

STAFF REPORT

DATE: August 22, 2022
TO: Sacramento Regional Transit Board of Directors
FROM: Henry Li, General Manager/CEO
SUBJ: GENERAL MANAGER'S REPORT

RECOMMENDATION

No Recommendation - For Information Only.

Major Project Updates

Oral Report

SacRT Meeting Calendar

Regional Transit Board Meeting

September 12, 2022
SacRT Auditorium / Webconference
5:30 P.M

Quarterly Retirement Board Meeting

September 14, 2022
SacRT Auditorium / Webconference
9:00 A.M

Mobility Advisory Council Meeting

September 1, 2022
SacRT Auditorium / Webconference
2:30 P.M

SacRT In Person Hiring Event for Paratransit Operators

SacRT is holding an in-person hiring event on Tuesday, August 23, 2022, in an effort to hire shuttle bus drivers for SacRT GO paratransit services.

SacRT GO drivers operate smaller shuttle buses, and do not need to have prior experience as a commercial driver to be hired. SacRT offers paid training and will help successful applicants get their Commercial Driver License. Plus, SacRT is offering \$2,000 sign-on bonuses, and excellent benefits.

When:

Tuesday, August 23, 2022

10:30 a.m. to 6:30 p.m.

Where:

SacRT Administrative Building, Auditorium
1400 29th Street, Sacramento

SacRT is offering free rides on bus and light rail to the SacRT GO hiring event. Simply print or screenshot the free ride flyer. For more information, visit:
www.sacrt.com/apps/were-hiring-sacrt-is-hosting-two-hiring-events/

Staff Follow-up

At the June 2022 Board Meeting, Mr. Paul Asturi requested a meeting with staff to discuss bus service in the vicinity of Florin Road and French Road. Staff, including Vice Chair Patrick Kennedy and Director Don Nottoli met on July 28th. Following that meeting Mr. Asturi relayed the following message to SacRT's Clerk to the Board:

I would like to extend a special thanks to all of the SacRT employees that attended the meeting concerning boundaries that were mentioned for District II and bordered by District V, with regards to the need for putting bus routes in that area. It was very much appreciated that you attended and put a lot of work into it. And a special thanks to Supervisor Patrick Kennedy, Supervisor Don Nottoli and General Manager, Henry Li, for their attendance and interest in the meeting also.

If you have any questions, please feel free to contact me. I feel that in order for the whole thing to work, it would be very beneficial for generating revenue and ridership for a successful program.

Connect Card

During the last Board meeting, SacRT received questions related to the Connect Card tap devices and loading funds to an account. SacRT is working with the Connect Card vendor to provide enhanced security on the Connect Card website. Unfortunately, as a result of these updates, there has been some intermittent communication issues. SacRT is working closely with the bank and the Connect Card vendor to ensure that these issues are quickly resolved

In addition, from time to time, the Connect Card tap devices are vandalized. While these cases are rare, SacRT may not receive an auto notification that the screen is damaged. In some instances, the LCD screen may be completely malfunctioning, but the internal electronic part of the tap device is still fully functional so no alert goes out. SacRT often has to rely on notifications by field staff and/or customers. When spare devices are available, the broken device is promptly changed out. As a reminder, we encourage customers to use the [Alert SacRT mobile reporting app](#) to report issues and concerns.

Watt/I-80 Light Rail Station

At the last Board meeting, it was requested staff provide an update on the Watt/I-80 Light Rail Station and elevator. The acceptance and service use of the new west elevator at the Watt/I-80 has been delayed due to the failure of various components. SacRT is working with our contractor to make additional repairs and parts replacement to open the new elevator for service. In the meantime, SacRT has been operating a special service bus to transport patrons from the western bus platform on Watt Avenue to the light rail station at Watt/I-80 below.

Unfortunately, the Watt/I-80 Station is a frequent target for graffiti and vandalism. SacRT posts a guard at this station daily and monitors the station with video surveillance. The station is power washed several times per week. In addition, a deep cleaning of the entire station occurred on August 14, 2022, and graffiti was removed, and new paint was applied. The station requires continuous attention to maintain an acceptable level of cleanliness for our customers and staff.

At the adjacent Roseville Road Station, staff is completing extensive lighting repairs related to vandalism and aging infrastructure. SacRT and SMUD will partner to replace a power pedestal at the Winters Street bridge in the near future. The SacRT team has repaired multiple power lines at the station and is changing out lights and ballasts. In addition, we will be partnering with the City of Sacramento to close the Grand Avenue bridge. The bridge is a location of frequent trash dumping and illegal street racing. We look forward to the opening of the safe parking ground and general improvement of the areas surrounding the highly used Watt/I-80 and Roseville Road light rail stations.

Fiscal Year 2022 Financial and Ridership Update

Financial Update:

The soft close for Fiscal Year (FY) 2022 has been completed with positive operating results. Based on the soft close numbers, SacRT has generated an operating surplus of \$6.2. There are still some final accruals and adjustments that need to be made before the operating surplus number is finalized; however, these positive operating results mark the seventh consecutive year of generating an operating surplus. This will bring the Operating Reserve balance to approximately \$30 million, which exceeds the requirements of the Comprehensive Reserve Policy target of 45 days cash on hand. This is a remarkable achievement for SacRT, and it is directly related to the diligent and efficient management of SacRT operations.

Below is the budget to actual comparison for FY22:

| Categories (\$ in thousands) | Actual | Budget | \$ Variance | % Variance |
|------------------------------|------------------|------------------|----------------|-------------|
| <u>Income</u> | | | | |
| Fare Revenue | \$14,315 | \$12,547 | \$1,768 | 14.1% |
| Contracted Services | 826 | 650 | 176 | 27.1% |
| Other Income | 5,780 | 5,540 | 240 | 4.3% |
| State & Local Revenue | 144,508 | 139,349 | 5,159 | 3.7% |
| Federal Revenue | 53,373 | 60,077 | (6,704) | -11.2% |
| Total | 218,802 | 218,163 | 639 | 0.3% |
| <u>Expenses</u> | | | | |
| Salaries/Fringes | 153,664 | 152,506 | (1,158) | -0.8% |
| Services | 16,282 | 21,169 | 4,887 | 23.1% |
| Supplies | 13,658 | 15,009 | 1,351 | 9.0% |
| Utilities | 7,313 | 8,038 | 725 | 9.0% |
| Insurance/Liability | 18,673 | 17,036 | (1,637) | -9.6% |
| Other Expenses | 3,039 | 4,405 | 1,366 | 31.0% |
| Total | \$212,629 | \$218,163 | \$5,534 | 2.5% |
| Net Operating Surplus | \$6,173 | | | |

Several income categories came in over budget, most significantly State and Local Revenues, primarily driven by very strong sales tax collections at the state and local level. The negative variance in the Federal Revenue category is actually very positive for SacRT. Due to the strong sales tax revenue and the fare revenue positive variance, SacRT did not have to use the full budgeted amount of Federal Stimulus funds. This leaves additional stimulus funds for future year use to balance any unforeseen deficits due to inflation and potential pullback in sales tax revenues. After taking into consideration the FY23 Board approved budget, there will be approximately \$75 million of federal stimulus funds available for FY24 and beyond.

In total, SacRT generated savings of \$5.5 million in operating expenses. The savings is primarily due to being under budget in professional services and supplies. Salaries and fringe did run over budget; however, the totals for FY22 do include the Pandemic Resilience bonus paid to employees as well as the APTA Incentive pay for staff contribution towards the 2021 Outstanding System Achievement award received by SacRT. SacRT is continuing to face a difficult insurance market, causing increased premium costs. SacRT's Litigation and Risk departments are working diligently to settle claims and find the most cost-effective manner of obtaining necessary insurance coverages to satisfy all regulatory requirements and manage SacRT's risk tolerance to potential losses.

Ridership Update:

For the Fiscal Year ended June 30, 2022, SacRT had total ridership of 11,089,852, which represents approximately 53% of pre-COVID levels. Fixed route bus has rebounded faster than light rail, having returned to approximately 61% pre-COVID ridership levels, while light rail is at approximately 43% of pre-COVID levels.

| <u>Category</u> | <u>FY22 Total</u> | <u>FY21 Total</u> | <u>Difference</u> | <u>% Change</u> | <u>Pre-COVID</u> | |
|----------------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------|
| Fixed Route Bus | 6,046,763 | 3,965,978 | 2,080,785 | 52.5% | 9,965,494 | -39% |
| Light Rail | 4,630,652 | 3,848,388 | 782,264 | 20.3% | 10,871,941 | -57% |
| Demand Response | 412,437 | 306,151 | 106,286 | 34.7% | 97,159 | |
| System Total* | 11,089,852 | 8,120,517 | 2,969,334 | 36.6% | 20,934,594 | -47% |

**EG Ridership added to total beginning 7/1/21*

The Pre-COVID amounts represent FY19 ridership levels, the last full fiscal year unaffected by COVID. Student ridership has exceeded pre-COVID levels due to the continued success RydeFreeRT program. Student ridership in FY19 was 1.7 million and 2.4 million in FY22.

FY22 SacRT Overall Performance Scorecard

| Strategy | Overall Metric | FY2022 Performance Goals | FY22 Annualized Results | % Toward Goal | Goal Points | Earned Points | Definition |
|--|---|------------------------------|-------------------------|---------------|-------------|--|--|
| Operational Excellence | Operating Cost Per Vehicle Revenue Hour | FY21 Budgeted Cost Per Hour: | | | | | |
| | Bus: | \$157.56 | \$165.94 | 94.68% | 3 | 2.84 | The average operating cost of an hour of revenue service. |
| | CBS Fixed: | \$194.11 | \$225.81 | 83.67% | 3 | 2.51 | The average operating cost of an hour of revenue service. |
| | SmaRT Ride: | \$166.27 | \$179.69 | 91.93% | 3 | 2.76 | The average operating cost of an hour of revenue service. |
| | SacRT GO: | \$242.13 | \$186.49 | 122.98% | 3 | 3.00 | The average operating cost of an hour of revenue service. |
| | Light Rail: | \$363.97 | \$380.76 | 95.39% | 3 | 2.86 | The average operating cost of an hour of revenue service. |
| | On-Time Performance | | | | | | |
| | On-Time Performance (Fixed Route) | 77% | 82.48% | 107% | 3 | 3.00 | The percentage of trips completed within the scheduled on-time window. |
| | On-Time Performance (Paratransit) | 85% | 75.73% | 89% | 3 | 2.67 | The percentage of trips completed within the scheduled on-time window. |
| | On-Time Departure (LR) | 95% | 97.90% | 103% | 6 | 6.00 | The percentage of trips completed within the scheduled on-time window. |
| | Mean Distance Between Failures (Miles) | | | | | | The average miles between mechanical problems that result in a vehicle not completing its scheduled revenue trip, or a vehicle not starting its next scheduled revenue trip. |
| | Bus | 13,700 | 12,806 | 93% | 3 | 2.80 | Total fleet miles divided by total monthly road calls. |
| | CBS/SacRT GO/ SmaRT Ride | TBD | 81,072 | TBD | 3 | 3.00 | Total fleet miles divided by total monthly road calls. |
| | Light Rail | 8,100 | 8,676 | 107% | 4 | 4.00 | Total fleet miles divided by total monthly road calls. |
| | System Cleanliness | 100% | TBD | TBD | 5 | 0.00 | The average percentage of cleanliness audits for LR Stations, Bus Stops, bus and light rail vehicle cleanliness metrics. |
| Collisions Per 100k Miles (YTD) | 1.6 | 0.79 | 150.63% | 5 | 5.00 | The number of preventable accidents per 100,000 miles on a 12-month rolling average. Calculated by (Preventable accidents/ Revenue Miles) *100,000. | |
| TOTAL POINTS | | | | | 47 | 40.45 | |
| Community Value | Rebuild Ridership Trust | 9,877,351 | 11,089,851 | 112% | 10 | 10.00 | The average number of unlinked trips per revenue hour across all service modes. |
| | Fare Evasion Rate | 2.08% | 1.41% | 132.13% | 5 | 5.00 | Fare evasion rate is calculated by percentage of fares inspected divided by the number of citations issued for the month. |
| | Social Media Engagement | | | | | | |
| | Facebook Reach/Impressions | 117,000 | 152,943 | 131% | 2 | 2.00 | Total reach/impressions of content shared on SacRT social media platforms. Metrics to be determined by each platform. General goal is to increase followers by 2% on platform. |
| | Twitter Reach/Impressions | 400,000 | 423,900 | 106% | 2 | 2.00 | Total reach/impressions of content shared on SacRT social media platforms. Metrics to be determined by each platform. General goal is to increase followers by 2% on platform. |
| | Instagram Reach/Impressions | 12,000 | 34,376 | 286% | 2 | 2.00 | Total reach/impressions of content shared on SacRT social media platforms. Metrics to be determined by each platform. General goal is to increase followers by 2% on platform. |
| LinkedIn Reach/Impressions | 6,000 | 26,354 | 439% | 2 | 2.00 | Total reach/impressions of content shared on SacRT social media platforms. Metrics to be determined by each platform. General goal is to increase followers by 2% on platform. | |
| TOTAL POINTS | | | | | 23 | 23.00 | |
| Employee Engagement | 2019 Employee Survey Results | | | | | | |
| | % Agree They Receive Timely Feedback on Performance from Supervisor | 68.15% | 64.90% | 95.23% | 4 | 3.81 | The % of employees that somewhat agree, agree, or strongly agree that they receive timely feedback on their performance from their supervisors. |
| | % Agree Teamwork is Encouraged and Practiced | 73.92% | 70.40% | 95.24% | 3 | 2.86 | The % of employees that somewhat agree, agree, or strongly agree that teamwork is encouraged and practiced. |
| | % Agree They Receive Enough Training to be Their Best at Work | 84.11% | 80.10% | 95.23% | 3 | 2.86 | The % of employees that somewhat agree, agree, or strongly agree that they receive enough training to be their best at work. |
| | % Overall I am Happy At Work | 88.50% | 88.50% | 100% | 3 | 3.00 | The % of employees that somewhat agree, agree, or strongly agree that they are happy at work at SacRT. |
| % Agree they Have a Good Working Relationship with Those Around Me | 96.50% | 96.50% | 100% | 2 | 2.00 | The % of employees that somewhat agree, agree, or strongly agree that they have a good working relationship with those around me. | |
| TOTAL POINTS | | | | | 15 | 14.52 | |
| Customer Satisfaction | Overall Customer Satisfaction | 3.5 | 3.9 | 112% | 10 | 10.00 | Through customer surveys, using a scale of 0 to 5 of how satisfied the public is with SacRT, the KPI goals needs to be an overall score of 3.5 or higher. |
| | Service Level for Calls Answered for Customer Service, Customer Advocacy queues | | | | | | |
| | Customer Service | 80% | 76% | 95% | 2.5 | 2.50 | Percentage of calls answered within 20 seconds for Customer Service. |
| Customer Advocacy | 80% | 59% | 73% | 2.5 | 1.83 | Percentage of calls answered within 20 seconds for Advocacy queues. | |
| TOTAL POINTS | | | | | 15 | 14.33 | |
| OVERALL PERFORMANCE SCORE | | | | | 100 | 92.30 | |

SacRT GM Update

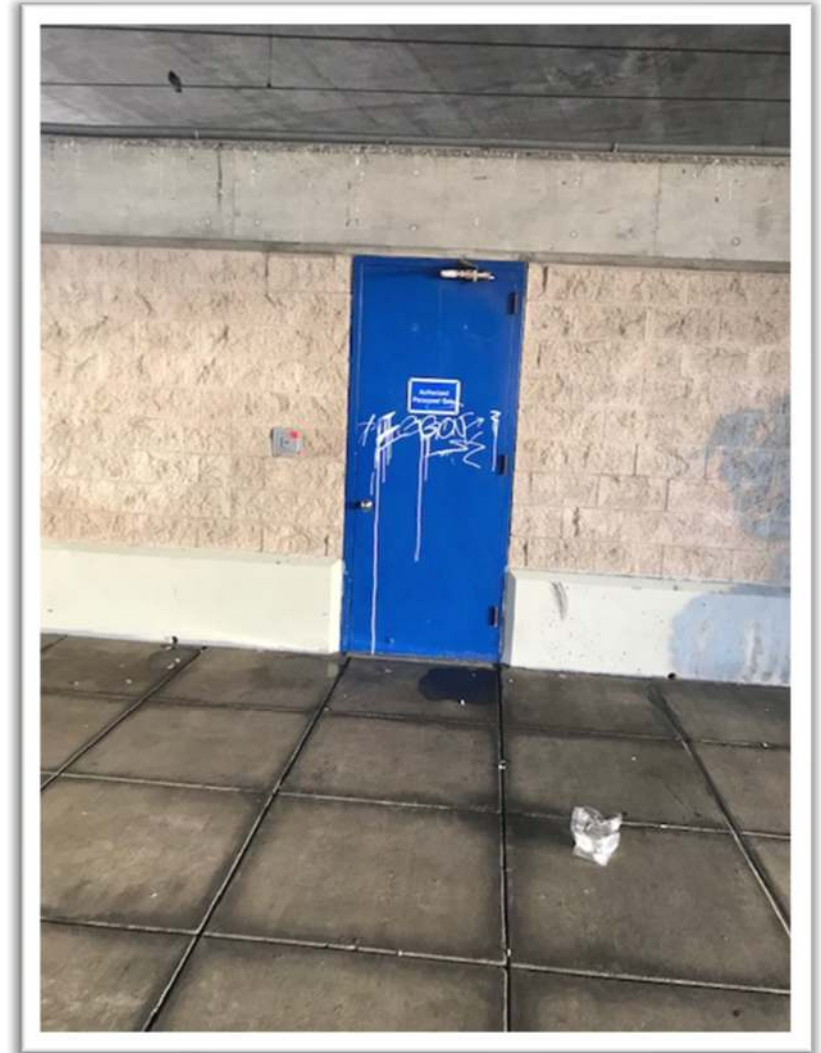
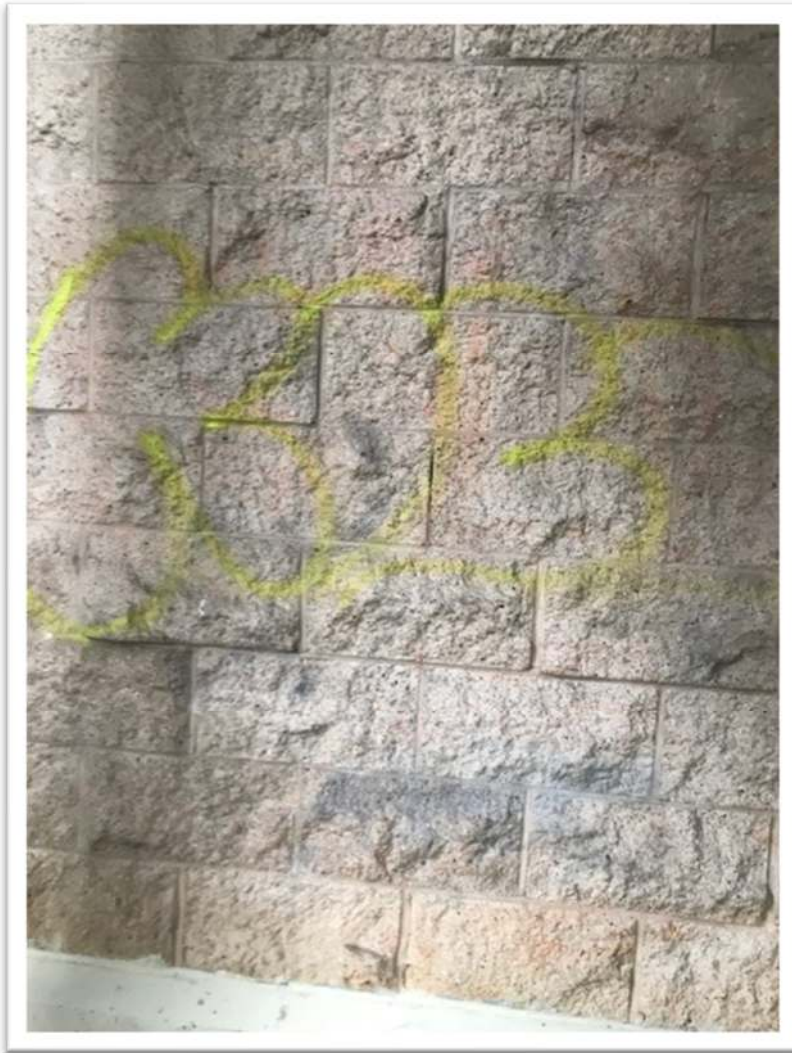


FTA Triennial



Watt/I-80 Light Rail Station Cleaning

BEFORE



Watt/I-80 Light Rail Station Cleaning

AFTER



Tri City Bridge Clean-Up

BEFORE



AFTER

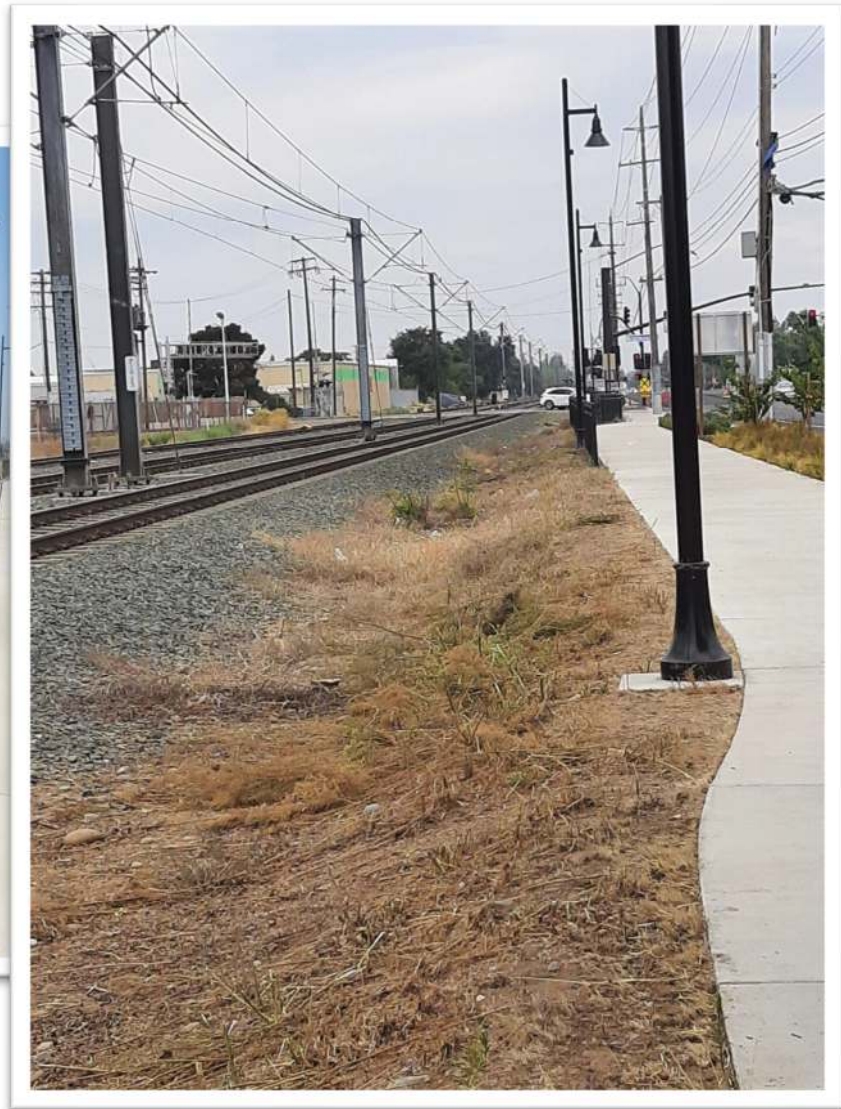


Rancho Cordova Weed Abatement

BEFORE



AFTER



Sacramento Works



SACRAMENTOWORKS



Air Quality Peer to Peer Trip



AB 2015

[AB-2015](#) Enrolled and Governor's Response



California
LEGISLATIVE INFORMATION

Please do not reply to this automated message

Tracking Notification:

AB-2015: Sacramento Regional Transit District: board of directors: voting procedures: contracting authority: retirement board.

On 16-AUG-22 the following history action was applied:

"Enrolled and presented to the Governor at 4 p.m."

Inflation Reduction Act



August 11, 2022

Senate Passes H.R. 5376, the Inflation Reduction Act

Includes Alternative Fuel Tax Credits and New Investments in Climate, Zero-Emission Technology, Equity, and Environmental Streamlining

On August 7, 2022, the Senate passed H.R. 5376, the Inflation Reduction Act of 2022, by a vote of 51-50. The bill includes alternative fuel tax credits and significant new investments in climate, zero-emission technology, equity and environmental streamlining. The House of Representatives is scheduled to consider the bill on August 12. If the House passes the bill, President Biden will sign it.

The bill includes numerous important provisions that benefit public transportation. The Inflation Reduction Act:

- **Extends the excise tax credits for alternative fuels, biodiesel, and renewable diesel;**
- **Extends and substantially restructures the alternative fuel vehicle property credit;**

SacRT's Light Rail Modernization

