform officers on vehicles and at "hot spot" stations.
3. Implement clearly defined "paid fare" zones at all light rail stations. Explore effective and appropriate means of signage and visual cues to deter non-paying pedestrians from loitering or otherwise creating a nuisance for paying RT customers. Where possible, modify the current 'barrier-free' system to allow 'closed' stations, such as the Broadway LRT station.
4. Reposition CCTV cameras at light rail stations to provide full coverage of the station. Also, landscaping that is blocking camera views should be cut back.
5. Add and track performance metrics for fare inspection and incorporate such metrics in the performance review process for RTPS employees.
6. Display an RT Code of Conduct at stations in an easy-to-read format (e.g. "Dos and Don'ts").
7. Plan for crowd control and fare enforcement for large special events, engaging external stakeholders.

The RT|ESC Business Advisory Panel was particularly concerned that the Peer Review found that "[t]he current design of stations near the Entertainment Sports Complex does not provide RT the opportunity for effective crowd control before/after events or fare enforcement. All RT safety and security policies and procedures need to incorporate the changing conditions and needs associated with the new Entertainment Sports Complex as well as with future downtown development affecting service."

In addition to the safety recommendations provided by the Peer Review, the RT|ESC Business Advisory Panel recommends:

1. RT must adopt a Zero Tolerance Policy for civil disobedience at RT stations and on RT vehicles.
2. Focusing on suburban stations where patrons are originating their trips is just as important as the downtown stations.

3. At the current Sleep Train Arena, there is a very strong Sheriff/City Police Department (PD) presence. RT must explore now how to best augment the safety around the ESC during special events by partnering with City PD and the County Sheriff.
4. Identify high-volume stations/stops and pathways now, to ensure proper patron flow, signage, crowd management, customer service, and safety.
5. Currently, many patrons do not pay the fare; resulting in the loss of sorely needed revenue to RT. RT must implement and track performance metrics for fare inspection and tie the metrics into the employee performance review process. Accountability is critical here, as well as with station cleanliness and maintenance.

2. RT STATION CLEANING

The Problem: Several property owners experience a consistent lack of attention to bus and LRT stops on their property. By default, the private owners clean and even maintain the stops. In many cases, the stops are dirty and in disrepair.

The stations are old, tired, and uninviting, and no one party is responsible for their maintenance. Several parties including Pride Industries, INALLIANCE Inc., and the Downtown Sacramento Partnership (DSP) have contracts to help RT staff clean the stations, leaving gaps throughout the system (e.g., DSP cleans up the trash and debris but does not empty the trash cans that constantly overflow). The 7th/K Streets stop is power washed regularly by DSP under a contract with RT. The sidewalk at this stop is clean. Yet a stop a few blocks away at 16th/Q Streets is maintained by RT and is very dirty.

Recommendations

Set performance standards and establish accountability to ensure stations are maintained regularly and are clean, bright, and inviting.

1. Classification

RT should classify their stations based on criteria that include the number of boardings (peak period, daily, and special event). Once the more heavily used stops are identified, it can be determined how much cleaning is needed and at what frequency based on the stop's classification.

2. Amenities

RT should identify the amenities that are needed at each stop. For example, a stop with less than 50 boardings a day might only need a sign; however, a stop with 500 boardings a day might need a bench, trash can, and shelter, while a stop with 1,500 boardings a day might need all of the above plus lighting, bike racks, and security cameras. Once the stops have been classified and the amenities have been aligned, RT can overlay a proper cleaning schedule. This will also allow RT to flex up or down based on the historical number of boardings.

3. Basic Services of the heaviest stops should include:

- Pressure washing 2-4 days a week based on usage (which also displaces loiterers)
- Trash abatement at least once, preferably twice a day

- Empty trash cans at least once, preferably twice, a day
- Graffiti removal within 48 hours of identification
- Clean/replace lighting within 48 hours of outage

4. Major services should include:

- Deep cleaning once a quarter
- CPTED review annually
- Painting annually
- Review organic obstructions of lighting and cameras annually

5. Long-term funding

Identify long-term dedicated funds as part of the RT Annual Budget specifically for station/stop maintenance and cleaning.

6. Reporting

Implement a proper reporting process to ensure a maintenance or safety issue can be logged by the public and tracked until resolved, similar to the City of Sacramento's 311 "app." This "app" interface will provide additional opportunities to leverage customers' ability to report incidents or unruly behavior, as well as cleanliness and maintenance problems. *The number and type of reported incidents, as well as the resolution and date, need to be presented to the RT Board each month.*

3. CONSOLIDATION OF STATIONS

The Problem: Having an RT bus or LRT stop in front of a business should be an asset, a benefit to help a developer attract tenants and to the businesses located there to attract customers. Yet far too often in downtown Sacramento, the opposite is the case. RT facilities are often dirty, there is gum on the street/platform, and loiterers generate a sense of unease and lack of safety. Stops like the ones at 7th/K Streets and La Valentina at 12th/E Streets are actually a detriment to the adjacent retail businesses. Conversely, the Township 9 LRT Station is different—It is prideful, cool looking, and fun; providing a benefit to both the developer and the tenants. The Land Park LRT stations are also inviting. A private-sector developer refreshed the 29th/R Streets Station with a 4-story medical office project across the street. They took it upon themselves to create a fresh new look with improved lighting, new landscaping, Wi-Fi, etc. (some of this was done in partnership with RT).

There are currently too many transit stops in the heart of downtown. RT's current system seems to be a makeshift; where new services were added it looks like there was no consolidation but rather only additional stops added.

Recommendations:

1. Establish criteria for station consolidation and enhancements (fewer stations with a greater presence or statement (which will also reduce O&M costs).
2. Consolidate stops and make those that remain higher profile; invest in those stops and make a statement. Make them safe, clean, and attractive. Any consolidation must consider security, including placement of cameras.

3. Walkable distances to stops are important. For professional sports venues, walkable distance is a quarter to half a mile. Our city blocks are roughly .07 miles, so a minimum distance between each stop should be 7 blocks.
4. A pilot program ("Own Your RT Stop") should be designed (in the spirit of Separovich Domich's 29th/R Street LRT Station approach) to make it clear how a private property owner can elect to spend their own money to improve the RT stations at their properties. The program should answer owners' potential questions such as: "How does it work? What is the approval process with RT? How will it be maintained?" If RT creates a clear and easy path for property owners, they might elect to spend the extra money if they believe a benefit will be derived. Also, for every dollar a property owner spends, they should get a matching dollar-for-dollar voucher for RT rides, which can be given to tenants as inducements to lease. This incremental ridership would not add to fixed costs.
5. New stops should be added only when O&M funding is available and dedicated to properly clean and maintain the stop. If O&M funds do not exist, then a new stop can only be added if another one is eliminated, thereby insuring proper upkeep.
6. Hire a consultant (with stakeholder input) to 1) review RT's entire downtown network of service and stops, and 2) recommend a consolidation plan for consideration.

Note: The Panel is not educated in ADA compliance issues and is respectful of the need to have any station consolidation be sensitive to ADA concerns and comply with federal law.

4. OPERATIONS RELATED TO ESC

The Problem: In 20 months, the ESC will be open for business. The ESC will be the single largest potential trip generator on the LRT system and will be second only to CSUS on the bus system. Yet no discussion or partnership effort with key stakeholders and the public has taken place, other than this RT|ESC Advisory Panel effort.

Recommendations:

1. It is imperative that RT prepare an all-encompassing plan for both the initial opening and the long-term servicing of the ESC. Working in partnership with the City of Sacramento and the ESC, and taking the best practices from other transit systems serving entertainment and major sports complexes, RT must develop a plan that includes:
 - Physical facilities (current and modifications to handle high peak volumes)
 - Service levels (express trains and buses)
 - Safety
 - Trash removal and other cleaning efforts
 - Marketing
2. Marketing plan components must reassure potential riders that the RT system is clean and safe, with an educational guide of how the system works and how to access it.
3. RT should work with City of Sacramento staff to identify high-volume pathways (i.e., key bus stops, the 10th/I Streets and 10th/L Streets parking garages) and plan for appropriate security, traffic, and pedestrian flows.
4. Hire a transit/special event coordinator (via contract) to focus their full attention on marketing and operational issues, working closely with partners such as the City, DSP, the River District, and others.

5. Create an RT ESC Standing Committee to include Phil Serna (2014 RT Board Chair and County Supervisor representing downtown), Jay Schenirer (2015 RT Board Chair), Steve Hansen (City Councilmember representing downtown), and one Board Member from Folsom, Rancho Cordova, Citrus Heights or Elk Grove. This committee would work closely with the business community to ensure timely implementation of actions related to improving the ESC|transit experience.

5. MARKETING AND CUSTOMER SERVICE

The Problem: RT is often thought of as a social service and not relevant to choice riders. Customer Service is sorely lacking. There is a great potential to increase RT riders, and therefore revenues, without increasing cost by simply attracting riders to the current system. For example, 42% of Sacramento Republic soccer fans want to arrive by transit.

Recommendations: The ESC will provide a tremendous opportunity to make a positive first impression with special event riders, and, if done right, it will lead to new choice riders at other times and for other trip purposes.

1. The fundamentals of customer service need significant improvement. All RT personnel interfacing with riders and the public need to be friendly and helpful (e.g., helping people access the system, understand the fare payment process, etc.)
2. Once tangible improvements have been made, sell the benefits of the new and improved RT. Hire a creative third-party marketing firm to rebrand and bring new energy and vibe to RT. Think outside the box and be creative. The rebranding should include new colors and a new logo that seek to make RT more hip/cool, targeting the urban downtown residential market (giving them a reason to give up a car or reduce driving).
3. Develop a marketing campaign directed to choice riders—no increase in cost yet increased revenue.

SUMMARY

While RT does many things well, there are a number of issues of significant concern that discourage ridership, such as public safety, station cleanliness, and poor customer service. As a regional amenity, the ESC provides an unparalleled opportunity to reinvigorate and reintroduce RT to the public. This is a wholly unique opportunity that cannot be squandered, as the prospects offered by a project like the ESC come along only once in a region's history. The Advisory Panel encourages RT staff to incorporate more entrepreneurial expertise and industry best practices into their operational and planning efforts. The Advisory Panel is committed to staying engaged in order to assist RT in this laudable effort to ensure a viable and attractive transportation option for choice and special event riders, as well as the transit dependent.