

# REGIONAL TRANSIT ISSUE PAPER

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 12              | 05/23/16           | Open                | Action                  | 05/18/16   |

Subject: Accept Public Comment on Preliminary FY 2017 Operating and Capital Budgets

## ISSUE

Accept Public Comment on the Sacramento Regional Transit District Preliminary FY 2017 Operating and Capital Budgets.

## RECOMMENDED ACTION

- A. Accept Public Comment on the Sacramento Regional Transit District Preliminary FY 2017 Operating and Capital Budgets; and
- B. Motion: To Continue the Public Hearing to June 27, 2016.

## FISCAL IMPACT

None as a result of this public hearing.

## DISCUSSION

The Preliminary Fiscal Year 2017 Operating and Capital Budgets were released for public review on April 25, 2016. The public hearing notice was published in the Sacramento Bee. Through this process, the public is offered an opportunity to express opinions regarding the Preliminary Abridged FY 2017 Budget (Attachment 1). As of this date, no emails, calls or letters have been received asking questions or providing comment on the budgets. On June 27, 2016, staff will report any public comment or inquiries received and will recommend that the Board close the public hearing and adopt the FY 2017 Operating and Capital budgets.

Staff continues to monitor revenues and refine expenditure projections for the current year as well as the FY 2017 Preliminary Budget. Staff will provide a verbal update to the Board of the changes that have occurred in revenue and expenses since the issuance of the FY 2017 Preliminary Abridged Budget. As in previous years, the budget documents will be continuously updated as conditions change until the Board meeting on June 27th.

## **Summary of Preliminary FY 2017 Operating Budget**

Table 1 below provides a summary of the FY 2015 actuals, FY 2016 Adopted Budget, FY 2016 projected Revenues and Expenses, and the preliminary FY 2017 Operating Budget.

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Approved:

Presented:

Final 05/18/16

General Manager/CEO

Assistant General Manager, Administration

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**Table 1**  
Sacramento Regional Transit District  
FY 2017 Preliminary Operating Revenues and Expense Summary

| Categories                       | FY 2015 Actuals       | FY 2016 Adopted Budget | FY 2016 Year-End Estimates | FY 2017 Preliminary Budget | \$ Change FY 2017 to FY 2016 Year-End | % Change FY 2017 to FY 2016 Year-End |
|----------------------------------|-----------------------|------------------------|----------------------------|----------------------------|---------------------------------------|--------------------------------------|
| <b>Operating Revenue</b>         |                       |                        |                            |                            |                                       |                                      |
| Fare Revenue                     | \$ 28,396,102         | \$ 29,953,414          | \$ 28,053,414              | \$ 31,878,667              | \$ 3,825,253                          | 13.6%                                |
| Contracted Services              | 5,809,754             | 6,443,738              | 5,997,007                  | 6,092,006                  | 94,999                                | 1.6%                                 |
| Other                            | 4,002,137             | 4,108,292              | 5,204,959                  | 5,740,000                  | 535,041                               | 10.3%                                |
| State & Local                    | 77,394,435            | 82,968,584             | 80,258,004                 | 86,404,589                 | 6,146,585                             | 7.7%                                 |
| Federal                          | 29,766,694            | 32,031,966             | 32,675,279                 | 33,742,104                 | 1,066,825                             | 3.3%                                 |
| <b>Total Operating Revenue</b>   | <b>\$ 145,369,122</b> | <b>\$ 155,505,994</b>  | <b>\$ 152,188,663</b>      | <b>\$ 163,857,366</b>      | <b>\$ 11,668,703</b>                  | <b>7.7%</b>                          |
| <b>Debt Service</b>              |                       |                        |                            |                            |                                       |                                      |
| State & Local Revenue            | \$ 3,213,031          | \$ 3,025,143           | \$ 3,025,143               | \$ -                       | \$ (3,025,143)                        | -100.0%                              |
| Federal Revenue                  | 3,174,149             | 2,464,074              | 2,464,074                  | -                          | (2,464,074)                           | -100.0%                              |
| TCRP Revenue                     | -                     | -                      | -                          | 5,490,483                  | 5,490,483                             |                                      |
| Total Revenue                    | \$ 6,387,180          | \$ 5,489,217           | \$ 5,489,217               | \$ 5,490,483               | \$ 1,266                              | 0.0%                                 |
| <b>Debt Service Payments</b>     | <b>\$ (6,387,180)</b> | <b>\$ (5,489,217)</b>  | <b>\$ (5,489,217)</b>      | <b>\$ (5,490,483)</b>      | <b>\$ (1,266)</b>                     | <b>0.0%</b>                          |
| <b>Operating Expenses</b>        |                       |                        |                            |                            |                                       |                                      |
| Salaries & Benefits              | \$ 96,261,006         | \$ 99,178,175          | \$ 102,474,905             | \$ 110,094,044             | \$ 7,619,139                          | 7.4%                                 |
| Professional Services            | 26,337,719            | 27,968,449             | 28,346,843                 | 28,252,582                 | (94,261)                              | -0.3%                                |
| Materials & Supplies             | 8,556,338             | 10,104,973             | 7,763,192                  | 8,449,973                  | 686,781                               | 8.8%                                 |
| Utilities                        | 5,815,563             | 6,434,400              | 6,372,458                  | 6,711,124                  | 338,666                               | 5.3%                                 |
| Casualty & Liability             | 7,905,996             | 9,778,687              | 8,367,082                  | 9,138,165                  | 771,083                               | 9.2%                                 |
| Other                            | 1,938,430             | 2,041,310              | 1,929,959                  | 2,211,478                  | 281,519                               | 14.6%                                |
| Potential service reduction TBD  |                       |                        |                            | (1,000,000)                |                                       |                                      |
| <b>Total Operating Expenses</b>  | <b>\$ 146,815,052</b> | <b>\$ 155,505,994</b>  | <b>\$ 155,254,439</b>      | <b>\$ 163,857,366</b>      | <b>\$ 8,602,927</b>                   | <b>5.5%</b>                          |
| <b>Operating Shortfall</b>       | <b>\$ (1,445,930)</b> | <b>\$ -</b>            | <b>\$ (3,065,776)</b>      | <b>\$ -</b>                |                                       |                                      |
| <b>Operating Reserve Usage</b>   | <b>\$ 1,445,930</b>   | <b>\$ -</b>            | <b>\$ 3,065,776</b>        | <b>\$ -</b>                |                                       |                                      |
| <b>Operating Reserve Balance</b> | <b>\$ 3,115,950</b>   | <b>\$ 3,115,950</b>    | <b>\$ 50,174</b>           | <b>\$ 50,174</b>           |                                       |                                      |

### Areas of Risk for FY 2016 and FY 2017

As discussed with the Board in April, areas of continuing uncertainty exist for both FY 2016 and FY 2017. These uncertainties include fare revenues, State and Local Revenues (as it relates to taxes on collected on diesel sales and sales tax for the region), and the price at which RT is able to sell in the market its Low Carbon and Renewable Identification Number (RIN) credits. There are additional uncertainties in the amount of money RT could receive in sponsorship revenues related to the Golden 1 Center, as well as the level of cost savings associated with the January 2017 service reductions that will be presented to the Board for review.

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|---|

## Looking Ahead

Staff's goal is to have a balanced budget for FY 2017. The Preliminary Operating Budget presented to the Board in April was balanced. Staff will continue to work on further cost reductions, and where possible, pursue other revenue opportunities in FY 2017.

## FY 2017 Budget Timeline

Staff will continue to work diligently to confirm and refine budget assumptions until the FY 2017 Operating Budget is adopted by the Board.

6/13/16      FY 2017 Operating and Capital Budget Update to the Board of Directors.

6/27/16      Continue Public Hearing to accept Public Comment on the Preliminary FY 2017 Operating and Capital Budgets, and Adopt the FY 2017 Operating and Capital Budgets.



# Sacramento Regional Transit District

Preliminary  
Abridged Budget  
Fiscal Year 2016-2017

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## Board of Directors

Jay Schenirer, Chair  
City of Sacramento

Andy Morin, Vice Chair  
City of Folsom

Linda Budge  
City of Rancho Cordova

Jeff Harris  
City of Sacramento

Steve Hansen  
City of Sacramento

Pat Hume  
City of Elk Grove

Rick Jennings II  
City of Sacramento

Roberta MacGlashan  
County of Sacramento

Steve Miller  
City of Citrus Heights

Don Nottoli  
County of Sacramento

Phil Serna  
County of Sacramento

## Board of Directors Alternates

Steve Detrick  
City of Elk Grove

Jeff Slowey  
City of Citrus Heights

David Sander  
City of Rancho Cordova

## Executive Management Team

Mike Wiley  
General Manager/CEO

Tim Spangler  
Chief Counsel

Laura Ham  
Chief of Staff

Norm Leong  
Chief of Police Services

Henry Li  
Assistant General Manager of Administration

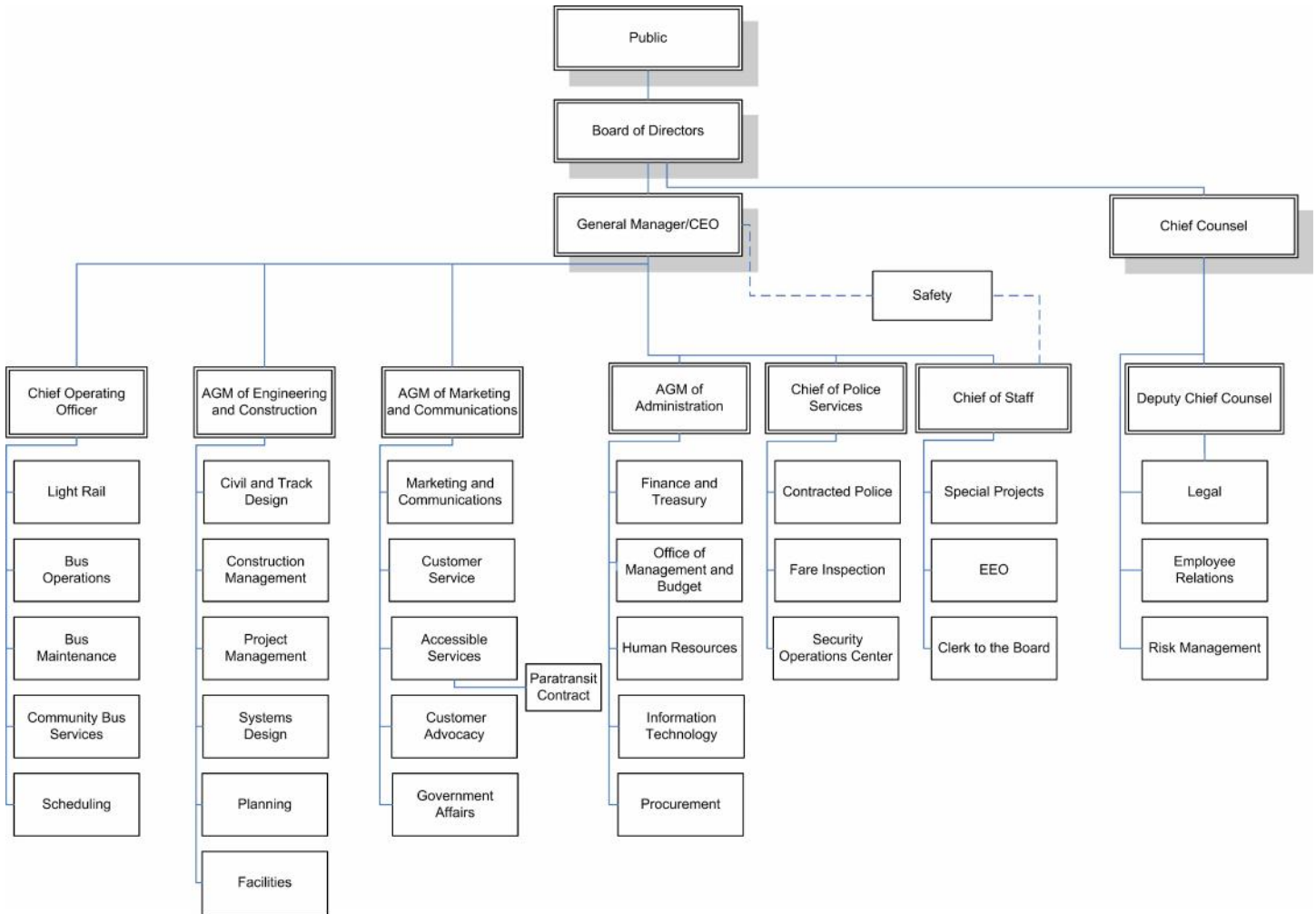
Mark Lonergan  
Chief Operating Officer

Alane Masui  
Assistant General Manager of Marketing and Communications

Diane Nakano  
Assistant General Manager of Engineering and Construction

Olga Sanchez-Ochoa  
Deputy Chief Counsel

## Organizational Structure





## District Profile

### Facts

|                                      |  |
|--------------------------------------|--|
| Sacramento Regional Transit District | Constructs, operates, and maintains a comprehensive mass transportation system that serves 418 square miles in Sacramento County |
|--------------------------------------|--|

| Bus Service      |   |
|------------------|---|
| Power            | Compressed Natural Gas, Diesel, Gasoline  |
| Routes           | 69  |
| Schedule         | 4:41 am to 11:38 pm daily   |
| Stops            | 2,765   |
| Vehicles         | 209 - 40' CNG Buses<br>14 - 25' Gasoline Buses<br>2 - 25' Hybrid Gasoline/Electric Buses<br>6 - 32' CNG Buses<br>3 - 28' Diesel Buses |
| Annual Ridership | 13,700,000  |

| Light Rail Service |                           |
|--------------------|---------------------------|
| Power              | Electrical                |
| Miles              | 41.8                      |
| Schedule           | 3:49 am to 12:59 am daily |
| Stops              | 53                        |
| Vehicles           | 90                        |
| Annual Ridership   | 12,100,000                |

| Paratransit                  |           |
|------------------------------|-----------|
| ADA Passenger Trips Provided | 340,370   |
| ADA Vehicle Revenue Miles    | 3,501,434 |
| Vehicles                     | 102       |

| Passenger Amenities/ Customer Service |                |
|---------------------------------------|----------------|
| Transfer Centers                      | 36             |
| Park & Ride                           | 21             |
| Annual Customer Service Calls         | 233,132        |
| Customer Info Line                    | (916) 321-2877 |
| Website                               | www.sacrt.com  |

| History        |   |
|----------------|---|
| Apr 1, 1973    | Began operations by acquiring the assets of Sacramento Transit Authority  |
| 1973           | Completed new maintenance facility and purchased 103 new buses  |
| 1987           | Opened the 18.3-mile light rail system, linking the northeastern Interstate 80 and southeastern Highway 50 corridors with Downtown Sacramento |
| Sep 1998       | Completed the first light rail extension to Mather Field/Mills Station along the Gold Line corridor   |
| Sep 2003       | Opened the South Line, extending light rail to South Sacramento   |
| Jun 2004       | Extended light rail from Mather Field/Mills to Sunrise Boulevard  |
| Oct 2005       | Extended light rail from Sunrise Boulevard to Folsom, including four new stations   |
| Dec 2006       | Extended light rail from downtown Sacramento to Sacramento Amtrak station   |
| Jun 2012       | Opened the Green Line, connecting downtown Sacramento to the River District   |
| September 2015 | Extended light rail from Meadowview to Cosumnes River College   |

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## Strategic Plan

Adopted by the Board of Directors in January 2015, RT's Strategic Plan reaffirms RT's commitment to improve access in the Sacramento region by providing fiscally responsible transit service.

The Strategic Plan outlines the way RT will navigate challenges and explore opportunities as it seeks to connect people to resources with consideration and support of regional goals.

RT's Strategic Plan requires RT to shape activities to support identified Values and Goals, responsibly manage all agency actions and commitment of resources, and measure performance.

RT acts as the Region's focal point for transit research and development, strategic planning and system assessment, and transit education and safety training. RT's programs involve multiple modes of transportation.

This plan is RT's commitment to the people of the Sacramento Region. RT will accomplish this through regional leadership and by providing quality service in a respectful and sustainable manner. RT will continue to focus on customer service and provide safe, clean, and reliable transportation service. To prepare for future needs in the 21<sup>st</sup> Century, RT will build and continuously develop a highly skilled transportation workforce. RT will continue to challenge itself to meet the growing transportation needs of the Sacramento Region.

The RT Strategic Plan's Mission, Vision, Values, and Goals are listed on the following page. The plan is best seen as an evolving process, not a rigid or fixed document. This plan will change as the needs of the Region change and will reflect the transportation requirements of the Region. The updated RT Strategic Plan was recently adopted by the Board of Directors and is currently being implemented.

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## Strategic Plan (continued)

### Mission Statement

The purpose of the Sacramento Regional Transit District is to promote and improve access in the Sacramento region by providing safe, reliable, and fiscally responsible transit service that links people to resources and opportunities.

### Vision Statement

The Sacramento Regional Transit District strives to connect people to resources and opportunities while stimulating livable communities and supporting economic development by providing an efficient and fiscally sustainable transit system that attracts and serves riders by offering an appealing transportation choice.

### Values

- Quality Service & Innovation
- Customer Service
- Respect & Professionalism
- Fiscal Responsibility
- Integrity & Accountability
- Quality, Diverse & Positive Work Force
- Regional Leadership & Coordination
- Sustainability

### Goals

#### Fundamental Goals

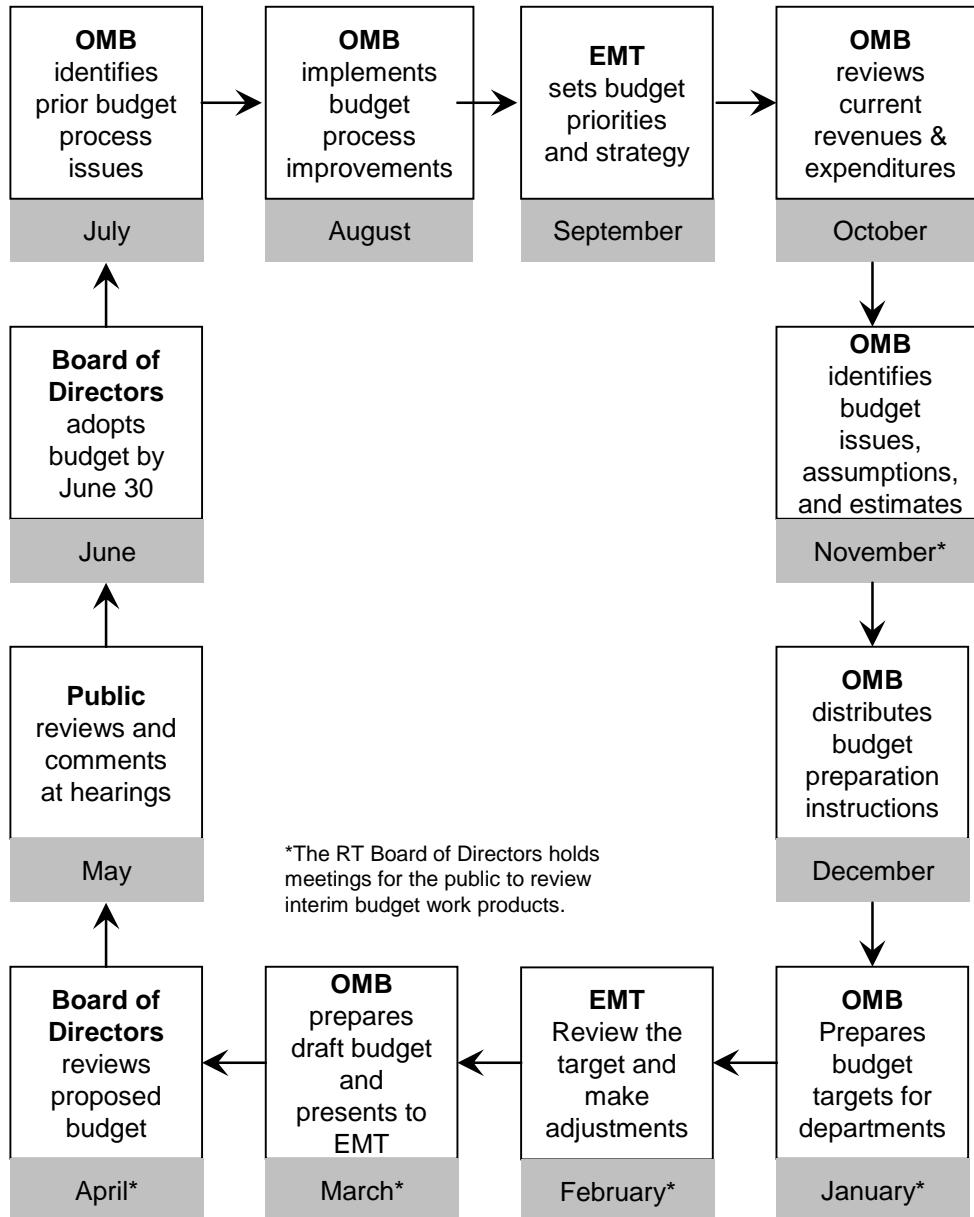
- Ensure Financial Stability
- Meet or Exceed Expectations for Safe & Quality Service in a Cost-Effective Manner
- Operate in an Ethical Manner
- Invest in the Attraction, Development & Retention of a Quality Workforce

#### Growth Goals

- Improve Access Within and Between Communities in the Sacramento Region in a Cost-Effective Manner
- Increase Transit Market Share in the Sacramento Region
- Adjust to Legislative & Regulatory Changes and to Stakeholder & Community Initiatives, and Support Complementary Efforts

## Budget Process

RT uses the annual budget to help measure and account for taxpayer dollars. The budget, as adopted by the Board of Directors, authorizes RT to spend funds. It details how RT allocates tax resources to expenditures, and serves as a benchmark for evaluating accomplishments and assessing fiscal responsibility.



## Voting System

RT is governed by an eleven-member Board of Directors. Six entities (5 cities and 1 county) make appointments to RT’s Board. Eight directors are appointed by “member entities” and represent jurisdictions annexed into RT’s district. Three directors are appointed by “participating entities” and represent jurisdictions that contract with RT to receive transit service.

In January 2006, the RT Board directed staff to pursue legislation to change the voting system from a one-member-one-vote system to one that provides for weighted voting based upon the financial contribution made by each entity to RT. Assembly Bill 2137 established the new weighted voting system.

The system creates 100 voting shares. RT allocates the shares to jurisdictions and their members as follows:

- Five shares to each annexed jurisdiction
- Remaining shares to all jurisdictions based on financial contribution of Transit Development Act funds, funds through contracts, other local funds, and federal funds

On March 12, 2007, the RT Board of Directors adopted the new Schedule of Weighted Voting Distribution for the remainder of FY 2007. For all subsequent years, the Schedule is to be included in the proposed budget document and distributed to voting entities at least 60 days in advance of budget adoption. A summary of the tabulated vote shares adopted for the FY 2016 Budget and for the FY 2017 preliminary Abridged Budget is shown in the table below. A detailed FY 2017 Schedule of Weighted Voting is shown on the next page.

Vote Shares By Jurisdiction

| <b>Jurisdiction</b>    | <b>Status</b> | <b>Shares - FY<br/>2016 Budget</b> | <b>Shares – FY<br/>2017 Proposed</b> |
|------------------------|---------------|------------------------------------|--------------------------------------|
| County of Sacramento   | Annex         | 42                                 | 42                                   |
| City of Sacramento     | Annex         | 36                                 | 36                                   |
| City of Rancho Cordova | Annex         | 10                                 | 10                                   |
| City of Citrus Heights | Contract      | 5                                  | 5                                    |
| City of Elk Grove      | Contract      | 4                                  | 4                                    |
| City of Folsom         | Contract      | 3                                  | 3                                    |
| <b>Total</b>           |               | <b>100</b>                         | <b>100</b>                           |



### Voting System (continued)

Fiscal Year 2017 Schedule of Weighted Voting Distribution  
Base Values\*

| Federal Financial Information         |  |                      |                |                |           |           |           |            |
|---------------------------------------|--|----------------------|----------------|----------------|-----------|-----------|-----------|------------|
| Code Section:                         |  |                      |                |                |           |           |           |            |
| 102205(b)(6)                          | FY 16 Federal Funds Available in the Sacramento MSA                                      | 38,647,077           |                |                |           |           |           |            |
| 102205(b)(7)                          | Allocation of Federal Funds to jurisdictions other than RT                               | 5,971,798            |                |                |           |           |           |            |
| 102205(b)(8)                          | FY 16 Federal Funds Available for use in RT Service Area:                                | 32,675,279           |                |                |           |           |           |            |
| Jurisdiction Specific Values          |  |                      |                |                |           |           |           |            |
|                                       | City of Sacramento   | County of Sacramento | Rancho Cordova | Citrus Heights | Folsom    | Elk Grove | Totals:   |            |
| 102205(b)(10)                         | Population:**  | 480,105              | 573,313        | 69,112         | 85,147    | 74,909    | 162,899   | 1,445,485  |
|                                       | Proportionate Population:  | 33.21%               | 39.66%         | 4.78%          | 5.89%     | 5.18%     | 11.27%    | 100.00%    |
|                                       | Member:  | Yes                  | Yes            | Yes            | No        | No        | No        |            |
| 102100.2, 102100.3                    |  | 4                    | 3              | 1              | 1         | 1         | 1         | 11         |
| 102105.1(d)(2)(D)                     | Federal Funds Attributed to Entity (Total Federal Funding x Share of Population):        | 10,852,804           | 12,959,776     | 1,562,281      | 1,924,753 | 1,693,323 | 3,682,342 | 32,675,279 |
| 102105.1(d)(2)(A), 102205(b)(3)       | FY 17 State TDA Funds Made Available to RT:  | 20,538,698           | 24,490,147     | 2,956,584      | 0         | 0         | 0         | 47,985,429 |
| 102105.1(d)(2)(B), 102205(b)(4)       | FY 17 Funds Provided Under Contract:   | 484,296              | 0              | 273,182        | 3,208,798 | 1,567,369 | 796,731   | 6,330,376  |
| 102105.1(d)(2)(C), 102205(b)(5)       | FY 17 Other Local Funds  | 0                    | 0              | 0              | 0         | 0         | 0         | 0          |
| 102105.1(d)(2)                        | Total Financial Contribution:  | 31,875,798           | 37,449,923     | 4,792,047      | 5,133,551 | 3,260,692 | 4,479,073 | 86,991,084 |
| 102105.1(d)(2)                        | Proportionate Financial Contribution:  | 36.64%               | 43.05%         | 5.51%          | 5.90%     | 3.75%     | 5.15%     | 100.00%    |
| Voting Calculation                    |  |                      |                |                |           |           |           |            |
|                                       | City of Sacramento   | County of Sacramento | Rancho Cordova | Citrus Heights | Folsom    | Elk Grove | Totals:   |            |
| 102105.1(d)(1)                        | Incentive Shares (5 for member jurisdictions)  | 5                    | 5              | 5              | 0         | 0         | 0         | 15         |
| 102105.1(d)(2)                        | Financial Contribution Shares (Proportionate Financial Share x Remainder of 100 shares): | 31.1462              | 36.5928        | 4.6824         | 5.0161    | 3.1861    | 4.3766    | 85.0000    |
| 102105.1(d)(3)                        | Total Shares:  | 36.1462              | 41.5928        | 9.6824         | 5.0161    | 3.1861    | 4.3766    | 100.0000   |
| 102105.1(d)(4)(i)                     | Shares After Rounding:   | 36                   | 41             | 10             | 5         | 3         | 4         | 99         |
| 102105.1(d)(4)(i), 102105.1(d)(4)(ii) | Share Adjustment (To Ensure 100 Shares):   | 36                   | 42             | 10             | 5         | 3         | 4         | 100        |
| 102105.1(d)(7)                        | Distribution of Shares Among Members (Assuming All Members Present to Vote):***          |                      |                |                |           |           |           |            |
|                                       | Member 1   | 9                    | 14             | 10             | 5         | 3         | 4         |            |
|                                       | Member 2   | 9                    | 14             | N/A            | N/A       | N/A       | N/A       |            |
|                                       | Member 3   | 9                    | 14             | N/A            | N/A       | N/A       | N/A       |            |
|                                       | Member 4   | 9                    | N/A            | N/A            | N/A       | N/A       | N/A       |            |
|                                       | Member 5   | N/A                  | N/A            | N/A            | N/A       | N/A       | N/A       |            |
|                                       | Total Votes:   | 36                   | 42             | 10             | 5         | 3         | 4         | 100        |

\* In addition to the funding identified above, RT projects the following funds for operating purposes: \$38,596,903 - Measure A

\*\* Population as measured by the population statistics used by SACOG to allocate TDA funds for the same fiscal year for which the budget is adopted.

\*\*\* If, in any vote allocation, any member would have more than 15 votes, that jurisdiction will be given an additional seat and the votes will be reallocated to the larger number of members.

## RT Major Goals and Objectives in FY 2017

- System Improvements – The RT Board of Directors and staff have launched a comprehensive initiative designed to make changes, big and small, to improve the quality of transit service countywide. The project has been supported by the substantial effort of the Business Advisory Task Force, which was triggered by a desire to improve service and to make system-wide enhancements prior to the opening of the Entertainment and Sports Center (ESC) in downtown Sacramento in October 2016.
  - Opening of the ESC Golden 1 Center – This is an exciting project for Sacramento. The opening of the ESC will provide RT with the opportunity to introduce the convenience of RT to event attendees who would otherwise not utilize RT's services. To achieve that goal, RT has planned the following: (1) to add supplemental light rail service to accommodate crowds visiting the Golden 1 Center during approximately 85 peak events each year; (2) station enhancements that include upgrades to lighting, security systems, and passenger information; (3) increased cleaning on trains and at stations; (4) additional station and vehicle security; (5) hiring Event Coordinators, who will be located at key light rail stations and bus stops to assist event attendees with directions, fare purchases, and general usage of the system; and (6) hiring Transit Agents to assist with fare inspection and security. Some of these initiatives will be a challenge for RT, especially when finances are tight. However, we are committed to ensuring that we capture the new ridership associated with ESC events.
- Mobile Applications - RT has entered into a contract with a vendor to report crime statistics and facility improvements. This will allow RT to have a customized system for riders to report information about conditions at stations and stops to RT staff. This is projected to go live by July, 2016. In addition, On January 3, 2016, RT began a 6 month pilot mobile fare program for customers using smart phones. The program allows customers to purchase single and daily full and discount tickets and passes. The success of the program has prompted staff to work with the vendor to extend the existing pilot program for another 6 months. In conjunction with this extension, staff has begun the request for proposal process for a permanent solution with the projected go live date of January 1, 2017.
- Connect Card – RT's regional partner SACOG and the vendor INIT are targeting July/August 2016 for a soft launch / pilot of the system provided that the system is functionally ready for operation by June, 2016. Should the system be deemed fully functional and pass soft launch testing, staff could anticipate full system use in early 2017.
- South Line Phase 2 Project – The majority of this project was successfully completed ahead of schedule and under budget. The grand opening ceremony took place on August 24, 2015. There are minor activities that will continue into FY 2017 and the final Station Morrison Creek is anticipated to be completed by December 31, 2017 or development of adjacent property.
- Horn Road and Dos Rios Light Rail Stations – RT was awarded Community Design Grants to complete final design of the facilities in 2017. Staff presented the Horn Road station design concept to the Rancho Cordova City Council in June 2015 for direction on a preferred design concept. Staff is working with Sacramento Housing and Redevelopment Agency (SHRA) to integrate station plans into their adjacent transit oriented development project. Staff will be seeking additional funding through SACOG and the State Cap and Trade programs to construct these facilities.
- Streetcar Project – During FY17, staff will manage several key streetcar items. Working on behalf of the cities of Sacramento and West Sacramento, the Streetcar Project Management Team will work closely with the Federal Transit Administration to secure a Small Starts Grant Agreement by the end of calendar year 2017. Concurrent to this work, staff will be advancing streetcar Final Design efforts, as well as finalizing the specifications and advancing the purchase of the streetcar vehicles.
- Green Line – In FY 2017, at a minimum, a second track will be added to H Street from 7th Street to west of 5th Street continuing in the north-south direction to a single sided station platform constructed on the west side of the

revenue track. A by-pass track will also be constructed in the north-south direction east / parallel to the station track continuing approximately 400' beyond the station platform on to F Street. Two crossovers, (1 temporary) will be added on H Street and south of the station platform to allow flexible operations into and out of the relocated station.

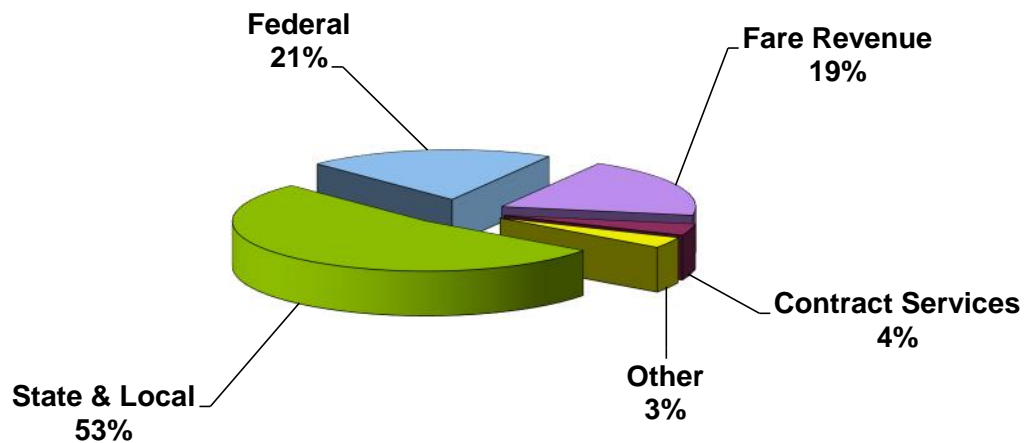
- UTDC Light Rail Vehicle (LRV) Retrofit and Mid Life Refurbishment - Work continues on the UTDC refurbishment. Siemens is scheduled to complete the final LRV in December 2016, however, there is other work that will need to be completed on some of the LRV's refurbished early in the project plus warranty work. In addition, RT has rework and warranty repairs on subsystems that RT supplies to Siemens as owner furnished equipment.
- Siemens Light Vehicle Train Wraps – The Siemens light rail train wrap project will continue through FY17, with 8 LRVs scheduled to be completed each year. This schedule allows time to complete the body work involved to prepare the vehicles for wrap.
- 40' CNG Bus Replacement Project – During FY 2016, RT entered into a contract with Gillig to purchase 96 CNG Buses. RT has received 30 buses during the first half of 2016; the second order of 30 buses is projected for delivery in the Spring of 2016. The final 36 buses are scheduled for completion and delivery by October 2016, and are expected to be in service by December 31, 2016.
- Bus Fare Boxes – When RT entered into a new contract with Gillig to replace 96 CNG buses, RT also evaluated its fare box needs. With the current fare boxes exceeding their useful life and the existing manufacturer indicating that the existing fare boxes would no longer be supported, RT entered into a contract with SPX Corporation to purchase new Genfare Incorporated (GFI) Fast Fare fare boxes. The new fare boxes provides RT with new technology such as improved bill and coin counterfeiting detection, the ability to issue magnetic fare media directly from the fare box, and read the newest technology in Quick Response (QR) codes for smart phones and connect cards. Approximately 30 of these new fare boxes were installed into the 30 new Gillig buses with the remaining 66 to be installed as the new buses are delivered to RT. Additionally, RT entered into a contract with GFI to replace the remaining fareboxes as funding becomes available. During FY 2017, RT has enough funds to replace an additional 53 fare boxes with a delivery date of September 2017. The remaining fare boxes will be replaced as funding becomes available.
- Radio Upgrade – In order to meet Sacramento County's Project 25 (P25) requirements, several equipment improvements will be needed in FY17. All Gold Elite radio consoles will need to be replaced with new models that are P25 compliant as well as replacing numerous portable radios with APX-6000 and APX-4000 models. The majority of the mobile radios are P25 compliant but will need to be programmed and flashed with new templates.



## Revenues

### FY 2017 Operating Revenue by Funding Source

(Dollars in Thousands)



|                          | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Budget | FY 2017<br>Budget | FY 2017 to FY 2016 |             |
|--------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------|
|                          |                   |                   |                   |                   | \$ Change          | % Change    |
| Fare Revenue             | \$ 29,157         | \$ 28,396         | \$ 29,953         | \$ 31,879         | \$ 1,926           | 6.4%        |
| Contract Services        | 5,530             | 5,810             | 6,444             | 6,092             | (352)              | -5.5%       |
| Other                    | 2,834             | 4,002             | 4,108             | 5,740             | 1,632              | 39.7%       |
| State & Local            | 75,296            | 77,394            | 82,969            | 86,404            | 3,435              | 4.1%        |
| Federal                  | 28,970            | 29,767            | 32,032            | 33,742            | 1,710              | 5.3%        |
| <b>Total</b>             | <b>\$ 141,786</b> | <b>\$ 145,369</b> | <b>\$ 155,506</b> | <b>\$ 163,857</b> | <b>\$ 8,351</b>    | <b>5.4%</b> |
| Operating Reserve*       | \$ 3,380          | \$ 1,446          |                   |                   |                    |             |
| <b>Operating Revenue</b> | <b>\$ 145,166</b> | <b>\$ 146,815</b> | <b>\$ 155,506</b> | <b>\$ 163,857</b> | <b>\$ 8,351</b>    | <b>5.4%</b> |

\*Operating Reserve: Positive indicates use of the reserve. Negative indicates an increase in the reserve.

## Revenues (continued)

### Fare Revenue

This category includes rider monies deposited in the fare box and the sale of tickets and passes.

- The FY 2017 Preliminary Budget proposes \$31.9 million in Fare Revenue, an increase of \$1.9 million (6.4%) from the FY 2016 Budget of \$30.0 million.
- This includes Board adopted fare increase to different fare categories effective July 1, 2016.
- This reflects an increase in Los Rios Student pass program in the amount of \$1.2 million due to changes in the contract approve by the students.
- This reflects an increase in Sacramento State Student and Employee Transit Pass Program with an estimated revenue in the amount of \$0.3 million due to increased ridership among students.
- This includes \$0.5 million in revenues from a projected increase in the preliminary contractual agreement with the Department of Human Assistance.

### Contracted Services

This category includes contracts with the Cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, as well as Granite Park and North Natomas shuttle services. These cities and service areas purchase RT transit services.

- The FY 2017 Preliminary Budget proposes \$6.1 million in Contracted Services revenue, an decrease of \$0.3 million (5.5%) from the FY 2016 Budget of \$6.4 million.
- This reflects a 2.6% increase in the Citrus Heights contract due to an increase in TDA revenue.
- This also reflects a decrease in the Elk Grove contract of \$0.3 million due to the recently adopted changes to the contract.

### Other

This category includes investment income, commercial real estate leases, advertising income, bus book sales, fare evasion fines, promotional item sales, photo identification activities, and parking revenue.

- The FY 2017 Preliminary Budget includes \$5.7 million in other revenue, which is an increase of \$1.6 million (39.7%) from the FY 2016 Budget of \$4.1 million.
- The FY 2017 Preliminary Budget includes \$1.9 million in projected revenue from sponsorship agreements.
- This includes \$0.2 million for the sale of Federal Renewable Identification Numbers for RT's CNG Bio-Gas fuel and \$1.0 million for the sale of Low Carbon Credits through the State Cap and Trade program.
- This includes 6 months of CNG tax rebate because of December 2016 expiration date for the program.

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## Revenues (continued)

### State & Local

This category includes formula-based allocations to RT from state and local government sales taxes. RT receives funding from the California Transportation Development Act Local Transportation Fund (TDA-LTF), the Transportation Development Act State Transit Assistance Program (TDA-STA), and Sacramento County Measure A.

- The FY 2017 Preliminary Budget proposes \$86.4 million in state and local funding revenue, an increase of \$3.4 million (4.1%) from the FY 2016 Budget of \$83.0 million.
- This reflects a 2.1% or \$0.8 million increase in sales tax estimates for Measure A over the FY 2016 Budget, based on the Sacramento Transportation Authority preliminary budget projections.
- This also reflects a 4.1% or \$1.5 million increase in sales tax estimates for TDA-LTF.
- This includes a 17.7% or \$1.7 million decrease in the TDA-STA Revenue compared to the FY 2016 Budget due to low diesel prices.
- This Budget assumes that TCRP funds are to be used for the Revenue Bond payment in the amount of \$5.5 million.
- This includes \$1.9 million in the Low Carbon Transit Operations Program (LCTOP) revenue, which is a cap-and-trade program established in 2014 that provides funds to public transportation agencies throughout California for operations that reduce greenhouse gas emissions.

### Federal

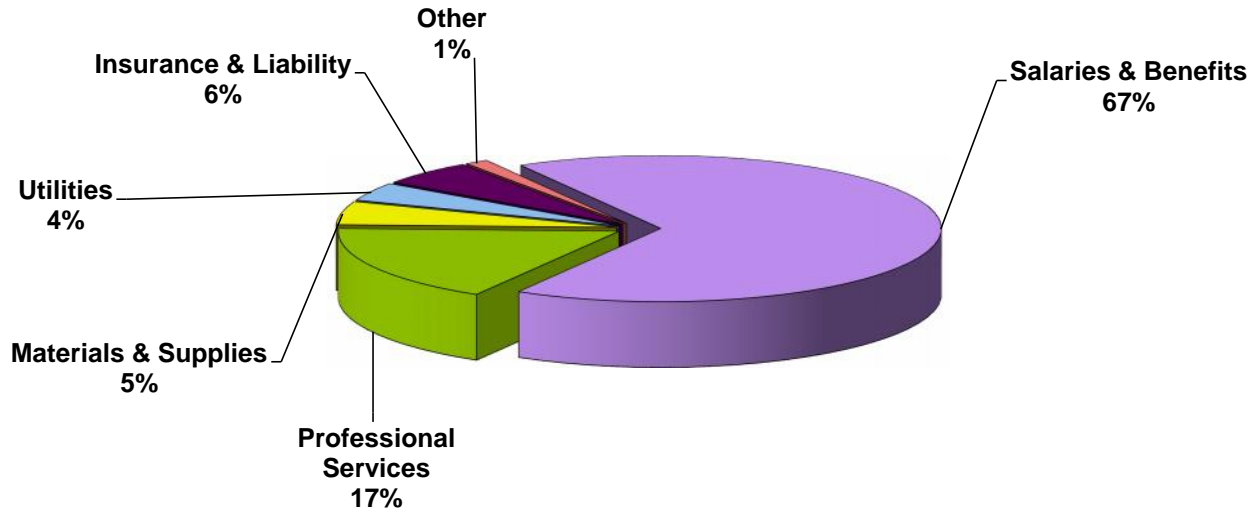
This category includes formula-based allocations to RT from the federal government. Each year Congress authorizes the appropriation, and the Federal Transit Administration allocates the dollars to the region. RT can use the funds for operating, planning, and capital, subject to specific regulations.

- The FY 2017 Preliminary Budget proposes \$33.7 million in federal funding, an increase of \$1.7 million (5.3%) from the FY 2016 Budget of \$32.0 million.
- This includes \$2.0 million in Congestion Mitigation Air Quality (CMAQ) revenue for South Line Phase 2, which is a \$0.4 million increase over FY 2016.
- This includes \$1.0 million in Job Access/Reverse Commute funding, which is a \$0.4 million increase over FY 2016.
- Section 5307 Urbanized Area federal funding is projected to decrease by \$0.4 million due to changes in SACOG allocation methodology based on earned share.
- Section 5337 State of Good Repair funding is projected to increase by \$1.4 million due to higher allocation to the Region by FTA.

## Expenses

### FY 2017 Operating Expenses by Expense Category

(Dollars in Thousands)



|                             | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Budget | FY 2017<br>Budget | FY 2017 to FY 2016 |             |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------|
|                             |                   |                   |                   |                   | \$ Change          | % Change    |
| Salaries & Benefits         | \$ 94,018         | \$ 96,261         | \$ 99,178         | \$ 110,094        | \$ 10,916          | 11.0%       |
| Professional Services       | 24,933            | 26,338            | 27,969            | 28,253            | 284                | 1.0%        |
| Materials & Supplies        | 10,198            | 8,556             | 10,105            | 8,450             | (1,655)            | -16.4%      |
| Utilities                   | 5,646             | 5,816             | 6,434             | 6,711             | 277                | 4.3%        |
| Insurance & Liability       | 8,343             | 7,906             | 9,779             | 9,138             | (641)              | -6.6%       |
| Other                       | 2,029             | 1,938             | 2,041             | 2,211             | 170                | 8.3%        |
| Potential Service Reduction | TBD               |                   |                   | (1,000)           | (1,000)            |             |
| <b>Operating Expenses</b>   | <b>\$ 145,167</b> | <b>\$ 146,815</b> | <b>\$ 155,506</b> | <b>\$ 163,857</b> | <b>\$ 8,351</b>    | <b>5.4%</b> |

## Expenses (continued)

### Salaries & Benefits

This category includes payroll and benefits for all positions authorized by the Board of Directors. It accounts for wages, overtime, pension, dental, medical, FICA, vision, and all other RT-paid employee benefits.

- The FY 2017 Preliminary Budget proposes \$110.1 million for salaries and benefits, an increase of \$10.9 million (11.0%) from the FY 2016 Budget of \$99.2 million.
- The Fiscal Year 2017 Preliminary Budget includes 1,052 fully or partially funded positions, which is an increase of 46 positions from the Fiscal Year 2016 Budget of 1,006 fully or partially funded positions. See Positions section on page 20 for details.
- Labor increased by \$4.4 million (8.0%) from the FY 2016 Budget of \$55.8 million. This reflects various District position salary adjustments, salaries for new positions, increase in overtime cost based on higher wages.
- Fringe Benefits increased by \$5.8 million (11.9%) from the FY 2016 Budget of \$48.7 million. This reflects increases of 1.6 million in Pension costs, increases of \$1.3 million in Medical costs, increase of 2.0 million in post-retirement benefits, increase of \$0.6 million in vacation and sick leave accrual, etc.
- Capital recovery and indirect costs have decreased by \$0.6 million over the FY 2016 Budget. This represents labor charged to capital projects, a decrease in which will increase the operating budget labor costs. Staff is working with Engineering Division on analyzing capital labor recovery opportunities.

### Professional Services

This category includes purchased transportation (Paratransit, Inc.) to comply with the Americans with Disabilities Act (ADA), transit security, equipment maintenance, facilities maintenance, legal services, and services provided by outside consultants.

- The FY 2017 Preliminary Budget proposes \$28.3 million for Professional Services, an increase of \$0.3 million (1.0%) from the FY 2016 Budget of \$28.0 million.
- This reflects an increase in Paratransit, Inc. cost of \$1.1 million, based on a projected increase in demand for ADA service and an increase in cost per trip.
- This includes a \$1.3 million decrease in security services cost based on the assumption that Security Guards are replaced by newly hired Transit Agents.
- There are other minor increases in various general ledger (GL) accounts that make up the difference.

### Materials & Supplies

This category includes fuel, bus and light rail parts, small maintenance tools and equipment, cleaning supplies, printing materials, and general office supplies.

- The FY 2017 Preliminary Budget proposes \$8.5 million for materials and supplies, a decrease of \$1.7 million (16.4%) from the FY 2016 Budget of \$10.1 million.
- This includes a \$0.5 million reduction in CNG cost and \$0.1 million reduction in gasoline cost.
- This also includes a \$0.7 million reduction in bus parts and \$0.3 million reduction in light rail vehicle parts.
- The changes in other general ledger accounts make up the remaining difference.

## Expenses (continued)

### Utilities

This category includes electricity, water, gas, refuse, and telephone for bus, light rail, and administrative facilities.

- The FY 2017 Preliminary Budget proposes \$6.7 million for Utilities, an increase of \$0.3 million (4.3%) from the FY 2016 Budget of \$6.4 million.
- This includes traction power costs of \$0.2 million associated with Golden 1 service.
- This includes increases in costs for water, electricity and telephone.

### Insurance & Liability

This category includes premiums, claims, and attorney fees related to personal liability insurance, property damage insurance, workers' compensation claims, and commercial insurance for amounts in excess of self-insured amounts.

- The FY 2017 Preliminary Budget proposes \$9.1 million for Insurance & Liability, a decrease of approximately \$0.6 million (6.6%) from the FY 2016 Budget of \$9.8 million.
- This reflects a decrease of \$1.0 million in the projected claims reserves for Property and Liability for FY 2017, per RT's most recent actuary report completed in February 2016.
- This also reflects an increase of \$0.3 million in excess liability insurance premium due to an increase in the required insurance coverage up to \$290 million.
- This reflects the updated insurance premium costs.

### Other

This category includes but is not limited to travel and training, seminars, dues and subscriptions, awards and ceremonies, building leases, equipment leases, taxes, freight, advertising, legal notices, and bad debt.

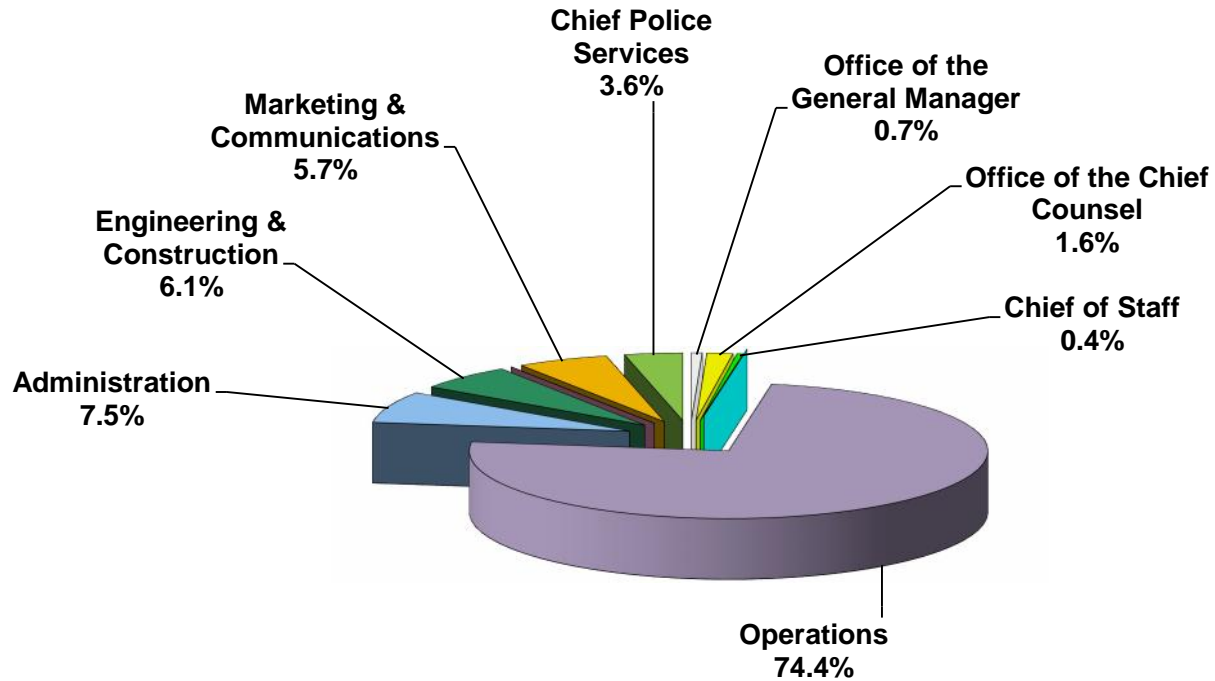
- The FY 2017 Preliminary Budget proposes \$2.2 million for other expenditures, an increase of \$0.2 million (8.3%) from the FY 2016 Budget of \$2.0 million.
- This includes increases in Uniform costs, banking fees, interest expense, property taxes, etc.

### Potential Service Reduction

Staff is analyzing ridership trends to determine what routes might be under performing as compared to our current performance goals to determine what service levels, if any, should/could be considered to be reduced or discontinued. There could be significant savings to the Operating Budget as a result of this analysis and discussion; the projected service reduction impact in FY 2017 is an estimated savings of approximately \$1.0 million.

## Positions

The Fiscal Year 2017 Preliminary Budget includes 1,052 fully or partially funded positions, which is a decrease of 9 positions from the Fiscal Year 2016 Projected Budget of 1,061 funded positions.



| Division                               | FY 2014<br>Funded | FY 2015<br>Funded | FY 2016<br>Funded | FY 2016<br>Projected * | FY 2017<br>Funded |
|--|-------------------|-------------------|-------------------|------------------------|-------------------|
| Office of the General Manager          | 4                 | 4                 | 3                 | 6                      | 7                 |
| Office of the Chief Counsel            | 10                | 10                | 9                 | 18                     | 17                |
| Chief of Staff                         | 0                 | 0                 | 0                 | 3                      | 4                 |
| Facilities & Business Support Services | 87                | 86                | 84                | 2                      | 0                 |
| Operations                             | 783               | 790               | 792               | 801                    | 783               |
| Administration                         | 26                | 27                | 24                | 79                     | 79                |
| Engineering & Construction             | 24                | 23                | 19                | 66                     | 64                |
| Finance                                | 27                | 26                | 25                | 2                      | 0                 |
| Planning & Transit System Development  | 24                | 24                | 24                | 2                      | 0                 |
| Marketing & Communications             | 27                | 27                | 26                | 39                     | 60                |
| Chief Police Services                  | 0                 | 0                 | 0                 | 43                     | 38                |
| <b>Total</b>                           | <b>1,012</b>      | <b>1,017</b>      | <b>1,006</b>      | <b>1,061</b>           | <b>1,052</b>      |

\* Reflects Reorganizational Changes.

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## Positions (continued)

Changes reflected in the FY 2017 preliminary budget are as follows:

- General Manager division had a net increase of 1 funded position. 1 GM Assistant position was added to support the new General Manager.
- Chief Counsel division had a net decrease of 1 funded position. 1 Senior Paralegal position was unfunded.
- Chief of Staff division had a net increase of 1 funded position. This division was created during FY 2016 reorganization. 1 Senior Administrative Assistant was transferred from Facilities division to Chief of Staff.
- Facilities division had a net decrease of 2 funded positions and was eliminated during the FY 2016 reorganization. The changes are as follows: transfer 1 Senior Administrative Assistant to Chief of Staff division and eliminate the Chief of Facilities and Business Support Services position.
- Operations division had a net decrease of 18 funded positions. The changes are as follows: fund 2 Transportation Supervisors in Bus Transportation and 1 Mechanic B, unfund 1 Bus Service Worker and 1 Mechanic C, convert 1 Painter to Mechanic A Body/Fender that is unfunded in Bus Maintenance. In Light Rail, unfund 1 Light Rail Service Worker, 1 Lineworker Technician, 1 Mechanic A Body/Fender and 1 Rail Maintenance Worker and fund 2 Lineworker Technician – HLC. Eliminate 15 Part-Time Cleaners.
- Administration division had no change in a number of funded positions even though numerous changes took place. This division was created during the FY 2016 reorganization. Total of five departments were combined into this division, including Human Resources, Finance and Treasure, Office of Management and Budget (OMB), Information Technology (IT), and Procurement. The position changes are as follows: add 1 Human Resources Analyst II for Pension Administration in Human Resources, unfund 1 Revenue Clerk and 1 Revenue Analyst, fund 1 Director of OMB in Office of Management and Budget, fund 1 Communications Infrastructure Specialist in IT, unfund 1 Materials Management Superintendent and 1 Procurement Analyst II in Procurement, transfer 1 Senior Administrative Assistant from Finance division.
- Engineering division had a net decrease of 2 funded positions. During the FY 2016 reorganization, three departments were added to this division: Facilities, Strategic Planning and Long Range Planning. The position changes are as follows: unfund 1 Administrative Assistant II and 1 Associate Civil Engineer - HLC, and transfer 1 Senior Administrative Assistant from Planning. Staff continues evaluate staffing needs in this division.
- Finance division was combined into the Administration division due to the FY 2016 reorganization. As a result of reorganization, 1 Chief Financial Officer was eliminated and 1 Senior Administrative Assistant was transferred to Administration division.
- Planning division was transferred to the Engineering division during the FY 2016 reorganization. The position changes are as follows: eliminate 1 AGM of Planning and Transit Systems Development, transfer 1 Senior Administrative Assistant to Engineering division.
- Marketing division had a net increase of 21 funded positions. During the FY 2016 reorganization, Purchased Transportation and Accessible Services were transferred to this division. The position changes are as follows: unfund 1 Director of Accessible Services and Customer Advocacy, add 22 Event Attendants for Golden 1 Service Center Initiative.



## Capital Improvement Plan

The following tables represent the Capital Budget spending plan for the FY 2017 Operating Budget for the projects listed. The full five-year CIP will be adopted by a separate Board action and will cover capital funding priorities between fiscal years 2017 through 2021, and beyond to 2047.

The FY 2017 Capital Budget includes projects focused on the following priorities (please see page 12-13 of this document for project descriptions for FY 2017):

### Project Development Program:

- Horn Road and Dos Rios Light Rail Stations
- Streetcar Project
- Green Line Project

### Fleet Program:

- UTDC Light Rail Vehicle Retrofit and Mid Life Refurbishment
- Siemens Light Rail Vehicle Wraps
- 40' CNG Bus Procurement
- Bus Fare Box Replacement
- Low Floor Rail Cars

### Transit Technologies Program:

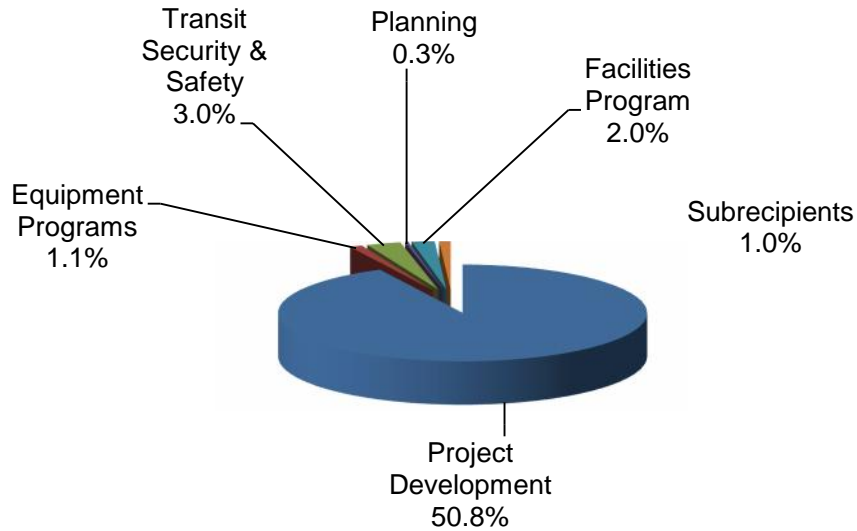
- Radio Communications Systems Upgrade
- Connect Card
- Mobile Ticketing

## Impact of Capital Improvements on the Operating Budget

Capital projects that are approved in the current year budget will impact future operating and capital budgets as follows:

1. Capital projects completed in the current year will require on-going maintenance and, in case of new service lines, additional and on-going operating costs.
2. Capital projects that are not completed in the current year will require additional capital funding that may require balancing with operating funding if additional capital funds are not available.
3. Capital projects that are not completed in the current year will affect future years' budgets with increased operating costs in the year of completion. Future on-going operating and maintenance costs are projected using current year baseline dollars.

### Capital Improvements by Category



(Dollars in Thousands)

| Category                  | FY 2017          |               |
|---------------------------|------------------|---------------|
|                           | Proposed         |               |
| Project Development       | \$ 59,800        | 92.6%         |
| Equipment Programs        | 729              | 1.1%          |
| Transit Security & Safety | 1,959            | 3.0%          |
| Planning                  | 186              | 0.3%          |
| Facilities Program        | 1,324            | 2.0%          |
| Subrecipients             | 633              | 1.0%          |
| <b>Total</b>              | <b>\$ 64,631</b> | <b>100.0%</b> |

## Capital Improvement Funding Additions

| Program                                    | Project Name   | Tier | Funded Through FY 2016 | FY 2017 Funding Budget | Future Funding Additions | Total Project Funding Through FY 2017 |
|--|--|------|------------------------|------------------------|--------------------------|---------------------------------------|
| <b>Project Development Programs</b>        |  |      |                        |                        |                          |                                       |
| R055                                       | Light Rail Station at Dos Rios                                   | I    | \$ 900,000             | \$ 800,000             | \$ 17,800,000            | \$ 19,500,000                         |
| R135                                       | Light Rail Station at Horn                                       | I    | \$ 600,000             | \$ 1,000,000           | \$ 6,000,000             | \$ 7,600,000                          |
| R321                                       | Green Line Draft & Final EIS/R for SITF Segment                  | 0    | \$ 3,504,000           | \$ (519,786)           | \$ 519,786               | \$ 3,504,000                          |
| R322                                       | Green Line Draft Environmental Clearance and Project Development | 0    | \$ 3,109,156           | \$ -                   | \$ 400,000               | \$ 3,509,156                          |
| TBD10                                      | Green Line SVS Loop  | II   | \$ -                   | \$ 28,000,000          | \$ -                     | \$ 28,000,000                         |
| S010                                       | Sacramento-West Sacramento Streetcar Starter Line                | I    | \$ 1,734,933           | \$ 30,519,786          | \$ -                     | \$ 32,254,719                         |
| <b>Project Development Total</b>           |  |      | <b>9,848,089</b>       | <b>59,800,000</b>      | <b>24,719,786</b>        | <b>94,367,875</b>                     |
| <b>Equipment Programs</b>                  |  |      |                        |                        |                          |                                       |
| B143                                       | Fare Box Replacements  |      | 2,911,791              | 728,702                | \$ -                     | \$ 3,640,493                          |
| <b>Equipment Program Total</b>             |  |      | <b>2,911,791</b>       | <b>728,702</b>         | <b>-</b>                 | <b>3,640,493</b>                      |
| <b>Transit Security &amp; Safety</b>       |  |      |                        |                        |                          |                                       |
| TBD1                                       | Phone System Replacement   | 0    | -                      | 305,250                | -                        | 305,250                               |
| TBD2                                       | Track Warrant Controlled Access System                           | 0    | -                      | 187,450                | -                        | 187,450                               |
| TBD3                                       | Radio Communications System Upgrade                              | 0    | -                      | 1,117,017              | -                        | 1,117,017                             |
| TBD4                                       | Upgrades to Transit Security Systems                             | 0    | -                      | 15,480                 | -                        | 15,480                                |
| TBD5                                       | Anti-Terrorism Directed Patrols                                  | 0    | -                      | 181,735                | -                        | 181,735                               |
| TBD6                                       | License Plate Reader Camera Packages (3)                         | 0    | -                      | 33,120                 | -                        | 33,120                                |
| TBD7                                       | Hand Held Portable Radios  | 0    | -                      | 106,509                | -                        | 106,509                               |
| TBD8                                       | Security Awareness Training                                      | 0    | -                      | 12,091                 | -                        | 12,091                                |
| <b>Transit Security &amp; Safety Total</b> |  |      | <b>-</b>               | <b>1,958,652</b>       | <b>-</b>                 | <b>1,958,652</b>                      |
| <b>Planning / Studies</b>                  |  |      |                        |                        |                          |                                       |
| R335                                       | Watt/I-80 Transit Center Master Plan                             | 0    | 24,087                 | 185,913                | -                        | 210,000                               |
| <b>Planning Total</b>                      |  |      | <b>24,087</b>          | <b>185,913</b>         | <b>-</b>                 | <b>210,000</b>                        |
| <b>Facilities Program</b>                  |  |      |                        |                        |                          |                                       |
| TBD9                                       | BMF #1 Fueling Facility Upgrades                                 | II   | -                      | 1,324,450              | -                        | 1,324,450                             |
| <b>Facilities Programs Total</b>           |  |      | <b>-</b>               | <b>1,324,450</b>       | <b>-</b>                 | <b>1,324,450</b>                      |
| <b>Subrecipient</b>                        |  |      |                        |                        |                          |                                       |
| Q044                                       | FY 2015 Section 5307 El Dorado Transit - Bus Acquisition         | 0    | -                      | 308,771                | -                        | 308,771                               |
| Q045                                       | FY 2015 Section 5307 City of Folsom - PM/ADA/OPS Assistance      | 0    | -                      | 324,322                | -                        | 324,322                               |
| <b>Subrecipient Total</b>                  |  |      | <b>-</b>               | <b>633,093</b>         | <b>-</b>                 | <b>633,093</b>                        |
| <b>Total</b>                               |  |      | <b>\$ 12,783,967</b>   | <b>\$ 64,630,810</b>   | <b>\$ 24,719,786</b>     | <b>\$ 102,134,563</b>                 |

\* All project expenditures are subject to available funding.

## Capital Project Expenditure Plan

| Program                                   | Project Name   | Tier | Expended Through FY 2016 | FY 2017 Budget Expenditures | Future Expenditures | Total Project Cost through FY 2017 |
|---|--|------|--------------------------|-----------------------------|---------------------|------------------------------------|
| <b>Project Development</b>                |  |      |                          |                             |                     |                                    |
| 404                                       | Green Line to the River District (GL-1)                                      | 0    | 49,573,657               | 188,343                     | -                   | 49,762,000                         |
| 410                                       | Blue Line to Cosumnes River College  | 0    | 251,616,792              | 18,500                      | 18,364,708          | 270,000,000                        |
| R055                                      | Light Rail Station at Dos Rios   | I    | 458,643                  | 1,241,357                   | 17,800,000          | 19,500,000                         |
| R135                                      | Light Rail Station at Horn   | I    | 480,051                  | 1,119,949                   | 6,000,000           | 7,600,000                          |
| R321                                      | Green Line Draft & Final EIS/R for SITF Segment                              | 0    | 1,124,290                | 173,679                     | 2,206,031           | 3,504,000                          |
| R322                                      | Green Line Draft Environmental Clearance and Project Development             | 0    | 1,608,260                | 627,753                     | 1,273,143           | 3,509,156                          |
| TBD10                                     | Green Line SVS Loop  | II   | -                        | 10,000,000                  | 18,000,000          | 28,000,000                         |
| R323                                      | Retrofit Light Rail Vehicle (LRV) Hoist                                      | 0    | 2,727                    | 30,273                      | -                   | 33,000                             |
| S010                                      | Sacramento-West Sacramento Streetcar Starter Line                            |      | 1,668,132                | 10,614,451                  | 19,972,136          | 32,254,719                         |
| <b>Project Development Total</b>          |  |      | <b>306,532,552</b>       | <b>24,014,305</b>           | <b>83,616,018</b>   | <b>414,162,875</b>                 |
| <b>Fleet Programs</b>                     |  |      |                          |                             |                     |                                    |
| 651                                       | Siemens Light Rail Vehicle Mid-Life Overhaul                                 | 0    | 7,423,652                | 5,000                       | 2,517,760           | 9,946,412                          |
| B139                                      | 40' CNG Bus Procurement  | I    | 17,943,241               | 39,445,943                  | -                   | 57,389,184                         |
| B141                                      | Non-Revenue Vehicles - P1B Restricted  | 0    | 2,925,643                | 1,072,759                   | 664,892             | 4,663,294                          |
| B142                                      | Neighborhood Ride Vehicle Replacement - 14 Vehicles                          | 0    | 1,854,714                | 64,400                      | -                   | 1,919,114                          |
| G225                                      | Non-Revenue Vehicle Replacement  | I    | 1,626,842                | 220,000                     | 32,719              | 1,879,561                          |
| P007                                      | Paratransit Vehicle Replacement - CNG" project                               | 0    | 10,005                   | 1,561,195                   | -                   | 1,571,200                          |
| R001                                      | CAF/Siemens Light Rail Vehicle Painting/Exterior Work                        | 0    | 104,747                  | 890,253                     | -                   | 995,000                            |
| R085                                      | UTDC Light Rail Vehicle Retrofit and Mid Life Refurbishment                  | I    | 23,362,822               | 2,236,239                   | -                   | 25,599,061                         |
| R086                                      | UTDC Light Rail Vehicle Retrofit and Mid Life Refurbishment - 7 Vehicles     | I    | 2,529,819                | 5,504,181                   | -                   | 8,034,000                          |
| <b>Fleet Program Total</b>                |  |      | <b>57,781,485</b>        | <b>50,999,970</b>           | <b>3,215,371</b>    | <b>111,996,826</b>                 |
| <b>Infrastructure Programs</b>            |  |      |                          |                             |                     |                                    |
| A006                                      | Natoma Overhead Widening Project   | 0    | 150,054                  | 53,696                      | 66,500              | 270,250                            |
| A007                                      | Easton Development Grade Crossing  | 0    | 14,548                   | 10,000                      | 25,452              | 50,000                             |
| G237                                      | Across the Top System Modification   | 0    | 317,213                  | 357,643                     | -                   | 674,856                            |
| G238                                      | Repairs per Biennial Bridge Inspection                                       | I    | 110,726                  | 55,000                      | 1,603,446           | 1,769,172                          |
| R010                                      | Light Rail Crossing Enhancements   | I    | 448,931                  | 94,183                      | 2,956,886           | 3,500,000                          |
| R280                                      | Signal - Infrastructure Improvements for Future Gold Line Limited Stop Serv. | I    | 398,778                  | 5,000                       | 13,696,222          | 14,100,000                         |
| R336                                      | Light Rail Station Enhancements  | 0    | 1,500,000                | 5,228,000                   | -                   | 6,728,000                          |
| <b>Infrastructure Program Total</b>       |  |      | <b>2,940,250</b>         | <b>5,803,522</b>            | <b>18,348,506</b>   | <b>27,092,278</b>                  |
| <b>Facilities Programs</b>                |  |      |                          |                             |                     |                                    |
| 715                                       | Bus Maintenance Facility #2 (Phase 1&2)                                      | I    | 22,329,083               | 2,189,636                   | 37,153,722          | 61,672,441                         |
| 4007                                      | ADA Transition Plan Improvements   | I    | 355,239                  | 200,000                     | 5,232,761           | 5,788,000                          |
| 4011                                      | Facilities Maintenance & Improvements  | I    | 2,791,194                | 41,429                      | 18,743,497          | 21,576,120                         |
| A002                                      | Louis Orlando Transit Center   | 0    | 610,358                  | 1,715                       | -                   | 612,073                            |
| A010                                      | Louis Orlando - Construction   | 0    | -                        | 167,667                     | -                   | 167,667                            |
| A011                                      | 12th Street Corridor Safety Improvements                                     | 0    | 183,418                  | 14,448                      | -                   | 197,866                            |
| A012                                      | Construction Oversight Properties at 65th St.                                | 0    | 3,000                    | 7,000                       | -                   | 10,000                             |
| B134                                      | Fulton Ave. Bus Shelters   | 0    | -                        | 169,435                     | -                   | 169,435                            |
| F014                                      | Bike Racks   | 0    | 170,570                  | 23,165                      | -                   | 193,735                            |
| F015                                      | Facilities New Freedom Tasks-Add Mini-Hi's to Light Rail Stations            | I    | 31,802                   | 139,701                     | 313,796             | 485,299                            |
| F018                                      | Rancho Cordova Landscaping   | 0    | 31,366                   | 100,000                     | 10,275              | 141,641                            |
| F019                                      | Rancho Cordova Utility Building Enhancements                                 | 0    | 596                      | 115,000                     | 109,404             | 225,000                            |
| Q029                                      | Citrus Heights Bus Stop Improvements   | 0    | 629,784                  | 211,658                     | -                   | 841,442                            |
| R175                                      | Watt Avenue Station Improvements   | 0    | 255,623                  | 14,755                      | -                   | 270,378                            |
| R313                                      | 29th Street Light Rail Station Enhancements                                  | 0    | 41,152                   | 93,500                      | 145,848             | 280,500                            |
| TBD9                                      | BMF #1 Fueling Facility Upgrades   | II   | -                        | 324,450                     | 1,500,000           | 1,824,450                          |
| <b>Facilities Program Total</b>           |  |      | <b>27,433,185</b>        | <b>3,813,559</b>            | <b>63,209,303</b>   | <b>94,456,047</b>                  |
| <b>Transit Technologies Programs</b>      |  |      |                          |                             |                     |                                    |
| 964                                       | Trapeze Implementation (TEAMS)   | 0    | 1,840,467                | 323,745                     | -                   | 2,164,212                          |
| G035                                      | Fiber/50-Fig Installation, Maintenance, & Repair                             | I    | 266,148                  | 64,220                      | -                   | 330,368                            |
| T017                                      | Audio Light Rail Passenger Information Signs                                 | 0    | 708,870                  | 100,000                     | 577,380             | 1,386,250                          |
| T022                                      | Handheld Smart Card Reader   | 0    | 25,939                   | 90,061                      | -                   | 116,000                            |
| T040                                      | RT IT Support for Connect Card   | 0    | -                        | 90,000                      | -                   | 90,000                             |
| <b>Transit Technologies Program Total</b> |  |      | <b>2,841,424</b>         | <b>668,026</b>              | <b>577,380</b>      | <b>4,086,830</b>                   |

Capital Project Expenditure Plan (continued)

| Program                                    | Project Name   | Tier | Expended Through FY 2016 | FY 2017 Budget Expenditures | Future Expenditures   | Total Project Cost through FY 2017 |
|--|--|------|--------------------------|-----------------------------|-----------------------|------------------------------------|
| <b>Transit Security &amp; Safety</b>       |  |      |                          |                             |                       |                                    |
| H021                                       | Enhancement of Emergency Power Generation                              | 0    | 311,904                  | 200,000                     | 56,206                | 568,110                            |
| T005                                       | CPUC General Order 172 - LRV Camera                                    | 0    | 153,996                  | 41,486                      | -                     | 195,482                            |
| T006                                       | LRV System AVL Equipment   | 0    | 75,654                   | 150,000                     | 175,371               | 401,025                            |
| T018                                       | Building Access System Upgrade   | 0    | 7,653                    | 103,854                     | -                     | 111,507                            |
| T025                                       | Surveillance and Security Facilities Enhancement                       | 0    | 585                      | 251,415                     | -                     | 252,000                            |
| T026                                       | WiFi Security Systems Enhancement                                      | 0    | 17,799                   | 72,175                      | 54,376                | 144,350                            |
| T027                                       | Video Surveillance System Upgrades                                     | 0    | 67,170                   | 48,750                      | -                     | 115,920                            |
| T028                                       | LR Digital Messaging Control System                                    | 0    | 51,625                   | 51,625                      | -                     | 103,250                            |
| T029                                       | Upgrade Bus Fleet Digital Video Recorders                              | 0    | -                        | 171,493                     | 171,494               | 342,987                            |
| T034                                       | Computer Aided Dispatching System                                      | 0    | 11,265                   | 384,000                     | 372,735               | 768,000                            |
| T036                                       | Facilities Safety, Security and Communications Infrastructure Upgrades | 0    | -                        | 193,098                     | 193,097               | 386,195                            |
| T037                                       | Operations Computer Systems Replacements                               | 0    | -                        | 142,800                     | -                     | 142,800                            |
| T038                                       | Upgrades to Security Video and Data Systems                            | 0    | -                        | 88,756                      | 88,756                | 177,512                            |
| T042                                       | Connect Card Implementation Consulting                                 | 0    | -                        | 25,000                      | -                     | 25,000                             |
| T043                                       | Emergency Drills   | 0    | -                        | 65,430                      | -                     | 65,430                             |
| T044                                       | Public Awareness Info Videos   | 0    | -                        | 35,000                      | -                     | 35,000                             |
| TBD1                                       | Phone System Replacement   | 0    | -                        | 305,250                     | -                     | 305,250                            |
| TBD2                                       | Track Warrant Controlled Access System                                 | 0    | -                        | 187,450                     | -                     | 187,450                            |
| TBD3                                       | Radio Communications System Upgrade                                    | 0    | -                        | 1,117,017                   | -                     | 1,117,017                          |
| TBD4                                       | Upgrades to Transit Security Systems                                   | 0    | -                        | 15,480                      | -                     | 15,480                             |
| TBD5                                       | Anti-Terrorism Surge Patrols   | 0    | -                        | 170,000                     | -                     | 170,000                            |
| TBD6                                       | License Plate Reader Camera Packages (3)                               | 0    | -                        | 35,000                      | -                     | 35,000                             |
| TBD7                                       | Hand Held Portable Radios  | 0    | -                        | 150,000                     | -                     | 150,000                            |
| TBD8                                       | Security Awareness Training  | 0    | -                        | 20,000                      | -                     | 20,000                             |
| <b>Transit Security &amp; Safety Total</b> |  |      | <b>697,651</b>           | <b>3,650,079</b>            | <b>1,112,035</b>      | <b>5,459,765</b>                   |
| <b>Planning/Studies Program</b>            |  |      |                          |                             |                       |                                    |
| A008                                       | Regional Bike Share System   | II   | -                        | 30,000                      | 160,000               | 190,000                            |
| A009                                       | Folsom Streetscape   | 0    | 21,573                   | 28,427                      | -                     | 50,000                             |
| R335                                       | Watt/I-80 Transit Center Master Plan                                   | 0    | -                        | 175,000                     | 35,000                | 210,000                            |
| <b>Planning/Studies Program Total</b>      |  |      | <b>21,573</b>            | <b>233,427</b>              | <b>195,000</b>        | <b>450,000</b>                     |
| <b>Total</b>                               |  |      | <b>\$ 398,248,120</b>    | <b>\$ 89,182,888</b>        | <b>\$ 170,273,613</b> | <b>\$ 657,704,621</b>              |

\* All project expenditures are subject to available funding.