



A G E N D A

Sacramento Transportation Authority Sacramento Abandoned Vehicle Service Authority (SAVSA)

700 H Street, Suite 1450 • Sacramento, California • 95814
(Board of Directors may participate via video teleconference)

THURSDAY

MARCH 9, 2023

1:30 PM

Members: Rich Desmond (Chair), Sue Frost, Eric Guerra (Vice Chair), Patrick Hume, Jayna Karpinski-Costa, Patrick Kennedy, Caity Maple, Rosario Rodriguez, Paul Sandhu, Phil Serna, Bobbie Singh-Allen, Kevin Spease, Karina Talamantes, Donald Terry, Katie Valenzuela, Mai Vang

Alternates: Bret Daniels, Shawn Farmer, Mike Kozlowski, Siri Pulipati, Darren Suen

The Governing Boards of the Sacramento Transportation Authority (STA) and the Sacramento Abandoned Vehicle Service Authority (SAVSA) meet concurrently.

PUBLIC COMMENT PROCEDURES

In compliance with directives of the County, State, and Centers for Disease Control and Prevention (CDC), the meeting will be live stream and open to public attendance pursuant to health and safety guidelines. The practice of social distancing and wearing of face coverings (mask or shield) is recommended for the health and safety of all persons participating in person during the meeting although it is not required.

In-Person Public Comment

Speakers will be required to complete and submit a speaker request form to Clerk staff. The Chairperson will invite each individual to the podium to make a verbal comment.

A G E N D A

Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority

March 9, 2023

Page 2

Telephonic Public Comment

On the day of the meeting dial (916) 875-2500 to make a verbal public comment (follow the prompts for instructions). Refer to the agenda and listen to the live meeting to determine when is the best time to call to be placed in queue for a specific agenda item. Callers may be on hold for up to an extended period of time and should plan accordingly. When the Chairperson opens public comment for a specific agenda item or off-agenda matter, callers will be transferred from the queue into the meeting to make a verbal comment. Each agenda item queue will remain open until the public comment period is closed for that specific item.

Written Comment

Contact information is optional. Written communication is distributed, published and filed in the record

- Send an email comment to BoardClerk@saccounty.gov. Include meeting date and agenda item number or off-agenda item.
- Mail a comment to 700 H Street, Suite 2450, Sacramento, CA 95814. Include meeting date and agenda item number or off-agenda item.

VIEW MEETING

The meeting is videotaped and cablecast live on Metrocable 14 on the Comcast, Consolidated Communications and AT&T U-Verse Systems. It is closed captioned for hearing impaired viewers and webcast live at <http://metro14live.saccounty.gov>. There will be a rebroadcast of this meeting on Sunday at 2:00 p.m.

MEETING MATERIAL

The on-line version of the agenda and associated material is available at <https://www.sacta.org/> (click on "Meetings"). Some documents may not be posted on-line because of size or format (maps, site plans, renderings). Contact the Clerk's Office at (916) 874-5411 to obtain copies of documents.

ACCOMMODATIONS

Requests for accommodations pursuant to the Americans with Disabilities Act (ADA) should be made with the Clerk's Office by telephone at (916) 874-5411 (voice) and CA Relay Services 711 or BoardClerk@saccounty.gov prior to the meeting.

A G E N D A

Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority

March 9, 2023

Page 3

CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE

COMMENT ITEMS

1. Comments From The Public Regarding Matters Not On The Agenda
2. Executive Director's Report Kevin M. Bewsey

CONSENT ITEMS

3. Approve Action Summary: February 9, 2023 Sacramento Transportation Authority (STA) Governing Board Meeting ◀ Jennifer Doll
4. Approve A Budget To Actual Reports For Fiscal Year To Date Through December 31, 2022 ◀ Dustin Purinton
5. Fiscal Year 2022-23 Mid-Year Budget Amendment For The Authority And Sacramento Abandoned Vehicle Service Authority (SAVSA) ◀ Dustin Purinton
6. Authorize Amendments To The City Of Sacramento Measure A Capital Allocation And Expenditure Contracts ◀ Dustin Purinton
7. Authorize An Amendment To The Sacramento Transportation Authority Measure A Consolidated Transportation Service Agency (CTSA) Grant Agreement With Sacramento Regional Transit ◀ Dustin Purinton

A G E N D A

Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority

March 9, 2023

Page 4

- 8. Authorize An Amendment To The Sacramento Transportation Authority Measure A Consolidated Transportation Service Agency (CTSA) Grant Agreement With Paratransit ◀ Dustin Purinton
- 9. Authorize An Amendment To Extend The Term Of The Nexus Study Update Consulting Services Agreement ◀ Dustin Purinton

SEPARATE ITEMS

- 10. Sacramento Area Council Of Governments Presentation On The 2025 Blueprint And Other Major Initiatives Kevin M. Bewsey
- 11. Sacramento Metropolitan Air Quality Management District Presentation And Approval Of The Transportation Related Air Quality Five Year Program And Authorizing The Executive Director To Sign A Measure A Ongoing Annual Programs Memorandum Of Understanding ◀ Kevin M. Bewsey
- 12. Presentation On The Refunding Of The 2009C, 2014A And 2015A Series Bonds Variable Rate To Fixed Rate ◀ Dustin Purinton
Peter Shellenberger
- 13. Comments Of Authority Members All

◀ Denotes items that require Board action

Staff reports and associated materials are available online at www.sacta.org. For assistance with agenda packets, please contact STA at (916) 323-0080 or info@sacta.org. For questions regarding the agenda or any item on the agenda, please contact Kevin M. Bewsey at (916) 323-0080 or Kevin@sacta.org.



MARCH 9, 2023

AGENDA ITEM # 2

EXECUTIVE DIRECTOR'S REPORT

Action Requested: Receive and File

Key Staff: Kevin M. Bewsey, Executive Director

New Clerk

I want to welcome our new clerk Lydia Frazier from the Office of the Clerk of the Board at Sacramento County. She is replacing Dorelle Johnson who has moved onto other opportunities. Lydia will be supported by Alma Munoz from Sacramento County who has been working with the STA Governing Board for the last five years.

Sacramento Countywide Transportation Mitigation Fee Program Update

In April of 2022, the STA Governing Board awarded a consultant contract to GHD Inc to perform an update to the Nexus Study for the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). This is a small fee program created with approval of Measure A in 2009. STA has been working with GHD and the local agencies to complete this work. Most recently STA helped gather updated cost and funding information from local agencies on the projects included in the original nexus study. We anticipate pushing back the adoption of an updated nexus study till fall of 2023, to complete additional outreach for the updated fee.

Extension of the Standby Bond Purchase Agreement for the 2015A Series

On February 23, 2023, STA staff completed a five-year extension of the Standby Bond Purchase Agreement, for the 2015A Series, with Sumitomo Mitsui Banking Corporation. Staff reviewed related competitive bids with PFM Financial Advisors, STA's Consulting Financial Advisor. STA was able to negotiate a competitive Commitment Fee Rate of 0.34%.

Active Transportation Program Update

As many of you are aware the Active Transportation Program (ATP) competitive grant program received a onetime increase of \$1 billion dollars increasing the total funding to \$1.7 Billion for this cycle of funding. This funding is split between state and regional competitive programs with agencies being able to submit applications at both levels. The state awards occurred in December of 2022 with \$39 million going to projects in Sacramento County and the incorporated cities. At the regional level, SACOG has recommended the award of \$34.8 million to these agencies with formal board action anticipated in March of 2023. This represents an investment of \$73.8 million into active transpiration over the next two years. Below is a summary of these projects.

State Awards:

- Elkhorn Boulevard Complete Streets Project, Sacramento County
- Envision Broadway in Oak Park, City of Sacramento
- Franklin Boulevard Complete Street – Phase 3, City of Sacramento

I Street Bridge Deck Conversion, City of Sacramento and West Sacramento
Stockton Blvd Complete Streets Project, Sacramento County
Zinfandel Drive Bicycle and Pedestrian Overcrossing, City of Rancho Cordova

Regional Awards

Arcade Cripple Creek Extension, City of Citrus Heights
Bell Street Safe Routes to School, Sacramento County
Dry Creek Parkway Trail, Sacramento County
Folsom Placerville Rail Trail Gap Closure Project, City of Folsom
Laguna Creek Inter Regional Trail Crossing at State Route 99, City of Elk Grove
9th Street Separated Bikeway Project, City of Sacramento

SCRAMENTO TRANSPORTATION AUTHORITY

**MEETING DATE:
THURSDAY, MARCH 9, 2023**

MATERIAL FORTHCOMING

Approve Action Summary: February 9, 2023 STA Governing Board Meeting



MARCH 9, 2023

AGENDA ITEM # 4

BUDGET-TO-ACTUAL REPORTS – FOR THE FISCAL YEAR-TO-DATE THROUGH DECEMBER 31, 2022

Action Requested: Receive and File

Key Staff: Dustin Purinton, Accounting Manager

Each quarter staff prepare analyses summarizing budgeted to actual revenue and expenditures for the Sacramento Transportation Authority's (STA) General Fund, SacMetro FSP, the Sacramento Abandoned Vehicle Service Authority (SAVSA), the Transit Fund, the Administration Fund, and the Debt Service Fund. Notable variances for this year-to-date period are as follows:

STA General Fund

1. Sales tax revenue came in \$1.8 million higher (2.1%) than expected - \$89.3 million versus the budgeted amount of \$87.5 million. Sales tax revenues have remained strong into FY2022-23. Consumers continue to spend on transportation and on construction building materials.
2. Interest revenue came in \$2.2 million higher than expected - \$2.3 million versus the budgeted amount of \$0.1 million. Interest rates have been increasing in FY2022-23 and are expected to remain high throughout the remainder of the year. This increases the amounts that our Interest Rate Swap Partners remit to the Authority. The rising rates also increase the expense of debt service that the Authority needs to pay to bond holders. See related Debt Service explanation below.
3. Professional fees were not budgeted but have come in at \$97 thousand or (100%) higher than expected. This expense was reallocated from the Debt Service Fund. These expenses are related to sales tax recovery services and were determined to benefit all Measure A Sales Tax funds, therefore the allocation was changed to come off the top of the Sales Tax Allocation in the General Fund.
4. Measure A allocations were higher than expected by \$829 thousand (1.1%) because monthly pass-through allocations closely parallel the sales tax revenue stream – as it increases so do the allocations.
5. Capital program expenditures were lower than expected by \$7.9 million (-58.3%). Budgeted expenditures were \$13.5 million and actual expenditures were \$5.6 million. Capital project expenditures vary from year to year, but expenditures will not exceed contract values. Unused capital funds will be carried forward to FY2023-24.

SAVSA

1. DMV allocations came in from the prior year before the fee sunset. These fees were distributed to the SAVSA partner agencies proportionately.

Transit

1. Expenditures are slower than anticipated, there are delays in bus orders for both Sacramento Regional Transit and Paratransit.

Administration

1. Expenditures for salaries and benefits were budgeted at about \$310 thousand but the actual expenditures were almost \$362 thousand. The retirement of STA staff caused an increase in salaries and benefits expenses, due to the payout of accrued compensation balances. This as paired with a reallocation of staff time based on actual hours worked caused the increase.

Debt Service

1. Principal expenditures increased significantly in the current period due to the refinancing of the 2012 Series Bonds. This was offset by a similar amount in Transfers in for the new 2022 Series Bonds.
2. Interest expenditures were about \$1.3 million more than budgeted, \$9.5 million versus \$8.1 million. Interest rates have been increasing (see STA General Fund Interest Revenue). Rates are expected to stay high to help ease the inflationary pressure that the economy is currently experiencing.
3. Transfers in have increased substantially due to the 2012 Series Bonds refinancing and the increased debt service expense due to increasing interest expenses. This is part of the overarching bond refinancing that lowered the Authority's debt service for the remainder of the term.

Attachment

Budget to Actual Report Q2 FY23

BUDGET TO ACTUAL ANALYSIS

STA General Fund

Fiscal Year-to-Date through December 31, 2022 (accrual basis)

FY 23 Budget	YTD Expected Amount	Actual Amount	Budget / Actual Variance	Comments	
Revenue:					
Sales Tax	\$ 174,980,000	\$ 87,490,000	\$ 89,304,887	\$ 1,814,887	Sales tax revenue continues to outpace expectations as consumers spend on automotive service stations and wholesale building materials.
Mitigation Fees	6,002,671	3,001,336	3,555,667	554,332	Mitigation fees are highly variable. The increase over the budgeted amount is consistent with previous periods.
Interest	250,000	125,000	2,369,228	2,244,228	Interest from swap agreements and various bank balances are significantly higher this year due to the increases in interest rates.
Total Revenue	\$ 181,232,671	\$ 90,616,336	\$ 95,229,782	\$ 4,613,446	
Beginning Fund Balance	43,391,296	44,110,690	44,110,690	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 224,623,967	\$ 134,727,026	\$ 139,340,472	\$ 4,613,446	
Appropriations:					
Professional Services	\$ -	\$ -	\$ 97,148	\$ 97,148	Reallocation of Sales Tax Audit Costs from Avenu MuniServices. These expenses were historically classified and paid for by the Debt Service Fund.
Ongoing allocations to Measure A Entities	138,036,473	69,018,237	69,847,583	(829,347)	Allocations are a percentage of sales tax - which is higher so allocations are too.
Capital Improvement Program	27,076,268	13,538,134	5,644,060	7,894,074	The capital improvement program budget is based on contracts with projected yearly spending. Expenditure timing varies from year to year, but never exceeds contract maximums.
Total Appropriations	\$ 165,112,741	\$ 82,556,371	\$ 75,491,643	\$ 7,064,727	
Other Financing Sources (Uses):					
Transfers out (to the Debt Service Fund)	\$ (20,001,251)	\$ (10,000,626)	\$ (11,914,240)	\$ (1,913,615)	Rising interest rates have increase debt service costs. This is offset mostly by the interest revenue from swap partners.
Total Financing Sources (Uses)	\$ (20,001,251)	\$ (10,000,626)	\$ (11,914,240)	\$ (1,913,615)	
Ending Fund Balance	\$ 39,509,975	\$ 42,170,030	\$ 51,934,588	\$ -	

BUDGET TO ACTUAL ANALYSIS
SacMetro Freeway Service Patrol (FSP)
Fiscal Year-to-Date through December 31, 2022 (accrual basis)

	FY 23 Budget	YTD Expected Amount	Actual Amount	Budget / Actual Variance	Comments
Revenue:					
State Allocation	\$ 3,020,122	\$ 1,510,061	\$ 1,380,486	\$ (129,575)	State allocations are received on a reimbursement basis. Expenditures are trailed by state allocations.
CVR-SAFE*	900,000	900,000	910,000	10,000	Okay
Total Revenue	\$ 3,920,122	\$ 2,410,061	\$ 2,290,486	\$ (119,575)	
Beginning Fund Balance	231,584	232,776	232,776	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 4,151,706	\$ 2,642,837	\$ 2,523,262	\$ (119,575)	
Appropriations:					
Salaries and Benefits	\$ 157,072	\$ 78,536	\$ 72,854	\$ 5,682	Okay
Overhead	75,794	-	-	-	Allocation will occur closer in the 4th Quarter.
Conferences and Travel	1,150	575	802	(227)	Okay
Communications	59,640	29,820	14,980	14,840	Communications includes the purchase of radios that aren't purchased consistently.
Professional Services	33,196	-	-	-	Historically, this was CHP Services. There have been none in the current fiscal year.
Other Operating Expenditures	2,550	1,275	673	602	Okay
Contractors	3,267,076	1,633,538	1,693,003	(59,465)	The current diesel fuel costs have increased hourly rates for the program because the contracts have fuel cost escalation parameters beyond what was normal prior to the post pandemic economic situation.
Total Appropriations	\$ 3,596,478	\$ 1,743,744	\$ 1,782,311	\$ (38,567)	
Ending Fund Balance	\$ 555,228	\$ 899,093	\$ 740,951	\$ -	

* Capitol Valley Regional Service Authority for Freeways and Expressways

BUDGET TO ACTUAL ANALYSIS

STA Administration

Fiscal Year-to-Date through December 31, 2022 (accrual basis)

	FY 23 Budget	YTD Expected Amount	Actual Amount	Budget/Actual Variance	Comments
Revenue:					
Sales Tax	\$ 1,291,202	\$ 645,601	\$ 658,968	\$ 13,367	Sales tax revenue up, so allocations for administration were up proportionately.
Other	50	25	220	195	Okay
Total Revenue	\$ 1,291,252	\$ 645,626	\$ 659,188	\$ 13,562	
Beginning Fund Balance	1,880,645	1,871,973	1,871,973	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 3,171,897	\$ 2,517,599	\$ 2,531,161	\$ 13,562	
Appropriations:					
Salaries and Benefits	\$ 526,310	\$ 310,290	\$ 361,771	\$ (51,481)	The retirement of STA staff caused an increase in salaries and benefits expenses, due to the payout of accrued compensation balances. This as paired with a reallocation of staff time based on actual hours worked caused the increase.
Rent	38,539	19,270	24,121	(4,852)	The FSP and SAVSA programs will pay their fair share of the rent at the end of the fiscal year.
Conferences and Travel	4,875	2,438	4,606	(2,168)	Additional conferences, training and travel in the FY23 due to the reconvening of various professional groups.
Insurance	9,100	9,100	14,042	(4,942)	Insurance is paid in full at the beginning of the fiscal year. The FSP and SAVSA programs will pay their fair share of the insurance costs at the end of the fiscal year.
Professional Services	55,250	27,625	31,778	(4,153)	Okay
ITOC	98,000	50,000	48,964	1,036	The financial statement audit is complete. There are no significant additional expenditures planned in FY23.
Other Operating Expenditures	7,150	3,575	6,249	(2,674)	Okay
Total Appropriations	\$ 739,224	\$ 422,297	\$ 491,530	\$ (69,233)	
Ending Fund Balance	\$ 2,432,673	\$ 2,095,302	\$ 2,039,631	-	

BUDGET TO ACTUAL ANALYSIS
Sacramento Abandoned Vehicle Service Authority (SAVSA)
Fiscal Year-to-Date through December 31, 2022 (accrual basis)

FY 23 Budget	YTD Expected Amount	Actual Amount	Budget / Actual Variance	Comments	
Revenue:					
Vehicle License Fees	\$ -	\$ -	\$ 29,777	\$ 29,777	Additional unexpected DMV allocations were received. There were late payments from vehicle registration.
Interest	20	-	-	-	Okay
Total Revenue	\$ 20	\$ -	\$ 29,777	\$ 29,777	
Beginning Fund Balance	119,647	134,606	134,606	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 119,667	\$ 134,606	\$ 164,383	\$ 29,777	
Appropriations:					
Distributions to SAVSA Partner Agencies	\$ -	\$ -	\$ 27,117	\$ (27,117)	The unexpected DMV allocation was distributed to participating agencies.
Salaries and Overhead	19,285	-	-	-	Allocation of salaries and overhead occurs at the end of the fiscal year.
Total Appropriations	\$ 19,285	\$ -	\$ 27,117	\$ (27,117)	
Ending Fund Balance	\$ 100,382	\$ 134,606	\$ 137,266	\$ -	

BUDGET TO ACTUAL ANALYSIS

STA Transit Fund

Fiscal Year-to-Date through December 31, 2022 (accrual basis)

FY 23 Budget	YTD Expected Amount	Actual Amount	Budget / Actual Variance	Comments	
Revenue:					
Interest	\$ 9,500	\$ 4,750	\$ -	\$ (4,750)	Interest has not been allocated at the County of Sacramento yet.
Total Revenue	\$ 9,500	\$ 4,750	\$ -	\$ (4,750)	
Beginning Fund Balance	8,060,381	7,108,570	7,108,570	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 8,069,881	\$ 7,113,320	\$ 7,108,570	\$ (4,750)	
Appropriations:					
Ongoing Allocations	\$ 5,462,106	\$ 2,731,053	\$ 478,803	\$ 2,252,250	Slower CTSA spending from both SacRT and Paratransit. Bus purchases are backlogged for both agencies.
Total Appropriations	\$ 5,462,106	\$ 2,731,053	\$ 478,803	\$ 2,252,250	
Other Financing Sources (Uses):					
Transfers In	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -	Okay
Total Financing Sources (Uses)	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -	
Ending Fund Balance	\$ 3,607,775	\$ 4,882,267	\$ 7,129,767	\$ -	

BUDGET TO ACTUAL ANALYSIS

STA Debt Service

Fiscal Year-to-Date through December 31, 2022 (accrual basis)

Revenue:

FY 23 Budget	YTD Expected Amount	Actual Amount	Budget / Actual Variance	Comments	
Interest	\$ 2,400	\$ 1,200	\$ 36,121	\$ 34,921	Interest rates have risen significantly.
Total Revenue	\$ 2,400	\$ 1,200	\$ 36,121	\$ 34,921	
Beginning Fund Balance	7,825,096	6,980,101	6,980,101	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 7,827,496	\$ 6,981,301	\$ 7,016,222	\$ 34,921	

Appropriations:

Principal	\$ 4,455,000	\$ 4,455,000	\$ 30,400,000	\$ (25,945,000)	The refinancing of the 2012 Series Bonds caused this increase, it is mostly offset by the Transfers in below.
Interest and other charges	16,257,063	8,128,532	9,475,835	(1,347,304)	Interest rate fluctuations related to our variable rate debt and market volatility make budgeting for interest costs challenging.
Total Appropriations	\$ 20,712,063	\$ 12,583,532	\$ 39,875,835	\$ (27,292,304)	

Other Financing Sources (Uses)

Transfers in	\$ 20,001,251	\$ 10,000,626	\$ 38,160,725	\$ 28,160,100	The refinancing of the 2012 Series Bonds with the 2022 Series Bonds caused most of this increase. Additionally increasing interest costs have required increased transfers from the General Fund.
Transfers out	-	-	(50,866)	(50,866)	The refinancing of the 2012 Series Bonds released funds in escrow; these were transferred to the General Fund.
Total Financing Sources (Uses)	\$ 20,001,251	\$ 10,000,626	\$ 38,109,859	\$ 28,109,234	
Ending Fund Balance	\$ 7,116,684	\$ 4,398,395	\$ 5,250,246	\$ 55,436,458	



MARCH 9, 2023

AGENDA ITEM # 5

FISCAL YEAR 2022-23 MID-YEAR BUDGET AMENDMENT FOR THE AUTHORITY AND SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY (SAVSA)

Action Requested: Receive and Approve

Key Staff: Dustin Purinton, Accounting Manager

Recommendation

Receive and approve a Mid-year Budget Amendment Resolution, which will update changes to the Fiscal Year (FY) 2022-23 budget.

Background

The Authority's adopted budget is a fiscal plan of revenues and expenditures for FY 2022-23. The budget includes annual operating costs for programs, administrative functions, and debt service activities. The budget was approved on June 1, 2022.

Discussion

Staff monitor revenue and expenditures throughout the year for substantive changes that require budgetary amendments.

Sales Tax Revenues

A proposed increase of \$1.2 million due to the original budget being projected in February 2022, with the help of Avenu MuniServices for the FY 2022-23 budget, and sales tax revenue receipts are slightly higher than predicted. Sales Tax Revenues Source directly funds into the Ongoing Allocations, the increasing receipts are mostly offset by the Ongoing and Capital Programs Use.

Interest and Other

A proposed increase of \$4.25 million due to the increasing interest rate environment in FY 2022-23. The Authority has interest rate swaps that hedge our interest rate exposure with the \$318.3 million in variable rate debt. The interest rate swaps remit funds to the Authority based on the current variable interest rate; these receipts are recognized as interest earnings.

Ongoing and Capital Programs

A proposed increase of \$917 thousand to increase the ongoing allocations to partner agencies. This increase is proportional to the increase in Sales Tax Revenues.

Administrative

A proposed increase of \$60 thousand due to additional consultant engagements that weren't originally budgeted. Authority staff have engaged Koff & Associates for an employee benefits study, NCE for a County-wide Pavement Study and Drago Vantage for Executive Director Support. This was offset by the budgeted performance audit that did not occur during the year. Additionally, authority staff have also changed the expense allocation, which increased expenses to this fund.

SAVSA

A proposed increase of \$71 thousand due to additional SAVSA allocations and related distributions to SAVSA members. Staff have also spent additional time on the legislative work to reinstate the vehicle license fee, increasing the staff charges allocated to the fund.

Debt Service

A proposed increase of \$4 million due to the rising interest rate environment that the economy is currently in. As interest rates rise the variable rate debt becomes more costly. The interest rate swaps mentioned in *Interest and Other*, offset this rising cost.

Below is a summary of the FY 2022-23 adopted budget and the proposed mid-year budget, including sources and uses. Please see attachment for detailed fund by fund amendments.

	Original FY 23 Budget	Proposed FY23 Budget	Change
Sources:			
Sales Tax Revenues	\$ 174,980,000	\$ 176,143,000	\$ 1,163,000
Mitigation Fees	6,002,671	6,002,671	-
State and Local Grants	3,920,122	3,920,122	-
Interest and Other	261,970	4,511,970	4,250,000
Total Sources	\$ 185,164,763	\$ 190,577,763	\$ 5,413,000
Uses:			
Ongoing and Capital Programs	\$ 165,112,741	\$ 166,030,197	\$ 917,456
Freeway Service Patrol	3,596,478	3,596,478	-
Administrative	739,224	799,624	60,400
SAVSA	19,285	75,285	56,000
Transit	5,462,106	5,462,106	-
Debt Service	20,712,063	24,712,063	4,000,000
Total Uses	\$ 195,641,897	\$ 200,675,753	\$ 5,033,856

Attachments

FY 2022-23 Midyear Budget Amendment Proposal

SACRAMENTO TRANSPORTATION AUTHORITY

RESOLUTION NO. _____

RESOLUTION OF THE SACRAMENTO TRANSPORTATION AUTHORITY FISCAL YEAR 2022-23 MID-YEAR BUDGET FOR THE AUTHORITY AND SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY (SAVSA)

WHEREAS, the Authority's authorizing statutes, the Local Transportation Authority and Improvement Act [California Public Utilities Code (CPUC), Section 180000 et seq.], requires the Authority Board to adopt an annual budget [CPUC, Section 180105(a)]; and

WHEREAS, the Authority desires to amend the Fiscal Year (FY) 2022-23 Budget revenues and appropriations as included in the attached budget document.

NOW, THEREFORE, BE IT RESOLVED, by the SACRAMENTO TRANSPORTATION AUTHORITY hereby adopts the attached FY 2022-23 Budget Amendment.

On a motion by Member _____, seconded by Member _____, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Transportation Authority at a regular meeting thereof this 9th day of March 2023, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSAL:

Chair of the Governing
Body of the Sacramento
Transportation Authority

(SEAL)

ATTEST: _____
Clerk of the Governing Board of the
Sacramento Transportation Authority

**Proposed Summary of Changes
STA General Fund
FY 2022-23 Midyear Budget Amendment Proposal**

	Original FY 23 Budget	Proposed FY 23 Budget	Change	Comments
Revenue:				
Sales Tax	\$ 174,980,000	\$ 176,143,000	\$ 1,163,000	Increase in sales tax revenue based on updated Sales Tax Forecast.
Mitigation Fees	6,002,671	6,002,671	-	No change.
Interest	250,000	4,500,000	4,250,000	Swap payment increases are anticipated due to rising interest rates. Additional interest earnings is anticipated due to a high interest rate environment.
Total Revenue	\$ 181,232,671	\$ 186,645,671	\$ 5,413,000	
Beginning Fund Balance	43,391,296	43,391,296	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 224,623,967	\$ 230,036,967	\$ 5,413,000	
Appropriations:				
Professional Services	\$ -	\$ 330,000	\$ 330,000	Reallocation of Impact Fee Nexus Consultant GHD to the SCTMFP Fund, these services only impact the SCTMFP program. Reallocation of Sales Tax Audit Costs from Avenu MuniServices, these services benefit the entire Measure A Sales Tax program.
Ongoing allocations to Measure A Entities	138,036,473	138,953,929	917,456	Increase is proportional to the sales tax revenue increase.
Capital Improvement Program	27,076,268	27,076,268	-	No change.
Total Appropriations	\$ 165,112,741	\$ 166,030,197	\$ 917,456	
Other Financing Sources (Uses):				
Transfers out (to the Debt Service Fund)	\$ (20,001,251)	\$ (24,001,251)	\$ (4,000,000)	Rising interest rates have increase debt service costs. This is offset mostly by the interest revenue from swap partners.
Total Financing Sources (Uses)	\$ (20,001,251)	\$ (24,001,251)	\$ (4,000,000)	
Ending Fund Balance	\$ 39,509,975	\$ 40,005,519	\$ 495,544	

**Proposed Summary of Changes
STA Administration
FY 2022-23 Midyear Budget Amendment Proposal**

	Original FY 23 Budget	Proposed FY 23 Budget	Change	Comments
Revenue:				
Sales Tax	\$ 1,291,202	\$ 1,291,202	\$ -	No change.
Other	50	50	-	No change.
Total Revenue	\$ 1,291,252	\$ 1,291,252	\$ -	
Beginning Fund Balance	1,880,645	1,880,645	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 3,171,897	\$ 3,171,897	\$ -	
Appropriations:				
Salaries and Benefits	\$ 526,310	\$ 546,310	\$ 20,000	The retirement of the staff increased payroll costs through the payout of unused leave balances. There was also a slight change in expense allocation. STA is now allocating expenditures on actual timecard entries.
Rent	38,539	40,539	2,000	There was a slight change in expense allocation. STA is now allocating expenditures on actual timecard entries.
Conferences and Travel	4,875	8,875	4,000	Conference attendance this year has returned to pre-pandemic levels.
Insurance	9,100	9,500	400	There was a slight change in expense allocation. STA is now allocating expenditures on actual timecard entries.
Professional Services	55,250	135,250	80,000	There are additional consultants engaged in the current year that weren't budgeted in 2023. Specifically Koff & Associates (Benefits Study) / NCE (County-wide Pavement Study) / Drago Vantage (Executive Director Support).
ITOC	98,000	52,000	(46,000)	The performance audit services that were budgeted in 2023 were not performed.
Other Operating Expenditures	7,150	7,150	-	No change.
Total Appropriations	\$ 739,224	\$ 799,624	\$ 60,400	
Ending Fund Balance	\$ 2,432,673	\$ 2,372,273	\$ (60,400)	

Proposed Summary of Changes
Sacramento Abandoned Vehicle Service Authority (SAVSA)
FY 2022-23 Midyear Budget Amendment Proposal

	Original FY 23 Budget	Proposed FY 23 Budget	Change	Comments
Revenue:				
Vehicle License Fees	\$ -	\$ 40,000	\$ (40,000)	Late vehicle registrations have increased fee revenue.
Interest	20	20	-	No Change.
Total Revenue	\$ 20	\$ 40,020	\$ (40,000)	
Beginning Fund Balance	119,647	119,647	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 119,667	\$ 159,667	\$ (40,000)	
Appropriations:				
Distributions to SAVSA Entities	\$ -	\$ 35,000	\$ (35,000)	Late vehicle registrations have caused late DMV allocations to the program. These are passed through to the participating agencies.
Salaries and Overhead	19,285	40,285	(21,000)	There was a slight change in expense allocation. STA is now allocating expenditures on actual timecard entries. SAVSA reinstatement efforts have increased staff time in the program.
Total Appropriations	\$ 19,285	\$ 75,285	\$ (56,000)	
Ending Fund Balance	\$ 100,382	\$ 84,382	\$ 16,000	

Proposed Summary of Changes

STA Debt Service

FY 2022-23 Midyear Budget Amendment Proposal

	Original FY 23 Budget	Proposed FY 23 Budget	Change	Comments
Revenue:				
Interest	\$ 2,400	\$ 2,400	\$ -	Interest rates have risen significantly.
Total Revenue	\$ 2,400	\$ 2,400	\$ -	
Beginning Fund Balance	7,825,096	7,825,096	-	Actual beginning fund balance - June 30, 2022 audited financial statements
Total Revenue and Beginning Fund Balance	\$ 7,827,496	\$ 7,827,496	\$ -	
			-	
Appropriations:				
Principal	\$ 4,455,000	\$ 30,400,000	\$ 25,945,000	The refinancing of the 2012 Series Bonds caused this increase, it is mostly offset by the Transfers in below.
Interest and other charges	16,257,063	20,257,063	4,000,000	Interest rate fluctuations related to our variable rate debt and market volatility make budgeting for interest costs challenging.
Total Appropriations	\$ 20,712,063	\$ 50,657,063	\$ 29,945,000	
Other Financing Sources (Uses)				
Transfers in	\$ 20,001,251	\$ 49,946,251	\$ 29,945,000	The refinancing of the 2012 Series Bonds with the 2022 Series Bonds caused most of this increase. Additionally increasing interest costs have required increased transfers from the General Fund.
Transfers out	-	(50,866)	(50,866)	The refinancing of the 2012 Series Bonds released funds in escrow; these were transferred to the General Fund.
Total Financing Sources (Uses)	\$ 20,001,251	\$ 49,895,385	\$ 29,894,134	
Ending Fund Balance	\$ 7,116,684	\$ 7,065,818	\$ (50,866)	



MARCH 9, 2023

AGENDA ITEM # 6

AUTHORIZE AMENDMENTS TO THE CITY OF SACRAMENTO MEASURE A CAPITAL ALLOCATION & EXPENDITURE CONTRACTS

Action Requested: Authorize Executive Director

Key Staff: Dustin Purinton, Accounting Manager

Recommendation

1. Authorize the Executive Director to amend the Capital Allocation and Expenditure Contract for the Downtown Intermodal Station and Richards Blvd / I-5 Interchange with the City of Sacramento by adding \$1,615,862 to the Richards Blvd / I-5 Interchange project and extending the Contract to June 30, 2027;
2. Authorize the Executive Director to extend the Capital Project Allocation and Expenditure Contract for the Downtown Intermodal Station Governance with the City of Sacramento to June 30, 2026.

Background Information

In August 2015, STA executed a Capital Allocation and Expenditure Contract with the City of Sacramento in the amount of \$21,323,000 to fund two projects – the Downtown Intermodal Station (II/III) and Richards Blvd / I-5 Interchange. The contract has been extended for time in four amendments since inception.

The STA Governing Board took action in December 2016 to allocate the remaining project savings of \$1,615,862 from the Cosumnes River Blvd Extension to the Richards Blvd / I-5 Interchange project. However, no formal contract amendment was made to add these funds to the Richards Blvd / I-5 Interchange project.

The Capital Allocation and Expenditure Contract for the Downtown Intermodal Station Governance with the City of Sacramento was made as of April 8, 2021, in the amount of \$2,000,000.

Discussion

During the Capital Improvement Program budgeting discussions, staff have been working with the City of Sacramento to determine reasonable time extensions for the contracts and to add in the additional balance related to the savings from the Cosumnes River Blvd Extension. Additionally, staff desired to increase the transparency on specific projects by allocating funding on a project basis.

Based on those discussions, the following contract amendments are being recommended for approval.

Capital Project Allocation and Expenditure Contract for the Downtown Intermodal Station and Richards Blvd / I-5 Interchange with the City of Sacramento

Table 1, Existing Contract Amount and Consumnes River Blvd Extension Savings

Contract	Contract Amount
Downtown Intermodal Station / Richards Blvd Interchange Contract	\$21,323,000
Consumnes River Blvd Extension Balance Reallocation	\$ 1,615,862
Total	\$22,938,862

Table 2, Proposed Amended Contract Amount on a Project Basis

Project	Funding Amount
Downtown Intermodal Station	\$19,823,000
Richards Blvd / I-5 Interchange	\$ 3,115,862
Total	\$22,938,862

This contract will be extended to time to June 30, 2027.

Capital Allocation and Expenditure Contract for the Downtown Intermodal Station Governance with the City of Sacramento

This contract will be extended for time to June 30, 2026.

Fiscal Impact

There is no direct fiscal impact with amending the Capital Allocation and Expenditure Contract for the Downtown Intermodal Station and Richards Blvd / I-5 Interchange with the City of Sacramento. The additional funds that are being added were already accounted for as part of the Capital Improvement Program (CIP) planning efforts that were included with the Fiscal Year 2022-23 Budget.

There is no direct fiscal impact with amending the Capital Allocation and Expenditure Contract for the Downtown Intermodal Station Governance with the City of Sacramento for time only.

Attachments

1. Amendment to the Capital Project Allocation and Expenditure Contract for the Downtown Intermodal Station and Richards Blvd / I-5 Interchange with the City of Sacramento
2. Amendment to the Capital Allocation and Expenditure Contract for the for the Downtown Intermodal Station Governance with the City of Sacramento

**AMENDMENT OF THE AUGUST 27, 2015
CAPITAL PROJECT ALLOCATION AND EXPENDITURE CONTRACT
BETWEEN THE SACRAMENTO TRANSPORTATION AUTHORITY
AND THE CITY OF SACRAMENTO REGARDING THE
DOWNTOWN INTERMODAL STATION (II/III) AND THE RICHARDS
BOULEVARD/INTERSTATE 5 INTERCHANGE PROJECTS**

THIS FIFTH AMENDMENT TO SACRAMENTO TRANSPORTATION AUTHORITY NEW MEASURE A CAPITAL PROJECT ALLOCATION AND EXPENDITURE CONTRACT is made and entered into this 9th day of March 2023, by and between the SACRAMENTO TRANSPORTATION AUTHORITY, a local transportation authority formed pursuant to the provisions of Public Utilities Code section 180000, et seq. (hereinafter referred to as "AUTHORITY"), and the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as "ENTITY").

RECITALS

WHEREAS, in 2004, the electors of Sacramento County approved, by two-thirds vote, sales tax Measure 'A' and Authority Ordinance No. 04-01 ("Measure A Ordinance"); and

WHEREAS, the Measure A Ordinance includes the "Sacramento County Transportation Expenditure Plan 2009–2039" ("Expenditure Plan"); and

WHEREAS, the Expenditure Plan includes the following two capital improvement projects: Downtown Intermodal Station and Richards Boulevard/Interstate 5 Interchange ("Project"); and

WHEREAS, AUTHORITY and ENTITY are parties to that certain Capital Project Allocation and Expenditure Contract for the Project ("Contract") dated August 27, 2015; and

WHEREAS, AUTHORITY took action to allocate \$1,615,862 in savings from the Capital Project Allocation And Expenditure Contract for the Cosumnes River Blvd Extension to the to the Richards Blvd / I-5 Interchange project, but no formal contract amendment was processed at that time; and

WHEREAS, Section 4 of the Contract requires that ENTITY expend its capital allocation prior to June 30, 2018; and

WHEREAS, AUTHORITY and ENTITY, on June 14, 2018, amended Contract by adding an additional twelve (12) months to the length of the term to June 30, 2019; and

WHEREAS, AUTHORITY and ENTITY, on May 9, 2019, amended Contract by adding an additional twelve (12) months to the length of the term to June 30, 2020; and

WHEREAS, AUTHORITY and ENTITY, on May 14, 2020, amended Contract by adding an additional twelve (12) months to the length of the term to June 30, 2021: and

WHEREAS, AUTHORITY and ENTITY, on March 11, 2021, amended Contract by adding an additional thirty-six (36) months to the length of the term to June 30, 2024: and

WHEREAS, ENTITY requires additional time to expend the funds allocated in the Contract on eligible Project costs.

NOW, THEREFORE, in consideration of the conditions herein contained, AUTHORITY and ENTITY do hereby agree to amend the Contract as follows:

AGREEMENT

1. Section 4 of the Contract is amended to add an additional thirty-six (36) months to the length of the term, thereby changing the end date of the Period of Expenditure to June 30, 2027; and
2. Section 4 of the Contract is amended to specifically allocate project funding as follows: \$19,823,000 for the Downtown Intermodal Station (II/III) and \$1,500,000 for Richards Blvd / I-5 Interchange; and
3. Section 4 of the Contract is further amended to add an additional \$1,615,862 for the Richards Boulevard / I-5 Interchange, thereby changing the maximum sum of expenditure to \$3,115,862 for the Richards Boulevard / I-5 Interchange Project; and
4. All other terms and conditions not changed by this Amendment remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date indicated below.

CITY OF SACRAMENTO

**SACRAMENTO TRANSPORTATION
AUTHORITY**

Authorized Signature

Kevin Bewsey
Executive Director

Printed Name and Title

Date

Date

CONTRACT STA-21-CAE-002 #1

**NO COST EXTENSION OF THE APRIL 8, 2021
CAPITAL PROJECT ALLOCATION AND EXPENDITURE CONTRACT
FOR CITY OF SACRAMENTO MEASURE A TRANSPORTATION CAPITAL PROJECTS**

THIS FIRST AMENDMENT TO SACRAMENTO TRANSPORTATION AUTHORITY NEW MEASURE A CAPITAL PROJECT ALLOCATION AND EXPENDITURE CONTRACT is made and entered into this 9th day of March, 2023, by and between the SACRAMENTO TRANSPORTATION AUTHORITY, a local transportation authority formed pursuant to the provisions of Public Utilities Code section 180000, et seq. (hereinafter referred to as "AUTHORITY"), and the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as "ENTITY").

RECITALS

WHEREAS, in 2004, the electors of Sacramento County approved, by two-thirds vote, sales tax Measure 'A' and Authority Ordinance No. 04-01 ("Measure A Ordinance"); and

WHEREAS, the Measure A Ordinance includes the "Sacramento County Transportation Expenditure Plan 2009–2039" ("Expenditure Plan"); and

WHEREAS, the Expenditure Plan includes the following capital improvement project: Downtown Intermodal Station ("Project"); and

WHEREAS, in October, 2020, the AUTHORITY Board approved an allocation of Measure A funding for the Project ("Oct. 2020 Allocation"). The Oct. 2020 Allocation was separate from and in addition to a prior allocation to ENTITY made via contract dated August 27, 2015, for the Intermodal Station and Richards Blvd. projects, together. AUTHORITY and ENTITY subsequently entered into an agreement dated April 8, 2021, ("the Contract") to account for and track the Oct. 2020 Allocation; and

WHEREAS, AUTHORITY and ENTITY are parties to that certain Capital Project Allocation and Expenditure Contract for the Project ("Contract") dated April 8, 2021; and

WHEREAS, Section 4 of the Contract requires that ENTITY expend its capital allocation prior to June 30, 2023; and

WHEREAS, ENTITY requires additional time to expend the funds allocated in the Contract on eligible Project costs.

NOW, THEREFORE, in consideration of the conditions herein contained, AUTHORITY and ENTITY do hereby agree to amend the Contract as follows:

AGREEMENT

1. Section 4 of the Contract is amended to add an additional thirty-six (36) months to the length of the term, thereby changing the end date of the Period of Expenditure to June 30, 2026; and
2. All other terms and conditions not changed by this Amendment remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date indicated below.

CITY OF SACRAMENTO

**SACRAMENTO TRANSPORTATION
AUTHORITY**

Authorized Signature

Kevin Bewsey
Executive Director

Printed Name and Title

Date

Date



MARCH 9, 2023

AGENDA ITEM # 7

**AMENDMENT TO THE SACRAMENTO TRANSPORTATION AUTHORITY
MEASURE A CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA)
GRANT AGREEMENT – SACRAMENTO REGIONAL TRANSIT**

Action Requested: Authorize Executive Director

Key Staff: Dustin Purinton, Accounting Manager

Recommendation

- Authorize the Executive Director to amend the Sacramento Regional Transit Consolidated Transportation Services Agency Grant Agreement.

Background

Section VII of the Measure A Sacramento County Transportation Expenditure Plan 2009-2039 provides that an average of 4.5 percent of sales tax revenues collected over the life of the Measure A tax fund senior and disabled transportation services. This section further prescribes that the sales taxes dedicated to support these services shall be 3.5 percent for years 1-10 of the program, increasing to 4.5 percent for years 11-20, and then increasing to 5.5 percent for years 21-30, for an average of 4.5 percent over the program period.

To fulfill this requirement in a uniform way, STA collected 4.5 percent for years 1-10 and then reserved 1% for future use to fulfill this requirement. At the end of the 1st decennial period, the STA Governing Board began looking at how best to use these accumulated funds, ultimately deciding to advance these funds for use instead of having these funds remain unused until 2030.

At the January 14, 2021 Governing Board Meeting, the STA Board approved a contract with Sacramento Regional Transit District (SacRT) in the amount of \$8.6 million. This funding was to support various SacRT senior and disabled services projects.

Since this contract has been entered into costs have increased for vehicle production. Additionally, the Microtransit program doesn't have future funding budgeted and is currently somewhat uncertain. The Microtransit program was partially funded by STA Consolidated Transportation Services Agency (CTSA) one-time funding. The contract allocation for the Microtransit program has been fully paid to SacRT in March 2022.

Discussion

STA staff propose amending the January 14, 2021 Measure A Consolidated Transportation Service Agency Grant Agreement with SacRT for a time extension to June 30, 2026 and by transferring the project allocations as summarized below:

Transfer funding from:

- | | |
|--|-----------|
| 1) 10 SacRT Microtransit Vehicles | \$260,000 |
| 2) SacRT GO and Microtransit Ride Improvements | \$825,000 |
| 3) SacRT GO and SacRT Smart Ride Fueling / Charging Stations | \$373,119 |

Transfer funding to:

- | | |
|-------------------------------|-------------|
| 1) Up to 32 SacRT Go Vehicles | \$1,458,119 |
|-------------------------------|-------------|

This transfer of funding will increase the number of SacRT Go vehicles from 20 up to a maximum of 32.

Attachments:

- 1) Sacramento Transportation Authority Measure A Consolidated Transportation Service Agency (CTSA) Grant Agreement Amendment #1 - SacRT
- 2) Attachment A1: Sacramento Transportation Authority Measure A CTSA Provider Allocation - SacRT

SACRAMENTO TRANSPORTATION AUTHORITY
MEASURE A CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA)
GRANT AGREEMENT AMENDMENT #1

THIS FIRST AMENDMENT TO SACRAMENTO TRANSPORTATION AUTHORITY NEW MEASURE A CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA) GRANT AGREEMENT is made and entered into this 9th day of March 2023, by and between the SACRAMENTO TRANSPORTATION AUTHORITY, a local transportation authority formed pursuant to the provisions of Public Utilities Code section 180000, et seq. (hereinafter referred to as "AUTHORITY"), and SACRAMENTO REGIONAL TRANSIT DISTRICT, hereinafter referred to as "ENTITY".

RECITALS

WHEREAS, in 2004, the electors of Sacramento County approved, by two-thirds vote, sales tax Measure 'A' and Authority Ordinance No. 04-01 ("the Measure A Ordinance"); and

WHEREAS, the Measure A Ordinance includes the "Sacramento County Transportation Expenditure Plan 2009-2039" (the "Expenditure Plan"); and

WHEREAS, the Expenditure Plan provides for the allocation of "an average of 4.5% of the sales tax revenues collected over the life of the tax [to] support the Consolidated Transportation Services Agency"; and

WHEREAS, the Authority Board of Directors has authorized the Authority's Executive Director to enter into an agreement with Entity consistent with the Consolidated Transportation Services Agency requirement of the Expenditure Plan.

WHEREAS, the SACOG Board of Directors designated Paratransit, Inc. and the Sacramento Regional Transit District as the Consolidated Transportation Services Agencies for the urbanized portion of Sacramento County; and

WHEREAS, the AUTHORITY Board of Directors approved the allocation of the accumulated Measure A funding for senior and disabled transportation services to the Consolidated Transportation Services Agency (CTSA) in the amount of 20 percent to Paratransit and 80 percent to Sacramento Regional Transit District on December 10, 2020; and

WHEREAS, AUTHORITY and ENTITY are parties to that certain Measure A Consolidated Transportation Services Agency (CTSA) Grant Agreement ("Agreement") dated January 14, 2021;

WHEREAS, ENTITY requires additional time to expend the funds allocated in the Agreement on eligible Project costs;

WHEREAS, ENTITY requires a reallocation of funds on eligible project expenditures;
and

WHEREAS, AUTHORITY requires reporting for the expenditures of funds.

NOW, THEREFORE, in consideration of the conditions herein contained, AUTHORITY and ENTITY do hereby agree to amend the Agreement, including Attachment A1, as follows:

1. Section 2 of the Agreement is replaced with the following:
“Description of Projects (see Attachment A1 for additional details). The Projects funded by this Amendment are as follows:
 - a. Purchase up to 32 replacement SacRT Go paratransit vehicles
 - b. Microtransit operating assistance
 - c. Signal System improvements at 29th Street and 30th Street
 - d. SacRT replacement police vehicles”
2. Section 4 of the Agreement is amended to add an additional twenty-four (24) months to the length of the term, thereby changing the end date of the Period of Expenditure to June 30, 2026;
3. Section 7 of the Agreement is amended to add the following:
“c. Entity shall provide a report with each claim for payment, describing the expenditures for each Project, progress of each Project, and the anticipated date when all funds will be expended on each Project;” and
4. Attachment A1 of the Agreement is hereby amended as shown in Attachment A1 to this Amendment.
5. All other terms and conditions not changed by this Amendment remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date indicated below.

SACRAMENTO TRANSPORTATION AUTHORITY

By:

Dated:

Kevin Bewsey, Executive Director

SACRAMENTO REGIONAL TRANSIT DISTRICT

By:

Dated:

Henry Li, General Manager

Attachment A1

Sacramento Transportation Authority Measure A CTSA Provider Allocation

SacRT Total Request

\$8,600,000

	Name	Description	Request	Match*	Total	Estimated Date to Spend Money
1	23 SacRT Go Vehicles	Purchase up to 32 replacement SacRT Go paratransit vehicles. SacRT has 80 new SacRT Go vehicles and about 40 old vehicles (that are beyond their useful life). These 40 vehicles need to be replaced in order to meet the future service demand levels. Therefore, this request will seek additional funding for up to 32 new paratransit vehicles to meet this future demand.	\$4,058,119	\$1,439,919	\$5,498,038	6/30/2026
2	10 SacRT Microtransit Vehicles	Purchase 10 replacement SacRT Microtransit vehicles. Approximately 20% of our microtransit riders are Senior or Disabled passengers.	\$0	\$0	\$0	Project Reallocated
3	Microtransit Operating Assistance	Operating Assistance for the current 9 zones. At the STA Board meeting, SacRT provided an estimated total cost of Microtransit services through 2023 at \$19.7M. Approximately 20% of those riders are Senior and Disabled, therefore this request is for \$3.9M. Which will reimburse SacRT for it's contribution to the program.	\$3,938,881	\$15,755,526	\$19,694,407	Fully Expended
4	SacRT GO and Microtransit Ride Improvements	To procure and install equipment to improve passengers ride experience. Assuming all 165 buses will be outfitted at \$5,000 per bus. SacRT will be looking to modify the suspension and/or vehicle interior improvements.	\$0	\$0	\$0	Project Reallocated
5	Signal System at 29th St. and 30th Street.	Improve Accessibility to bus and light rail services by making crossing improvements to the intersections of 29th St. at R and 30th St. This need has been identified by the City of Sacramento and pedestrians that are blind and low vision. Having this signal would be an improvement to this intersection for those customers to access the light rail or bus stop nearby.	\$315,000	\$3,546,345	\$3,861,345	6/30/2026
6	SacRT Go and SacRT Smart Ride Fueling/Charging Stations	Purchase, Construct and install SacRT Go and SacRT Smart Ride Vehicle Fueling/Charging stations (2). Allocation was based on a total estimated cost of \$513,038 multiplied by a 72.7% (120 of the 165 total buses are used for Paratransit services).	\$0	\$0	\$0	Project Reallocated
7	Police Vehicles	Matching funds to purchase up to 10 replacement SacRT Police Vehicles (including equip. & the security center (20% ask). These services provide assistance to the Senior and Disabled community. This will support security and safety for the SacRT Go and Microtransit programs. An added benefit is that these vehicles provide value system wide.	\$288,000	\$1,040,000	\$1,440,000	6/30/2026
Total			\$8,600,000	\$21,781,790	\$30,493,790	

* These amounts don't represent fully secured funding.



MARCH 9, 2023

AGENDA ITEM # 8

**AMENDMENT TO SACRAMENTO TRANSPORTATION AUTHORITY MEASURE A
CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA)
GRANT AGREEMENT - PARATRANSIT**

Action Requested: Authorize Executive Director

Key Staff: Dustin Purinton, Accounting Manager

Recommendation

- Authorize the Executive Director to amend the Paratransit Consolidated Transportation Services Agency Grant Agreement.

Background

Section VII of the Measure A Sacramento County Transportation Expenditure Plan 2009-2039 provides that an average of 4.5 percent of sales tax revenues collected over the life of the Measure A tax fund senior and disabled transportation services. This section further prescribes that the sales taxes dedicated to support these services shall be 3.5 percent for years 1-10 of the program, increasing to 4.5 percent for years 11-20, and then increasing to 5.5 percent for years 21-30, for an average of 4.5 percent over the program period.

To fulfill this requirement in a uniform way, STA collected 4.5 percent for years 1-10 and then reserved 1% for future use to fulfill this requirement. At the end of the 1st decennial period, the STA Governing Board began looking at how best to use these accumulated funds, ultimately deciding to advance these funds for use instead of having these funds remain unused until 2030.

At the January 14, 2021 Governing Board Meeting, the STA Board approved a contract with Paratransit in the amount of \$2.1 million. This funding was to support various Paratransit senior and disabled services projects.

Since this contract has been entered into there have been difficulties with the procurement of buses. The buses that were originally agreed to be purchased were Certified Natural Gas (CNG) Class B buses, which needed to be switched out to gasoline. Due to supply chain issues these buses have had their delivery delayed. With this delay the engines needed for CNG retrofit are no longer California Air Resources Board (CARB) approved so the buses will be purchased as gasoline which has a CARB approved engine.

Discussion

STA staff propose amending the January 14, 2021 Measure A Consolidated Transportation Service Agency Grant Agreement with Paratransit for a time extension to September 30, 2024 and by transferring the project allocations as summarized below:

Transfer funding from:

1) 10 CNG Class B buses	\$1,100,000
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Transfer funding to:

1) 10 Gasoline Class B buses	\$1,100,000
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This transfer of funding will allow paratransit to purchase 10 Gasoline Class B buses that are CARB approved.

Attachments:

- 1) Sacramento Transportation Authority Measure A Consolidated Transportation Service Agency (CTSA) Grant Agreement Amendment #1 - Paratransit
- 2) Attachment A1: Sacramento Transportation Authority Measure A CTSA Provider Allocation - Paratransit

SACRAMENTO TRANSPORTATION AUTHORITY
MEASURE A CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA)
GRANT AGREEMENT AMENDMENT #1

THIS FIRST AMENDMENT TO SACRAMENTO TRANSPORTATION AUTHORITY NEW MEASURE A CONSOLIDATED TRANSPORTATION SERVICE AGENCY (CTSA) GRANT AGREEMENT is made and entered into this 9th day of March 2023, by and between the SACRAMENTO TRANSPORTATION AUTHORITY, a local transportation authority formed pursuant to the provisions of Public Utilities Code section 180000, et seq. (hereinafter referred to as "AUTHORITY"), and PARATRANSIT, INC., hereinafter referred to as "ENTITY".

RECITALS

WHEREAS, in 2004, the electors of Sacramento County approved, by two-thirds vote, sales tax Measure 'A' and Authority Ordinance No. 04-01 ("the Measure A Ordinance"); and

WHEREAS, the Measure A Ordinance includes a the "Sacramento County Transportation Expenditure Plan 2009-2039" (the "Expenditure Plan"); and

WHEREAS, the Expenditure Plan provides for the allocation of "an average of 4.5% of the sales tax revenues collected over the life of the tax [to] support the Consolidated Transportation Services Agency"; and

WHEREAS, the Authority Board of Directors has authorized the Authority's Executive Director to enter into an agreement with Entity consistent with the Consolidated Transportation Services Agency requirement of the Expenditure Plan; and

WHEREAS, the SACOG Board of Directors designated the Paratransit, Inc. and the Sacramento Regional Transit District as the Consolidated Transportation Services Agencies for the urbanized portion of Sacramento County; and

WHEREAS, the AUTHORITY Board of Directors approved the allocation of the accumulated Measure A funding for senior and disabled transportation services to the Consolidated Transportation Services Agency (CTSA) in the amount of 20 percent to Paratransit and 80 percent to Sacramento Regional Transit District on December 10, 2020; and

WHEREAS, AUTHORITY and ENTITY are parties to that certain Measure A Consolidated Transportation Services Agency (CTSA) Grant Agreement ("Agreement") dated January 14, 2021;

WHEREAS, ENTITY requires additional time to expend the funds allocated in the Agreement on eligible Project costs:

WHEREAS, ENTITY requires a reallocation of funds on eligible project expenditures;
and

WHEREAS, AUTHORITY requires reporting for the expenditures of funds.

NOW, THEREFORE, in consideration of the conditions herein contained, AUTHORITY and ENTITY do hereby agree to amend the Agreement, including Attachment A1, as follows:

1. Section 2 of the Agreement is replaced with the following:
“Description of Projects (see Attachment A1 for additional details). The Projects funded by this Amendment are as follows:
 - a. Purchase 10 gasoline Class B buses
 - b. Travel training for seniors and persons with disabilities
 - c. Establish the “bus buddy” mobility mentor program
 - d. Develop volunteer driver program called “Connections” to assist seniors and persons with disabilities safely across goods and services requiring transportation
 - e. Operating assistance
2. Section 4 of the Agreement is amended to add an additional fifteen (15) months to the length of the term, thereby changing the end date of the Period of Expenditure to September 30, 2024;
3. Section 7 of the Agreement is amended to add the following:
“c. Entity shall provide a report with each claim for payment, describing the expenditures for each Project, progress of each Project, and the anticipated date when all funds will be expended on each Project.
4. Attachment A1 of the Agreement is hereby amended as shown in Attachment A1 to this Amendment.
5. All other terms and conditions not changed by this Amendment remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date indicated below.

SACRAMENTO TRANSPORTATION AUTHORITY

By:

Dated:

Kevin Bewsey, Executive Director

PARATRANSIT, INC.

By:

Dated:

Tiffani Fink, Chief Executive Officer

Attachment A1

Sacramento Transportation Authority Measure A CTSA Provider

Paratransit Total Request

\$2,100,000

Name	Description	Request	Match	Total	Estimated Date to Spend Money
1	10 CNG Class B Buses	\$0	\$0	\$0	
	Purchase 10 CNG Class B buses (smaller cutaway bus that does not require a commercial license) for the CTSA program that serves older adults and persons with disabilities. These buses will be procured from the CalACT joint procurement contract (statewide transit association). The purchase of CNG confirms our agency commitment to cleaning the air and providing alternative fuel vehicles to reduce emissions.				
2	Travel Training	\$100,000	\$200,000	\$300,000	6/30/2023
	Increased travel training to seniors and persons with disabilities specifically aimed at increasing ridership on SacRT light rail, fixed route and SmarT ride. We will work with SacRT on referrals from their eligibility process and focused rider initiatives such as SmarT ride training, etc. This will be tracked and coded separate from existing travel instruction programs.				
3	Mobility Mentor Program	\$200,000	\$0	\$200,000	6/30/2023
	New Mobility Mentor program. This "bus buddy" program has been highly successful in the other communities we have deployed it in and it will utilize Paratransit's custom Data Management System to track and report. We will offer a two pronged approach to this program, allowing trainees to recruit their own "Mentor" to be trained to accompany them. Additionally, Paratransit will recruit and train our own list of "Mentors" who have been background checked and will travel with elderly and disabled riders on fixed route, light rail and SmarT ride to appointments, etc. This program also covers the fare for the Mentor when performing assistance duties and reporting back the data. The rider pays their own fare.				
4	Volunteer Driver Program	\$50,000	\$60,000	\$110,000	6/30/2023
	New Volunteer Driver program called Connections. We are rolling this out in connection with SACOG and it is modeled after the highly successful programs we launched in Stanislaus and San Bernardino Counties. This program is supported by our customized Data Management System that was developed by Paratransit and is used across the Country. This program is especially timely with COVID-19 as persons with disabilities and the elderly look for alternatives to public transit to safely get to sensitive medical appointments, grocery shopping, etc. This program allows for reimbursement of mileage costs for trips taken by ADA (and non-ADA or age eligible) clients who utilize this program in lieu of using a more expensive ADA or non-ADA trip. They sign up and register through an online portal using google maps, track all their travel destinations and file an affidavit stating the trip purpose is valid and submit for mileage based on the federal reimbursement rate.				
5	Operating Assistance	\$650,000	\$4,600,000	\$5,250,000	6/30/2023
	Operational costs for the CTSA partnership program to offset the reductions in gas tax affecting the TDA funds and helping to meet the growing demand from social service agencies to sustain their transportation programs for the elderly and persons with disabilities. This program is highly cost effective and allows for increased travel to persons with reduced impact on the ADA system resulting in more people served at reduced costs.				

6	10 Gasoline Class B Buses	<p>Purchase 10 Class B buses (smaller cutaway bus that does not require a commercial license) for the CTSA program that serves older adults and persons with disabilities. These buses will be procured from the CalACT joint procurement contract (statewide transit association). Due to supply chain issues these buses have had their delivery delayed. With this delay the engines needed for CNG retrofit are no longer CARB approved so the buses will be purchased as gasoline which has a CARB approved engine. Along with supply chain issues, inflation has triggered contract increases included in the bid. These increases are \$85,000 in total and will be covered by Paratransit capital reserve funds.</p>	\$1,100,000	\$85,000	\$1,185,000	9/30/2024
Total			\$1,000,000	\$4,860,000	\$5,860,000	



MARCH 9, 2023

AGENDA ITEM # 9

AMENDMENT TO EXTEND THE TERM OF THE NEXUS STUDY UPDATE CONSULTING SERVICES

Action Requested: Authorize Executive Director

Presenter: Dustin Purinton, Accounting Manager

Recommendation

Authorize the Executive Director to execute an eight-month amendment extension with GHD Inc. (GHD) for consulting services to update the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Nexus Study.

Background

In April 2022, the STA Governing Board authorized the Nexus Study Update agreement with GHD. GHD has provided high quality consulting services to the STA during the duration of the contract. STA staff and GHD require additional time elicit comments and feedback from implementing agencies and to finalize the Nexus Study.

Discussion

Staff recommends the STA Governing Board authorize the Executive Director to execute an eight-month amendment extension with GHD for Nexus Study Update consulting services.

Fiscal Impact

There is no direct fiscal impact associated with this action. The total compensation for this contract is not changing. Expenditures under this contract will likely extend into fiscal year 2023-24.

Attachment

GHD Contract Amendment

SACRAMENTO TRANSPORTATION AUTHORITY

FIRST AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES TO UPDATE THE SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP) NEXUS STUDY

THIS FIRST AMENDMENT is made and entered into this 9th day of March 2023, by and between the SACRAMENTO TRANSPORTATION AUTHORITY, a California local transportation authority formed pursuant to the Public Utilities Code, hereinafter referred to as "AUTHORITY", and GHD Inc. hereinafter referred to as "CONSULTANT".

R E C I T A L S

WHEREAS, AUTHORITY and CONSULTANT have previously entered into an agreement on April 7, 2022 to provide consulting services to perform an update of the Nexus Study for the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) for the Authority (hereinafter "Agreement"); and

WHEREAS, AUTHORITY and CONSULTANT desire to formally amend said Agreement to extend the term during which CONSULTANT will provide services;

NOW, THEREFORE, the Agreement is amended as follows:

I. TERM

The term during which CONSULTANT will provide services is extended to December 31, 2023.

II. REAFFIRMATION

In all other respects, the above referenced Agreement, as amended, remains in full force and effect.

III. ENTIRE AGREEMENT

This Agreement, as amended, and any attachments hereto, constitute the entire understanding between AUTHORITY and CONSULTANT concerning the subject matter contained herein.

IV. EFFECTIVE DATE

This Amendment shall be deemed effective as of the date both Parties have executed below.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement as of the date both parties have executed below.

SACRAMENTO TRANSPORTATION
AUTHORITY

By _____
Kevin Bewsey
Executive Director

Date: _____

GHD Inc.

By _____
Kamesh Vedula
Principal-in-Charge

Date: _____



MARCH 9, 2023

AGENDA ITEM # 10

SACRAMENTO AREA COUNCIL OF GOVERNMENTS PRESENTATION ON THE 2025 BLUEPRINT AND OTHER MAJOR INITIATIVES

Action Requested: Receive and Comment

Presenter: James Corless, SACOG

Key Staff: Kevin M. Bewsey, Executive Director

Recommendation

Staff recommends that the STA Governing Board receive a presentation from Sacramento Area Council Of Governments (SACOG) on the 2025 Blueprint and other major initiatives and provide feedback and direction to staff as appropriate.

Background Information

The Sacramento Area Council Of Governments (SACOG) is in the process of updating it's Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) called the 2025 Blueprint. SACOG is visiting jurisdictions in our region as part of their Blueprint outreach process and getting input from the local community. SACOG also has several major initiatives they are working on this calendar year.

Discussion

STA staff regularly meets with SACOG staff on topics of shared interest. In addition STA has collaborated on several efforts in the past with the most recent effort being the use of Measure A's Smart Growth Incentive Funds (SGIP) as the local match for SACOG's Community Design Program. James Corless will provide an overview of the 2025 Blueprint, Major Initiatives, as well as other support they could offer STA.



MARCH 9, 2023

AGENDA ITEM # 11

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT PRESENTATION AND APPROVAL OF THE TRANSPORTATION-RELATED AIR QUALITY FIVE YEAR PROGRAM AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN A MEASURE A ONGOING ANNUAL PROGRAMS MEMORANDUM OF UNDERSTANDING

Action Requested: Approve Staff Recommendations

Presenter: Alberto Ayala, SMAQMD

Key Staff: Kevin M. Bewsey, Executive Director

Recommendation

Staff recommends that the STA Governing Board receive a presentation from Sacramento Metropolitan Air Quality Management District (SMAQMD) on the Transportation-Related Air Quality Five Year Program and then take the following actions:

1. Approve Transportation-Related Air Quality Five Year Program, and
2. Authorize the Executive Director to sign a Measure A ongoing annual programs Memorandum Of Understanding with SMAQMD in substantially the form present.

Background

Measure A provides for several transportation programs that are funded on an ongoing basis based on five-year expenditure programs that need to be approved by the STA Governing Board. Through June of 2023, the STA Governing Board will be presented with the programs that need to be approved along with Memorandum Of Understanding (MOU) with the agencies implementing these programs on an ongoing basis. The current MOU's for these programs are set to expire at the end of June 2023.

The Transportation-Related Air Quality Program is administered by the Sacramento Metropolitan Air Quality Management District (SMAQMD) with 1.5 percent of Measure A sales tax revenue. This program has been in existence since 1989 under the original Measure A. The anticipated revenue available for the program over the next five years is \$13.95 million. Below are the requirements of the program.

The Measure A Ordinance and Transportation Expenditure Plan includes the development of a Transportation-Related Air Quality Program as described below:

Transportation-Related Air Quality Program. This program will fund projects and programs that facilitate the Authority's ability to meet state and federal air quality mandates for mobile sources and to environmentally mitigate for transportation capital improvements in this Expenditure Plan. The Sacramento Metropolitan Air Quality Management District (SMAQMD) shall administer the program. The program will be based on a five-year program,

updated annually, recommended by the SMAQMD and approved by the Authority Board.

The STA Governing Board has also adopted a Definitions of Eligible Expenditures for the various Measure A expenditure categories. This document further defines eligible expenditures under this program as follows:

Transportation-Related Air Quality Program. The development, implementation and evaluation by the Sacramento Metropolitan Air Quality Management District of projects and programs to mitigate the regional impacts of motor vehicle emissions.

Includes air quality monitoring; public relations and information; programs to accelerate the retirement or replacement of older, high-polluting motor vehicle engines; programs to accelerate the dissemination of new, cleaner engine technologies; other programs demonstrated to effectively contribute to reduced vehicle emissions.

Discussion

Staff has developed a standard template for all agencies to utilize in preparing their five-year programs. Each agency will describe the programs and /or projects being funded, how they align with the Measure A Ordinance, Definition of Eligible Expenditures, and the State and Federal Funding Programs being leveraged. The templates reflect the revenue and expenditure for each of the programs and /or projects being funded with Measure A.

Staff has also updated the MOU form for changes that have occurred since 2019 such as the update to our Definitions of Eligible Expenditures. The MOU form will be used for all agencies but will be updated with the applicable agency information and removal of sections not applicable to the program being approved. Other substantial updates to the MOU form are as follows:

- Quarterly Reporting: Staff has worked with the Independent Taxpayer Oversight Committee (ITOC) on a standardized reporting format that would be improve implementation and review.
- Public Informational Signage: requires informational signage as follows:
 - Capital Project more than \$250,000.
 - Transit Fleet Vehicle more than \$100,000.
 - Operating Program with an annual cost more than \$100,000.

Staff from SMAQMD will present on their Transportation-Related Air Quality Five Year Program describing the agency and how they anticipate using these funds. The presentation will describe each program and /or project being funded and provide the following:

- Total cost and percent funded with Measure A.
- How it aligns with Measure A.
- Program benefits and /or past successes.
- Leveraging with state and federal funds.

Staff recommends that the STA Governing Board receive a presentation from Sacramento Metropolitan Air Quality Management District (SMAQMD) on the Transportation-Related Air Quality Five Year Program and then take the following actions:

1. Approve Transportation-Related Air Quality Five Year Program, and
2. Authorize the Executive Director to sign a Measure A ongoing annual programs Memorandum Of Understanding with SMAQMD in substantially the form present.

Fiscal Impact

This item would allow for the continuation of the Transportation-Related Air Quality Program as administered by the SMAQMD with 1.5 percent of Measure A sales tax revenue. The anticipated revenue being distributed to SMAQMD is \$13.95 million over the next five years. The fiscal year 2023-2024 revenues are approximately \$2.59 million and are anticipated to increase each year for a through fiscal year 2027-2028.

Attachments

1. Transportation-Related Air Quality Five Year Program
2. Measure A Ongoing Annual Programs Memorandum Of Understanding Form

Measure A
Transportation-Related Air Quality Five-Year Program
 Fiscal Years 2024-2028
 Sacramento Metropolitan Air Quality Management District (SMAQMD)

Fiscal Year	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	Five Year Totals	% Program**
Revenues							
Measure A	\$ 2,590,825	\$ 2,662,831	\$ 2,806,606	\$ 2,901,096	\$ 2,989,312	\$ 13,950,670	
Federal Grants	2,505,753	2,505,753	2,505,753	2,505,753	2,505,753	12,528,765	
State Grants	2,955,888	2,955,888	2,955,888	2,955,888	2,955,888	14,779,440	
DMV Registration Fees	6,336,256	6,705,347	7,016,092	7,389,949	7,784,326	35,231,970	
Other	943,568	962,439	981,688	1,001,322	1,021,348	4,910,366	
Total Revenue	\$ 15,332,290	\$ 15,792,259	\$ 16,266,027	\$ 16,754,008	\$ 17,256,627	\$ 81,401,211	
Expenditures*							
Air Quality Monitoring/Planning	\$ 5,694,181	\$ 5,865,006	\$ 6,040,957	\$ 6,222,185	\$ 6,408,851	\$ 30,231,180	18.2%
Transportation	8,264,043	8,511,964	8,767,323	9,030,343	9,301,253	43,874,927	14.6%
Communications/Public Outreach	1,374,066	1,415,288	1,457,747	1,501,479	1,546,523	7,295,103	28.3%
Total Expenditures	\$ 15,332,290	\$ 15,792,259	\$ 16,266,027	\$ 16,754,008	\$ 17,256,627	\$ 81,401,211	
Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

* Provide total cost of each program.

** Measure A funding as a percentage of each Program's Five-Year Total Expenditures as described below.

Measure A Ordinance, Transportation-Related Air Quality Program. This program will fund projects and programs that facilitate the **(Abridged Language):** Authority's ability to meet state and federal air quality mandates for mobile sources and to environmentally mitigate for transportation capital improvements in this Expenditure Plan. The Sacramento Metropolitan Air Quality Management District (SMAQMD) shall administer the program. The program will be based on a five-year program, updated annually, recommended by the SMAQMD and approved by the Authority Board.

Definitions Of Eligible Expenditures, Transportation-Related Air Quality Program. The development, implementation and evaluation by the Sacramento Metropolitan Air Quality Management District of projects and programs to mitigate the regional impacts of motor vehicle emissions.

Includes air quality monitoring; public relations, outreach and education; programs to accelerate the retirement or replacement of older, high-polluting motor vehicle engines; programs to accelerate the dissemination of new, cleaner engine technologies; other programs demonstrated to effectively contribute to reduced vehicle emissions.

Program Summary	
Program Name	Program Description
Air Quality Monitoring/Planning	Create and manage State Implementation Plans for air quality (including mobile sources), provide air quality data used in transportation plans, manage area air monitoring network and monitor compliance with state and federal requirements. The program leverages Measure A, federal (EPA) and state grants and DMV registration fees.
Transportation	Provide incentives to accelerate the replacement of old vehicle technology with cleaner engines, work with local communities to invest in regional clean transportation projects, transition transportation toward zero emission vehicles, provide access to electric vehicle charging and other alternative fuels, monitor construction and land use development, and provide air quality mitigation alternatives for better land use. The program leverages Measure A, federal (SECAT) and State (Moyer, Clean Cars for All, etc.) grants, and mitigation and DMV registration fees.
Communications/Public Outreach	Disseminate information to the public on driving reduction and transportation programs (i.e., Spare The Air, Clean Cars 4 All, etc.) and air quality forecasts and advisories. The program leverages Measure A and federal grant funds (CMAQ).

SACRAMENTO TRANSPORTATION AUTHORITY
MEMORANDUM OF UNDERSTANDING

MEASURE A
ONGOING ANNUAL PROGRAMS
STA-23-###-OGP

This Memorandum of Understanding (MOU) is made as of July 1, 2023 by and between the **Sacramento Transportation Authority**, a local transportation authority formed pursuant to the provisions of Public Utilities Code 180000 et seq., hereinafter called "Authority", and the **Implementing Agency**, hereinafter called "Entity." This MOU is effective through June 30, 2028.

THE PARTIES AGREE AS FOLLOWS:

1. Purpose. The purpose of this Memorandum of Understanding is to provide for the allocation by the Authority of sales tax revenue for Ongoing Annual Programs and the expenditure thereof by Entity.
2. Definitions. Unless the context otherwise requires, as used in this MOU, the following terms shall have the following meanings:
 - a. "Act" means the Local Transportation Authority and Improvement Act set forth in the provisions of the Public Utilities Code commencing with Section 180000.
 - b. "Board" means the Governing Board of the Sacramento Transportation Authority.
 - c. "Capital Project" means any new construction by Entity with a total project cost in excess of Two Hundred Fifty Thousand and no/100ths (\$250,000.00) Dollars.
 - d. "Minor Project" means any new construction by Entity with a total project cost of Two Hundred Fifty Thousand and no/100ths (\$250,000.00) Dollars or less.
 - e. "Transit Fleet Vehicle" means the purchase of a bus, shuttle, or light rail vehicle with a cost in excess of One Hundred Thousand and no/100ths (\$100,000.00) Dollars.
 - f. "Operating Program" means a program that funds services with an annual cost in excess of One Hundred Thousand and no/100ths (\$100,000.00) Dollars, which may include Minor Projects.
 - g. "Ongoing Annual Programs" means the following programs established by Measure A and included in the Measure A Expenditure Plan:
 - i. City Street and County Road Maintenance
 - ii. Traffic Control and Safety Program
 - iii. Safety, Streetscaping, Pedestrian and Bicycle Facilities

STA MOU, Measure A, Ongoing Annual Programs - Form

- iv. Transit Operations, Maintenance & Safety
 - v. Senior & Disabled Transportation Services
 - vi. Transportation-Related Air Quality Program
- h. “Distribution Factor” means the percentage of Formula-Based program sales tax revenue to be allocated to Entity, set by the Board annually based on the Ordinance requirement that funding to the County and cities for Ongoing Annual Programs be distributed based 75% on relative population and 25% on total maintained street/road mileage.
- i. “Measure A or “Ordinance” means Sacramento Transportation Authority Ordinance No. STA 04-01 and the Transportation Expenditure Plan which was updated for the Decennial Review by the Authority Governing Board in April, 2021.
- j. “Definitions of Eligible Expenditures” means the Definitions of Eligible Expenditures as approved by the Authority Governing Board in August, 2021.
3. Revenue Allocations. The amount of sales tax revenue that is anticipated to be allocated to each entity for Ongoing Annual Programs shall be determined annually by the Board and based on actual net Measure A sales tax revenues, requirements of the Ordinance, and, where applicable, the Distribution Factor.
4. Disbursements. Allocations of sales tax revenue for Ongoing Annual Programs shall be disbursed monthly as funds are received from the California Department of Tax and Fee Administration.
5. Entity Obligations.
- a. Allocations for each Ongoing Annual Program shall be expended by Entity only for purposes that are consistent with this MOU and the attached Definitions of Eligible Expenditures as may be amended or replaced from time to time. See attachment A.
 - b. Entity shall keep a separate account for each Ongoing Annual Program. Interest earned on unexpended funds in each account shall be retained in the account and expended only on qualified expenditures for that Program.
 - c. The use and expenditure of Measure A sales tax revenue by Entity shall be in full compliance with the provisions of the Act, the Ordinance, applicable resolutions of the Board, this MOU, and all other applicable contractual and legal requirements.
 - d. Entity receiving City Street and County Road Maintenance program funds shall file a pavement and bridge maintenance system report with the Authority on a biennial basis using the Authority’s reporting template. The report shall be due by December 31 on even number years and summarize the progress in maintaining local streets and roads.

- e. Entity shall file with the Authority a five-year program in the approved Authority format for expenditure of the sales tax revenue allocations for the following funding programs. Filing of each five-year program, or Board approval if required by the Ordinance, shall occur prior to the start of the next fiscal year following execution of this MOU. Updates to the five-year programs, if required by the Ordinance, shall also occur prior to the beginning of the next fiscal year.
 - i. City Street and County Road Maintenance Program
 - ii. Traffic Control and Safety Program
 - iii. Transit Operations, Maintenance & Safety
 - iv. Senior and Disabled Transportation Services.
 - v. Safety, Streetscaping, Pedestrian and Bicycle Facilities
 - vi. Transportation-Related Air Quality Program

6. Entity Certifications

- a. Maintenance of Effort. Entity certifies that it is currently in compliance, and will remain in compliance, with the maintenance of effort requirements set forth in the Ordinance:
 - i. Entity shall continue to make local (non-federal, non-state, non-Measure A) transportation expenditures consistent with baseline performance standards adopted by the Authority Governing Board.
 - ii. Entity shall continue to impose its local (non-SCTMFP) transportation mitigation fees at rates that are not less than the local transportation mitigation fees imposed by Entity during Fiscal Year 2008-2009 unless supported by a Fee Study adopted by the City Council.
- b. Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Entity certifies that it is implementing the SCTMFP in accordance with Authority Resolution STA-06-0006 and the SCTMFP Agreement on Operating Protocols as may be amended or replaced from time to time.

7. Reporting. Within 30 days after each calendar quarter, Entity shall submit quarterly status reports in approved Authority format for each Ongoing Annual Program for which Entity receives funding. Reports shall include:

- Beginning balance
- Amount of Measure A revenues received
- Amount of Measure A funds expended
- Other revenue or expenditures
- Ending balance
- Specific listing of expenditures made, including type of expenditure (Operating Program, Capital Project, or Transit, Fleet Vehicle), name of program, project, or procurement, and location of work accomplished, if applicable.

STA MOU, Measure A, Ongoing Annual Programs - Form

- The Ending balance should be balanced to the agency fund balance or reconciliation.
8. Audits. Annual audits and periodic performance audits of the Measure A program will be performed by an independent auditor and reviewed by the Independent Taxpayer Oversight Committee (ITOC). As part of that audit, Entity expenditures will also be audited. Expenditures found to be in noncompliance with this MOU shall be subject to Section 12, below. The Entity agrees to permit, and require its sub entities to permit, Authority or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Entity and its sub entities pertaining to expenditures covered by this MOU.
 9. Designation of Measure A Manager. Entity shall designate a Measure A program manager who shall be the responsible Entity representative to Authority staff in connection with administration of this MOU.
 10. Public Informational Signage
 - a. Capital Projects: Entity with a Capital Project shall clearly identify that the project is funded with Measure A funds including on the entity's website or other material provided to the public. When a Capital Project is completed and open for public use, Entity shall post reflective signage stating, "MEASURE A, YOUR TRANSPORTATION DOLLARS AT WORK".
 - b. Transit Fleet Vehicle: when a Transit Fleet Vehicle is purchased and added to an Entity's fleet, the Entity shall include decals in conspicuous locations on the vehicle clearly stating MEASURE A, YOUR TRANSPORTATION DOLLARS AT WORK".
 - c. Operating Program: when an Operating Program provides services to the public, the Entity shall clearly identify the Program, stating MEASURE A, YOUR TRANSPORTATION DOLLARS AT WORK", including on the Entity's website or other material provided to the public.
 - d. Public Information Signage shall be in substantial compliance with this signage depicted in Attachment B as determined by the Authority.
 11. Indemnity and Hold Harmless. Entity shall defend, indemnify and hold harmless Authority, its Governing Board of Directors, officers, agents, employees and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of Entity's officers, directors, agents, employees, or subcontractors.

Authority shall defend, indemnify, and hold harmless Entity, its governing board, officers, directors, agents, employees, subcontractors, and volunteers from and against all demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorneys' fees,

arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of Authority's Governing Board of Directors, officers, agents, employees, or volunteers.

It is the intention of Authority and Entity that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers, Authority's Governing Board of Directors, and Entity's governing board. It is also the intention of Authority and Entity that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers, Authority's Governing Board of Directors and Entity's governing board, according to law.

12. Noncompliance. Noncompliance by Entity with the Measure A Ordinance or the terms of this MOU may result in:

- Withholding or suspension of future revenue allocations until such noncompliance by Entity is satisfactorily corrected;
- Requirement to repay all or a portion of a prior revenue allocation;
- Deduction from future allocation(s) as necessary to make repayment for expenditures outside the scope of the Ordinance or this MOU.
- If applicable, changing to reimbursement-based revenue allocations for future allocations.
- Termination of the MOU by the Authority, at its sole discretion.
- Imposition of any of these measures would require approval of the Authority Governing Board.

STA MOU, Measure A, Ongoing Annual Programs - Form

The parties promise and agree to abide by the terms of this MOU as set forth above.

SACRAMENTO TRANSPORTATION AUTHORITY

By: _____
Kevin M. Bewsey, Executive Director

Dated: **Month, #, 2023**

IMPLEMENTING AGENCY

By: _____
Designated Measure A Manager

Printed Name and Title

Date

Legal Counsel

Attachment A: Definitions of Eligible Expenditures

Attachment B: Public informational sign template



MARCH 9, 2023

AGENDA ITEM # 12

PRESENTATION ON REFUNDING OF THE 2009C, 2014A, AND 2015A SERIES BONDS FROM VARIABLE RATE TO FIXED RATE

Action Requested: Receive and Direct

Presenter: Peter Shellenberger, PFM Financial Advisors
Key Staff: Dustin Purinton, Accounting Manager

Recommendation

Staff recommends that the STA Governing Board receive a presentation on refunding of the 2009C, 2014A, and 2015A series bonds from variable rate to fixed rate and provide feedback and direction to staff as appropriate.

Background Information

The Sacramento Transportation Authority (STA) has three variable rate series of outstanding bonds which have been used for the financing of transportation projects identified in the Measure A Ordinance.

The three series of outstanding bonds issued by STA are variable rate. These bonds were issued in October 2009, September 2014, and March 2015 in the amount of \$318.3 million collectively. These bonds will mature in 2039. The variable rate debt has interest rate swap agreements attached to them that creates a synthetic fixed rate which are shown in the table below.

Series	Outstanding Principal	Interest Rate	Final Maturity	Type
2009C	\$106,100,000	3.736%	10/1/2038	Variable
2014A	\$106,100,000	3.736%	10/1/2038	Variable
2015A	\$106,100,000	3.666%	10/1/2038	Variable

The variable rate debt interest rate swap agreements have a market value that fluctuates with the interest rate environment. As rates rise the swap agreements termination value is reduced. See a table below with the last 3 years of the interest rate swap termination value. These swap termination values represent the amount the Authority would have to pay the swap counterparties to terminate and exit the swap agreements.

Date	Interest Rate Swap Termination Value
2/21/2023	\$35,945,632
6/30/2022	\$55,731,052
6/30/2021	\$104,901,354
6/30/2020	\$138,024,376

Discussion

STA staff regularly meet with the Authority’s financial advisors to assess market conditions to determine if opportunities exist to reduce costs to the Authority’s bond program. Peter Shellenberger, Managing Director, PFM financial advisors will provide a brief overview of current market condition. With interest rates increasing, which decreases the holding value of the interest rate swaps, there is a unique opportunity to convert the variable rate bonds to fixed rate bonds. Staff recommends that the STA Governing Board receive a presentation on refunding of the 2009C, 2014A, and 2015A series bonds from variable rate to fixed rate and provide feedback and direction to staff as appropriate.