

## General Manager's Report May 8, 2017

### GOVERNMENT AFFAIRS UPDATE

#### FEDERAL UPDATE

Congress wrapped up the FY 17 Transportation, Housing and Urban Development Appropriations bills on Sunday, April 30. This legislation will provide discretionary funding for the federal government for the remainder of the current fiscal year. The bill now goes to the House and Senate for a vote, and then on to the President for his signature. A total of \$195 billion was approved which is \$650 million more than FY 16.

Key points for the transit program overall and the Capital Investment Grants program are:

- FAST Act funding levels of \$9,773.71 million for all Mass Transit Account funded programs.
- Capital Investment Grants (CIG) - \$2,530.47 million (\$2,412.63 million in new General Fund monies and \$117.84 million in reprogrammed prior year monies. This is \$235.61 million above FY 16 in new General Fund monies and \$353.45 million above FY 16 in total funding.
- \$150 million for Washington Metro.
- TIGER - \$500 million.

All full funding grant agreements (FFGAs) were fully funded. The Downtown/Riverfront Streetcar project for the Cities of West Sacramento and Sacramento was included for \$50 million. Small Starts projects were capped at \$50 million except for the Laker Line Bus Rapid Transit that received \$56.8 million. This means that Small Starts projects will enter into multi-year grant agreements for the first time.

The next focus will be the FY 18 and budget is expected in late May.

#### STATE UPDATE

The Sacramento Regional Transit District (Sac RT) commends the California Legislature's efforts in passing Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017 for Governor Brown's signature and welcomes the enactment of the measure. As SB 1 moved through the legislative process, Sac RT worked diligently for many years with the California Transit Association and played a crucial role in the successful passage of this transportation funding package.

The estimated \$5.2 billion of new revenues annually in this multi-billion dollar legislative package is a great first step in taking care of the state's aging transportation infrastructure; however, it will only provide transit agencies with an estimated \$600 million to \$800 million annually statewide. When SB 1 is enacted, it will dedicate approximately 85% of the funding to road repair and about 15% to public transit. Sac RT understands the percentage for transit is

small in comparison to transit needs and what is apportioned to roads, yet this option was the best compromise for the transit industry to move this landmark legislation forward. Based on these percentages, it is estimated that Sac RT would receive an estimated additional \$10 million formula based funding annually, after the first year, with the potential to apply for a limited pot of funding for discretionary transit projects.

Although this is a huge step for the State to fund much needed fixes for our local streets/roads, highways, public transit and active transportation, when compared to a combined \$264 million capital and operating budget for Fiscal Year 2017 for Sac RT, the \$10 million that may be allocated would only bring in close to an additional 3%.

On February 27, 2017 during the RT Board's Strategic Vision workshop, Sac RT staff proposed to our Board and the public that these potential new revenues will be used to fill funding gaps in the following manner:

1. Replace permanent lost revenues from the recent decrease in federal funding associated with the loss of \$2-3 million annually in Congestion Management and Air Quality (CMAQ) funds for the Blue Line extension.
2. Replace approximately \$4 million resulting from consecutive dismal auction returns for the Cap and Trade Program which failed to generate funds for transit (recent auction goal was \$600 million, but actual was \$8.2 million statewide, which is a paltry 2% of the projection).
3. Allocate new SB 1 funds to build Sac RT's contingency reserve, and reduce reliance on Sac RT's \$29 million line of credit and associated \$350,000 annual expense.

In the meantime, Sac RT will continue its educational efforts to raise awareness of public transit needs and the exciting initiatives that could be undertaken with additional funding.

Currently, Sac RT is working with our regional stakeholders to reach out to the community for their vital input to optimize our route structure. Sac RT is also working to strengthen our financial house to provide the best service possible in our community.

### **GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF EXCELLENCE**

Annually, RT applies for the Certificate of Achievement Award for Excellence in Financial Reporting. Award recipients are typically notified around April of the following year. On April 26, 2017, RT received the GFOA certificate award again for the fiscal year ending June 30, 2016 Comprehensive Annual Financial Report (CAFR). RT was found to be proficient in all areas with only one minor edit to a statement header. This is especially great news for the FY16 CAFR because staff made significant changes to the Management Discussion and Analysis (MD&A), Financial Statements, and Footnotes switching from dual year to single year presentation. Staff also implemented GASB Statement 72, Fair Value Measurement and Application, within the cash and investments footnote, with no comments from the GFOA.

**DISTRICTWIDE PERFORMANCE UPDATE**

PowerPoint presentation attached.

**RT CALENDAR**

**Regional Transit Board Meeting**

May 22, 2017  
RT Auditorium  
5:30 P.M.

June 12, 2017  
RT Auditorium  
5:30 P.M.

July 24, 2017  
RT Auditorium  
5:30 P.M.

**Quarterly Retirement Board Meeting**

June 14, 2017  
RT Auditorium  
9:00 A.M.

September 13, 2017  
RT Auditorium  
9:00 A.M.

December 13, 2017  
RT Auditorium  
9:00 A.M.

**Mobility Advisory Council Meeting**

May 4, 2017  
RT Auditorium  
2:30 P.M.

July 6, 2017  
RT Auditorium  
2:30 P.M.

September 7, 2017  
RT Auditorium  
2:30 P.M.

**Paratransit, Inc. Board Meeting**

May 25, 2017  
2501 Florin Road  
Sacramento, CA  
6:00 P.M.

# **Sac RT Community Survey Highlights**

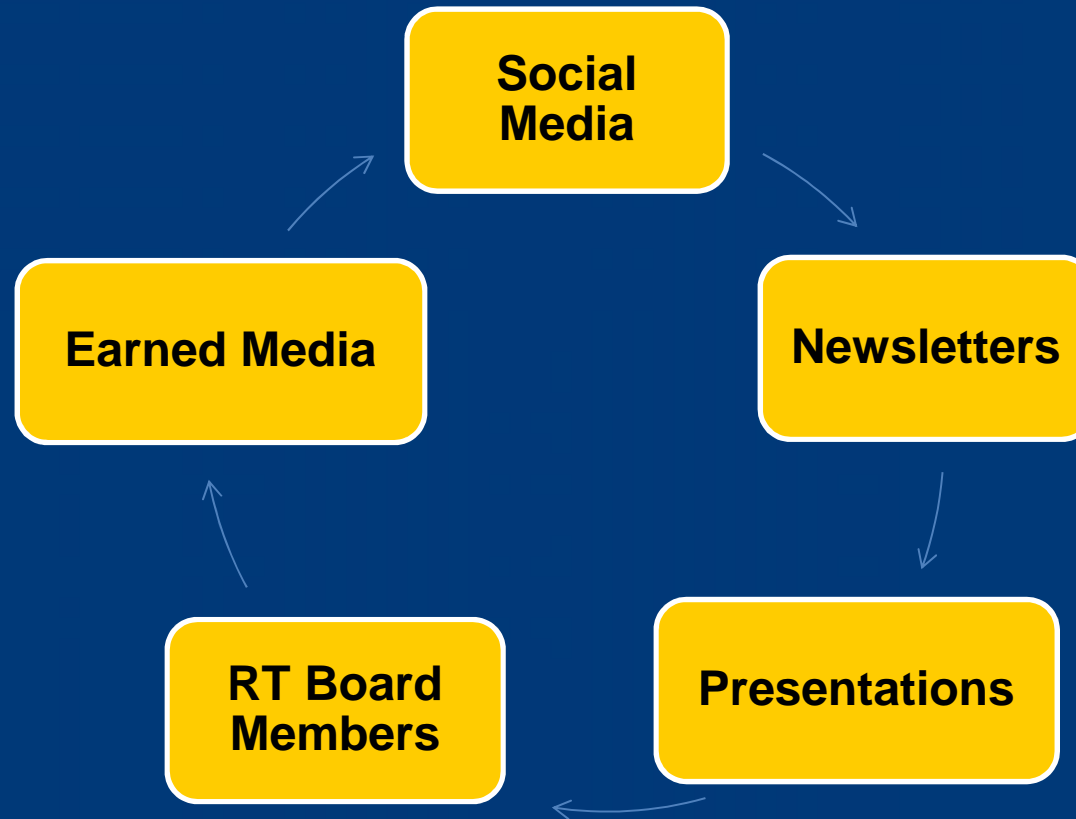
## Survey Goals:

- **Share information in the community regarding RT's Strategic Vision and the benefits of public transportation**
- **Seek input on what specific improvements would make public transportation a viable option**
- **Encourage community groups to consider potential partnerships with RT**

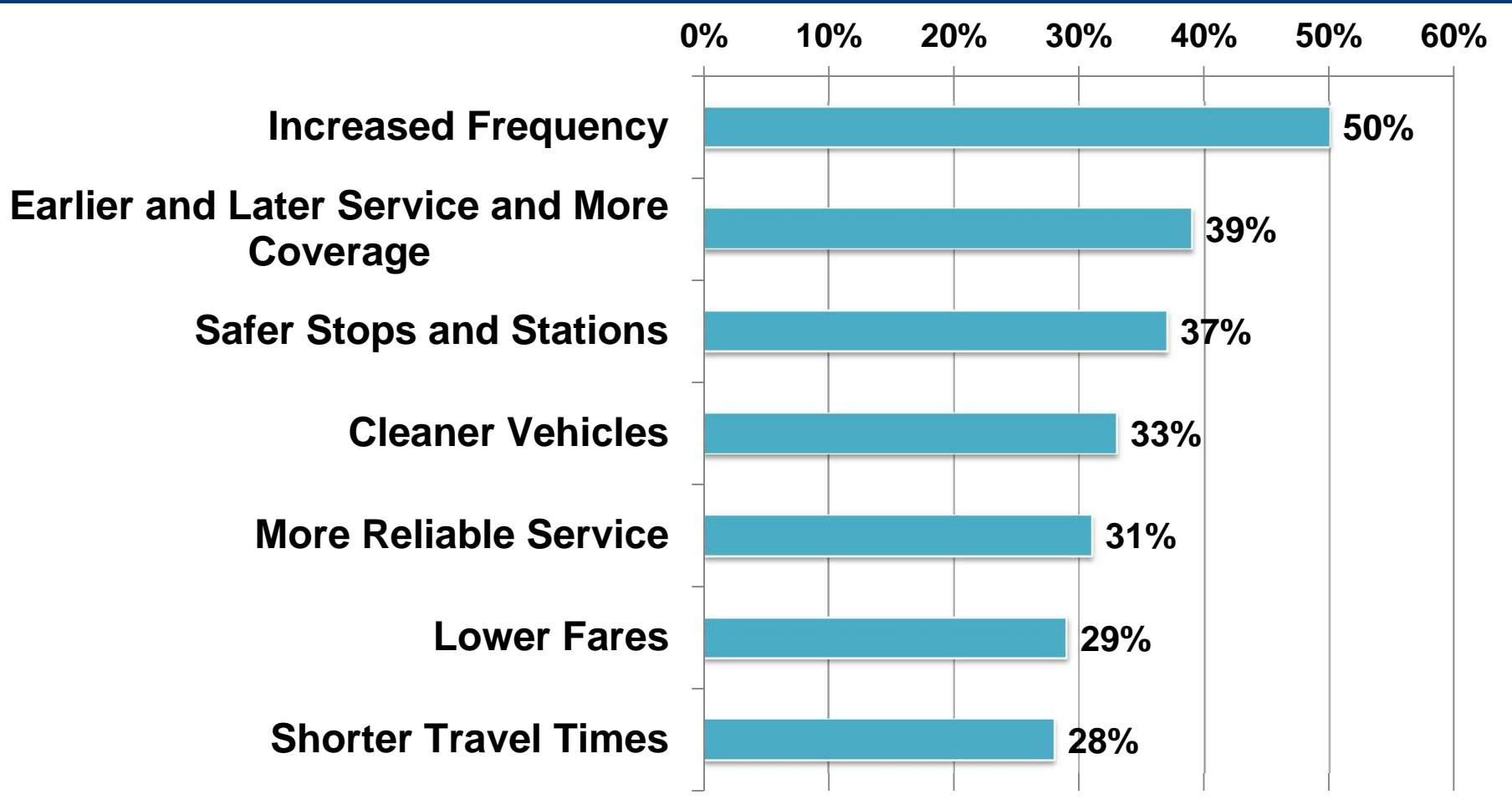
# Online Survey Monkey Platform

Launched March 30 – plan to close in mid-May

2,068 respondents as of May 2, 2017

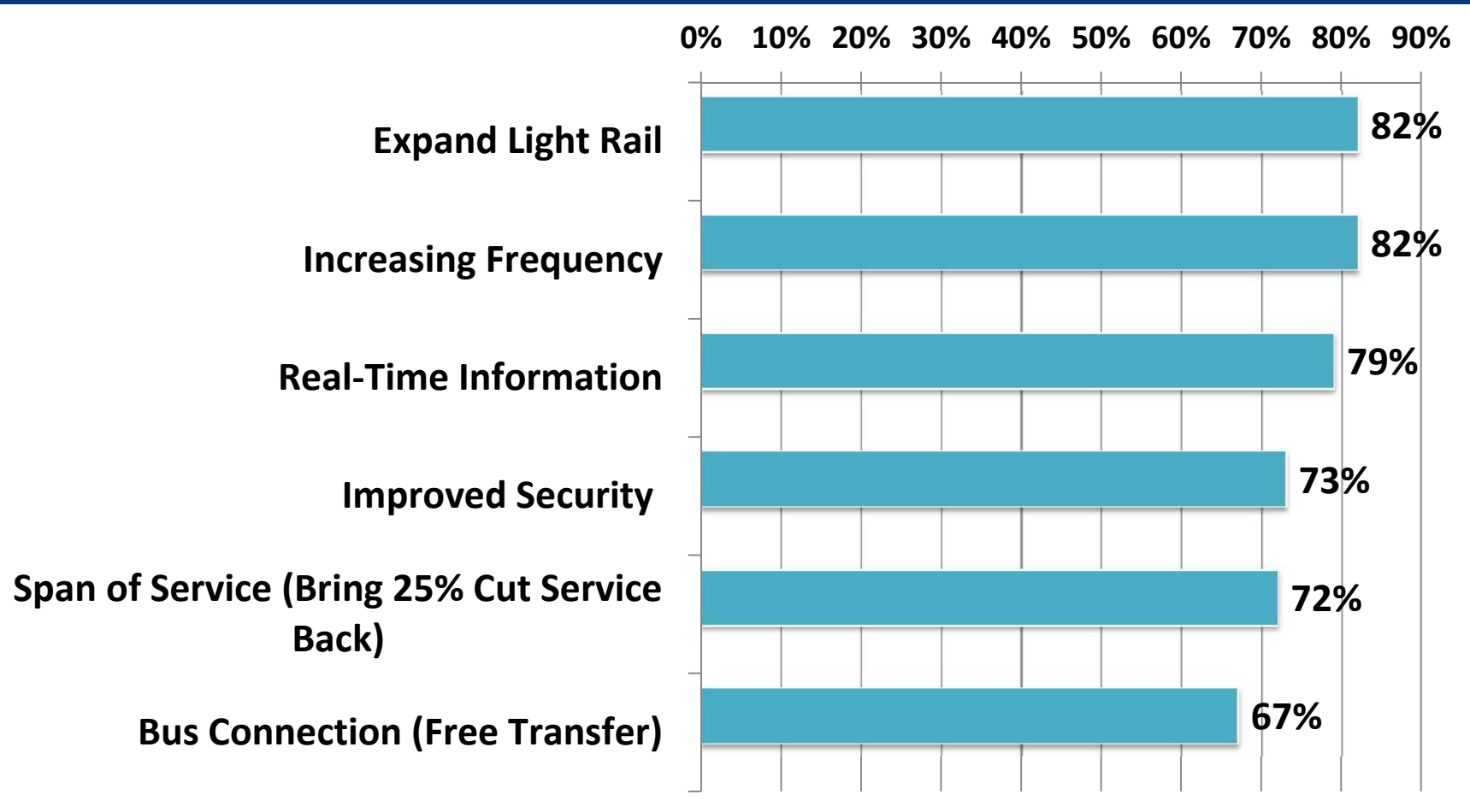


# Respondents would ride transit, or ride transit more often if:

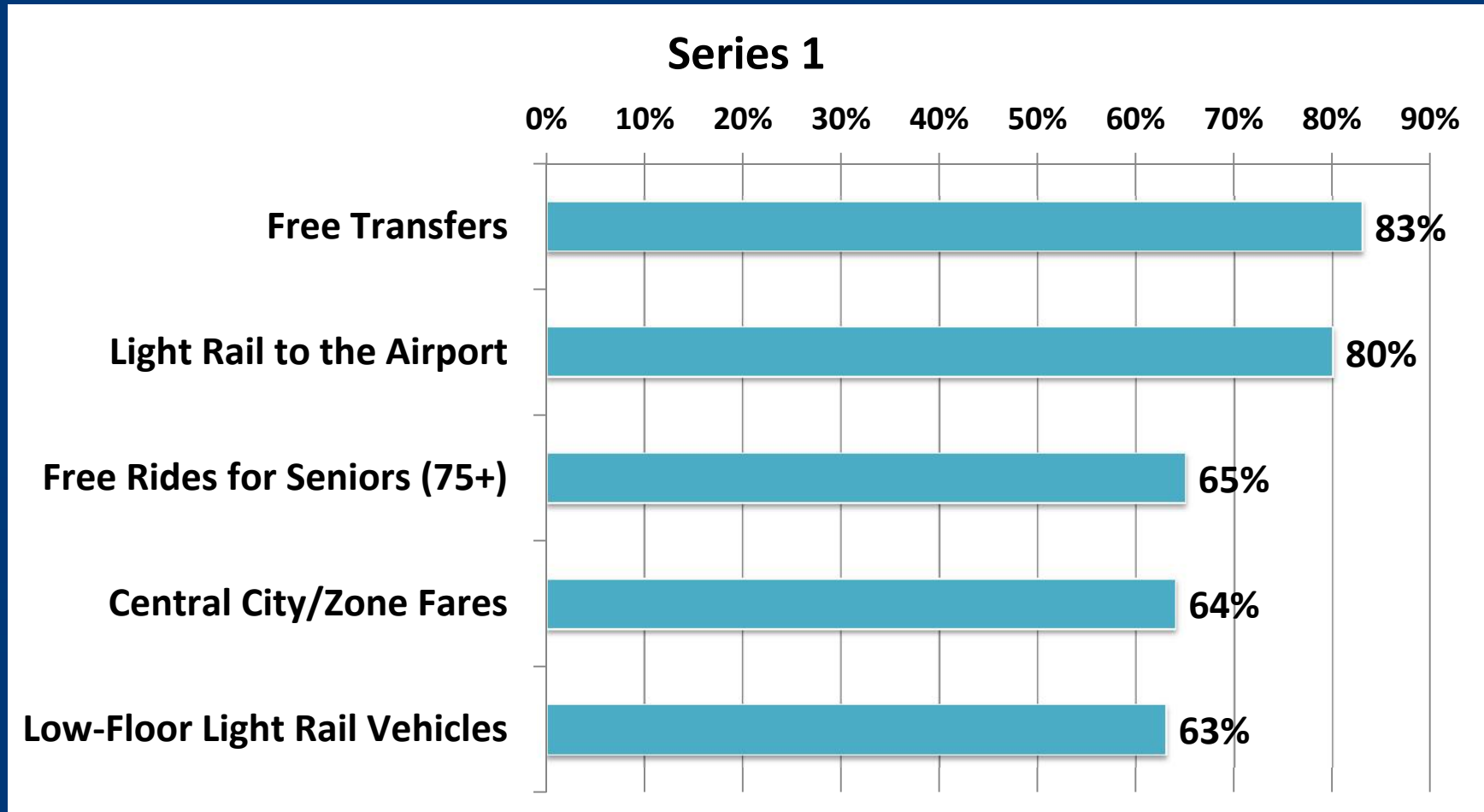




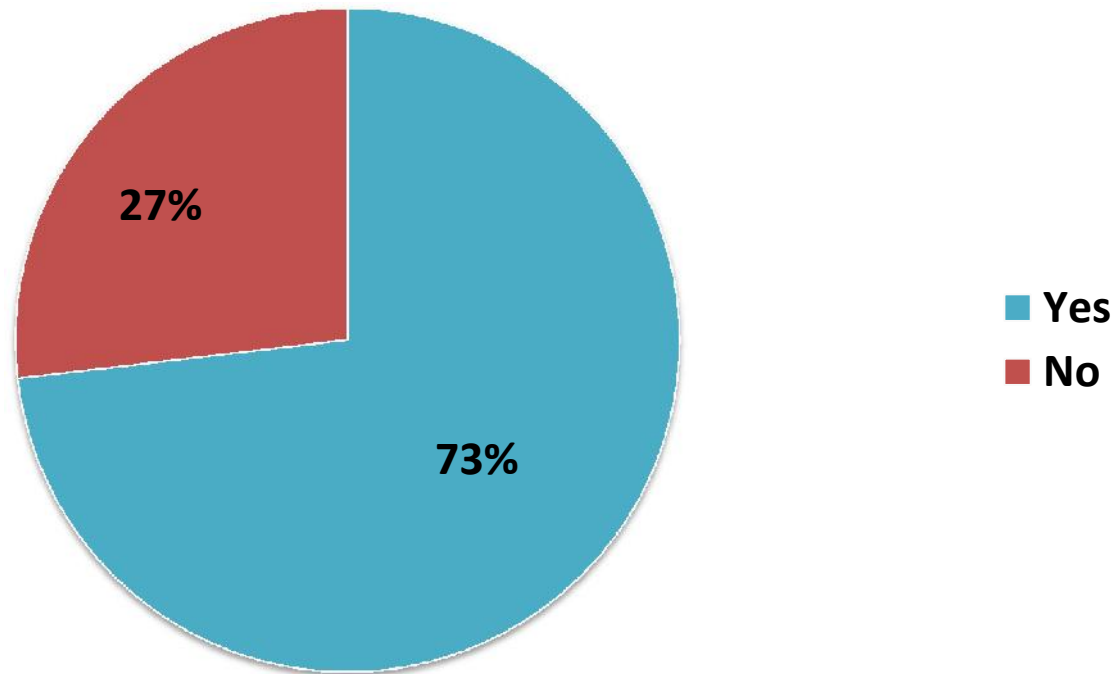
## If RT had additional funding, respondents said the following service improvements would be extremely or very helpful:



## If RT had additional funding, respondents said the following enhancements would be very important or important:



## Respondents who experienced increased congestion on the roads in the last year:

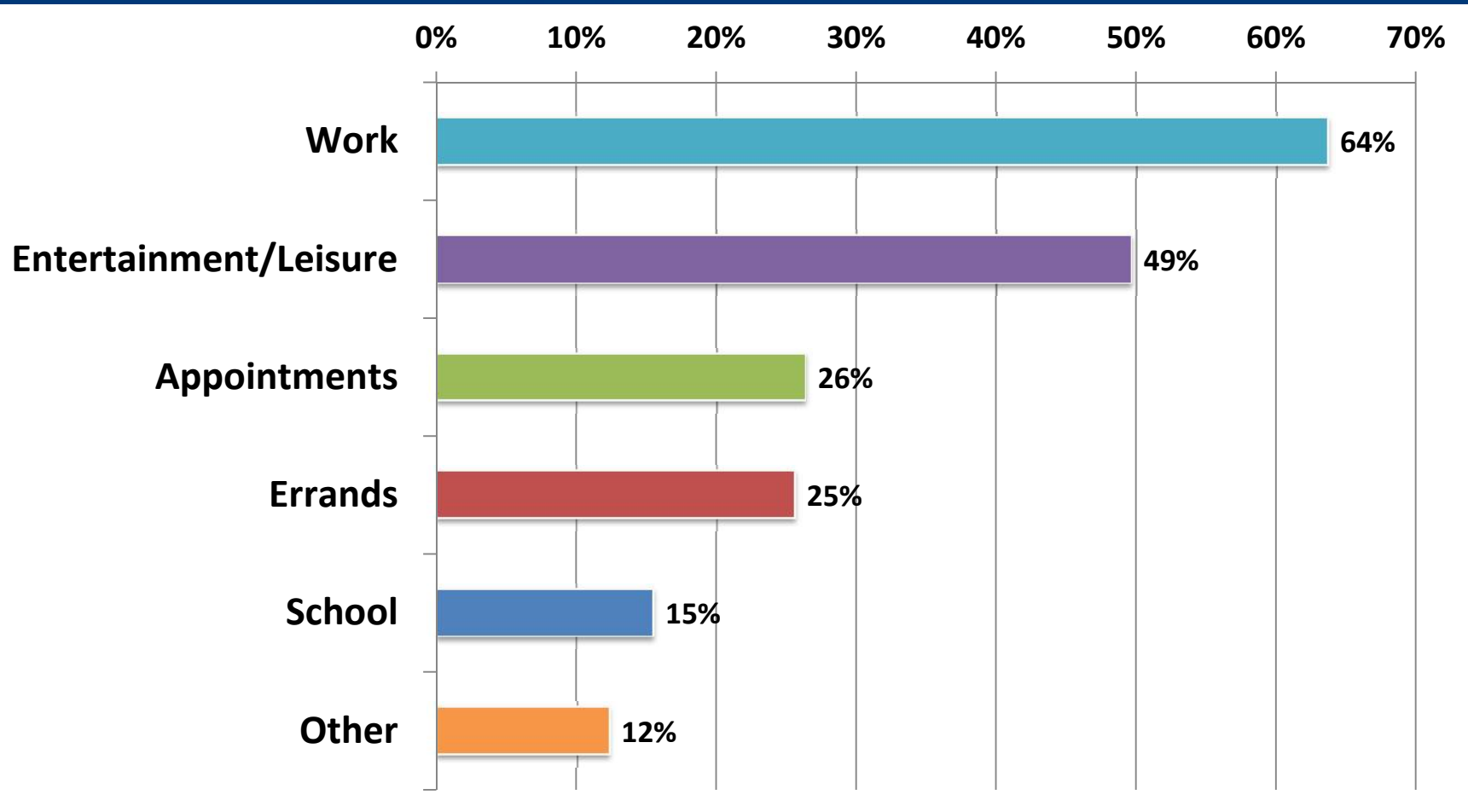


57% of respondents were aware of RT's role in improving the environment by reducing the number of cars on the road

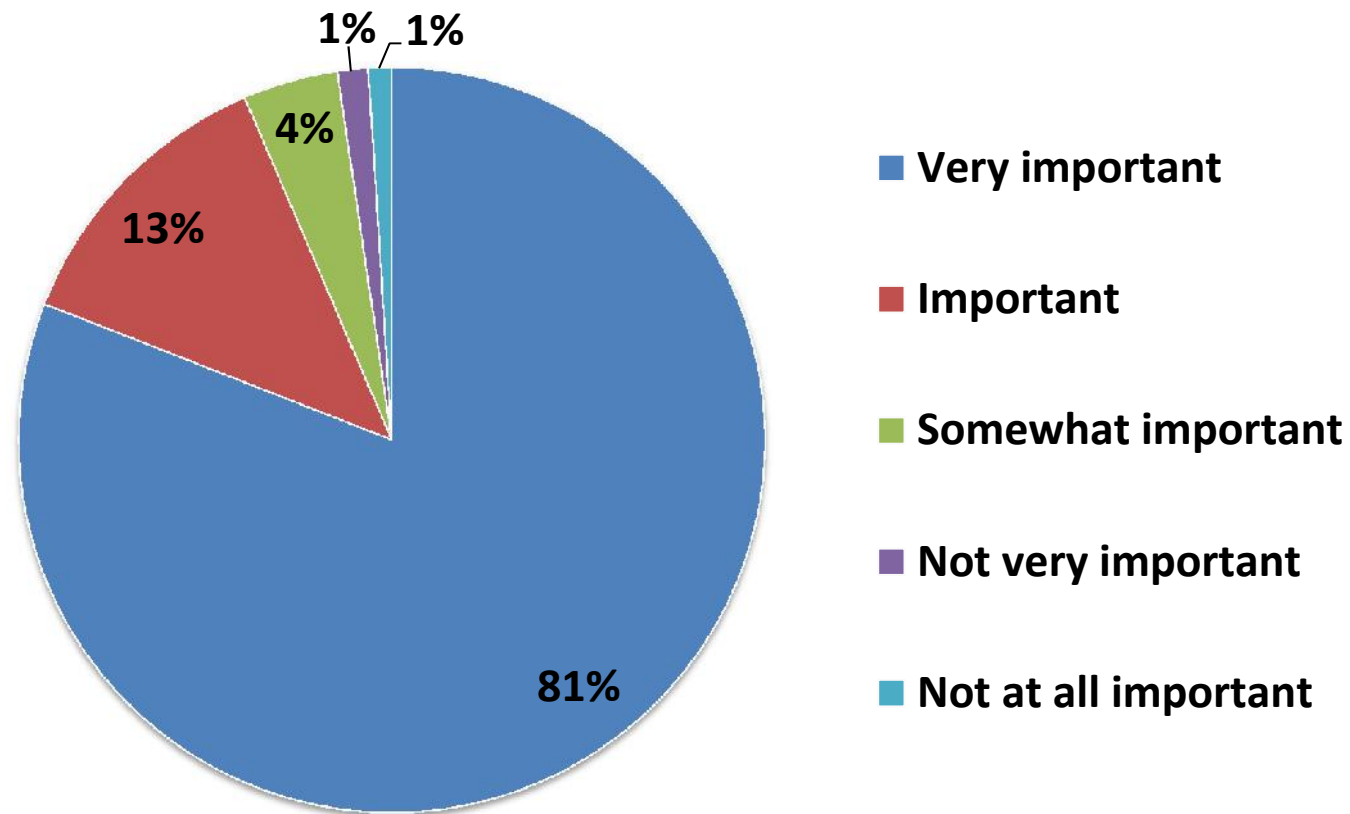
## Other Survey Highlights:

- **72% of respondents indicated that they have ridden both RT bus and light rail**
- **75% of respondents indicated that when they travel to other cities they ride transit, with 59% noting ease and convenience as the main reason**
- **74% of respondents own a vehicle or have access to a vehicle for most trips**

# Reasons why respondents indicated they ride transit

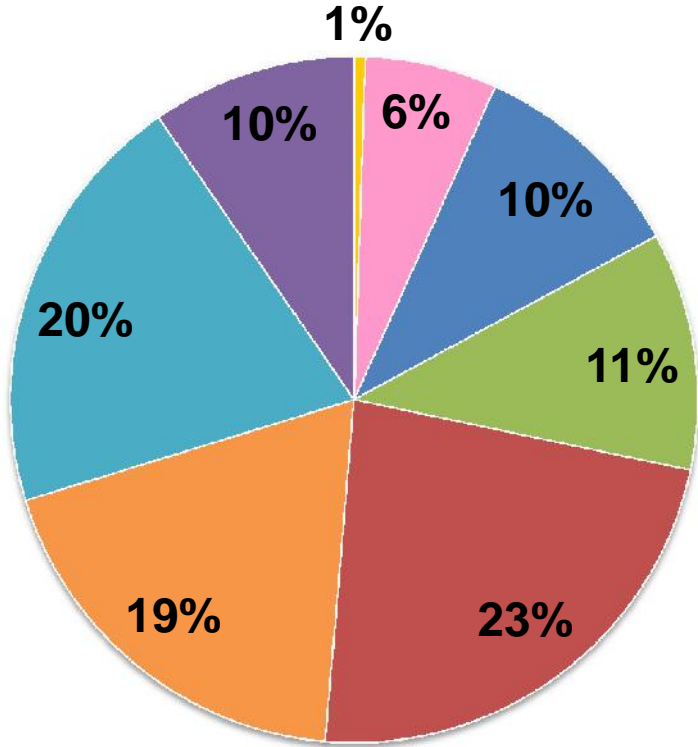


**Importance of a safe, reliable, public transit system to move residents and visitors, reduce road congestion, support air quality goals, and provide a convenient alternative to car travel.**



# Respondent Demographics

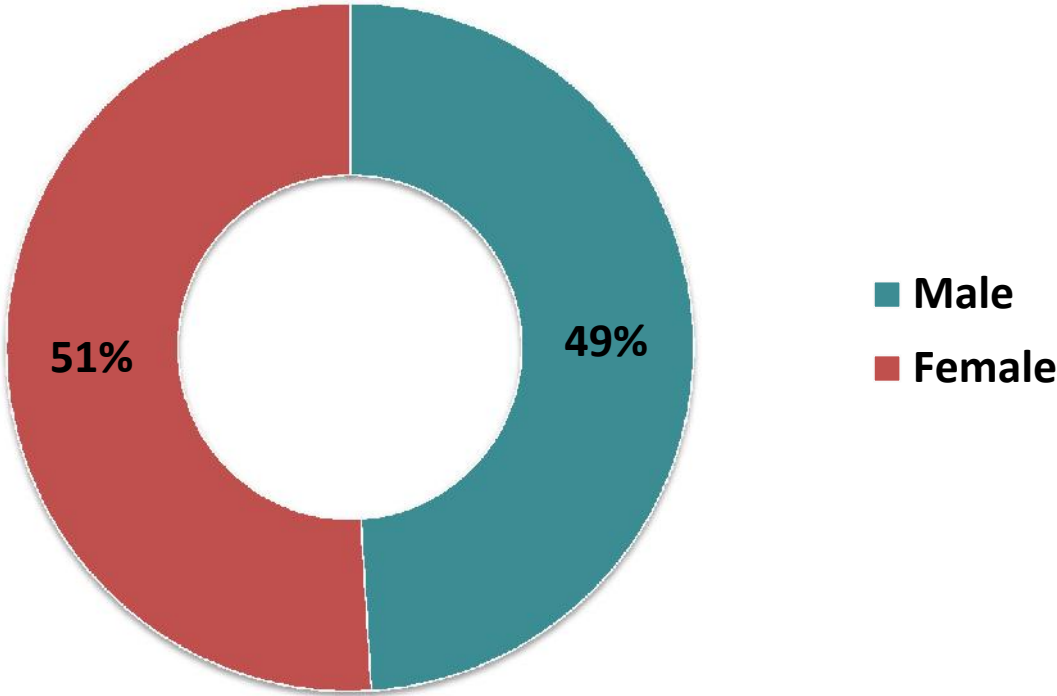
## Age of Respondents



- Respondents under 18
- Respondents between 18-24
- Respondents between 25-29
- Respondents between 30-34
- Respondents between 35-44
- Respondents between 45-54
- Respondents between 55-64
- Respondents 65 or older

# Respondent Demographics

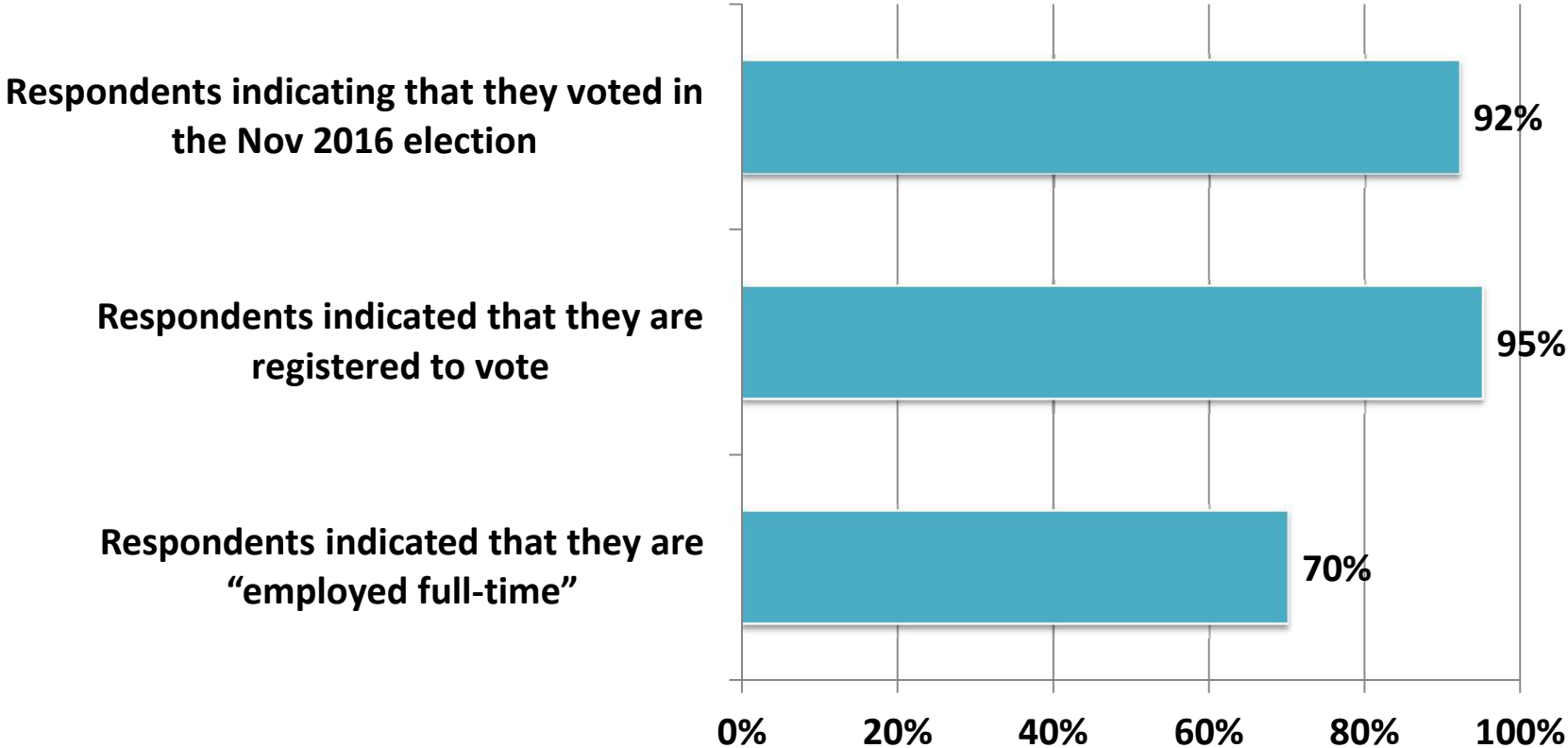
Gender



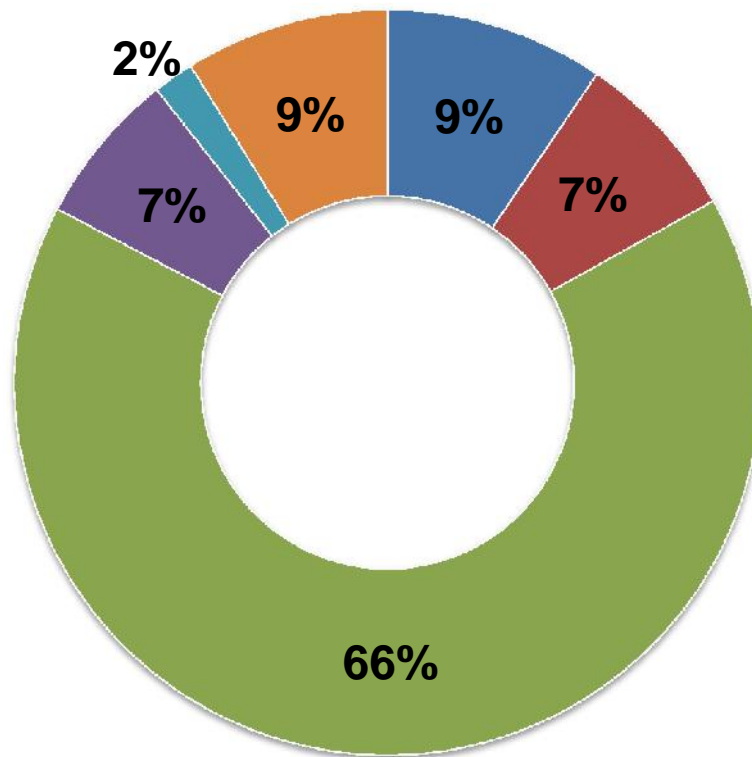


# Respondent Demographics

## Employment Status & Voter History



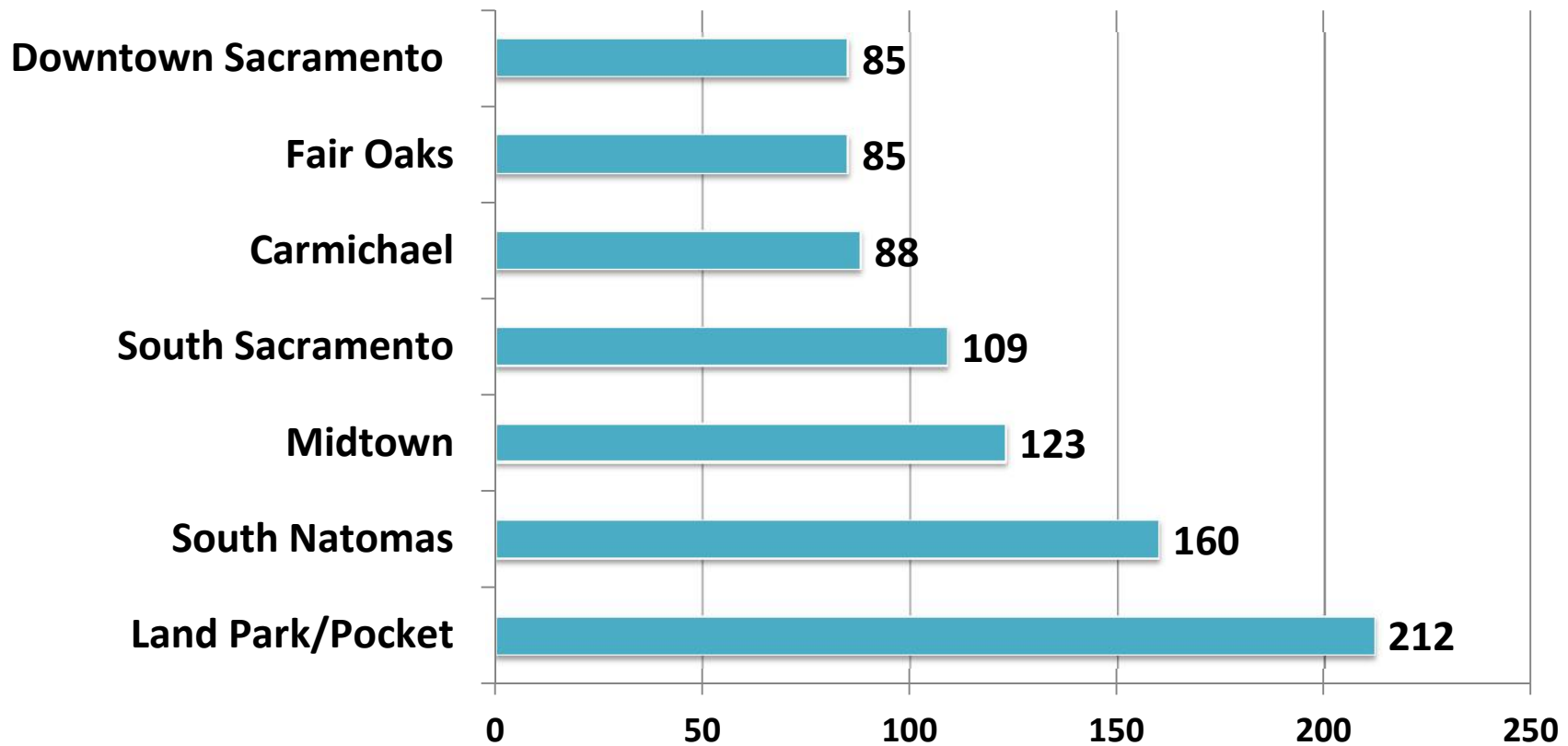
# Ethnicity of Respondents



- Spanish, Hispanic or Latino
- Black, African or African-American
- White
- Asian or Pacific Islander
- American Indian or Alaska Native
- Other (please specify)

# Location of Respondents

## Area of Highest Concentration of Respondents



# Initial Analysis

- **Survey respondents understand the importance of an integrated public transit system**
- **Three Major Requests:**
  1. **Expand light rail**
  2. **Improve frequency**
  3. **Improve service span (bring back 25% cut service 10 years ago)**
- **Continuing to educate the public about RT's enhancements is critical for increasing ridership and public support**
- **Incorporating community feedback into the Strategic Vision will increase community engagement and give the public ownership in the development of an improved transit system**