

General Manager's Report October 22, 2018

GOVERNMENT AFFAIRS UPDATE

Federal

Congress did not complete action on the Fiscal Year (FY) 19 Transportation, Housing, and Urban Development (THUD) Appropriations Bill and as a result adopted a Continuing Resolution that will fund the federal government through December 7, 2018. The Senate and House are now on recess and will return to Washington D.C. on November 15, 2018.

State

Last month, Governor Brown signed two significant measures for SacRT, Assembly Bill 709 (McCarty) and Senate Bill 877 (Committee on Budget and Fiscal Review). AB 709 made a key policy change amid a host of minor changes to SacRT's enabling statutes. This bill's key policy element is a provision to permit consideration of utilizing a one-eighth cent sales tax rate in addition to the presently allowed one-quarter cent and one-half cent. The main intent of this measure was to grant SacRT additional options to secure future local funding for public transit operations in the Sacramento region. However, language that would give the SacRT Board the option to switch from the District's current weighted voting system to a flat voting structure was amended out of AB 709. For the upcoming 2019/2020 legislative session with the Board's direction, Staff will work with the local government committees on language to bring about a stand alone bill specific to SacRT's voting structure. SB 877 included language that now grants a two year extension on a loan repayment to the State. SacRT received a loan for the extension of the Blue Line to Cosumnes River College (CRC) from the State of California in the amount equal to the federal transportation grant not received due to noncertification from the federal Department of Labor related to Public Employees' Pension Reform Act (PEPRA). Repayments were mandated no later than January 1, 2019, and SB 877 instead extends the date to repayment no later than January 1, 2021.

EMPLOYEE RECOGNITION

Oral Presentation by Henry Li

JOHN MARTIN: HOW TO PLAN TODAY TO BE A WINNING CITY OF TOMORROW

Copy of Mr. Martin's presentation attached

EQUAL EMPLOYMENT OPPORTUNITY ADMINISTRATOR WORK PLAN

PowerPoint presented by Kim Holman

FINANCE REPORT – FIRST QUARTER – FISCAL YEAR 2019

PowerPoint presented by Brent Bernegger

SacRT MEETING CALENDAR

Regional Transit Board Meeting

November 12, 2018
SacRT Auditorium
5:30 P.M

December 10, 2018
SacRT Auditorium
5:30 P.M

Quarterly Retirement Board Meeting

December 12, 2018
SacRT Auditorium
9:00 A.M

Mobility Advisory Council Meeting

November 1, 2018
SacRT Auditorium
2:30 P.M.

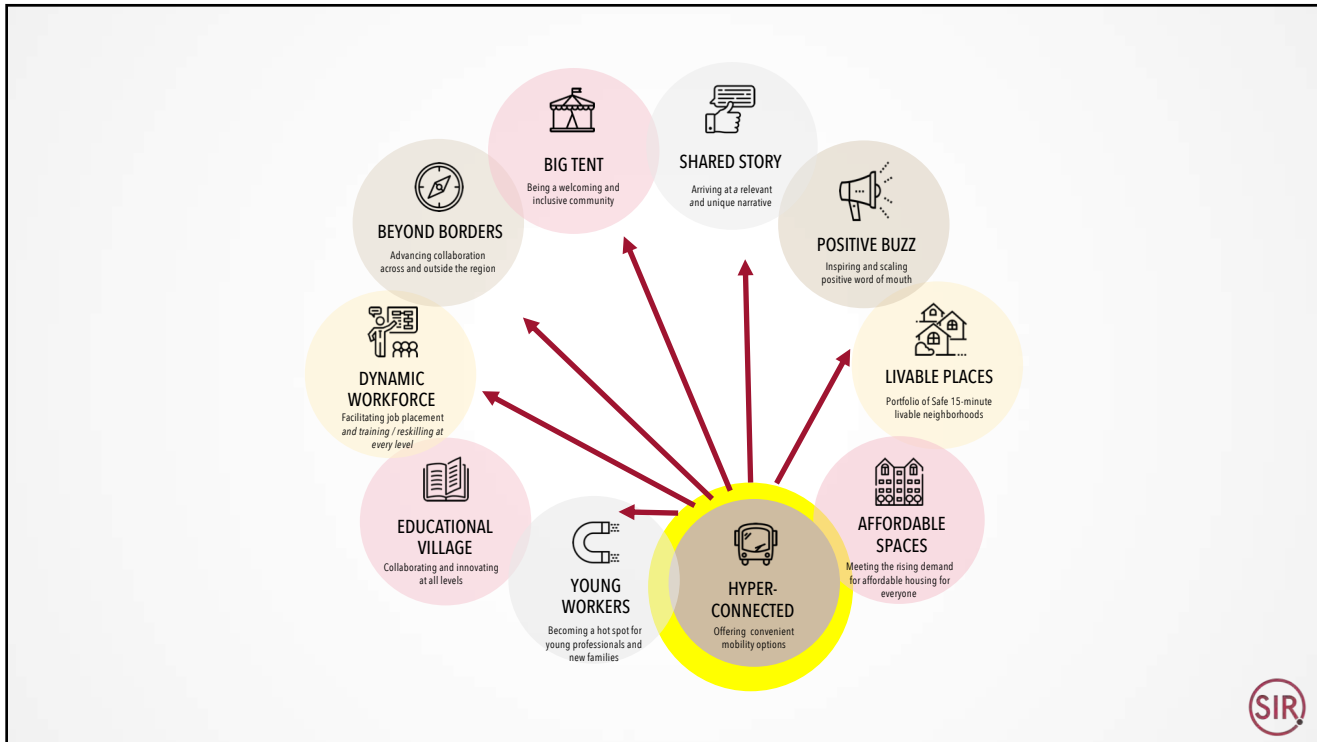
HOW TO PLAN TODAY TO BE A WINNING CITY OF TOMORROW

John Martin



10 TRAITS OF WINNING CITIES OF TOMORROW





Enhanced Mobility is a Vital Part of Community Building



Transit Will Be A Vital Part of Enhanced Mobility

(It May Just Look Different)



Transit Defined

Traditional Fixed Route
On Demand (Specialty) Transit
Bus Rapid Transit
Street Car Trolley
Light Rail
Smaller buses / vanpools

6



TODAY'S AGENDA

- 1** The Real Truth About Transit
- 2** Where Transit Really Works & Why
- 3** 5 Key Trends Shaping The Future of Cities
- 4** The Future of Transit & Its Important Role



Don't Ride Transit or Light Rail

81%

Valley Vision 2018 Transportation Survey



100,000+

RT total trips per day – transit and light rail

9



100,000+

RT Daily
Bus and
Light rail
Riders

Assume 2 Ways

50,000

unique people

X

60%

6 in 10 – national
average - are
work trips

=

30,000

**Sacramento
Workers**

Source: RT Fact Sheet Daily Riders



Barriers To Additional Ridership

Based on hundreds of studies

- Don't know how to use it
- Concern about personal safety
- Don't want to give up my freedom / flexibility
- Poor service – More than ¼ mile to the bus stop
- Poor service – More than 15 minutes between buses

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TODAY'S AGENDA

1

The Real Truth About Transit

2

Where Transit Really Works & Why

3

5 Key Trends Shaping The Future of Cities

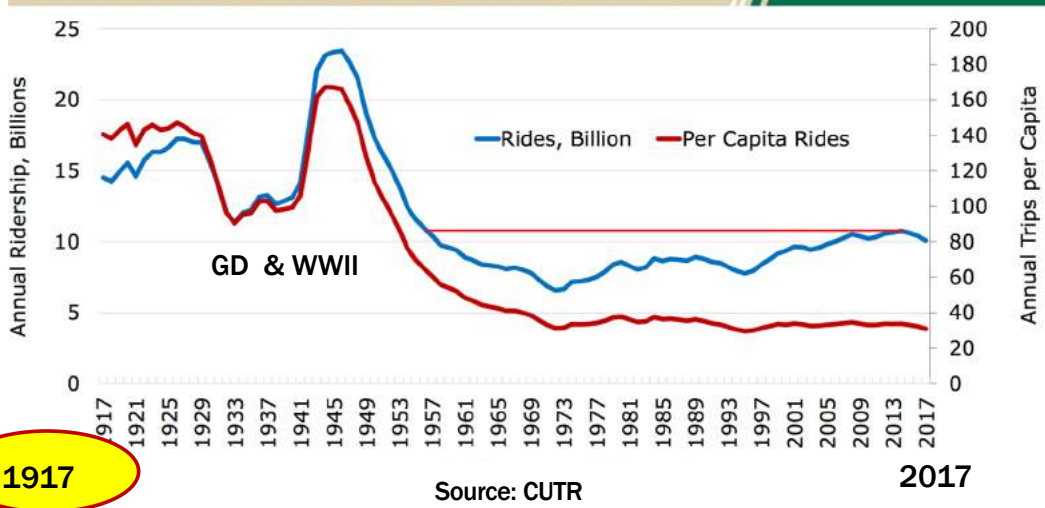
4

The Future of Transit & Its Important Role



Take A Long View

U.S. Transit Ridership and Ridership per Capita



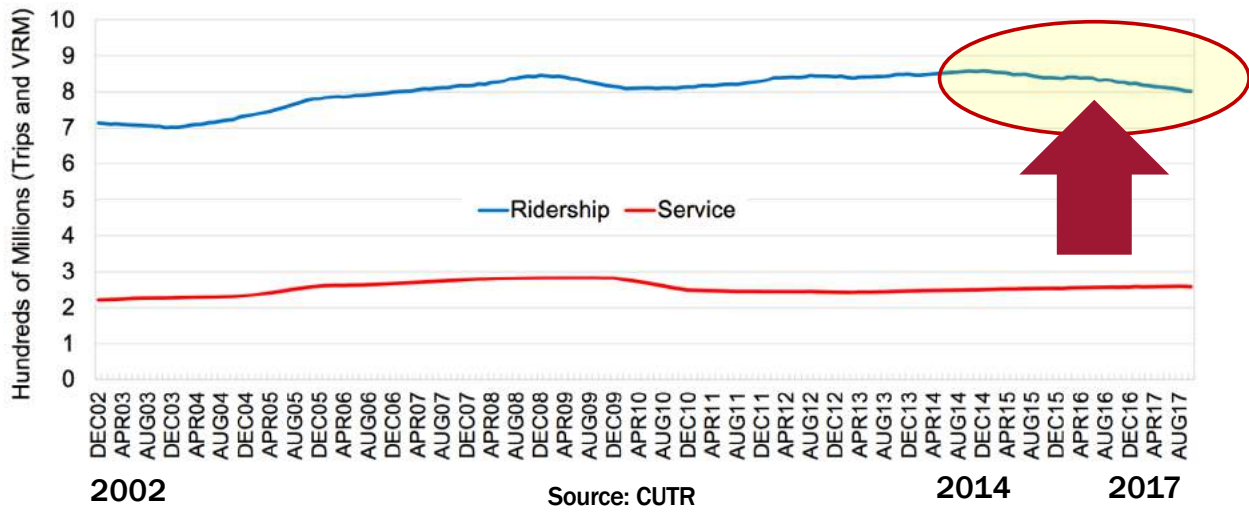
1917

Source: CUTR

2017

Traditional Fixed Route Transit Ridership Is Slightly Down

12-Month Rolling Average of U.S. Transit Ridership and Service, Fixed Route



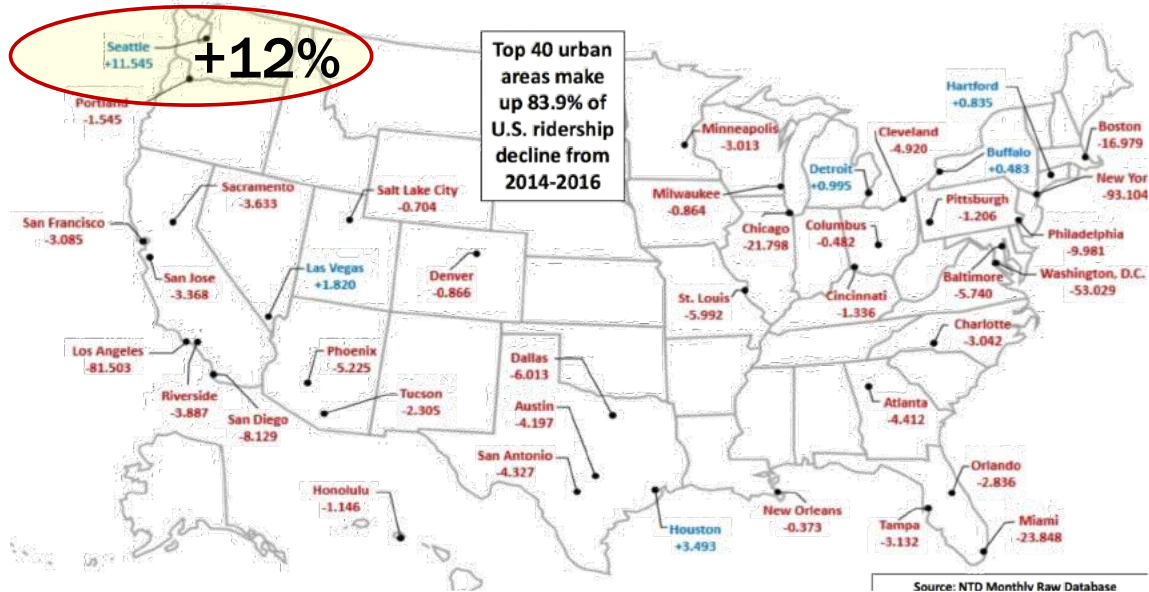
2002

Source: CUTR

2014

2017

Look At What Really Works



Seattle's Recipe for Transit Success

1. Work Beyond Borders With Key Partners
2. Line up Dedicated Funding
3. Direct Development Into Activity Centers and Have Aggressive zoning policies – Rule of 1/3
4. Design the Transit System with a Spine to Support Activity Centers
5. Create dedicated lanes for buses
6. Lined Up Employer Support
7. Love your #1 advocate – Amazon
8. Limit Lyft and Uber as competitors
9. Continuously improve the service
10. Keep planning and innovating

Other Examples

Arlington Va.
Cleveland
Denver
Charlotte
Richmond

Strategic
Transit
Services

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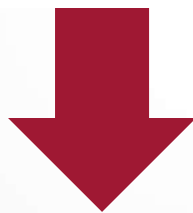
Arlington County's "Urban Villages"



Population
Is Going Up



Congestion Is
Going Down



Source: Arlington Economic Development



Richmond's New BRT - 6,000 riders per day



19



Richmond's Factors of Success

- Picked Broad Street – a major roadway as the new transit “spine” – Connected three “urban villages”
- Partnered with RPS and VCU
- Relaxed zoning along the route
- Utilized marketing
- Coordinated existing transit service into the new backbone service

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BIG SHIFTS



1


AGE SHIFTS

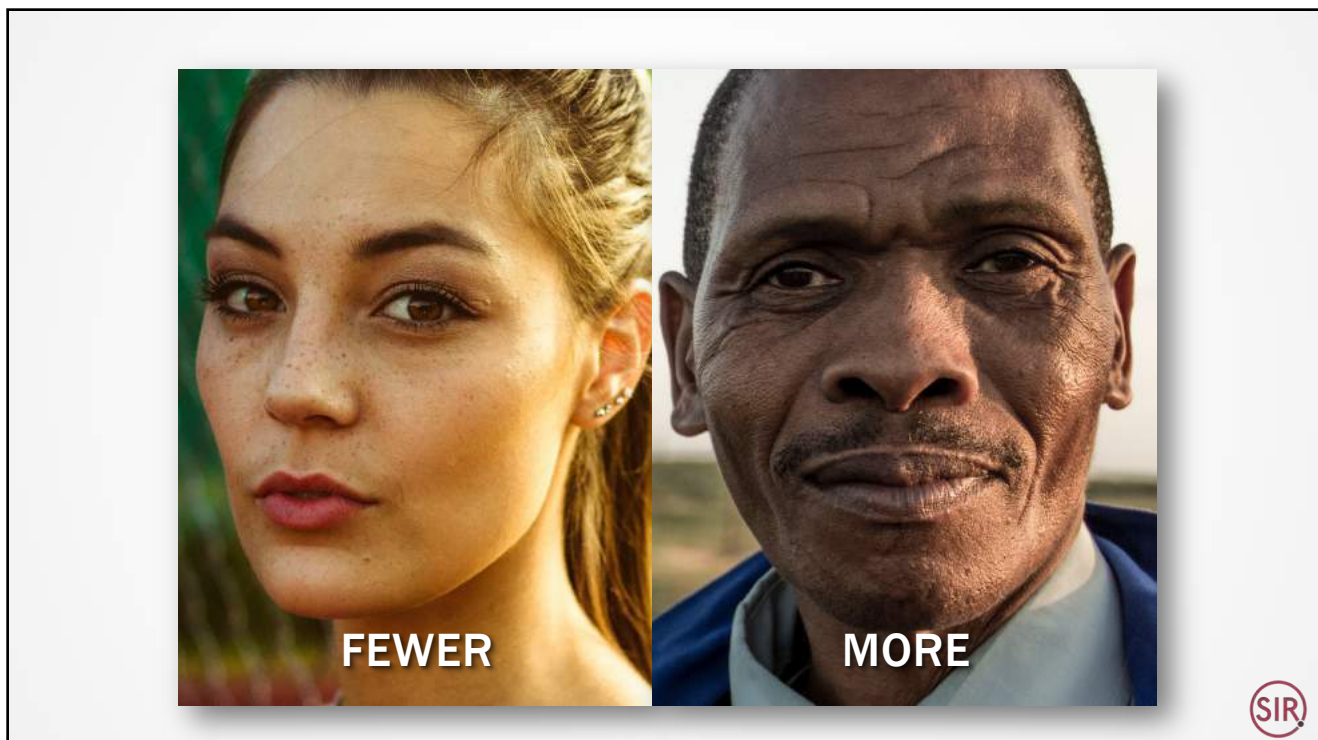
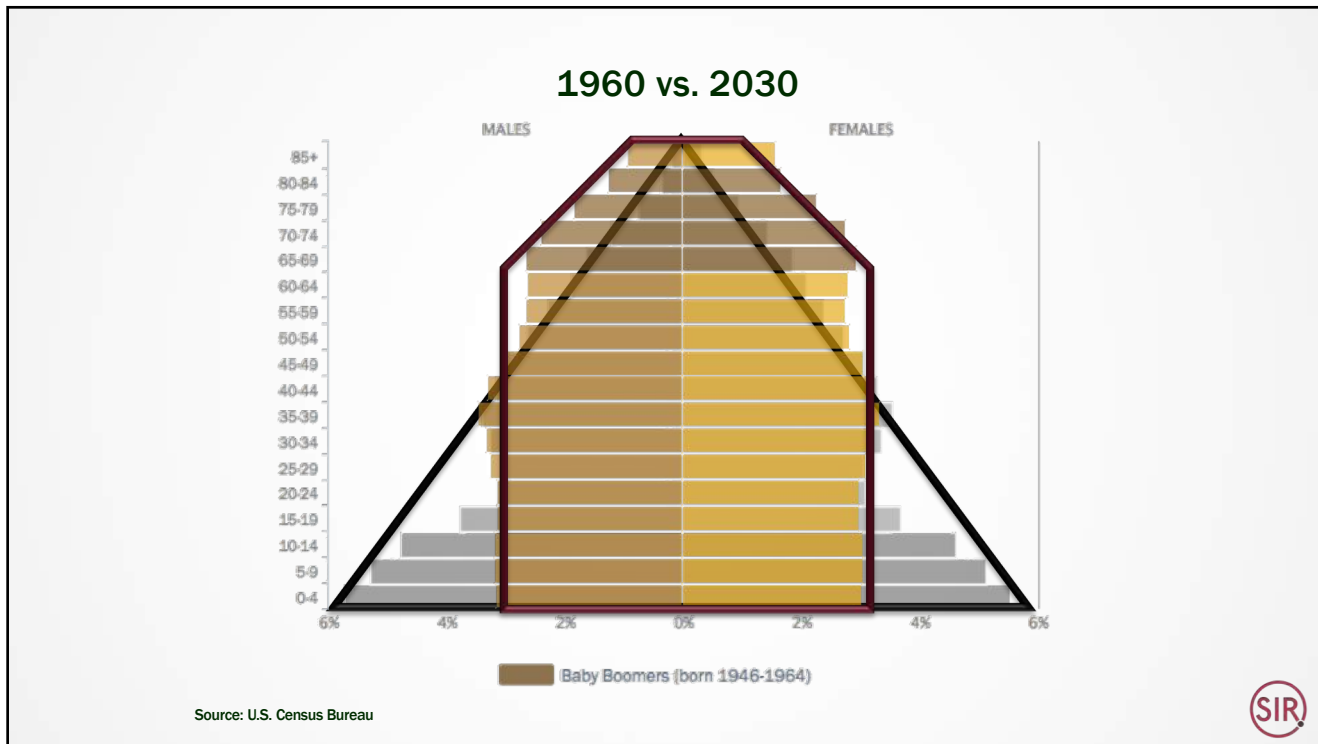


U.S. Population


Today	2030
328	358
Million	Million

Source: U. S. Census Reports






SHORTAGE


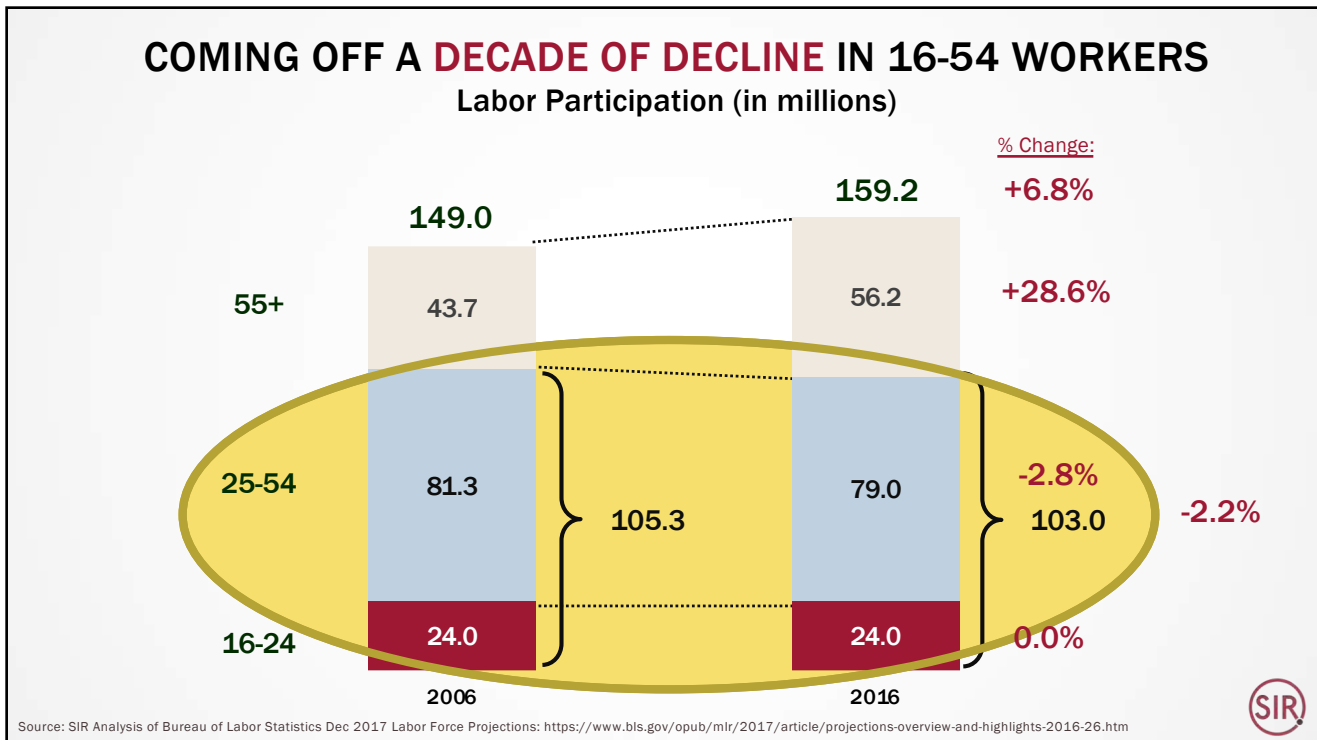


YOUNGER ADULTS

ABUNDANCE



OLDER ADULTS

3.7%

Unemployment rate – a 49-year-low



By 2030, the total U.S. population
will expand by **9%**

The U.S. working-age population
will only grow less than **5%**

Source: US Census Bureau



8.2M

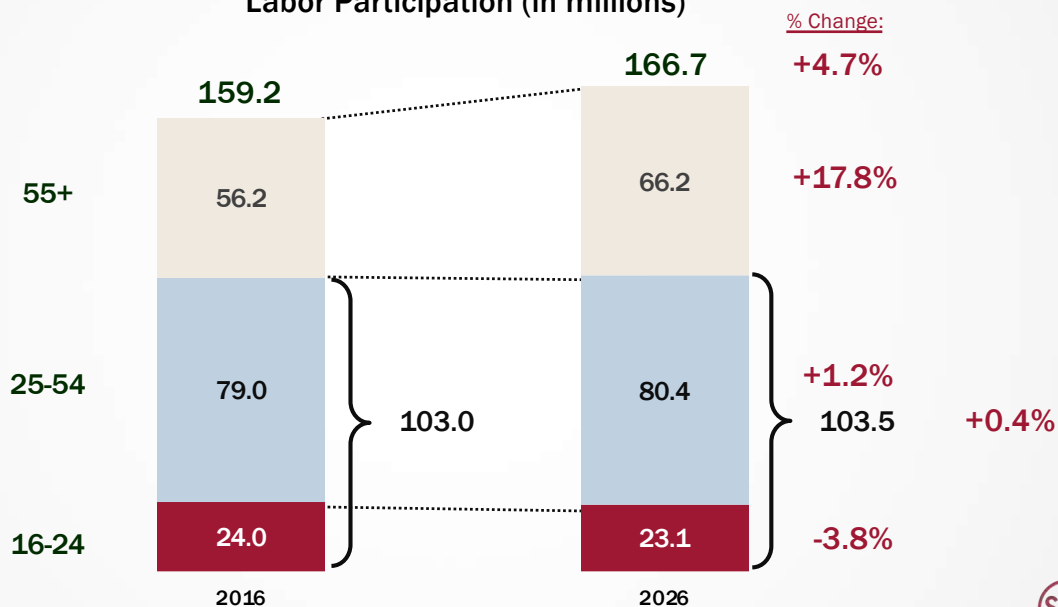
Shortage of US workers Over Next 10 Years

Source: Fundstrat Global Advisors



PROJECTIONS TO 2026 SHOW **LITTLE CHANGES AHEAD**

Labor Participation (in millions)



Source: SIR Analysis of Bureau of Labor Statistics Dec 2017 Labor Force Projections: <https://www.bls.gov/opub/mlr/2017/article/projections-overview-and-highlights-2016-26.htm>

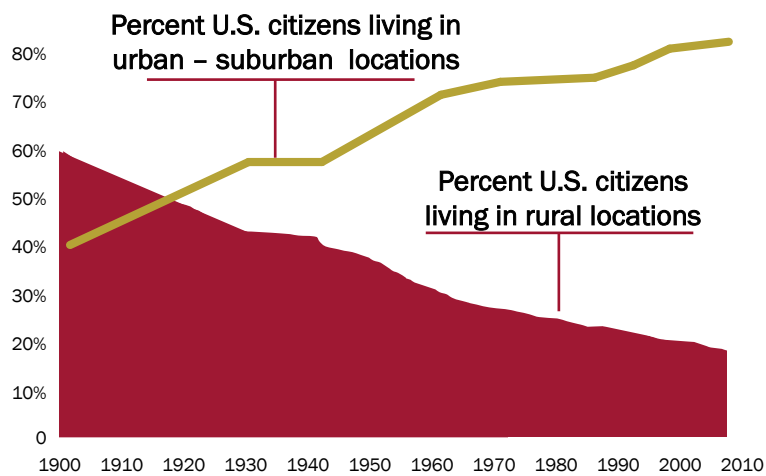


2

CITY SHIFTS



100 years of moving from the countryside to the city



Source: U.S. Census



3

WORK SHIFTS



The GIG Economy by the numbers

55

million

US workers
are 1099

80

million

projected
by 2020

1/3

1/2

<https://www.upwork.com/l/freelancing-in-america/2016/>

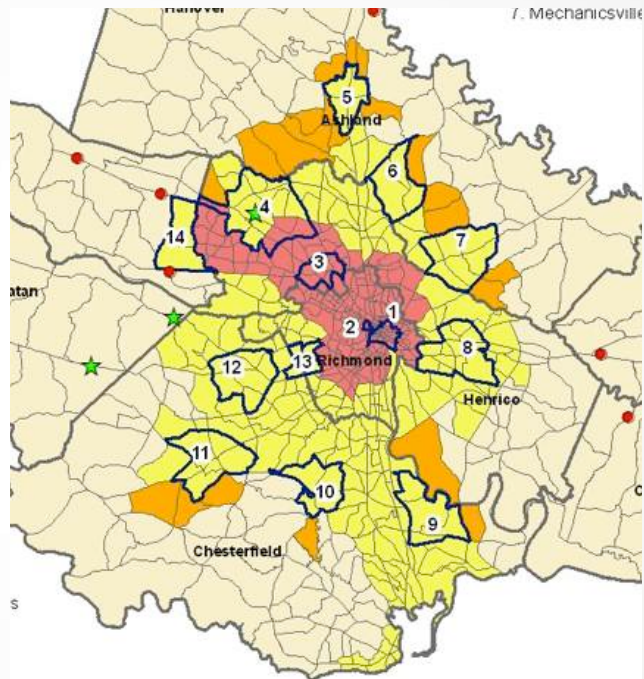


4

LIFESTYLE SHIFTS



**We're
moving to
Activity
Centers**
15-minute livable
communities



5

**MOBILITY
SHIFTS**



**Bikesharing
Carsharing
Scooters
What's Next:
Autonomous Vehicles**

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Timing?

2020 for fully automated models

2030 for sufficient numbers
to make a difference

2040 to have a transformative societal impact



**Mobility Will
Become More of
A Service**



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Transit Will Be Part of the Mobility Mix



Uber-like, Flexible Micro Transit Buses Serving Activity Centers

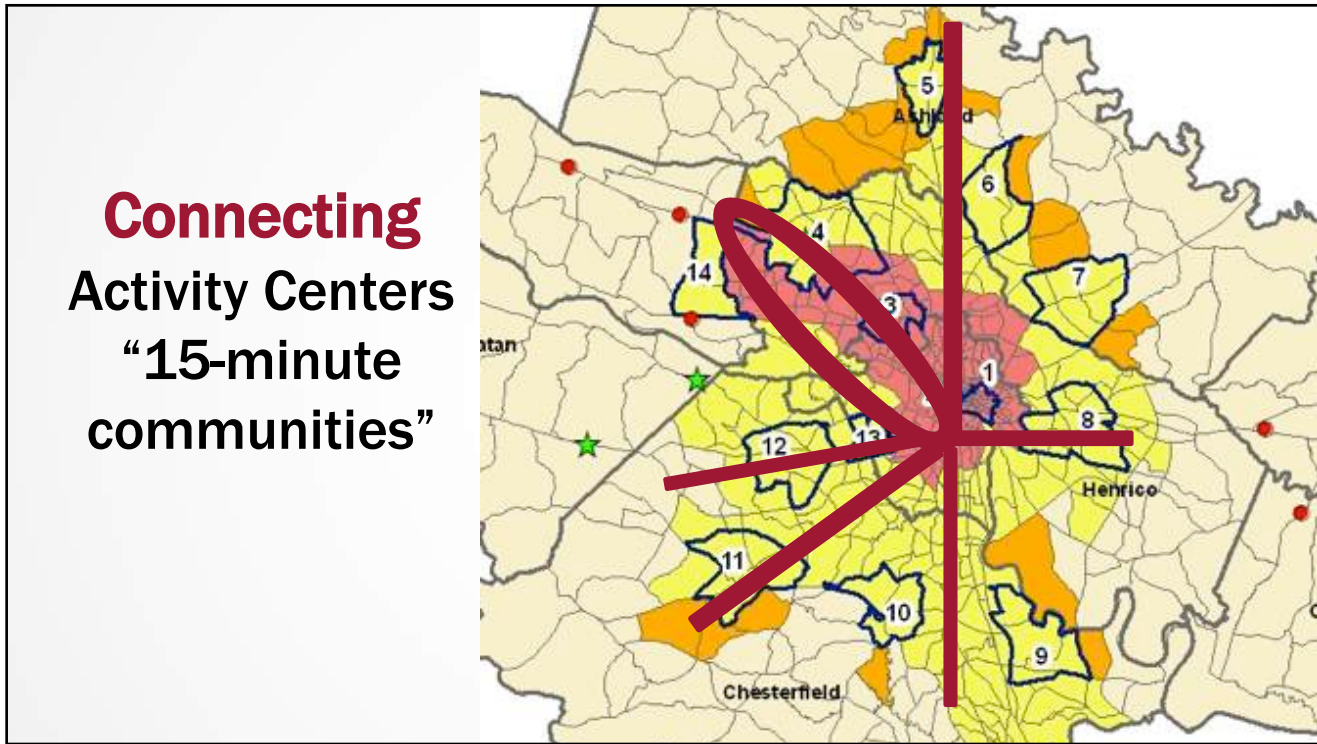


Using an Uber-like approach to pick ups and drop offs – making connections everywhere

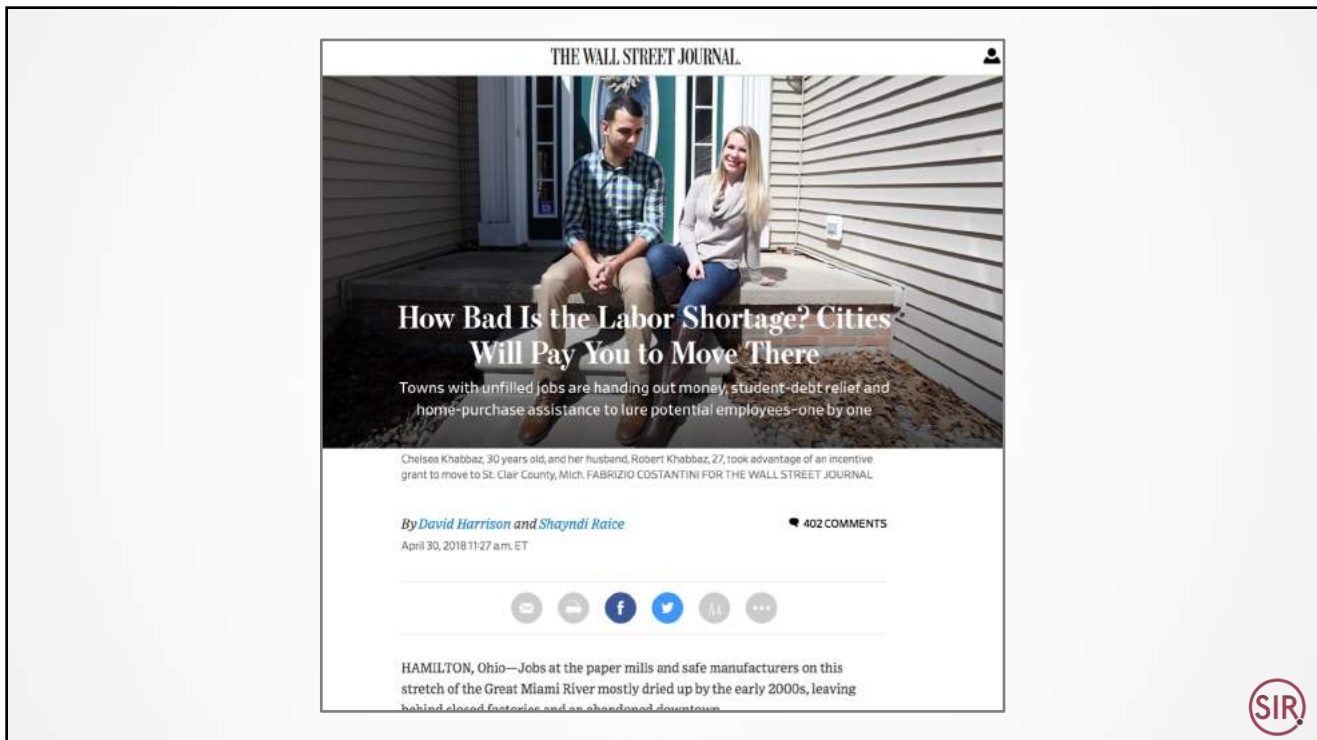
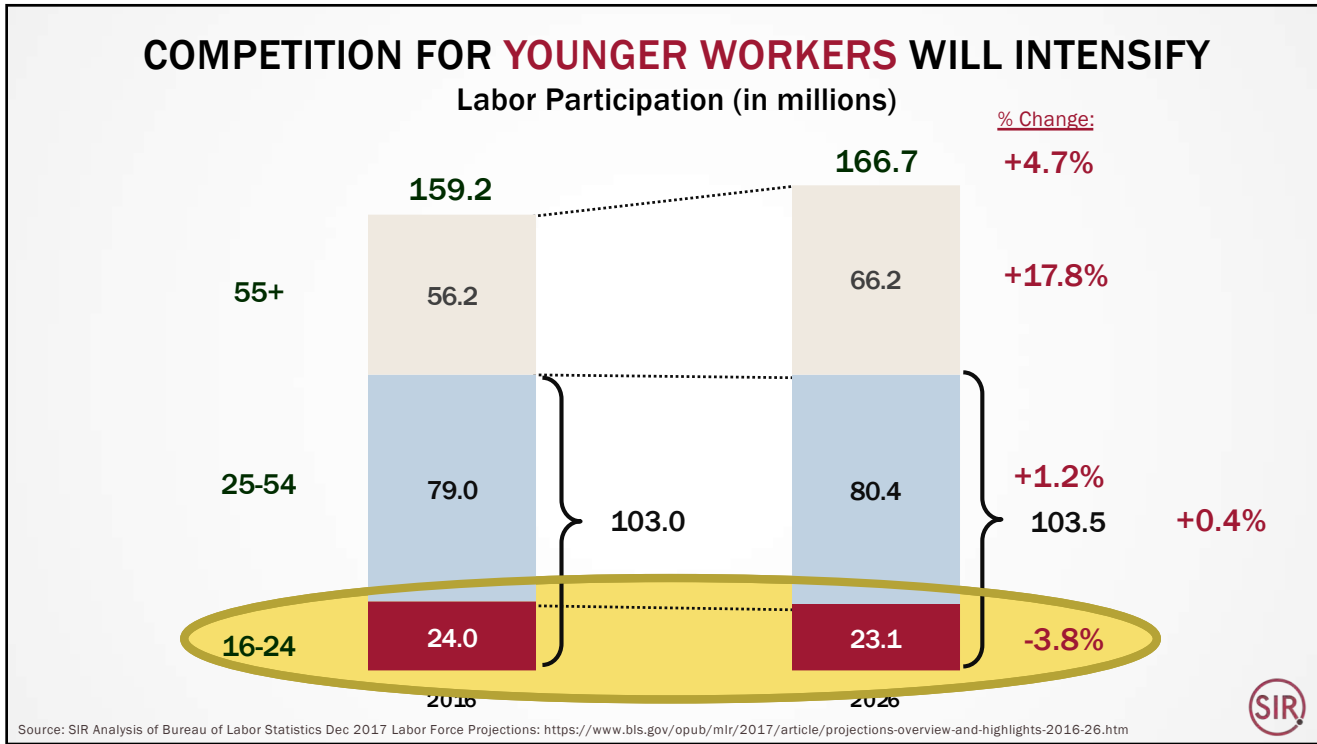
“Uber-for-buses”

flexible-route, on-demand

As many as 24 transit agencies are experimenting with micro-transit this year








The New York Times
June 1, 2018

Move to Vermont. Work From Home. Get \$10,000. (Or at Least Something.)




Fair Haven, Vt., in April. With only about 625,000 residents and an aging population, the state is making efforts to attract workers. *Trosan Ijzinsk for The New York Times*

By **Maya Salam**
June 1, 2018

Daydreaming about moving somewhere less populated, maybe to where you can ski in your down time and tap trees for maple syrup? If so, Vermont is beckoning, and might even pay you for your trouble.

On Wednesday, Gov. Phil Scott, a Republican, [signed into law a bill](#) that will give a number of people who move to Vermont from another state up

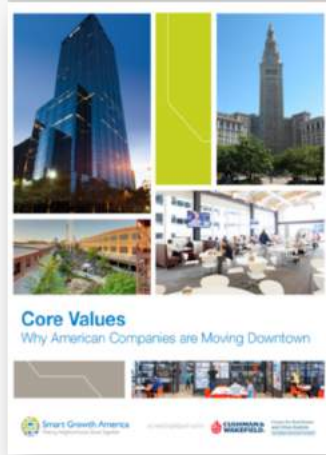


The New Economic Development Model

<p>Old Model</p> <p>Recruit Big Companies</p> <p>People Follow Companies</p>  <p>Community Grows</p>	<p>New Model</p> <p>Recruit for Targeted Industries</p> <p>Build Sense of Place and Community</p>  <p>Businesses Will Grow From Within and Others Will Come</p>
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**500 recent
corporate
moves:
“Talent
recruitment
and retention”**

Source: Smart Growth America

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**The Key Is To
Understand What
Younger People
Want Today**



Safety, variety of employment, quality and affordability of housing top the list

BASICS

	RALEIGH NC	WASH. DC	CHARLOTTE NC	AUSTIN TX	ATLANTA GA	Denver CO
Is safe	89%	87%	86%	91%	81%	90%
Has a variety of employment options	90%	82%	83%	85%	82%	87%
Quality and affordability of housing options	92%	83%	87%	87%	83%	83%
Offers outdoor recreation options	71%	60%	71%	77%	71%	76%
Offers a great food scene	76%	75%	78%	85%	77%	75%
Embraces creativity	59%	55%	58%	69%	59%	64%
Embraces innovation	70%	58%	61%	69%	60%	64%
Is near the mountains	28%	24%	40%	17%	30%	64%
Has access to water	59%	54%	64%	65%	54%	63%
Is bike-able/walkable	46%	50%	41%	43%	44%	61%
Has easy public transportation	42%	66%	40%	47%	46%	60%
Embraces small business/start-ups/entrepreneurship	54%	48%	60%	61%	54%	57%
Higher education options	76%	60%	60%	73%	62%	57%
Is diverse	60%	63%	55%	69%	55%	55%
Urban living environment	47%	59%	51%	60%	46%	53%
Offers an active music scene	51%	36%	46%	53%	49%	49%
Offers an active arts scene	42%	38%	44%	43%	42%	46%
Has rich history	42%	47%	39%	41%	42%	42%

Q20. When you think about a city as a place you'd really want to live, how important are each of the following to you?

Raleigh, NC
n = 198
Washington, DC
n = 199
Charlotte, NC
n = 200
Austin, TX
n = 194
Atlanta, GA
n = 204
Denver, CO
n = 195



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Placemaking Attributes

PLACEMAKING

	RALEIGH NC	WASH. DC	CHARLOTTE NC	AUSTIN TX	ATLANTA GA	Denver CO
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60

Q20. When you think about a city as a place you'd really want to live, how important are each of the following to you?

Get Onboard!

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Support for Transit Investment

How would you distribute \$100
among these transportation
services and needs?



Investment in transit is tied with roads

Total n = 306

	Total	
Public transit service	\$31	\$31
Passenger train service	\$17	
Sidewalks and bicycle paths	\$15	\$31
Local secondary roads such as Broad Street and Hull Street	\$12	
Intercity highways such as I-95 and I-64	\$11	
Local highways such as Powhite Parkway	\$8	
Airport facility	\$7	
TOTAL:	\$100	

Q13. How would you distribute the \$100 among these services and needs?



Support For Transit Is Rising

	2005	2009	2015	
Public transit service	\$13	\$17	\$31	↑
Passenger train service	\$15	\$13	\$17	
Sidewalks and bicycle paths	\$8	\$10	\$15	↓
Local secondary roads such as Broad Street and Hull Street	\$18	\$17	\$12	
Intercity highways such as I-95 and I-64	\$18	\$19	\$11	
Local highways such as Powhite Parkway	\$17	\$15	\$8	
Airport facility	\$12	\$7	\$7	
TOTAL:	\$100	\$100	\$100	



71%

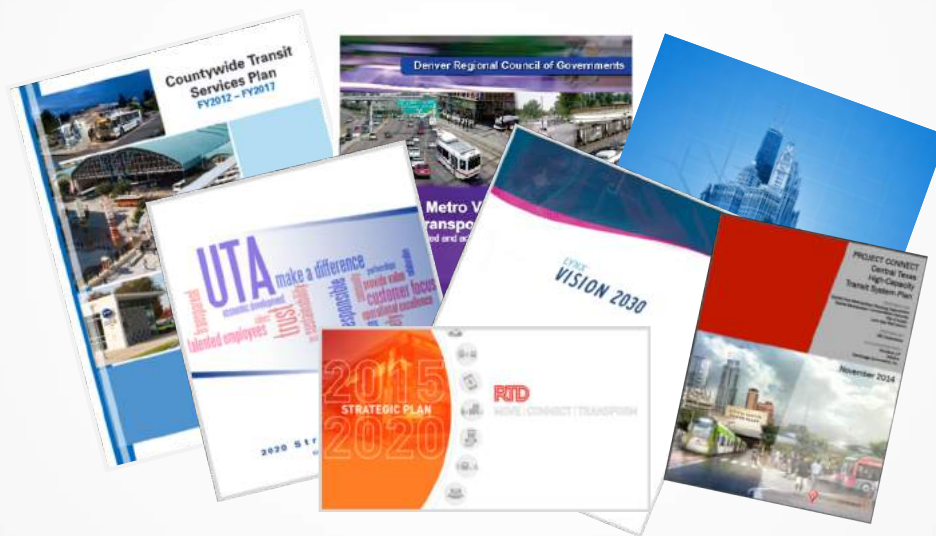
Transit Referendums Passed November 8, 2017

55 of 77 initiatives

65



Long-Term Transit Growth Plans



66



Long-Term “Community” Dev. Plan

Reimagine
Mobility



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Regional Transit

Equal Employment Opportunity Preliminary Work Plan

October 22, 2018

Current 2018 EEO Activity

- Complaints (11 EEO related plus other non-EEO/consults)
- Outreach (job fairs, external correspondence, expanded recruitment)
- Training (313 employees)
- 2018-2021 EEO/AAP (4-year plan completed)
- Ongoing monitoring/statistics/reporting
- 2018 Triennial Review (no findings)

2019 Annual Plan

- Maintain ongoing activities
- Improve ongoing activities...
 - ...Revise SacRT's EEO Subrecipient Monitoring Plan
 - ...Assist in the implementation of the human resources Applicant Tracking System
 - ...Provide more employee training
 - ...Develop an EEO Manual for employees

1st Quarter FY 2019
Finance Update and
Key Performance Report

Brent Bernegger

VP of Finance/Chief Financial Officer

FY 2019 - Budget to Actual Comparison

Month Ended September 30, 2018

Categories (\$ in thousands)	Actual	Budget	\$ Variance	% Variance
Income				
Fare Revenue	\$2,147	\$2,508	(361)	-14.4%
Contracted Services	523	532	(9)	-1.7%
Other Income	1,385	353	1032	292.4%
State & Local Revenue	8,074	8,074	0	0.0%
Federal Revenue	2,692	2,693	(1)	0.0%
Total	14,821	14,160	661	4.7%
Expenses				
Salaries/Fringes	9,137	9,433	296	3.1%
Services	1,895	2,009	114	5.7%
Supplies	887	860	(27)	-3.1%
Utilities	723	773	50	6.5%
Insurance/Liability	763	765	2	0.3%
Other Expenses	299	302	3	1.0%
Total	13,704	14,142	438	3.1%
Net Operating Surplus (Deficit)	\$1,117			

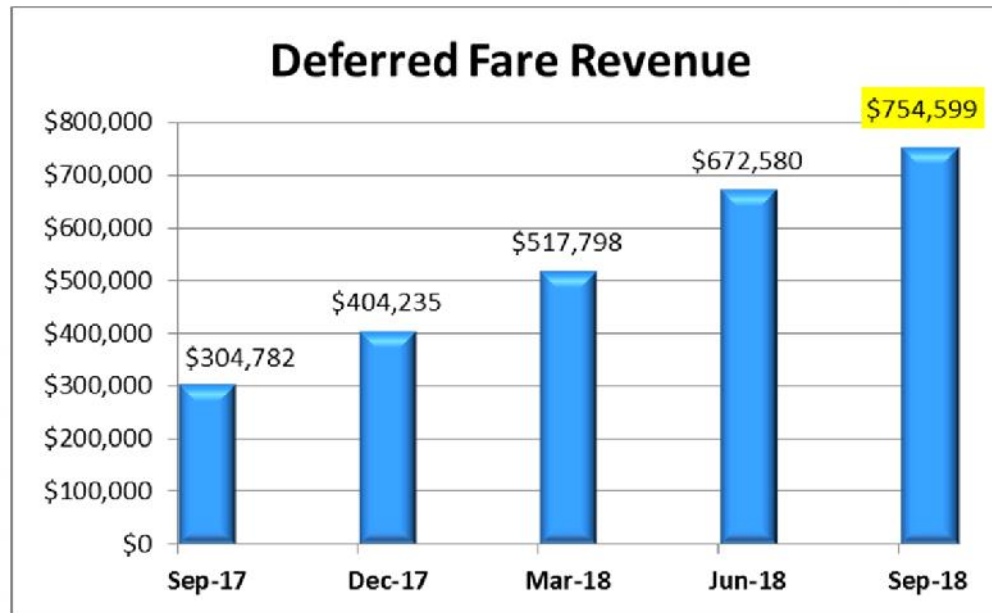
FY 2019 YTD

Actual	Budget	\$ Variance	% Variance
\$6,605	\$7,063	(\$458)	-6.5%
1,603	1,595	8	0.5%
2,348	1,055	1,293	122.6%
24,223	24,223	0	0.0%
8,077	8,078	(1)	0.0%
42,856	42,014	842	2.0%
27,859	28,240	381	1.3%
5,308	5,985	677	11.3%
2,378	2,530	152	6.0%
2,053	2,196	143	6.5%
2,166	2,296	130	5.7%
785	905	120	13.3%
40,549	42,152	1,603	3.8%
\$2,307			

* Budget is seasonally adjusted (not straight-line budget)

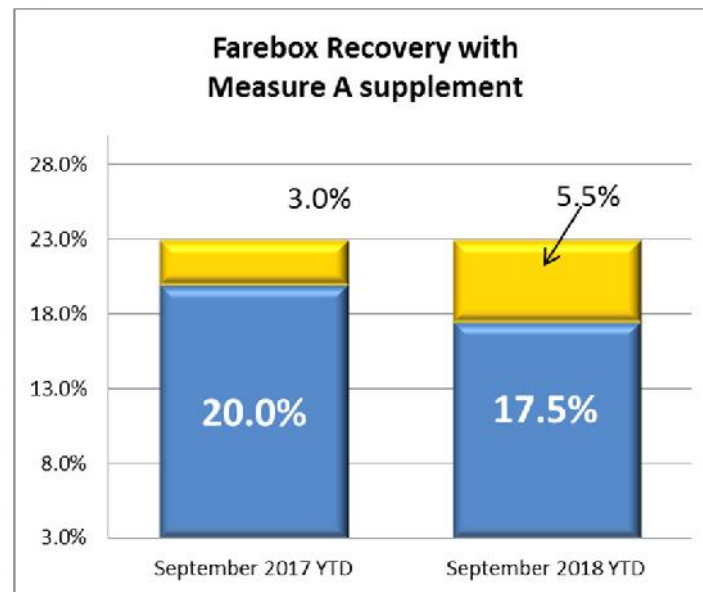
Key Performance Indicators

Deferred Fare Revenue



Key Performance Indicators

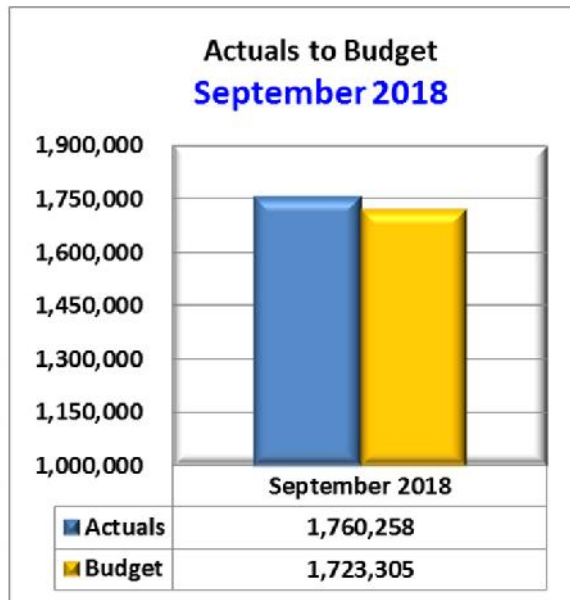
Farebox Recovery



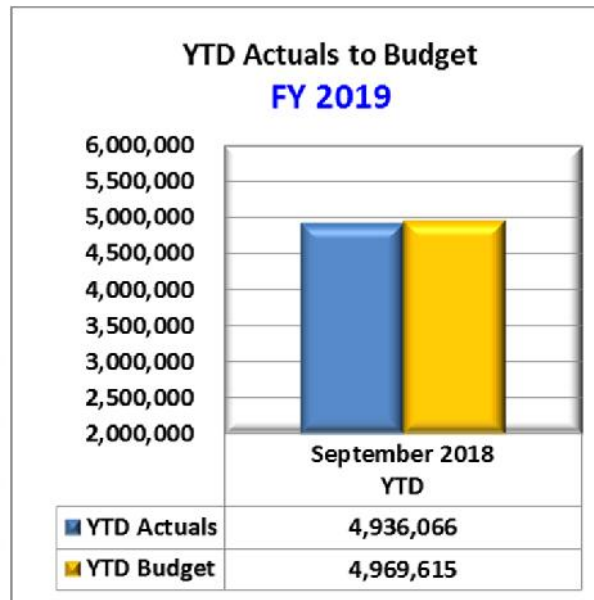
Compliant with TDA requirement of 23%.

Key Performance Indicators

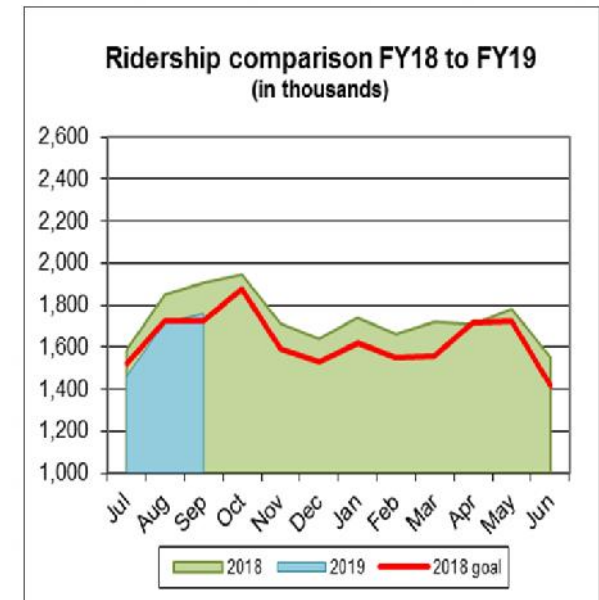
Total Ridership Comparison



↑ 2.1%



↓ -0.7%



↓ -7.6%