



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 teleconference)

THURSDAY

APRIL 9, 2020

1:30 PM

Members: Sue Frost, Garrett Gatewood, Eric Guerra, Steve Hansen, Jeff Harris, Kerri Howell, Patrick Hume, Patrick Kennedy, Steve Miller, Don Nottoli (Vice Chair), Susan Peters, Paul Sandhu, Jay Schenirer, Phil Serna, Darrell Steinberg, Darren Suen (Chair)

Alternates: Nick Avdis, Steven Detrick, Shawn Farmer, Rosanna Herber, Mike Kozlowski, Porsche Middleton, Donald Terry

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

ANNOUNCEMENT

In compliance with the directives of the State, County and Centers for Disease Control and Prevention (CDC) and pursuant to the guidelines for social distancing, this meeting is closed to the public.

View Meeting

The meeting will be cablecast live on Metro Cable 14, the local government affairs channel on the Comcast, Consolidated Communications, and AT&T U-Verse cable systems. The meeting is closed-captioned and webcast at www.sacmetroable.tv. The meeting will replay Saturday at 2:00 p.m. and Sunday at 9:00 a.m. on Channel 14. The meeting is accessible from the following internet links:

- Metro Cable 14 at www.Sacmetroable.tv
- Sacramento Transportation Authority at www.Sacta.org

Public Comments

Members of the public are encouraged to submit public comments via electronic mail. Email comments will be accepted until the adjournment of the meeting, distributed to the Board of Directors, and included in the record.

Email: BoardClerk@saccounty.net

Accommodations

Requests for accommodations pursuant to the Americans with Disabilities Act (ADA) should be made with the Clerk of the Board by telephone at (916) 874-5411 (voice) and CA Relay Services 711 (for the hearing impaired), as soon as reasonably possible, prior to the meeting.

Continued on back side →

AGENDA

Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority

April 9, 2020

Page 2

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 *Will Kempton*

CONSENT ITEMS

3. Action Summary: March 18, 2020 STA Governing Board Meeting ◀ *Jennifer Doll*
4. Measure A Fiscal Year 2019/20 2nd Quarter Capital Projects Status Reports *Timothy Jones*
5. Annual Adjustment To The Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Rates ◀ *Timothy Jones*
6. Proposed STA Budget For Fiscal Year 2020-21 ◀ *Timothy Jones*
7. Contract Extension for Financial/Compliance Audit Services ◀ *Timothy Jones*
8. Approval Of Memorandum Of Understanding For 2020 Measure A Supplemental Education/Outreach Funding ◀ *Will Kempton*

SEPARATE ITEMS

9. Introduction Of Proposed Ordinance No. STA 20-001 Regarding A Potential Transportation Sales Tax Measure ◀ *Will Kempton*
 - a. Introduction Of Proposed Ordinance
 - b. Waive Full Reading Of The Ordinance
 - c. Continue Item To May 14, 2020 For Adoption Of The Ordinance
10. 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 Will Kempton at (916) 323-0080 or will@sacta.org.



APRIL 9, 2020

AGENDA ITEM # 2

EXECUTIVE DIRECTOR'S REPORT

Action Requested: Receive and File

Key Staff: Will Kempton, Executive Director

Local Partnership Program Funding

At the March 25-26, 2020 meeting of the California Transportation Commission (CTC), the Commission adopted guidelines for the 2020 Local Partnership Program (LPP) to identify policies, standards, criteria and procedures for the management of the program. The CTC also approved the LPP funding distribution for the next three-year cycle (2020-21, 2021-22, and 2022-23). The LPP receives \$200 million annually in SB 1 funding, with \$20 million set aside for new measure and fee programs statewide and \$180 million divided between formulaic and competitive allocations (see attached). The formulaic distribution is based on revenue production and population, and Sacramento County's share is \$2.93 million for each of the three years in this cycle. The competitive program will allocate more than \$187 million statewide, over the three-year period and the distribution will be determined through a competitive process conducted by the CTC.

We are currently looking at a very short timeframe for applying for the LPP funding, as well as for other statewide programs funded through SB 1. Applications associated with the Solutions for Congested Corridors Program (SCCP), the Trade Corridor Enhancement Program (TCEP) and the LPP are due to the CTC by June 12, 2020. Commission staff have indicated that submittal dates may be pushed back due to the impacts of the coronavirus, and we should hear about any schedule changes shortly. Nonetheless, we will be working with our recipient agencies to quickly move forward with the LPP application process.

Other Funding Programs

As mentioned in the section above, funding from other SB 1 programs is also available for application. The Sacramento Area Council of Governments (SACOG) has taken the lead on the SCCP (Congested Corridors) and the TCEP (Trade Corridors) and several candidate projects have been identified. Staff is working with SACOG in this process and will be following the development of project applications. Additionally, the federal coronavirus relief funding package includes \$25 billion in formula funds to support the nation's mass transit operations. Total funding for the SACOG region will exceed \$140 million which is more than twice the amount the region receives in a typical year from the Federal Transit Administration. While these dollars will not be sufficient to make the agency whole, SacRT is expected to receive nearly \$96 million which will help offset the impacts of reduced ridership and flagging farebox revenues.

Economic Stimulus Planning

Given the severe social and economic impacts resulting from the COVID-19 pandemic, it is paramount that government and the private sector work together to overcome these impacts. While the health and contagion issues we face are being immediately addressed to the extent possible, the economic consequences resulting from the virus will likely be longer term. Looking to the future, the Sacramento Transportation Authority has an opportunity to direct program resources to assist in the County's economic recovery. The positive effects that investing in infrastructure has on the economy has been demonstrated time and again over the past decades and a coordinated investment program can have a tremendous impact on putting people back to work and providing improvements to the transportation network that will help accelerate a return to economic stability.

Several members of the Authority have expressed interest in the benefits that can be achieved through a stimulus package and staff will be working with our recipient agencies and other stakeholders over the next few months to develop a specific plan of action to ensure that we can focus resources from the existing sales tax measure coupled with new revenues which may become available from the proposed 2020 Measure A on a robust and effective effort to put taxpayer dollars to work as quickly as practicable to help get the local economy moving.

Change in Meeting Schedule

The schedule for the Board of Supervisors and Council Presentations on the Measure A 2020 TEP has changed with the City of Rancho Cordova moving this item from April 6 to the Council's April 20, 2020 meeting date.

Attachment



APRIL 9, 2020

AGENDA ITEM # 3

APPROVE ACTION SUMMARY: MARCH 18, 2020 STA GOVERNING BOARD MEETING

Action Requested: Approve

Key Staff: Jennifer Doll, Special Programs Manager

Recommendation

Approve the attached Action Summary of the March 18, 2020 meeting of the STA Governing Board.

Attachment



ACTION SUMMARY
SACRAMENTO TRANSPORTATION AUTHORITY
SACRAMENTO ABANDONED VEHICLE SERVICE AUTHORITY
700 "H" STREET - SUITE 1450
SACRAMENTO, CALIFORNIA 95814
(Board of Directors may participate via teleconference)

WEDNESDAY **March 18, 2020** **1:30 PM**

MEMBERS: Sue Frost, Garrett Gatewood, Eric Guerra, Steve Hansen, Jeff Harris, Kerri Howell, Patrick Hume, Patrick Kennedy, Steve Miller, Don Nottoli (Vice Chair), Paul Sandhu, Jay Schenirer, Phil Serna, Darrell Steinberg, Darren Suen (Chair), Susan Peters

(All members were present)

Alternates: Nick Avdis, Steven Detrick, Shawn Farmer, Mike Kozlowski, Porsche Middleton, Donald Terry

ANNOUNCEMENT

In compliance with directives of the State and Centers for Disease Control and Prevention (CDC), this meeting will be streamed live and will be closed to public attendance.

View Meeting

Metro Cable 14: <https://metro14live.saccounty.net/>

STA: www.sacta.org

Members of the public are encouraged to participate by submitting written comments electronically. Comments submitted in-person will be delivered to the Board of Directors by staff. Written comments regarding matters under the jurisdiction of the Board of Directors and not on the posted agenda will be acknowledged by the Chairperson at the beginning of the meeting. Public comments will be accepted until the adjournment of the meeting, distributed to the Board of Directors, and included in the record.

Submit Public Comments:

Email: BoardClerk@saccounty.net

Address: 700 H Street, Suite 2450, Sacramento, CA 95814

This meeting of the Sacramento Transportation Authority is cablecast live on Metro Cable 14, the local government affairs channel on the Comcast, Consolidated Communications, and AT&T U-Verse cable systems. The meeting is closed-captioned and webcast at www.sacmetro.cable.tv. Today's meeting will replay this Saturday at 2:00 p.m. and Sunday at 9:00 a.m. on Channel 14. Please check your local listings for more information.

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

Requests for accommodations pursuant to the Americans with Disabilities Act (ADA) should be made with the Clerk of the Board by telephone at (916) 874-5411 (voice) and CA Relay Services 711 (for the hearing impaired), as soon as reasonably possible, prior to the meeting.

PLEDGE OF ALLEGIANCE

COMMENT ITEMS

1. Comments From The Public Regarding Matters Not On The Posted Agenda

1:35 PM Board Action: No public comments were made.

2. Executive Director's Report

1:39 PM Board Action: Executive Director Will Kempton provided updates regarding the California Transportation Commission actions, the schedule for Board of Supervisors and City Council presentations regarding the Measure A 2020 Tax Expenditure Plan and the Ad Hoc Committee.

CONSENT ITEMS

3. Approve Action Summary: February 26, 2020 STA Governing Board Special Meeting

2:07 PM Board Action: Don Nottoli / Phil Serna – Approved as recommended.

AYES: Sue Frost, Garrett Gatewood, Eric Guerra, Steve Hansen, Jeff Harris, Kerri Howell, Patrick Hume, Patrick Kennedy, Steve Miller, Don Nottoli, Susan Peters, Paul Sandhu, Jay Schenirer, Phil Serna, Darren Suen

NOES: (None)

ABSTAIN: Darrell Steinberg

ABSENT: (None)

RECUSAL: (None)

(PER POLITICAL REFORM ACT (§ 18702.5.))

SEPARATE ITEMS

- 4. Status Of Developments Of Proposed Measure A 2020 Ordinance And Transportation Expenditure Plan And Tentative Adoption Of The Measure A 2020 Expenditure Plan**
- **Revisions To Draft Measure A 2020 Ordinance And Transportation Expenditure Plan For Discussion Purposes Only**
 - **Continue Public Hearing On Draft Ordinance And Transportation Expenditure Plan**
 - **Tentative Adoption Of The Measure A 2020 Expenditure Plan (Exhibit A Of Proposed Ordinance No. STA 20-01) And Approval To Circulate The Plan To Local Jurisdictions In The County For Consideration Pursuant to Section 180206 (b) Of The Public Utilities Code**

1:43 PM Board Action: Phil Serna/ Steve Hansen - Opened and closed the public hearing. Adopted the Measure A 2020 Expenditure Plan and approved circulation of the plan to local jurisdictions within the County of Sacramento for consideration. Public comments were received and files in the record.

AYES: Eric Guerra, Steve Hansen, Jeff Harris, Kerri Howell, Patrick Hume, Patrick Kennedy, Don Nottoli, Susan Peters, Paul Sandhu, Jay Schenirer, Phil Serna, Darrell Steinberg, Darren Suen

NOES: Sue Frost, Garrett Gatewood, Steve Miller

ABSTAIN: (None)

ABSENT: (None)

RECUSAL: (None)

(PER POLITICAL REFORM ACT (§ 18702.5.))

5. Comments Of Authority Members

2:22 PM Board Action: No comments were made.

Adjourned at 2:23 p.m.

Respectfully Submitted,



Renae McClain-White, Clerk



APRIL 9, 2020

AGENDA ITEM # 4

CAPITAL PROJECT STATUS REPORTS – DECEMBER 31, 2019

Action Requested: Receive and File

Key Staff: Timothy Jones, Chief Financial Officer

The Authority is currently under contract for the following 16 capital projects:

1. US 50 Bus and Carpool Lanes, Phase 2 (California Department of Transportation)
2. Interstate 5 Bus and Carpool Lanes (California Department of Transportation)
3. Capital SouthEast Connector (Connector JPA)
4. Capital SouthEast Connector Mitigation Program (Connector JPA)
5. Folsom Blvd. Watt Ave. to Bradshaw Rd. (County of Sacramento)
6. Greenback Lane – Fair Oaks Blvd. to Main (County of Sacramento)
7. Hazel Ave. Improvements – US 50 to Folsom Blvd. (County of Sacramento)
8. Hazel Ave. Improvements, Phase 1 – US 50 to Madison Ave. (County of Sacramento)
9. Madison Ave Improvements – Sunrise Blvd. to Hazel Ave. (County of Sacramento)
10. South Watt Ave. Improvements - Route 16 (County of Sacramento)
11. Sunrise Blvd. Jackson Rd. to Grantline Rd. (County of Sacramento)
12. Watt Ave. Improvements – Antelope Road to Business 80 (County of Sacramento)
13. Folsom Blvd. Improvements – Bradshaw Road to Sunrise Blvd. (City of Rancho Cordova)
14. Sunrise Blvd. Improvements – Gold Country to Jackson Roads (City of Rancho Cordova)
15. Downtown Intermodal Station (City of Sacramento)
16. Interstate 5/Richards Blvd. Interchange Upgrade (City of Sacramento)

Attached, you will find a status report for each project under contract with the Authority.

Attachment

Measure A Capital Projects Quarterly Status Report



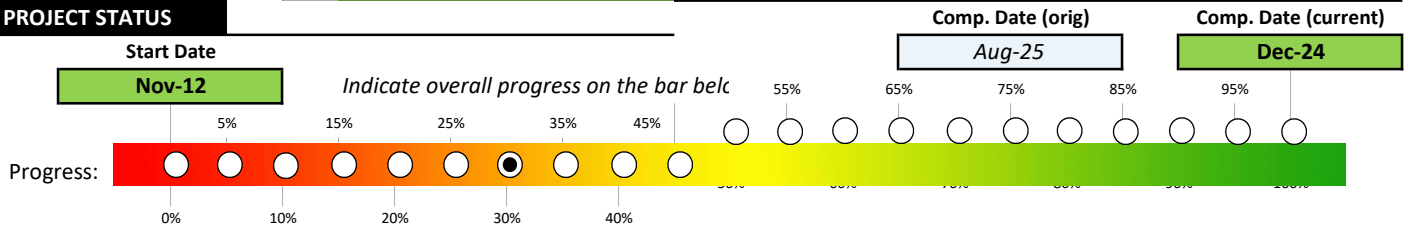
PROJECT INFO

Quarter Ended:	December 31, 2019	Fiscal Year:	2019/20	Reporting Quarter:	2
Agency:	California Department of Transportation	Project Mgr:	Jim K Rogers		
		Contact Info:	916-826-6052		
Project Name:	US Highway 50 Bus & Carpool Lanes - phase 2				
Sponsor Project ID Number:	03-3F360	STA Project ID Number:	A-47-CT		
Original Est. Project Cost:	\$ 68,315,000.00	Current Est. Project Cost:	\$ 147,480,000.00		

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	15,945,604.00	Projected Spending	3Q:	\$	390,000.00
Previous Contract(s) Spending:		15,310,227.98		4Q:	\$	440,000.00
Current Contract Amount:	\$	12,500,000.00	1Q:	\$	470,000.00	
Current Contract Spending:	\$	329,001.48	2Q:	\$	440,000.00	
Expended This Quarter:	\$	267,980.34	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Total Remaining:	\$	12,538,394.20				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|--|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input checked="" type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Caltrans District 3 successfully competed and received State funding from the SB1 Gas/Diesel Tax programs under the Solutions for Congested Corridor Program for construction of this HOV Lanes project last year. The project has been selected for an innovative delivery method of Design-Build instead of traditional Caltrans delivery method of Design-Bid-Build. This will expedite delivery of the project to the travelling public. The HOV lanes project has been combined with the US 50 Rehabilitation project that has already been funded by State Highway Operation and Protection Program (SHOPP).

- Contract documents submitted September 2019.
- Held one-on-one meetings with proposers and answered clarifying questions.
- Right of Way and Construction Easement acquisition work is complete.
- Coordination continued with Union Pacific Rail Road and Sacramento Regional Transit.
- Coordination continued with City of Sacramento on sewer and water line relocations.
- Coordination with utility owners to relocate or avoid impacts to lines near the work areas.
- Held meetings with local stakeholders regarding project attributes.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **California Department of Transportation** Project Mgr: **Jess Avila**
 Contact Info: **530-741-4533**

Project Name: **Interstate 5 Bus & Carpool Lanes**

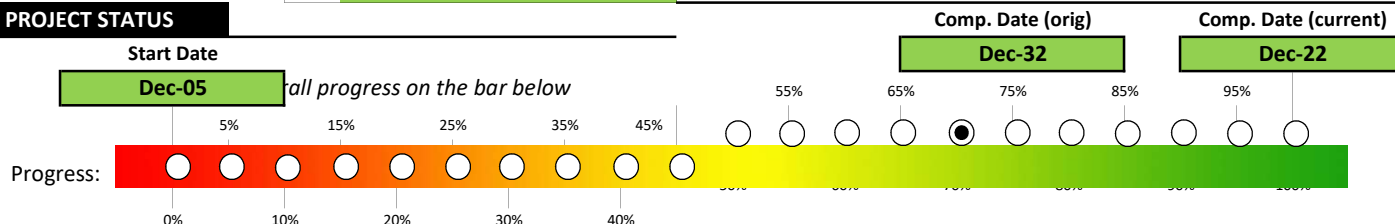
Sponsor Project ID Number: **03-3C000 and 03-3C001** STA Project ID Number: **A-45-CT**

Original Est. Project Cost: \$ **188,479,000.00** Current Est. Project Cost: \$ **125,530,000.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	3,185,454.00	Projected Spending	3Q:	\$	1,700,000.00
Previous Contract(s) Spending:	\$	3,185,454.00		4Q:	\$	1,700,000.00
Current Contract Amount:	\$	30,000,000.00		1Q:	\$	1,700,000.00
Current Contract Spending:	\$	628.67		2Q:	\$	1,700,000.00
Expended This Quarter:	\$	2,157,907.86	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Total Remaining:	\$	27,841,463.47				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- Not Started
- Pending or On-Hold
- Design and/or Engineering
- Right-of-Way Acquisition
- Environmental Review
- Planning/Financing/Approval
- Bidding and/or Contracting
- Under Construction
- Completed

Explanation of Activities this Quarter and Additional Notes

Bridge work continues at three locations; Beach Lake Bridge, Route 5/160 Separations (Freeport Blvd.), and Casilada Pedestrian Overcrossing.
 Soundwall work continues at two locations; SB between Pocket Road and Freeport Blvd., and NB just south of Route 5/160 Separations (Freeport Blvd.).
 Pavement work in both directions was completed between the West End Viaduct and American River Bridge.
 Fiber optic installation, barrier rail construction, and slope paving work at various locations started.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **Capital SouthEast Connector** Project Mgr: **Matt Lampa**
Contact Info: lampam@saccounty.net

Project Name: **Capital SouthEast Connector**

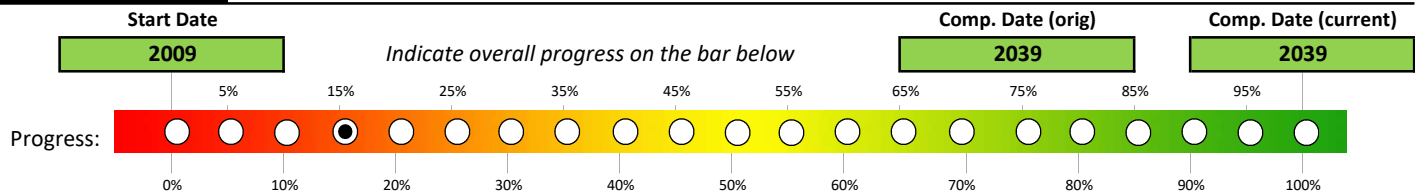
Sponsor Project ID Number: **N/A** STA Project ID Number: **A-16-JP**

Original Est. Project Cost: \$ **1,006,014,000** Current Est. Project Cost: \$ **588,190,000**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	12,788,762.00	Projected Spending	3Q:	\$	1,450,000
Previous Contract(s) Spending:	\$	12,788,762.00		4Q:	\$	1,450,000
Current Contract Amount:	\$	25,640,000.00		1Q:	\$	1,050,000
Current Contract Spending:	\$	15,206,067.90		2Q:	\$	1,050,000
Expended This Quarter:		1,062,492.76	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Total Remaining:		9,371,439.34				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- Not Started
- Pending or On-Hold
- Design and/or Engineering
- Right-of-Way Acquisition
- Environmental Review
- Planning/Financing/Approval
- Bidding and/or Contracting
- Under Construction
- Completed

Explanation of Activities this Quarter and Additional Notes

Explanation of activities during the 2nd Qtr.:

- **Segment A:** Coordination w/ Caltrans and the City of Elk Grove. Continued work on the Environmental Assessment and associated technical studies pursuant to NEPA and project design.
- **Segment B:** Coordination w/ the City of Elk Grove on design and completed work on right of way acquisitions.
- **Segment C:** Coordination w/ the City of Elk Grove on conceptual intersection designs and traffic study work for various intersections along the alignment.
- **Segment D2:** Coordination w/ Caltrans and finalized the Environmental Assessment pursuant to NEPA.
- **Segment D3/ E1:** Coordination w/ Caltrans, City of Folsom, El Dorado County and Sacramento County. Right of way acquisition activities and preparation of the final construction documents for Segments D3 and E1 is ongoing.
- **Financials and Funding:** Continued work with the CTC to provide required reporting documentation concerning all the Connector projects funded by SB 1. Prepared and submit a grant application for construction funding through the California Department of Resources Recycling and Recovery - Rubberized Pavement Grant Program. Coordination w/ SACOG, CTC, an Caltrans on grant funding scope revisions for SB 1 and STIP funding.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **Capital SouthEast Connector** Project Mgr: **Derek Minnema**
 Contact Info: minnemad@saccounty.net

Project Name: **Capital SouthEast Connector**

Sponsor Project ID Number: **N/A** STA Project ID Number: **A-16-JP**

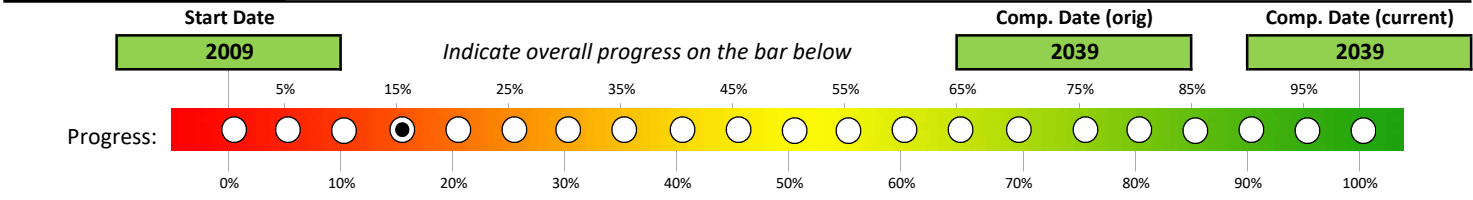
Original Est. Project Cost: \$ **1,006,014,000** Current Est. Project Cost: \$ **588,190,000**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	-	<table border="1" style="display: inline-table;"> <tr> <td rowspan="4" style="border: none;">Projected Spending</td> <td>3Q:</td> <td>\$</td> <td style="background-color: #d9e1f2;">2,007,289</td> </tr> <tr> <td>4Q:</td> <td>\$</td> <td style="background-color: #d9e1f2;">-</td> </tr> <tr> <td>1Q:</td> <td>\$</td> <td style="background-color: #d9e1f2;">-</td> </tr> <tr> <td>2Q:</td> <td>\$</td> <td style="background-color: #d9e1f2;">-</td> </tr> </table>	Projected Spending	3Q:	\$	2,007,289	4Q:	\$	-	1Q:	\$	-	2Q:	\$	-
Projected Spending	3Q:	\$			2,007,289											
	4Q:	\$			-											
	1Q:	\$			-											
	2Q:	\$		-												
Previous Contract(s) Spending:	\$	-														
Current Contract Amount:	\$	5,000,000.00														
Current Contract Spending:	\$	2,400,000.00														
Expended This Quarter:		592,711.00														
Total Remaining:		2,007,289.00														

Measure A Funds Used for Local Match? Yes No

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Explanation of activities during the 2nd Qtr.:

Project environmental mitigation purchased through the South Sacramento Habitat Conservation Plan.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **County of Sacramento** Project Mgr: **Stan Sorensen**
Contact Info: **(916) 874-2816**

Project Name: **Folsom Blvd. Watt Ave. to Bradshaw Road**

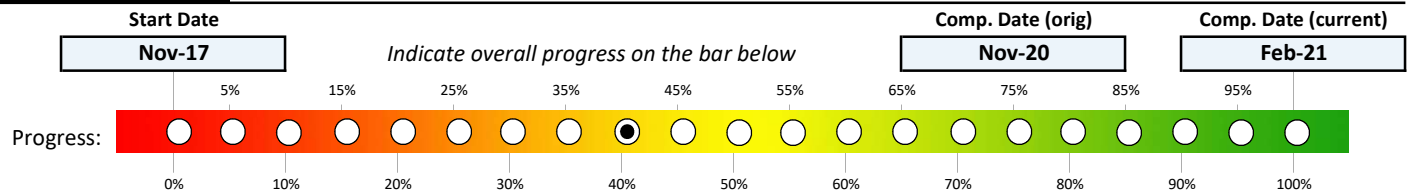
Sponsor Project ID Number: **RFODGE** STA Project ID Number: **A-13-SC**

Original Est. Project Cost: \$ **40,698,159.00** Current Est. Project Cost: \$ **40,698,159.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	-	Projected Spending	3Q:	\$	275,000.00
Previous Contract(s) Spending:	\$	-		4Q:	\$	375,000.00
Current Contract Amount:	\$	1,303,000.00		1Q:	\$	220,141.00
Current Contract Spending:	\$	212,717.99		2Q:	\$	220,141.00
Expended This Quarter:	\$	-		Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Total Remaining:	\$	1,090,282.01				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input checked="" type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

The California Environmental Quality Act (CEQA) approval for the Mayhew Road to Bradshaw Road segment on Folsom Boulevard was issued in January 2019. The project is currently in the right-of-way and final design phases of work for a Phase 1 complete streets improvement project. All right of way acquisitions will involve and will be required from Sacramento Regional Transit (SacRT). The County is currently in discussions and negotiations regarding right of way with SacRT. Minor revisions were incorporated into the easement descriptions to address Regional Transit comments. We expect to finalize right-of-way acquisition and bid the project this summer, following the California Transportation Commission (CTC) approval in June 2020. Construction is currently scheduled to begin in fall of 2020.

Measure A Capital Projects Quarterly Status Report



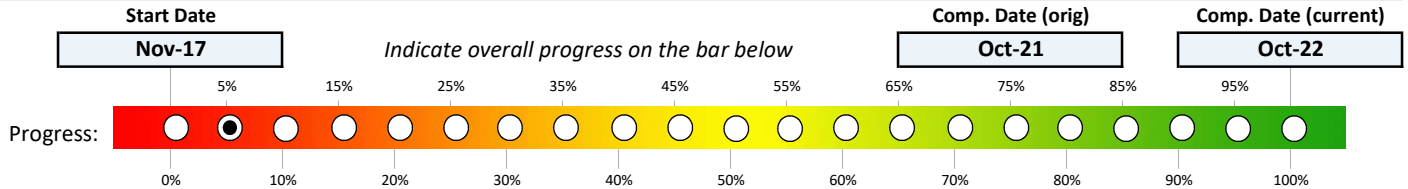
PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**
 Agency: **County of Sacramento** Project Mgr: **Melissa Wright, Senior Civil Engineer**
 Contact Info: **(916) 874-6291**
 Project Name: **Greenback Lane Phase I - Fair Oaks Blvd. to Main Street**
 Sponsor Project ID Number: **STOXEB** STA Project ID Number: **A-17-SC**
 Original Est. Project Cost: \$ **41,716,000.00** Current Est. Project Cost: \$ **41,716,000.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	116,829.91	Projected Spending	3Q:	\$	50,000.00
Previous Contract(s) Spending:	\$	116,829.91		4Q:	\$	50,000.00
Current Contract Amount:	\$	2,900,000.00		1Q:	\$	50,000.00
Current Contract Spending:	\$	24,877.27		2Q:	\$	50,000.00
Expended This Quarter:	\$	5,662.30		Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Total Remaining:	\$	2,869,460.43				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input checked="" type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Prepared preliminary alignment plans for intersection improvements at Greenback Lane and Chestnut Avenue and for a roadway segment on Greenback Lane from Main Avenue to the Folsom City Limits. Design and environmental review is expected to resume in 2020.

Public outreach and community input on the proposed alignment will be solicited through public meetings and coordination with the Greenback Lane Orangevale Envisions (GLOVE) community group. This effort is expected to resume in 2020.

Measure A Capital Projects Quarterly Status Report



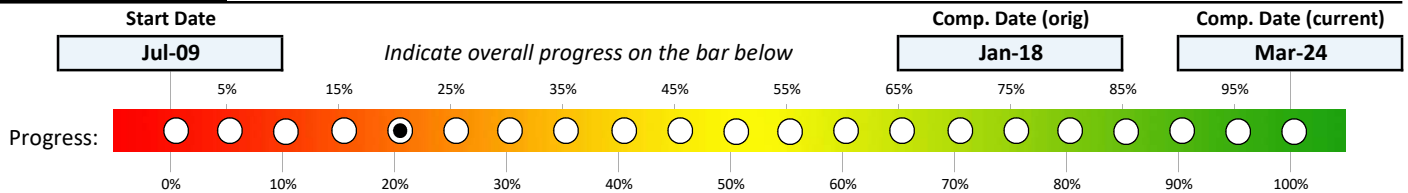
PROJECT INFO

Quarter Ended:	December 31, 2019	Fiscal Year:	2019-20	Reporting Quarter:	2
Agency:	County of Sacramento	Project Mgr:	Tim Stevens, Senior Civil Engineer		
		Contact Info:	(916) 874-6291		
Project Name:	Hazel Avenue Improvements – US Highway 50 to Folsom Blvd				
Sponsor Project ID Number:	STRL41	STA Project ID Number:	A-23-SC		
Original Est. Project Cost:	\$ 61,268,182.00	Current Est. Project Cost:	\$ 82,735,257.00		

MEASURE A FUNDING

Previous Contract(s) Amount:	\$ 1,679,031.22	Projected Spending	3Q:	\$ 75,000.00
Previous Contract(s) Spending:	\$ 1,679,031.22		4Q:	\$ 75,000.00
Current Contract Amount:	\$ 10,750,000.00		1Q:	\$ 200,000.00
Current Contract Spending:	\$ 138,572.29		2Q:	\$ 200,000.00
Expended This Quarter:	\$ 10,141.36	Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Total Remaining:	\$ 10,601,286.35			

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input checked="" type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

The following Technical Studies were submitted to Caltrans for environmental review:

- Revised Air Quality Study Report-Approved 9/6/2017
- Revised Natural Environment Study-Submitted 5/16/2018
- Visual Impact Assessment-Signature page revisions re-submitted 1/22/2017
- Requested revisions to Biological Assessment (BA) are made and submitted BA to Caltrans week of 1/21/2019
- Fact Sheets for the project were approved on 12/17/2018.

In addition to these Technical Studies, SacDOT submitted final revisions to the Historic Property Survey Report/Archaeological Survey Report with the current Native American consultation updates on 6/11/2018.

Sacramento County is acting as the California Environmental Quality Act (CEQA) local lead agency in preparing a joint Environmental Impact Report/Environmental Assessment (EIR/EA) to analyze the environmental affects of the Project, located along US Highway 50 at Hazel Avenue. The federal lead agency in the National Environmental Policy Act (NEPA) document preparation, through delegated authority from the Federal Highway Administration, is the California Department of Transportation (Caltrans). The final draft documents were submitted and received by Caltrans in December 2019 with approval planned in January 2020 and the EIR is being released for public review and comment in February 2020.

Measure A Capital Projects Quarterly Status Report



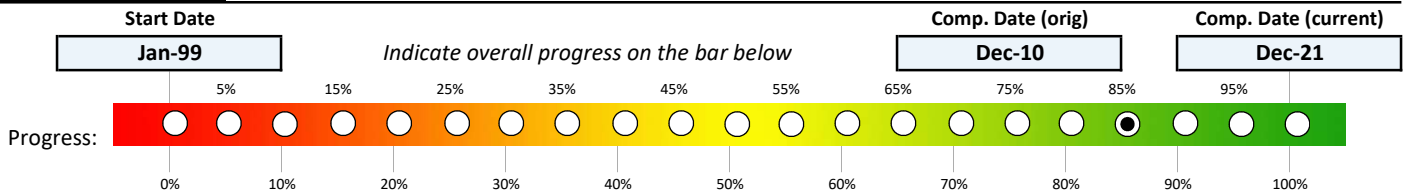
PROJECT INFO

Quarter Ended:	December 31, 2019	Fiscal Year:	2019-20	Reporting Quarter:	2
Agency:	County of Sacramento	Project Mgr:	Tim Stevens, Senior Civil Engineer		
		Contact Info:	(916) 874-6291		
Project Name:	Hazel Avenue Improvements, Phase 1 – US Highway 50 to Madison Avenue				
Sponsor Project ID Number:	ST0XCC;ST0XCJ;DV2L43;STRL43	STA Project ID Number:	A-21-SC		
Original Est. Project Cost:	\$ 79,292,680.00	Current Est. Project Cost:	\$ 110,000,000.00		

MEASURE A FUNDING

Previous Contract(s) Amount:	\$ 33,999,043.75	Projected Spending	3Q:	\$ 350,000.00
Previous Contract(s) Spending:	\$ 33,999,043.75		4Q:	\$ 350,000.00
Current Contract Amount:	\$ 6,900,000.00	1Q:	\$ 750,000.00	
Current Contract Spending:	\$ 1,100,042.08	2Q:	\$ 750,000.00	
Expended This Quarter:	\$ 333,881.84	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Total Remaining:	\$ 5,466,076.08			

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input checked="" type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Hazel Avenue Widening Phase 1, US 50 to Curragh Downs Drive: Construction completed in Spring 2011.
(Current Status: Completed)

Hazel Avenue Widening Phase 2, Curragh Downs Drive to Sunset Avenue: Construction Completed in July 2018.
(Current Status: Completed)

Hazel Avenue Widening Phase 3, Sunset Avenue to Madison Avenue: Right of way acquisition is complete for the Phase 3 project. Eminent Domain process is underway and County has possession on all 33. Right of way certification is underway and the request for authorization to proceed with construction to Caltrans for authorization of federal funds is to be submitted in February 2020. The project would then bid this Spring and construction would begin in June 2020.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

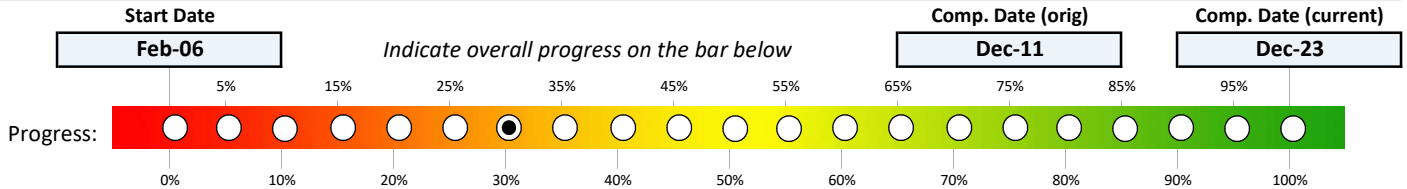
Quarter Ended:	December 31, 2019	Fiscal Year:	2019-20	Reporting Quarter:	2
Agency:	County of Sacramento	Project Mgr:	Melissa Wright, Senior Civil Engineer		
		Contact Info:	(916)874-6291		
Project Name:	Madison Avenue Improvements, Phase 1 – Sunrise Blvd to Hazel Avenue				
Sponsor Project ID Number:	STOXAG	STA Project ID Number:	A-24-SC		
Original Est. Project Cost:	\$ 19,929,143.00	Current Est. Project Cost:	\$ 28,872,280.00		

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	1,280,274.94	Projected Spending	3Q:	\$	140,000.00
Previous Contract(s) Spending:	\$	1,280,274.94		4Q:	\$	70,000.00
Current Contract Amount:	\$	3,000,000.00		1Q:	\$	150,000.00
Current Contract Spending:	\$	135,507.21		2Q:	\$	150,000.00
Expended This Quarter:	\$	-				
Total Remaining:	\$	2,864,492.79				

Measure A Funds Used for Local Match? Yes No

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input checked="" type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

The project is currently in the environmental review stage for the hybrid alternative. The hybrid alternative consists of widening Madison Avenue to five or six lanes with some portions of Madison Avenue remaining at four lanes. This alternative is the preferred alternative due to less right-of-way and tree impacts than associated with the six lane project. The traffic study for the hybrid has been completed.

A public outreach and community input process will be conducted as the environmental review stage continues. This public outreach process is expected to move forward in mid 2020.

Measure A Capital Projects Quarterly Status Report



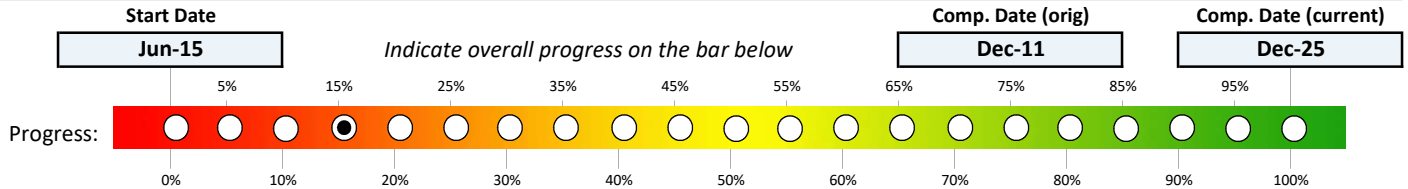
PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**
 Agency: **County of Sacramento** Project Mgr: **Heather Yee, Senior Civil Engineer**
 Contact Info: **(916) 874-9182**
 Project Name: **South Watt Avenue/Elk Grove-Florin Road Improvements, Phase 1 – Florin Road to State Route 16**
 Sponsor Project ID Number: **STOXDG** STA Project ID Number: **A-27-SC**
 Original Est. Project Cost: \$ **10,873,412.00** Current Est. Project Cost: \$ **30,182,360.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	3,159,720.99	Projected Spending	3Q:	\$	200,000.00
Previous Contract(s) Spending:	\$	3,159,720.99		4Q:	\$	200,000.00
Current Contract Amount:	\$	7,030,000.00		1Q:	\$	300,000.00
Current Contract Spending:	\$	163,907.47		2Q:	\$	300,000.00
Expended This Quarter:	\$	50,550.98		Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Total Remaining:	\$	6,815,541.55				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|---|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input checked="" type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Quarter Ending: December 31, 2019

The project is currently in the preliminary phase of work. A consultant contract for the design of the project was approved by the Board of Supervisors in December 2019. The project will be transferred to the consultant in January 2020. Roadway base survey is complete, preliminary striping plan has been prepared, coordination with utilities and right of way investigation is under way. Environmental review will be initiated in January 2020.

Measure A Capital Projects Quarterly Status Report



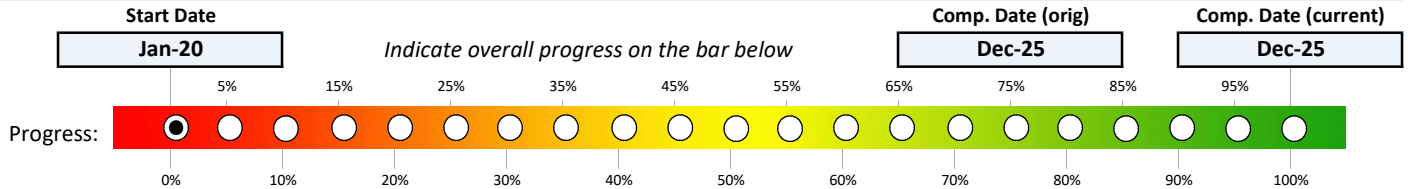
PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**
 Agency: **County of Sacramento** Project Mgr: **Rick Carter**
 Contact Info: **(916) 874-5205**
 Project Name: **Sunrise Blvd. Jackson Road to Grant Line Road**
 Sponsor Project ID Number: **Not Assigned** STA Project ID Number: **A-31-SC**
 Original Est. Project Cost: \$ **79,763,000.00** Current Est. Project Cost: \$ **79,763,000.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	-	Projected Spending	3Q:	\$	20,000.00
Previous Contract(s) Spending:	\$	-		4Q:	\$	20,000.00
Current Contract Amount:	\$	2,400,000.00		1Q:	\$	20,000.00
Current Contract Spending:	\$	-		2Q:	\$	20,000.00
Expended This Quarter:	\$	-		Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Total Remaining:	\$	2,400,000.00				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input checked="" type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Possible construction for a Phase 1 Project at the intersection of Jackson Road at Sunrise Boulevard. This Phase 1 Project proposes to improve the existing intersection by adding capacity and improving operational efficiency. The Phase 1 Project will require coordination with the City of Rancho Cordova, Cordova Hills Development, and the Jackson Corridor Plan. The tentative completion date shown in the "Project Status" section of this report is for the Phase 1 Project.

Measure A Capital Projects Quarterly Status Report



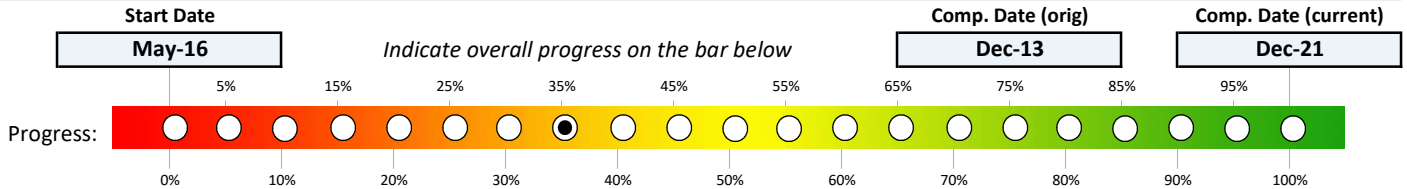
PROJECT INFO

Quarter Ended:	December 31, 2019	Fiscal Year:	2019-20	Reporting Quarter:	2
Agency:	County of Sacramento	Project Mgr:	Melissa Wright, Senior Civil Engineer		
		Contact Info:	(916) 874-6291		
Project Name:	Watt Avenue Improvements – Antelope Road to Business Interstate 80				
Sponsor Project ID Number:	STOXdN	STA Project ID Number:	A-37-SC		
Original Est. Project Cost:	\$ 40,825,817.00	Current Est. Project Cost:	\$ 40,825,817.00		

MEASURE A FUNDING

Previous Contract(s) Amount:	\$ 263,377.50	Projected Spending	3Q:	\$	40,000.00
Previous Contract(s) Spending:	\$ 263,377.50		4Q:	\$	150,000.00
Current Contract Amount:	\$ 3,345,000.00		1Q:	\$	100,000.00
Current Contract Spending:	\$ 64,471.85		2Q:	\$	50,000.00
Expended This Quarter:	\$ -				
Total Remaining:	\$ 3,280,528.15				
					Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input checked="" type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Project improvements on this corridor are for a segment of Watt Avenue from Interstate 80 to Roseville Road. The preliminary design for this project will evaluate and coordinate a preferred alternative for a complete streets concept that will include sidewalk infill, Americans With Disabilities Act (ADA) improvements (curb ramps and bus stops), Class II bike lanes, and streetscape enhancements.

The California Environmental Quality Act (CEQA document-Mitigated Negative Declaration) was found to be adequate and complete by the Sacramento County Board of Supervisors on September 25, 2018. With additional federal funding to be received for this project, scope has been added, which will require the previously approved CEQA document to be amended. The CEQA document amendment is anticipated to be complete in March 2020. Preparation of the National Environmental Policy Act (NEPA) federal environmental document has also begun. Once NEPA is approved, the right-of-way activities are tentatively scheduled to move forward in 2020.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **City of Rancho Cordova** Project Mgr: **Edgar Medina**
 Contact Info: emedina@cityofranhocordova.org

Project Name: **Folsom Blvd Improvements – Bradshaw Road to Sunrise Blvd**

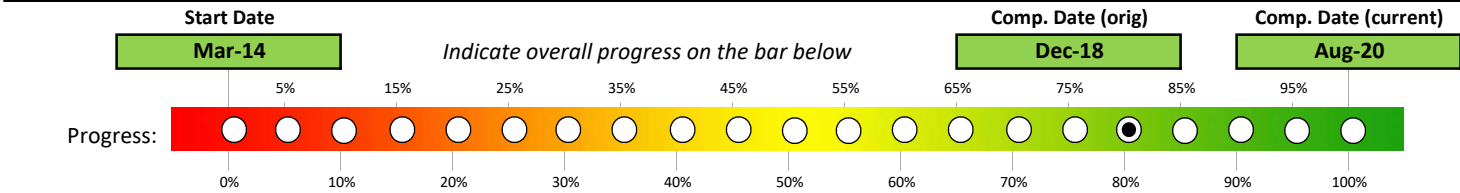
Sponsor Project ID Number: **P14-2129/CP14-2139/CP16-217** STA Project ID Number: **A-14-RC**

Original Est. Project Cost: \$ **10,155,200.00** Current Est. Project Cost: \$ **13,129,135.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	5,928,000.00	Projected Spending	3Q:	\$	500,000.00
Previous Contract(s) Spending:	\$	4,668,254.98		4Q:	\$	500,000.00
Current Contract Amount:	\$	5,466,095.60		1Q:	\$	750,000.00
Current Contract Spending:	\$	3,623,684.97		2Q:	\$	750,000.00
Expended This Quarter:	\$	-	Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Total Remaining:	\$	3,102,155.65				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

Not Started Right-of-Way Acquisition Bidding and/or Contracting
 Pending or On-Hold Environmental Review Under Construction
 Design and/or Engineering Planning/Financing/Approval Completed

Explanation of Activities this Quarter and Additional Notes

Phase IV and the Folsom Side projects are now substantially complete. Punchlist items are expected to be completed within the next 60 days.

The Folsom Phase V construction project has been awarded. Construction activities will begin in Q3 of FY19-20.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **City of Rancho Cordova** Project Mgr: **Edgar Medina**
 Contact Info: emedina@cityofranhocordova.org

Project Name: **Sunrise Blvd – Gold Country Road to Jackson Road**

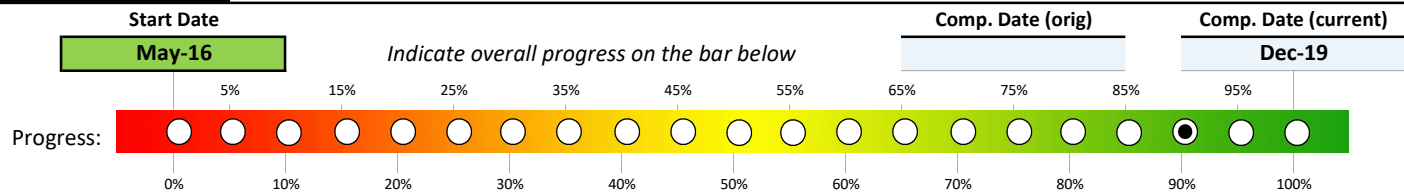
Sponsor Project ID Number: **CP15-2145** STA Project ID Number: **A-32-RC**

Original Est. Project Cost: \$ **4,035,000.00** Current Est. Project Cost: \$ **1,899,000.00**

MEASURE A FUNDING

Total Measure A Funding:	\$	28,904.40	Projected Spending	3Q:	\$	-
Current Contract Amount:	\$	-		4Q:	\$	-
Total Previously Expended:	\$	28,904.40		1Q:	\$	-
Expended This Quarter:	\$	-		2Q:	\$	-
Total Remaining:	\$	-		Measure A Funds Used for Local Match? <input type="checkbox"/> Yes <input type="checkbox"/> No		

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|---|--|---|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input type="checkbox"/> Environmental Review | <input type="checkbox"/> Under Construction |
| <input checked="" type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

The construction contract for this project has been advertised. This contract will be awarded after the March 2020 CTC meeting. A request to transfer funds from the Folsom Streetscape project to this project will follow this report.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended:	December 31, 2029	Fiscal Year:	2019-20	Reporting Quarter:	2
Agency:	City of Sacramento	Project Mgr:	Greg Taylor, Supervising Architect		
		Contact Info:	916-808-5268		
Project Name:	Downtown Intermodal Facility				
Sponsor Project ID Number:	T15029000	STA Project ID Number:	A-38-CS		
Original Est. Project Cost:	\$ 200,000,000.00	Current Est. Project Cost:	\$ 200,000,000.00		

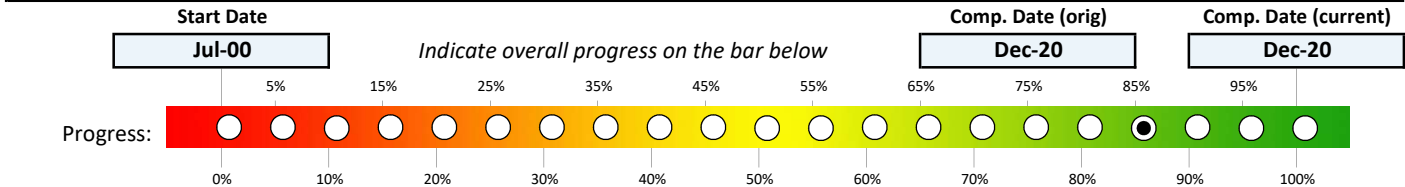
MEASURE A FUNDING

Previous Contract(s) Amount:	\$	70,272,500.00							
Previous Contract(s) Spending:	\$	70,272,500.00							
Current Contract Amount:	\$	19,823,000.00							
Current Contract Spending:	\$	10,434,852.10							
Expended This Quarter:	\$	1,141,148.27							
Total Remaining:	\$	8,246,999.63							

	Projected Spending								
		3Q:	\$	300,000.00					
		4Q:	\$	300,000.00					
		1Q:	\$	300,000.00					
		2Q:	\$	300,000.00					

Measure A Funds Used for Local Match? Yes No

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- | | | |
|--|--|--|
| <input type="checkbox"/> Not Started | <input type="checkbox"/> Right-of-Way Acquisition | <input checked="" type="checkbox"/> Bidding and/or Contracting |
| <input type="checkbox"/> Pending or On-Hold | <input checked="" type="checkbox"/> Environmental Review | <input checked="" type="checkbox"/> Under Construction |
| <input type="checkbox"/> Design and/or Engineering | <input type="checkbox"/> Planning/Financing/Approval | <input checked="" type="checkbox"/> Completed |

Explanation of Activities this Quarter and Additional Notes

Phase 3 – Site Master Planning in progress, Phase 3 Intermodal planning consultant fees and city staff administrative and management costs, ongoing through FY20 Q2. Completion at 50% of total CIP. Projected billings estimated at \$1,200,000. Contract extension has been approved per Sacramento Transportation Authority.

Measure A Capital Projects Quarterly Status Report



PROJECT INFO

Quarter Ended: **December 31, 2019** Fiscal Year: **2019-20** Reporting Quarter: **2**

Agency: **City of Sacramento** Project Mgr: **William Shunk, Senior Engineer**
Contact Info: **916-808-2986**

Project Name: **Interstate 5/Richards Blvd Interchange Upgrade**

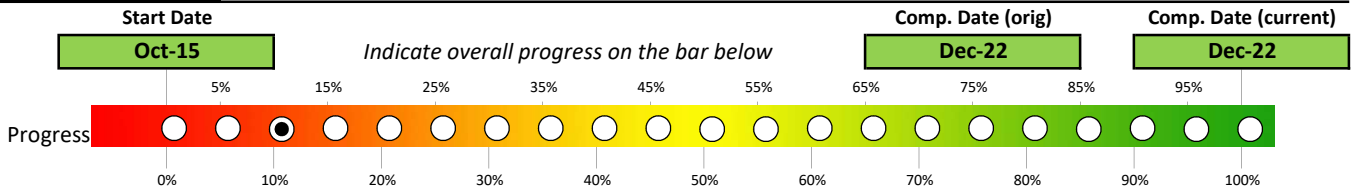
Sponsor Project ID Number: **T15165100** STA Project ID Number: **A-52-CS**

Original Est. Project Cost: \$ **90,000,000.00** Current Est. Project Cost: \$ **90,000,000.00**

MEASURE A FUNDING

Previous Contract(s) Amount:	\$	-	Projected Spending	3Q:	\$	100,000.00
Previous Contract(s) Spending:	\$	-		4Q:	\$	100,000.00
Current Contract Amount:	\$	3,115,861.73		1Q:	\$	100,000.00
Current Contract Spending:	\$	161,774.45		2Q:	\$	100,000.00
Expended This Quarter:	\$	67,410.49		Measure A Funds Used for Local Match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Total Remaining:	\$	2,886,676.79				

PROJECT STATUS



Current Status (as of last day of reporting quarter; check only one):

- Not Started
- Right-of-Way Acquisition
- Bidding and/or Contracting
- Pending or On-Hold
- Environmental Review
- Under Construction
- Design and/or Engineering
- Planning/Financing/Approval
- Completed

Explanation of Activities this Quarter and Additional Notes

The project team has prepared potential project alternatives based on stakeholder feedback and has run preliminary traffic models to evaluate the feasibility of each alternative. The operations of each alternative will be one of many evaluation criteria presented to stakeholders in determining the alternatives that will be studied in more detail with the environmental document. Close coordination with Caltrans continues with bi-monthly meetings.



APRIL 09, 2020

AGENDA ITEM # 5

**ANNUAL ADJUSTMENT TO THE MEASURE A SACRAMENTO COUNTYWIDE
TRANSPORTATION MITIGATION FEE PROGRAM RATES**

Action Requested: Adopt

Key Staff: Timothy Jones, Chief Financial Officer

Recommendation

Adopt the adjusted rates for the Measure A Sacramento County Transportation Mitigation Fee Program.

Discussion

Cities participating in the Measure A program are required to collect a fee for the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) based on rates approved by the STA Governing Board. The fees collected by each agency are remitted to the Authority semi-annually and used to fund road and transit system improvements needed to accommodate projected growth and development throughout the county.

The Measure A Ordinance requires that the fees “be adjusted annually by action of the STA Governing Board to reflect changes in construction costs based on the McGraw-Hill Engineering News Record (ENR) 20-city Construction Cost Index (CCI).” The average CCI in 2019 was 11,281 compared to 11,062 in 2018, an increase of 1.98 percent. This ratio is applied to the approved fiscal year 2019-20 rates to determine the new rates. The adjusted rates applicable for fiscal year 2020-21 are shown in the last column of Table 1 on the next page.

Upon adoption, STA staff will distribute the adjusted fee rate schedule to the County and the cities of Elk Grove, Rancho Cordova, Sacramento, Folsom, Galt, Isleton, and Citrus Heights for implementation in their local fee ordinances effective July 1, 2020.

Table 1: SCTMFP Fee Schedule for FY 2020-21

Land Use	Per	Current Rates FY 2019-20	New Rates FY 2020-21
Single-Family Residential	unit	\$1,303	\$1,329
Single-Family Residential, Senior	unit	\$1,043	\$1,064
Multi-Family Residential	unit	\$912	\$930
Multi-Family Residential, Senior	unit	\$781	\$796
Office Use	1,000 square feet	\$1,565	\$1,596
Retail Use	1,000 square feet	\$1,956	\$1,995
Industrial Use	1,000 square feet	\$1,043	\$1,064
Hotel/Motel	sleeping room	\$755	\$770
Extended Stay Hotel/Motel	sleeping room	\$671	\$684
Golf Course	acre	\$1,085	\$1,106
Movie Theater	screen	\$2,480	\$2,529
Religious Center	1,000 square feet	\$1,213	\$1,237
Hospital	1,000 square feet	\$2,186	\$2,229
Service Station	fueling pump	\$1,695	\$1,729
Supermarket	1,000 square feet	\$1,956	\$1,995
Warehouse/Self-Storage	1,000 square feet	\$327	\$333
Assisted Living Facility	bed	\$376	\$383
Congregate Care	unit	\$276	\$281
Child Day Care	student	\$600	\$612
Private School (K-12)	student	\$339	\$346
Auto Repair/Body Shop	1,000 square feet	\$1,956	\$1,995
Gym/Fitness Center	1,000 square feet	\$1,956	\$1,995
Drive-through Car Wash	1,000 square feet	\$1,956	\$1,995
All Other	average weekday trips generated	\$137	\$140



APRIL 9, 2020

AGENDA ITEM # 6

PROPOSED BUDGET FOR FISCAL YEAR 2020-21

Action Requested: Open Public Hearing and Continue to May 14

Key Staff: Timothy Jones, Chief Financial Officer

Recommendation

Open the public hearing on the proposed budget and continue the item to May 14.

Discussion

The law requires the Authority to adopt an annual budget. The budget process starts at the staff level in January with internal discussions and analysis and continues in February and March when staff reach out to Measure A program partners to gather information about their spending plans for the remainder of the current year and the budget year. This is a collaborative effort that will continue until the final budget is adopted in May.

Attached is the letter of transmittal and key financial tables for the Proposed FY 2020-21 budget. The remaining budget information, which is primarily text and statistical information, will be presented as a complete document in May. These tables represent revenue, appropriations, other financing sources and uses, and fund balances for each program and fund.

The budget incorporates revenue projections developed in conjunction with the Authority's consultant – Avenu Insights and Analytics (Avenu) – in February 2020. As we now know, the global, national, state, and local impact of COVID-19 is devastating – from a human and financial perspective. Since we do not know the extent to which the pandemic will impact the Authority financially, we developed the budget using the most recent supportable information available. The budget incorporates all capital project funding requests provided by program partners which we expect to fully fund given the estimated fund balance going into the budget year. However, as we assess program revenues and expenditures during the budget year and we believe it is in the best interest to make adjustments, we will work with agency staff to determine the best course of action.

Staff will engage Avenu in August to update revenue projections. If there are material changes to the expected sales tax revenue stream, we will bring an amended budget to the Board for its consideration.

General Fund

- General Fund revenues are projected to increase based on February 2020 projections provided by Avenu Insights and Analytics. However, we know that sales revenue is going to decrease, but to what extent is unknown at this time. We will reassess the projections in August 2020 and respond accordingly.
- General Fund appropriations for the Capital Improvement Program (CIP) are expected to increase by \$11.9 million as many projects in the region enter the construction phase. The CIP is expected to fund projects in the budget year as follows:
 - Sacramento County
 - Folsom Blvd. - \$2,000,000
 - Greenback Lane - \$500,000
 - Hazel Ave. Hwy 50 to Folsom - \$2,500,000
 - Hazel Ave. Hwy 50 to Madison - \$5,000,000
 - Madison Ave. - \$1,500,000
 - Sunrise Blvd. - \$500,000
 - Watt Ave. - \$500,000
 - South Watt Ave. - \$2,000,000
 - City of Sacramento
 - Richards Blvd. - \$800,000
 - Intermodal Station - \$2,200,000
 - City of Rancho Cordova
 - Folsom Blvd. - \$1,650,982
 - City of Citrus Heights
 - Sunrise Blvd. - \$600,000
 - Caltrans
 - Hwy 50 - \$1,250,000
 - I-5 - \$7,000,000
 - Capital SouthEast Connector
 - Connector - \$6,374,314
- Fund reserve balances remain the same in the budget year as the current year for the CIP and administration funds. The proposed CIP reserve is \$1.8 million and for administration \$200,000. The budget should be planned without the use of reserves, as these balances are for economic uncertainties. These amounts are based on the Government Finance Officers Association (GFOA) guidelines.
- Fund balance under the proposed budget is expected to decrease \$10.1 million to \$30.8 million in FY 2020-21 when compared to the budgeted ending fund balance for FY 2019-20.

Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)

- The SCTMFP is an important funding source for the CIP program.
 - Revenue is expected to decrease by \$1 million in FY 2020-21 in comparison to the FY 2018-19 budget. The decrease is attributed to expected reductions in construction activity throughout the region.
 - Appropriations for FY 2020-21 are expected to be \$10 million, which is a decrease of \$3.2 million when compared to the FY 2018-19 budget amount.

Administration

- The sales tax allocation is driven by sales tax revenue, which is budgeted to increase marginally, but as we now know will decrease in the budget year, but the amount is undermined at this point.
- Appropriations for FY 2020-21 are expected to decrease over \$300,000 when compared to the FY 2019-20 budget. Expenses for outreach and education consulting services are expected to decline, reducing expenditures overall.

Sacramento Abandoned Vehicle Service Authority (SAVSA)

- Revenue and appropriations are materially consistent in the FY 2019-20 and FY 2020-21 budgets.

SacMetro Freeway Service Patrol (FSP)

- Revenue from state allocations is expected to increase by \$1.4 million as SB1 allocations for new and expanded services increase in the budget year.
- Appropriations for contractors are expected to increase by about \$300,000 as services are expanded during the budget year.

Debt Service

- Debt service costs are in the budget year are materially the same as the budgeted amount in the current year.

The Final Budget will be presented during the May Board meeting.

Attachments

Sacramento Transportation Authority

Proposed Budget

Fiscal Year 2020-21

DRAFT

Letter of Transmittal

April 9, 2020

Chairman and Members of the Board:

We are pleased to submit the Fiscal Year 2020-21 (FY 2020-21) Proposed Budget for the Sacramento Transportation Authority (Authority). California Public Utilities Code Section 180105 instructs the Authority to adopt an annual budget. This budget was created in accordance with State Law, the Authority's policies, and the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Awards Program criteria. This budget is balanced in that revenues and fund balance are greater than expected appropriations.

As the Authority's policy makers, the Governing Board (Board) sets the direction of the agency. This budget provides a framework for the Authority's finances and serves as a source of information for the Board, staff, Measure A agencies, and the public. The programs and services represented in this budget focus on the Authority's mission to maximize the use of limited available resources to best improve the transportation network in Sacramento County.

To that end, the following goals have been established:

- Maximize program effectiveness through efficient and effective stewardship of all public resources;
- Collaborate with partner agencies to ensure the timing of their funding needs and the availability of funding resources are complimentary;
- Provide accurate and timely distribution of required financial reports;
- Effectively implement taxpayer safeguards identified in the Measure A Ordinance;
- Provide support to the Independent Taxpayer Oversight Committee (ITOC) in its mission to safeguard public resources by overseeing annual fiscal and periodic performance audits and;
- Engage the public and solicit its input on important Authority matters.

The budget process is structured to allow the Board, staff, ITOC, and the public adequate time for review and analysis of the budget's key components. The budget process begins in January after completion and approval of the prior year's audited Comprehensive Annual Financial Report (CAFR). The process continues in February and March as staff update the budget with revenue forecasts developed in conjunction with the Authority's consultant – Avenu Insights and Analytics. At the same time, staff work

with each Measure A agency to gather financial information for the Capital Improvement Program (CIP) and other ongoing transportation programs. In April, the Proposed Budget is presented to the Board in a public hearing for its consideration and comments. In May, the Final Budget is presented to the Board in a public hearing for adoption.

SACRAMENTO COUNTY AT A GLANCE

Sacramento County was incorporated in 1850 as one of the original 27 counties of the State of California. The County's largest city, the City of Sacramento, is the seat of government for the State of California and serves as the County Seat. Sacramento became the State Capital in 1854.

The County encompasses approximately 994 square miles in the middle of the 400-mile long Central Valley, which is California's prime agricultural region. The County is bordered by Contra Costa and San Joaquin Counties on the south, Amador and El Dorado Counties on the east, Placer and Sutter Counties on the north, and Yolo and Solano Counties on the west. The County extends from the low delta lands between the Sacramento and San Joaquin Rivers north to about ten miles beyond the State Capitol and east to the foothills of the Sierra Nevada Mountains. The southernmost portion of Sacramento County has direct access to the San Francisco Bay.

The geographic boundaries of the County include seven incorporated cities: Sacramento, Folsom, Galt, Isleton, Citrus Heights, Elk Grove, and Rancho Cordova. Each of these cities contributes a rich and unique dimension to the Sacramento County region.

The County's population is currently about 1.54 million with an average annual growth rate of approximately 1 percent. The County's unemployment rate reached a historic low of 3.2% in 2019, while per capita personal income increased by 4.2% to \$52,544 in 2019. The region's employment base is diversified. Many state agencies are headquartered in the region, healthcare entities such as UC Davis Health Systems and Sutter California Health Services employ large pools of highly skilled workers, technology giants Apple and Intel employ call center and manufacturing personnel, and construction in the commercial, infill, and residential sectors has been robust.

Sacramento is located within a couple hour's drive of some of the world's most desirable outdoor recreation destinations – Lake Tahoe, the Sierra Nevada mountains, Yosemite, Mount Lassen/Shasta, and the Giant Redwoods.

Budget Overview

The Proposed Budget contains three years data - prior year actual amounts identified as "FY 2019 actual," current year amounts identified as "FY 2020 Estimate", and the budget year amount, reported as "FY 2021 Proposed". The FY 2020 Estimate is based on roughly 7 months of actual accounting data (modified accrual basis), while the remainder of the fiscal year is based on estimates

The Proposed Budget anticipates \$149.1 million in total revenue, which is an increase of about \$1.7 million (1.1%) over the prior year. This includes revenue from all funding sources. Appropriations for FY

2020-21 are expected to total \$144.8 million, an increase of about \$13.3 million (10.1%) compared to the prior year. In addition, other financing uses, reported as transfers out, are expected to be \$23.6 million in FY 2020-21 which is consistent with the amount in the prior year. The net impact on fund balance is an decrease of \$10.1 million (-24.6%).

Major factors impacting the budget are as follows:

- Sales tax revenue is forecast to increase by \$1.7 million (1.3%) to about \$133.5 million in budget year FY 2020-21 based on the Authority's February 2020 revenue forecast compared to budgeted sales tax revenue of \$131.8 million in FY 2019-20;
- Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) revenue is expected to be \$6 million, a decrease of \$1 million (-14.3%);
- Interest revenue from the Authority's interest rate swap program is expected to decrease by \$500,000 (-11.1%) to roughly \$4 million as interest rates decrease;
- Sacramento Metropolitan Freeway Service Patrol (SacMetro FSP) revenue is expected to increase by \$1.4 million (50.6%) because of new funding provided by Senate Bill 1 – Road Repair and Accountability Act of 2017
- Capital Improvement Program (CIP) appropriations are expected to increase by \$11.9 million (52.9%) to \$34.4 million as many capital projects throughout the region are ready to move into the construction phase;
- Ongoing allocation appropriations are expected to increase \$1.3 million (1.3%) to \$105.3 million since ongoing allocations change at essentially the same rate as sales tax revenue

Consolidated Budget General Fund, SAVSA, and Debt Service - Revenue, Appropriations, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenues					
Sales Tax	\$131,757,081	\$131,773,144	\$130,154,100	\$133,513,377	\$1,740,233
SCTMFP Fees *	6,684,037	7,000,000	7,109,583	6,000,000	(1,000,000)
Interest and Other	5,668,191	4,500,400	4,073,226	4,000,400	(500,000)
FSP State Allocation/CVR-SAFE **	2,043,752	2,889,222	2,552,200	4,351,113	1,461,891
SAVSA***	1,316,666	1,259,939	1,286,479	1,273,975	14,036
Total Revenues	\$147,469,727	\$147,422,705	\$145,175,588	\$149,138,865	\$1,716,160
Appropriations					
Administration	772,413	899,328	1,056,494	581,544	(317,784)
FSP	1,986,738	2,918,749	2,402,047	3,247,315	328,566
SAVSA	1,316,666	1,260,335	1,325,632	1,274,375	14,040
Contributions to Measure A Entities:					
Ongoing Allocations	103,922,104	103,951,563	102,676,993	105,321,537	1,369,974
Capital Improvement Program (CIP)	10,705,881	22,488,454	18,251,439	34,375,296	11,886,842
Total Appropriations	\$118,703,802	\$131,518,429	\$125,712,605	\$144,800,067	\$13,281,638
Other Financing Sources (Uses)					
Transfers Out (to the Debt Service Fund)	(23,096,608)	(23,640,000)	(22,779,687)	(23,650,000)	(10,000)
Total Financing Sources (Uses)	(\$23,096,608)	(\$23,640,000)	(\$22,779,687)	(\$23,650,000)	(\$10,000)
Net Increase (decrease) in Fund Balance	5,669,317	(7,735,724)	(3,316,704)	(19,311,202)	(11,575,478)
Beginning Fund Balance	47,852,856	48,741,598	53,522,173	50,205,470	1,463,872
Ending Fund Balance	\$53,522,173	\$41,005,874	\$50,205,470	\$30,894,268	(\$10,111,606)
Fund Reserve****	1,100,000	2,000,000	2,000,000	2,000,000	-
Ending Fund Balance Less Reserve	\$52,422,173	\$39,005,874	\$48,205,470	\$28,894,268	(\$10,111,606)

* Sacramento Countywide Transportation Mitigation Fee Program

** SacMetro Freeway Service Patrol

*** Sacramento Abandoned Vehicle Service Authority

**** FY 2021 \$1.8 million for the General Fund and \$200,000 for administration

Budget Improvements for FY 2020-21

Fund balance reserves remain consistent with guidelines published by GFOA. GFOA recommends that 2-4 months revenue or expenditures, whichever is more stable, be set aside for economic uncertainties and any other unforeseeable changes in revenue or expenditures impacting fund balance. The more stable basis in the Authority's case is revenue. For FY 2020-21, the CIP and administration reserve fund balances are budgeted at \$1.8 million and \$200,000 respectively. Other improvements include the following:

- **EXPENDITURES** – added expenditures by fiscal year to the long-term revenue forecast table;
- **STATISTICAL SECTION** – added statistical subsection to the Letter of Transmittal;
- **BUDGET TABLES** - reformatted so that financial information is easy for the user to read and understand;
- **TABLES AND GRAPHS** – added tables and graphs showing trends and metrics

Strategic Planning Goals and Strategies

The Authority’s mission is to fund innovative and sustainable transportation solutions to help relieve traffic congestion, improve air quality, expand public transit, and improve public safety.

The Strategic Plan articulates the Authority’s long-term goals, objectives, and priorities. It is comprised of four goals – financial stability, operational efficiency, outreach and education, and transportation project planning and prioritization.

Goal 1: Financial Stability

The goal is to ensure adequate fiscal resources are available to fulfill the Authority’s mission. The Authority has a fiduciary responsibility to regularly monitor current and projected revenues and expenditures to ensure an appropriate amount of funding is available when needed. The Authority’s three funding sources for its Measure A program are local sales tax, mitigation fee revenue, and bonded debt. The table below summarizes five years’ data for the Authority’s funding sources, debt metrics, and cash.

Key Performance Indicators

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
	Actual	Actual	Actual	Estimate	Proposed
Sales Tax Revenue	\$116,877,996	\$119,187,748	\$131,757,081	\$130,154,100	\$133,513,377
Mitigation Fee Revenue	7,848,175	7,621,753	6,684,037	7,109,583	6,000,000
Bonded Debt Outstanding	368,205,000	364,615,000	360,875,000	356,985,000	352,935,000
Debt Service Coverage Ratio	5.68x	5.36x	5.51x	5.70x	5.61x
Bond Rating (S & P)	AA+	AA+	AA+	AA+	AA+
Fiscal-Year-End GF Fund Balance	\$47,650,413	\$47,691,937	\$53,354,683	\$50,076,695	\$30,765,493

In its effort to carry out this goal, Authority staff identified strategic objectives that are regularly monitored and updated to ensure that fiscally responsible actions are taken as needed for the program’s long-term financial stability.

1. Perform sales tax revenue forecasts at least twice annually
 - a. Engage a revenue forecasting consultant to assist Authority staff in developing revenue projections through the end of the program in FY 2038-39
2. Monitor mitigation fee revenue received from each jurisdiction
 - a. Semiannually review actual mitigation fee revenue receipts to develop an understanding of the trends in local construction activity and engage program partners collecting the fee to determine future fee revenue expectations
3. Perform cash flow analyses for the capital program based on single-year and multi-year funding contracts

- a. Review cash flows and available fund balance twice annually to ensure adequate program funding
4. Provide updated financial information to bond rating agencies
 - a. To maintain the Authority's credit rating, proactively provide financial and local economic information to each bond rating agency;
 - b. Periodically meet in person with the Authority's bond program credit rating agencies to provide updated financial and other economic information for the region and Authority
5. Provide financial reporting package to financial institutions on a quarterly basis
 - a. Within 60-days after the end of each fiscal quarter and upon completion of the audited financial statements, provide required financial reporting information to each financial institution underwriting the Authority's bond program

Goal 2: Operational Efficiency

The goal is to implement and maintain effective operational practices. The Authority needs to maximize fiscal restraint for program administration costs which include salaries and benefits, overhead such as office space and IT equipment and services, and contracts for professional services such as legal and financial auditing. Funding for program administration is limited to 0.75% of the net sales tax proceeds. However, non-recurring revenue such as contributions from partner agencies may increase the total revenue available for program administration. The following table summarizes sales tax allocations and expenditures for administration for five fiscal years including the budget year.

Key Performance Indicators

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Estimate	FY 2020-21 Proposed
Sales tax allocation for administration	\$1,022,402	\$1,033,547	\$970,464	\$958,554	\$983,436
Other					
Beginning Fund Balance	(195,546)	3,224	664,030	862,081	764,141
Total Revenues and Fund Balance	\$826,856	\$1,036,771	\$1,634,494	\$1,820,635	\$1,747,578
Expenditures:					
Salaries and Benefits	509,998	340,579	444,551	455,242	462,324
Overhead	83,593	53,553	45,336	41,063	50,970
Professional Services	230,041	99,506	282,526	560,189	68,250
Total Expenditures	\$823,632	\$493,639	\$772,412	\$1,056,494	\$581,544
Ending Fund Balance	\$3,224	\$664,030	\$862,081	\$764,141	\$1,166,033

Generally, sales tax allocations combined with non-recurring revenues exceed expenditures leaving a fund balance to carry into the following year. However, there is one exception which occurred in FY 2015-16. In this case, a contract for professional services related to outreach and education for a ballot measure in November 2016 resulted in expenditures exceeding revenues and the beginning fund balance, creating a deficit in the administration fund. The effect of this issue carried over as a deficit

beginning fund balance in FY 2016-17. Since that time, the Authority has proactively reduced total annual administrative expenditures, providing an appropriate ending fund balance again since FY 2017-18. Two of the five years in the table include non-recurring revenues – FY 2016-17 reimbursements from local jurisdictions for outreach and education expenditures in FY 2015-16 and a legal settlement related to hedging derivatives in FY 2017-18. The Authority does not rely on non-recurring revenue to fund program administration. To maximize operational efficiency, staff implemented strategic objectives to ensure that every appropriated dollar is justified.

1. Prepare multi-year cash-flow analyses
 - a. As part of the budget cycle and mid-year, staff prepare cash-flow analyses to ensure a reasonable fund balance is maintained considering the expected expenditures
2. Established a fund balance reserve
 - a. Beginning in FY 2018-19 a fund balance reserve of \$100,000 was established. In FY 2019-20, the reserve was increased to \$200,000 which is consistent with GFOA guidelines – in this case roughly two month’s revenues. The FY 2020-21 budget includes the same reserve amount
3. As contracts for services expire, bid out the services through the competitive bid process.
 - a. A contract for sales tax audit services performed by a consultant expired early in FY 2020-21. The services had been provided at a cost of \$.30 for every dollar recovered. However, costs for the same services under a new multi-year contract are \$.15 for every dollar collected. The estimated savings for FY 2020-21 is about \$30,000;
 - b. Returned leased copier and eliminated monthly copier service contract. Purchased new equipment outright and only request maintenance services on an as-needed basis. Annual savings estimated to be \$2,500;
 - c. Developed a methodology to allocate administration costs to the SAVSA and SacMetro FSP programs using an annually updated formula

Goal 3: Outreach and Education

The Authority is a small agency with limited exposure to the public, so it needs to proactively engage public members. To do so, the Authority established strategic objectives designed to accomplish this engagement.

1. Promote an awareness of regularly scheduled Independent Taxpayer Oversight Committee (ITOC) public meetings.
 - a. Developed a website dedicated to the ITOC. Established a meeting calendar. Post all meeting materials and committee product to the website;
 - b. Invite ITOC to regularly update the Board in its efforts to carry out its responsibilities as identified in the Measure A Ordinance
2. Promote attendance to Board meetings
 - a. Invite local advocate groups to participate in Board meetings
3. Enlist awareness at the local agency level

- a. Encourage local jurisdictions participating in the Measure A program to post approved signage on vehicles and projects
- 4. Initiate performance audit
 - a. Provide funding and staff support for the ITOC to conduct the first of a series of performance audits performed under contract by an independent audit firm

Goal 4: Transportation Project Planning and Prioritization

The Measure A program spans 30 years – 2009 through 2039. Voters approved an Expenditure Plan as part of the Measure A Ordinance identifying what projects are to be constructed and how much funding is allocated by project type based on the revenue projections included in the Expenditure Plan. The Authority is charged with monitoring projects and spending as envisioned in the Plan. The following strategic objectives are designed to accomplish that goal.

- 1. Regularly engage program partners
 - a. Meet regularly with the Professional Advisory Group (PAG) to discuss current issues and for planning purposes. This group consists of representatives from each partner agency – members are typically the public works directors and staff;
 - b. Regularly communicate the Authority’s financing plans by fiscal year and project;
 - c. Present a status update of each project under contract with the Authority to the Board and ITOC on a quarterly basis
- 2. Assess program financing needs
 - a. Perform cash-flow analyses at least twice annually to determine what financing mechanisms are available to meet program needs

The Authority views the strategic goals and objectives above with the mindset that it has the fiduciary responsibility to carry out the program’s objectives in an orderly, equitable, and transparent way.

Challenges

The Authority receives funding for its program primarily from two sources – local sales tax and development fees. Given the recent outbreak of COVID-19 and its global impact – in health and financial terms – the Authority is expecting, at a minimum, a near-term decrease in revenue from both sources. Although we do not currently know the extent of the impact financially, the Authority will continue to monitor events impacting the economy locally and respond accordingly. In August 2020, the Authority will engage its consultant – Avenu Insights and Analytics - to provide updated sales tax revenue forecasts. In the event there is a material change in comparison to the budgeted revenue amounts, staff will develop an amended budget for the Board to consider. Additionally, staff will work with partner agencies to determine how best to address any anticipated shortfalls.

The Measure A Capital Improvement Program (CIP) is currently financed through pay-as-you-go (pay-go) and Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) funding since remaining proceeds from bonds issued early in the program were expended in FY 2017-18. Based on a 2019 analysis, it was estimated that the Authority could afford roughly \$65-70 million in additional debt however, pay-go and SCTMFP cash is projected to be enough to pay for anticipated claims for at least 2-3 fiscal years, including the budget year. The cash accumulation is the result of many project delays including construction bids coming in higher than engineers' estimates – delaying project starts and the related spending. This presents a challenge because the opportunity to issue additional bonds diminishes as time passes since any new debt needs to be repaid by FY 2027-28. At that time nearly all the projected funding set aside for the debt program will be consumed by principal payments on the Authority's existing debt. Because of the delayed spending and debt program constraints, demand for funding and available cash will likely not align, creating future challenges.

The Measure A Ordinance limits to 0.75% of the net sales tax revenue, the amount that can be used to fund administration. Since sales tax revenue fluctuates but salaries, benefits, and other costs such as the California Public Employee Retirement System (CalPERS) unfunded liability continue to rise, the current staffing level of 3 full-time equivalent (FTE) positions is not likely to increase in the near term. At the same time, staff workload continues to increase as the Authority implements new programs such as the Neighborhood Shuttle in July 2018 and the Consumnes River Permanent Open Space Preserve program in fall 2019.

The challenges mentioned above are not insurmountable over the long run with careful planning and monitoring. In response to these challenges, Authority staff continue monitoring long-term program financing for the CIP and administration costs by taking steps to ensure adequate funding is available to pay for the anticipated costs. This is accomplished, in part, by annually updating our revenue forecast and adjusting program expenditures accordingly.

Capital Improvement Program (CIP)

In 2004 voters approved 54 projects which are identified in the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan). The agencies implementing the projects are the County of Sacramento (County), the cities of Galt, Elk Grove, Rancho Cordova, Sacramento, Citrus Heights, and Folsom, the California Department of Transportation (Caltrans), Sacramento Regional Transit District (SRTD), and the Capital SouthEast Connector Authority. After voters approved Measure A in 2004 and before collection of the sales tax began in April 2009, Authority staff coordinated a multi-year effort to determine funding by fiscal year for each project through the end of the Measure A program in 2039. The CIP allocation plan serves as a roadmap for the program's projects, but the Measure A Ordinance requires a review beginning in 2019 and every 10 years thereafter. This effort affords an opportunity to update the Expenditure Plan with current priorities based on input and approval from the County Board

of Supervisors and a majority of city councils constituting a majority of the incorporated population. This effort began during FY 2019-20 and is expected to be completed in spring 2021.

The Authority does not construct, operate, or own the related capital assets for any of the projects in the Expenditure Plan. The Authority exists, in part, to administer pass-through funding for the CIP. As such, there is no impact on the Authority's operating costs resulting from activity associated with the projects in the Expenditure Plan.

There are 15 projects programmed to receive Measure A funding during FY 2020-21 through interagency funding agreements. All CIP projects are multi-year or long-term in nature, therefore many projects span multiple funding agreement cycles. Since availability of funding is a primary driver for the construction cycle, some projects may stall while enough funding is identified. Therefore, it is not uncommon to reallocate funding from one project to another based on the availability of other funding sources. Since Measure A funding is normally the local matching component for other funding sources, the Authority and the agencies building the projects work together throughout the project lifecycle to ensure funding is available when and where needed. Since most projects receive funding from multiple sources, a project's allocation of Measure A funding may be exhausted before completion of the project depending on agency priorities and the availability of matching funding. Projects in the budget include the following:

Sacramento County

- **FOLSOM BOULEVARD/COMPLETE STREETS** – This project will improve safety and connectivity along Folsom Boulevard between Bradshaw Road and Mayhew Road. FY 2020-21 funding \$2,000,000.
- **GREENBACK LANE/COMPLETE STREETS** – This project, which is on Greenback Lane between Chestnut Avenue and Folsom City Limits, will improve safety and connectivity. FY 2020-21 funding \$500,000.
- **HAZEL AVENUE/U.S. 50 TO FOLSOM BOULEVARD** – This project will construct capacity, safety, and access improvements at the U.S. 50/Hazel Avenue interchange and the Hazel Avenue/Folsom Boulevard intersection. FY 2020-21 funding \$2,500,000.
- **HAZEL AVENUE/U.S. 50 TO MADISON** - This is the 3rd phase of the Hazel Avenue project that will widen Hazel Avenue from four to six lanes from Sunset Avenue to Madison Avenue. FY 2020-21 funding \$5,000,000.

- **MADISON AVENUE/PHASE 1** – This project will widen Madison Avenue from 4 to 6 lanes with raised medians between Fair Oaks Boulevard and Hazel Avenue in the Citrus Heights and Fair Oaks areas. FY 2020-21 funding \$1,500,000.
- **SUNRISE BOULEVARD/JACKSON TO GRANT LINE** – This project will widen the existing intersection at Jackson Road and Sunrise Boulevard. FY 2020-21 funding \$500,000.
- **WATT AVENUE/ANTELOPE TO CAPITAL CITY FREEWAY** – This project will provide safety and connectivity improvements on Watt Avenue north of I-80 from Orange Grove Avenue to Roseville Road. FY 2020-21 funding \$500,000.
- **SOUTH WATT/ELK GROVE-FLORIN ROAD** – This project will widen South Watt Avenue from two to four lanes between Florin Road and Jackson Road. FY 2020-21 funding \$2,000,000.

City of Sacramento

- **RICHARDS BOULEVARD/I-5 INTERCHANGE** – This project will provide long-term operational and circulation improvements to address future impacts resulting from high density development in the Central City. FY 2020-21 funding \$800,000.
- **INTERMODAL STATION/PHASE III** – This project is currently in the planning phase for the expansion of the existing station facility which will better connect transportation services closer to the relocated train track and platform alignment. The timeline for full build-out is currently 2040 and is planned to be implemented in distinct phases. FY 2020-21 funding \$2,200,000.

City of Rancho Cordova

- **Folsom Boulevard enhancements** – This multi-phase project will provide improved aesthetics and safety along Folsom Boulevard between Horn Road and Tiffany West Way, Horn Road and Bradshaw Road, and between Kilgore Road and Sunrise Boulevard. FY 2020-21 funding \$1,650,982.

City of Citrus Heights

- **Sunrise Boulevard/Sayonara to North City Limits** – This project will result in full pedestrian connectivity along the Sunrise Boulevard corridor, focusing on multiple segments between Sayonara Drive and the North City Limits. FY 2020-21 funding \$600,000

Caltrans

- **U.S. 50 HIGH OCCUPANCY VEHICLES (HOV)/I-5 TO WATT AVENUE** – This project is designed to reduce recurring congestion on U.S. 50 from the Watt Avenue Interchange (where the current HOV lanes start and stop on U.S. 50) to the I-5 Interchange in downtown Sacramento. FY 2020-21 funding \$1,250,000.
- **I-5 HOV** – This project, in its first phase, will construct approximately 19 miles of bus/carpool lanes on I-5 from Bach Lake Bridge to U.S. 50. Phase two will construct 6 miles of bus/carpool lanes from 1.1 mile south of Elk Grove Boulevard to Beach Lake Bridge. FY 2020-21 funding \$7,000,000.

Capital SouthEast Connector

- This project consists of a 34-mile-long expressway that will serve as a beltway through the southern area of Sacramento County into El Dorado County, enabling travelers to bypass downtown Sacramento and Highway 50 congestion between Elk Grove, Rancho Cordova, Folsom and El Dorado Hills. FY 2020-21 funding \$6,374,314.

Long-Term Financial Planning

Sales tax revenue forecasts are the starting point for short and long-term financial planning. Annually, Authority staff work with a revenue forecasting consultant – Avenu Insight and Analytics - to provide updated revenue projections for each remaining fiscal year of the Measure A sales tax program – through FY 2038-39. This information is used to provide overall program revenues based on audited revenue amounts for past years and forecasts for the remaining years as a comparison to the revenue forecasts included in the Expenditure Plan approved by voters in 2004. A portion of this revenue is pledged to service the Authority's debt program and to determine the Authority's debt coverage ratios which are important to investors and financial institutions underwriting its debt. In addition, this effort allows the Authority to determine if forecasted revenue supports the issuance of additional debt, as necessary.

To illustrate the Authority's ability to continue funding its commitments for the remainder of the program, staff prepare a summary of funding sources and uses including legally required ongoing allocations, capital project costs, and debt service costs. The table below summarizes each expenditure type by fiscal year based on actual data through FY 2018-19, an estimate for FY 2019-20 based on 7 months of actual data and estimates for the remainder of the fiscal year and projections for future years.

Total funding sources for Measure A are cumulatively forecast to be \$4.97 billion consisting of local sales tax revenue of \$4.39 billion, development fees of \$193 million, and the issuance of bonded debt in the

amount of \$383 million – including premium. In the voter approved Expenditure Plan, total funding sources were expected to be \$5.19 billion, leaving an estimated shortfall of \$220 million over the life of the program. The voter approved Expenditure Plan assumed \$488 million in development fees of which only \$193 million are expected using the most recent projections – which accounts for nearly all of the shortfall. Even with the funding shortfall, the expected funding sources are about 97% of the amount originally forecast in the Expenditure Plan.

Total uses of funds are forecast to be \$4.97 billion consisting of ongoing allocations of \$3.48 billion, capital improvement programs costs of \$751 million, and debt service costs of \$736 million. Because of the anticipated funding shortfall and significant capital project funding early in the program – in particular prior to FY 2010 – some projects not slated for construction until later in the program will likely be negatively impacted.

DRAFT

Measure A Program Revenue and Appropriation Summary (in 000's)

Fiscal Year	Sales Tax Revenue	SCTMFP	Bonds Issued	Total Sources	Ongoing Allocations*	CIP **	Debt Service Net***	Total Uses
2010	\$81,414	\$3,074	\$318,300	\$402,788	\$64,521	\$209,223	\$11,426	\$285,170
2011	87,299	2,334	-	89,633	69,184	49,025	16,182	134,391
2012	92,240	2,957	-	95,197	73,100	35,957	14,836	123,893
2013	97,390	3,176	64,681	165,248	77,182	16,917	15,687	109,785
2014	100,063	3,541	-	103,604	79,300	17,124	16,231	112,655
2015	105,564	4,624	-	110,188	83,659	20,233	15,797	119,689
2016	110,708	4,364	-	115,072	87,736	26,206	17,218	131,159
2017	116,878	7,848	-	124,726	92,626	16,697	18,999	128,322
2018	119,188	7,622	-	126,810	94,456	13,250	19,491	127,197
2019	131,757	6,684	-	138,441	104,417	10,706	17,403	132,526
2020	130,154	7,110	-	137,264	103,147	18,251	18,280	139,678
2021	133,513	6,000	-	139,513	105,809	34,375	19,650	159,835
2022	136,959	6,132	-	143,091	108,540	19,000	19,476	147,016
2023	140,494	6,267	-	146,761	111,342	18,000	19,479	148,820
2024	144,120	6,405	-	150,525	114,215	17,000	19,483	150,698
2025	147,840	6,546	-	154,386	117,163	16,500	19,480	153,143
2026	151,656	6,690	-	158,346	120,187	16,500	19,477	156,165
2027	155,570	6,837	-	162,407	123,289	16,500	19,477	159,266
2028	159,585	6,987	-	166,573	126,471	16,000	19,481	161,952
2029	163,704	7,141	-	170,845	129,736	16,000	35,438	181,174
2030	167,930	7,298	-	175,228	133,084	15,000	36,539	184,624
2031	172,264	7,459	-	179,722	136,519	15,000	36,474	187,993
2032	176,710	7,623	-	184,333	140,043	15,000	36,466	191,509
2033	181,271	7,790	-	189,061	143,657	15,000	36,407	195,064
2034	185,949	7,962	-	193,911	147,365	15,000	36,401	198,766
2035	190,749	8,137	-	198,886	151,168	15,000	36,343	202,512
2036	195,672	8,316	-	203,988	155,070	15,000	36,333	206,403
2037	200,722	8,499	-	209,221	159,072	15,000	36,266	210,338
2038	205,903	8,686	-	214,589	163,178	15,000	36,241	214,420
2039	211,217	8,877	-	220,094	167,390	13,356	36,141	216,887
Total	\$4,394,486	\$192,985	\$382,981	\$4,970,451	\$3,482,630	\$751,820	\$736,601	\$4,971,051

* Ongoing allocations as required under the Measure A Ordinance

** CIP expenditures include those funded with revenue anticipation notes issued in 2006 and 2007 totaling \$183 million

*** Net of interest rate swap revenue

The information in the table above is based on the following methodologies:

- Sales tax revenue projections provided by Avenu Insights and Analytics in February 2020
 - The Authority will engage its contractor to update these projections in August 2020 and will amend the budget if there are any material changes in the expected revenue
- SCTMFP fees projections are developed by staff internally. As seen in the table, this source of revenue is highly volatile making it difficult to project. Staff use a modest growth rate of 2.2% beginning with the baseline year – FY 2021-22
- Bonds issued in FY 2013 include a “premium” of over \$11 million – this happens when the face value of the bonds sold is higher than market rates
- Ongoing allocations are required per the Measure A Ordinance and calculated by multiplying the sales tax revenue by 79.25% - which is the sum of the allocations identified in the Expenditure Plan
 - The remaining sales tax revenue is dedicated to the CIP
- Capital improvement program allocations are the actual amounts through FY 2018-19, estimated for FY 2019-20, and forecast for the remaining years
 - Much of the CIP funding (44.5%) was spent in the first five years of the program period
- Debt service costs are the actual amounts through FY 2018-19 and for the remaining years based on a debt service table developed by the Authority’s financial consultant – PFM Financial Advisors

This table will annually undergo a comprehensive update.

Factors Affecting Financial Condition

Over the past year, the Authority has undertaken an effort to promote another one-half cent retail sales tax for transportation over 40-years (2021-2061) that if approved by local jurisdictions and the Authority will likely be taken to voters in the November 2020 elections. This Measure, if approved, is estimated to provide over \$8.3 billion to fund road repair and maintenance, transit and transportation construction and operations costs. Given the current likelihood that unemployment will increase in the near future, this Measure could provide significant funding early in the program to promote construction activity and operations costs, including payroll, throughout the region.

The table below represents some of the fundamentals driving Sacramento County’s financial condition during the past 11 years. Unemployment reached a historic low of 3.2% in 2019 at the same time the County’s population increased by 16,673 (1.1%) and per capita personal income increased by 4.2%. However, since that time COVID-19 has crippled the global economy and created dire uncertainty in the health, employment, and financial sectors. As a result, the local economy will certainly be negatively impacted – but the extent is unknown at this time.

To partially address the uncertainty, the Authority will be taking extraordinary measures to ensure the financial information in this budget is updated if any material changes are expected to occur. At a minimum, staff will update sales tax revenue projections in the August/September timeframe to determine if and how changes in those projections impact the budget and take appropriate measures to communicate the changes to those impacted. Additionally, Staff plan to regularly communicate with the Authority’s financial team to ensure that prudent measures are taken, as necessary, to ensure the preservation of principal in all cash accounts and to adjust or post disclosures related to the bond program as warranted.

During the crisis, operations at the Authority have continued as normal, much of it remotely. The transition to operating remotely was generally seamless in part, because the agency shifted to a mostly electronic environment over the last several years. This was accomplished by moving nearly all documents and software to a cloud-based platform administered by Microsoft. In doing so, not only could staff easily work from a remote site, but information security was significantly improved.

The table below captures fundamental economic data for Sacramento County for the last 11 years.

Factors Affecting Financial Condition

Year	Unemployment Rate	Per Capita Personal Income	Change in Percent	Population Growth	Change in Percent
2009	7.2%	\$39,280		1,394,438	
2010	11.0%	38,213	-2.7%	1,408,601	1.0%
2011	12.6%	38,443	0.6%	1,422,018	1.0%
2012	12.1%	40,068	4.2%	1,435,002	0.9%
2013	10.5%	41,303	3.1%	1,447,236	0.9%
2014	8.9%	42,229	2.2%	1,460,023	0.9%
2015	7.3%	44,303	4.9%	1,478,137	1.2%
2016	6.0%	46,845	5.7%	1,496,644	1.3%
2017	5.4%	48,965	4.5%	1,514,460	1.2%
2018	4.1%	50,445	3.0%	1,529,501	1.0%
2019	3.2%	52,544	4.2%	1,546,174	1.1%

Source: Bureau of Labor Statistics and California Department of Finance

Sales tax collected in the County is the Authority’s largest revenue source. Sales tax revenue for FY 2019-20 was budgeted to come in at \$131.8 million, but the actual estimated amount is expected to be \$130.1 million, (-1.2%) less than planned. Revenue projections developed in February 2020 expect FY 2020-21 sales tax revenues to be \$133.5 million (2.6%) higher than budgeted in FY 2019-20. However,

both FY 2019-20 and FY 2020-21 revenues will certainly be less than expected, but the amount is unknown at this time.

On a more positive note, a portion of the current growth is net migration from surrounding counties with a higher cost of living. Sacramento County borders eight neighboring counties where home prices are, on average, much higher. In January 2020, the median home price in the County was about \$395,000 while eight neighboring, more expensive, counties varied from \$452,000 in Solano County to over \$1.4 million in the Bay area. The remaining growth is primarily attributable to people moving into the County for employment reasons. Population growth directly supports increases in taxable retail sales and associated revenues. Additionally, per capita income has grown steadily since 2011 with an increase of 4.2% in 2019 to \$52,544, which is consistent with state and national trends.

In summary, the County has prospered over the last decade, but it is entering a volatile season where much is unknown. In response to the unknown, the Authority will continue to monitor national, regional, and local trends and respond accordingly. The Board and staff will strive to serve the public with transparency and continue practicing good stewardship over public resources in their effort to fund the region's transportation needs.

Sincerely,

Will Kempton
Executive Director

A handwritten signature in blue ink that reads "Timothy Jones". The signature is written in a cursive style.

Timothy Jones, CPA, CPFO
Chief Financial Officer

General Fund Budget - Revenue, Appropriations, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenues					
Sales Tax	\$131,757,081	\$131,773,144	\$130,154,100	\$133,513,377	\$1,740,233
SCTMFP Fees *	6,684,037	7,000,000	7,109,583	6,000,000	(1,000,000)
Interest and Other	5,661,620	4,500,000	4,072,788	4,000,000	(500,000)
FSP State Allocation/CVR-SAFE **	2,043,752	2,889,222	2,552,200	4,351,113	1,461,891
Total Revenues	\$146,146,491	\$146,162,366	\$143,888,671	\$147,864,490	\$1,702,124
Appropriations					
Administration	772,413	899,328	1,056,494	581,544	(317,784)
FSP	1,986,738	2,918,749	2,402,047	3,247,315	328,566
Contributions to Measure A Entities:					
Ongoing Allocations	103,922,104	103,951,563	102,676,993	105,321,537	1,369,974
Capital Improvement Program (CIP)	10,705,881	22,488,454	18,251,439	34,375,296	11,886,842
Total Appropriations	\$117,387,136	\$130,258,094	\$124,386,973	\$143,525,692	\$13,267,598
Other Financing Sources (Uses)					
Transfers Out (to the Debt Service Fund)	(23,096,608)	(23,640,000)	(22,779,687)	(23,650,000)	(10,000)
Total Financing Sources (Uses)	(\$23,096,608)	(\$23,640,000)	(\$22,779,687)	(\$23,650,000)	(\$10,000)
Net Increase (decrease) in Fund Balance	5,662,746	(7,735,728)	(3,277,989)	(19,311,202)	(11,575,474)
Beginning Fund Balance	47,691,937	48,655,679	53,354,683	50,076,695	1,421,016
Ending Fund Balance	\$53,354,683	\$40,919,951	\$50,076,695	\$30,765,493	(\$10,154,458)
Fund Reserve***	1,100,000	2,000,000	2,000,000	2,000,000	-
Ending Fund Balance Less Reserve	\$52,254,683	\$38,919,951	\$48,076,695	\$28,765,493	(\$10,154,458)

* Sacramento Countywide Transportation Mitigation Fee Program

** SacMetro Freeway Service Patrol

*** Includes \$1.8 million for the General Fund and \$200,000 for administration

**Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)
Revenue, Appropriations, and Fund Balance**

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenue					
Fees	\$6,684,037	\$7,000,000	\$7,109,583	\$6,000,000	(\$1,000,000)
Interest	665,387	250,000	250,000	250,000	-
Total Revenues	\$7,349,424	\$7,250,000	\$7,359,583	\$6,250,000	(\$1,000,000)
Appropriations					
Caltrans	1,193,987	3,000,000	\$1,230,698	1,250,000	(1,750,000)
Capital SouthEast Connector	4,659,492	3,600,000	3,944,567	6,374,314	2,774,314
Rancho Cordova	1,322,520	2,460,000	1,451,174	1,650,982	(809,018)
Sacramento City	716,073	1,863,454	200,000	800,000	(1,063,454)
Sacramento County	1,689,048	2,400,000	3,475,000	-	(2,400,000)
Total Appropriations	9,581,120	13,323,454	10,301,439	10,075,296	(3,248,158)
Net Increase (decrease) in Fund Balance	(2,231,696)	(6,073,454)	(2,941,856)	(3,825,296)	2,248,158
Beginning Fund Balance	23,315,012	21,412,116	21,083,316	18,141,460	(3,270,656)
Ending Fund Balance	\$21,083,316	\$15,338,662	\$18,141,460	\$14,316,165	(\$1,022,497)

Administration Budget - Revenue, Appropriations, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenue					
Sales Tax*	\$970,401	\$970,520	\$958,504	\$983,436	\$12,916
Interest and Other	63	50	50	50	0
Total Revenues	\$970,464	\$970,570	\$958,554	\$983,486	\$12,916
Appropriations					
Salaries and Benefits	444,551	484,327	455,242	462,324	(22,003)
Rent	23,855	24,635	24,635	30,820	6,185
Conferences and Travel	7,594	6,950	1,368	2,600	(4,350)
Insurance	3,738	7,066	7,022	7,150	84
Professional Services	250,748	263,450	459,216	32,500	(230,950)
ITOC	31,778	101,850	100,973	35,750	(66,100)
Other Operating Expenditures	10,149	11,050	8,039	10,400	(650)
Total Appropriations	\$772,413	\$899,328	\$1,056,494	\$581,544	(\$317,784)
Net Increase (decrease) in Fund Balance	198,050	71,242	(97,940)	401,942	330,700
Beginning Fund Balance	664,031	837,864	862,081	764,141	(73,723)
Ending Fund Balance	\$862,081	\$909,106	\$764,141	\$1,166,083	\$256,977
Fund Reserve	100,000	200,000	200,000	200,000	-
Ending Fund Balance Less Reserve	\$762,081	\$709,106	\$564,141	\$966,083	\$256,977

* .75% of the net sales tax revenue is available for administration

SAVSA Budget - Revenue, Appropriations, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenue					
Vehicle License Fees	\$1,316,666	\$1,259,939	\$1,286,479	\$1,273,975	\$14,036
Interest	6,571	400	438	400	-
Total Revenues	\$1,323,237	\$1,260,339	\$1,286,917	\$1,274,375	\$14,036
Appropriations					
Abandoned Vehicle Abatement	1,294,962	1,237,439	1,303,875	1,252,334	14,895
Salaries and Benefits/Overhead	21,704	22,896	21,757	22,041	(855)
Total Appropriations	\$1,316,666	\$1,260,335	\$1,325,632	\$1,274,375	\$14,040
Net Increase (decrease) in Fund Balance	6,571	4	(38,715)	-	(4)
Beginning Fund Balance	160,919	85,919	167,490	128,775	42,856
Ending Fund Balance	\$167,490	\$85,923	\$128,775	\$128,775	\$42,852

SacMetro FSP Budget - Revenue, Appropriations, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenue					
State Allocation	\$1,295,752	\$2,201,222	1,804,200	3,603,113	\$1,401,891
CVR-SAFE (local match)	748,000	688,000	748,000	748,000	60,000
Total Revenues	\$2,043,752	\$2,889,222	\$2,552,200	\$4,351,113	\$1,461,891
Appropriations					
Salaries and Benefits	129,425	141,176	140,375	150,763	9,587
Overhead	28,870	45,046	49,991	58,846	13,800
Conferences and Travel	1,533	1,650	919	1,825	175
Communications	49,543	50,210	87,217	58,818	8,608
Professional Services	87,933	-	-	-	-
Other Operating Expenditures	4,817	4,350	5,888	3,400	(950)
Contractors	1,684,618	2,676,317	2,117,658	2,973,663	297,346
Total Appropriations	\$1,986,738	\$2,918,749	\$2,402,047	\$3,247,315	\$328,566
Net Increase (decrease) in Fund Balance	57,014	(29,527)	150,153	1,103,798	1,133,325
Beginning Fund Balance	331,181	47,739	388,195	538,348	490,609
Ending Fund Balance	\$388,195	\$18,212	\$538,348	\$1,642,145	\$1,623,933

Debt Service - Revenue, Appropriations, Other Financing Sources, and Fund Balance

Description	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change from FY 2020
Revenue					
Interest	\$84,589	\$80,000	\$80,235	\$80,000	\$0
Total Revenues	\$84,589	\$80,000	\$80,235	\$80,000	\$0
Appropriations					
Principal	3,740,000	3,890,000	3,890,000	4,050,000	160,000
Interest	19,444,323	19,750,000	19,901,781	19,750,000	-
Total Appropriations	\$23,184,323	\$23,640,000	\$23,791,781	\$23,800,000	\$160,000
Other Financing Sources (Uses)					
Transfers In	23,096,608	23,640,000	22,779,687	23,650,000	10,000
Total Financing Sources (Uses)	\$23,096,608	\$23,640,000	\$22,779,687	\$23,650,000	\$10,000
Net Increase (decrease) in Fund Balance	(3,126)	80,000	(931,860)	(70,000)	(150,000)
Beginning Fund Balance	6,923,116	6,919,990	6,919,990	5,988,130	(931,860)
Ending Fund Balance	\$6,919,990	\$6,999,990	\$5,988,130	\$5,918,130	(\$1,081,860)



APRIL 09, 2020

AGENDA ITEM # 7

CONTRACT EXTENSION FOR INDEPENDENT FINANCIAL/COMPLIANCE AUDIT SERVICES

Action Requested: Authorize Executive Director

Presenter: Timothy Jones, Chief Financial Officer

Recommendation

Authorize the Executive Director to execute a contract with Crowe, LLP to perform financial/compliance audit services for the fiscal year ending June 30, 2020.

Background and Discussion

Measure A requires that a professional auditor conduct annual financial/compliance audits in accordance with Generally Accepted Auditing Standards and Government Auditing Standards issued by the Comptroller General of the United States. In May 2018, Crowe Horwath (now Crowe, LLP) was selected to perform financial/compliance audit services for the fiscal year ending June 30, 2018. The contract with Crowe, LLP provides the option of extending the term up to two more years upon agreement of both parties. The audit firm performed well during the audits of fiscal years ending June 30, 2018 and June 30, 2019, so the ITOC recommends extending the term for one more year at the cost of \$50,000.

The attached contract has been updated with appropriate dates and reviewed by legal counsel.

Attachment

SACRAMENTO TRANSPORTATION AUTHORITY AUDITOR SERVICES AGREEMENT

THIS AGREEMENT is made at Sacramento, California, as of April 13, 2020 by and between the Sacramento Transportation Authority (“STA”), a local transportation authority formed pursuant to California Public Utilities Code section 180000 et seq. and Crowe, LLP (“Auditor”), an Indiana limited liability partnership.

RECITALS

WHEREAS, STA is required under California Public Utilities Code section 180105(c) to “cause a post audit of the financial transactions and records of the authority to be made at least annually by a certified public accountant”;

WHEREAS, the STA Board of Directors desires to retain a qualified auditor to perform a review of STA’s financial records for the purpose of rendering an opinion and making recommendations on the adequacy of the STA’s internal controls and financial reporting and compliance with applicable laws and regulations;

WHEREAS, Auditor possesses the experience, knowledge and qualifications necessary to perform, prepare and deliver a quality audit that will objectively evaluate the fair presentation of the financial statements and the internal control over financial reporting;

WHEREAS, STA is authorized to enter into such an agreement pursuant to California Public Utilities Code section 180152.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, STA and Auditor agree as follows:

1. **Services**. Subject to the terms and conditions set forth in this Agreement, Auditor shall provide to STA the services described in Exhibit A. Auditor shall provide said services at the time, place, and in the manner specified in Exhibit A. The Auditor shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) Auditor notifies the STA that such service is deemed an additional service and Auditor estimates the additional compensation required for this activity; and (b) the STA, after notice, approves the additional service and amount of compensation therefor.

2. **Payment**. STA shall pay Auditor for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to Auditor for services rendered pursuant to this Agreement unless, pursuant to paragraph 1 above, STA approves additional compensation for additional services. Auditor shall submit all billings for said services to STA in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures and practices which Auditor uses for billing clients similar to STA.

3. **Facilities and Equipment.** Except as set forth in Exhibit C, Auditor shall, at its sole cost and expense furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement. STA shall furnish to Auditor only the facilities and equipment listed in Exhibit C according to the terms and conditions set forth in Exhibit C.

4. **General Provisions.** The general provisions set forth in Exhibit D, which include insurance requirements, are part of this Agreement. In the event of any inconsistency between said general provisions and any other terms or conditions of this Agreement, this Agreement shall control over the general provisions.

5. **STA Representative.** The STA Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for the STA.

6. **Exhibits.** All exhibits referred to herein are attached hereto and are by reference incorporated herein.

Executed as of the day first above stated.

Sacramento Transportation Authority

Crowe, LLP

Will Kempton
Executive Director

Jeff Jensen
Partner

Approved as to Form:

General Counsel

Attachments:

- Exhibit A - Representatives and Services to be Provided
- Exhibit B - Fee Schedule and Manner of Payment
- Exhibit C - Facilities and Equipment to be provided by STA
- Exhibit D - General Provisions

SACRAMENTO TRANSPORTATION AUTHORITY
EXHIBIT A
AUDITOR SERVICES AGREEMENT

REPRESENTATIVES AND SERVICES TO BE PROVIDED

1. **Representatives:**

The STA Representative for this Agreement is:

Timothy Jones Chief Financial Officer (916) 323-0855

All Auditor's questions pertaining to this agreement will be referred to the above-named person or the representative's designee.

The Auditor's Representative for this Agreement is:

Jeff Jensen Partner (916) 492-5162

All STA questions pertaining to this Agreement will be referred to the above-named person. All correspondence to the STA will be addressed to:

Sacramento Transportation Authority
801 12th Street Floor 5
Sacramento, CA 95814
Attn: Tim Jones, Chief Financial Officer tim@sacta.org

2. **Services to be provided:**

The Auditor shall make an examination of the financial statements of the STA and Sacramento Abandoned Vehicle Service Authority ("SAVSA") for the fiscal year ended June 30, 2020. The examination shall be made in accordance with generally accepted auditing standards and will include all procedures necessary for the rendition of an opinion regarding the accuracy and completeness of the presentation of the financial statements in accordance with generally accepted accounting principles.

The examination shall also include a determination of compliance with the terms and definitions of the applicable laws, rules and/or regulations of Public Utilities Code Division 19, the Measure A Ordinance and Expenditure Plan, the California Vehicle Code Section 22710, and all applicable contracts.

A representative examination of the Measure A entities and the SAVSA entities will be made to ensure compliance with applicable laws and with their Measure A and SAVSA contracts with STA. The examination will include:

- a. a study and evaluation of each entity's system of internal control;
- b. a proper test of each entity's accounting records and other financial records;
- c. a review of each entity's accounting system in operation.

It is recognized that STA has the responsibility for the proper recording of transactions in the books of account, for the safeguarding of assets, and for the substantial accuracy of the financial statements. Such statements are the representations of STA and will be typed in final form by the STA.

The objective of the audit is the expression of an independent opinion on the STA and SAVSA financial statements—per auditing standards established by the American Institute of Certified Public Accountants—to conclude that the financial statements are fairly presented in accordance with generally accepted accounting principles. In conjunction with the audit, Auditor will evaluate STA's internal control over financial reporting for the purpose of expressing an opinion on the financial statements. Any internal control or other financial reporting issues noted during the audit will be communicated to the STA's management and governing board. The ability of Auditor to express that opinion will be dependent on the facts and circumstances on the date of that opinion. If the opinion is other than unqualified, the reasons therefore will be fully disclosed.

Audit work will begin in September 2020. Two draft copies of the combined audit reports, internal control reports, management letters, and agreed-upon-procedures reports for each Measure A and SAVSA entity are required by December 15, 2020. Twenty-five copies of the final reports shall be delivered to the STA no later than December 31, 2020. These due dates may be extended only upon mutual consent of both STA's and Auditor's representatives.

The term of this Auditor Services Agreement will expire on March 31, 2021.

SACRAMENTO TRANSPORTATION AUTHORITY
EXHIBIT B
AUDITOR SERVICES AGREEMENT

FEE SCHEDULE AND MANNER OF PAYMENT

STA shall pay Auditor for services rendered pursuant to this Agreement a total sum, based on actual time, not to exceed \$50,000. Auditor may submit progress billings not more often than monthly based on actual time incurred at the following hourly rates:

Partner	\$275
Managers	\$200
Senior Staff	\$165
Audit Staff	\$135
Clerical	\$ 25

STA shall make no payment for extra, further or additional services or expenses pursuant to this Agreement unless such services or expenses and the price thereof are agreed to in advance and such agreement is prepared in writing and executed by Auditor and STA.

Request for payment to Auditor shall be sent to:

Sacramento Transportation Authority
801 12th Street Floor 5
Sacramento, CA 95814
Attn: Chief Financial Officer tim@sacta.org

SACRAMENTO TRANSPORTATION AUTHORITY
EXHIBIT C
AUDITOR SERVICES AGREEMENT

**FACILITIES AND EQUIPMENT TO BE PROVIDED BY
STA**

STA shall furnish facilities and equipment as may be required for Auditor's use in quality, quantity, and location as STA, in its sole discretion, determines to be appropriate. Such facilities may include a desk(s) or table(s), private workspace, office supplies and equipment, and telephone.

Except as previously set forth, Auditor shall, at his/her sole cost and expense, furnish all other facilities and equipment which may be required to provide services pursuant to this Agreement.

SACRAMENTO TRANSPORTATION AUTHORITY
EXHIBIT D
AUDITOR SERVICES AGREEMENT

GENERAL PROVISIONS

1. **Independent Contractor.** At all times during the term of this Contract, Auditor shall be an independent Contractor and shall not be an employee of the STA. STA shall have the right to control Auditor only insofar as the results of Auditor's services rendered pursuant to this Contract; however, STA shall not have the right to control the means by which Auditor accomplishes services rendered pursuant to this Agreement.

Auditor acknowledges and agrees that Auditor is not entitled to receive any STA employee benefits, including but not limited to, medical, dental, and retirement benefits, life and disability insurance, sick leave or any other similar benefits provided to STA employees.

2. **Licenses; Permits; Etc.** Auditor represents and warrants to STA that Auditor has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Auditor to practice its profession. Auditor represents and warrants to STA that Auditor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Auditor to practice its profession.

3. **Time.** Auditor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of Auditor's obligations under this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

It is the intent of the Auditor and STA to issue the draft audit reports of the STA, SAVSA, and agreed upon procedures of Measure A and SAVSA entities no later than December 15, 2020. It is the intent of the Auditor and STA that final reports and agreed upon procedures be issued by December 31, 2020.

4. **Auditor Not Agent.** Except as STA may specify in writing, Auditor shall have no authority, express or implied, to act on behalf of STA in any capacity whatsoever as an agent. Auditor shall have no authority, express or implied, pursuant to this Agreement to bind STA to any obligation whatsoever.

5. **Assignment Prohibited.** No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

6. **Personnel.** Auditor shall assign only competent personnel to perform services pursuant to this Agreement. In the event that STA, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Auditor to perform services pursuant to this Agreement, Auditor shall remove any such person promptly after receiving notice from STA of the desire of STA for the removal of such person or persons.

7. **Standard of Performance.** Auditor shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in California. All products that Auditor delivers to STA pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person practicing in Auditor's profession.

8. **Termination.** STA shall have the right to terminate this Agreement for convenience at any time by giving no less than 15 days' prior written notice of such termination to Auditor. In the event STA gives such notice of termination, Auditor shall immediately cease rendering services pursuant to this Agreement at the conclusion of the notice period, which shall commence upon mailing or service.

In the event STA terminates this Agreement:

(1) Auditor shall deliver copies of all fully paid for Reports (as defined below) prepared by it pursuant to this Agreement. Any information, advice, recommendations or other content of any memoranda, reports, deliverables, work product, presentations, or other communications Auditor provides under this Agreement (collectively, "Reports"), other than STA's original information, are for STA's internal use only, consistent with the purpose of the Services, and except as otherwise required under California law. STA will not rely on any draft Report. Unless required by an audit or other attestation professional standard, Auditor will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

(2) STA shall pay Auditor the reasonable value of services rendered by Auditor pursuant to this Agreement; provided, however, STA shall not in any manner be liable for lost profits which might have been made by Auditor had Auditor completed the services required by this Agreement. In this regard, Auditor shall furnish to STA such financial information as in the reasonable judgment of the STA Representative is necessary to determine the reasonable value of the services rendered by Auditor. In the event of a dispute as to the reasonable value of the services rendered by Auditor, the decisions of the Executive Director of the STA shall be final. The foregoing is cumulative

and does not affect any right or remedy which either party may have in law or equity.

Termination for Cause: STA shall have the right to terminate this Agreement in the event of a material breach by Auditor following the provision to Auditor of written notice specifically identifying the alleged breach and Auditor's failure to cure such breach within thirty (30) days following receipt of such notice. In the event of such termination, STA shall provide written notice to Auditor, at which time Auditor shall immediately cease rendering services under this Agreement.

STA shall not be required to make payment or compensation for disputed items to Auditor in the event of a material breach of the terms of this Agreement.

9. **Equal Employment Opportunity.** During the performance of this agreement, Auditor, for itself and successors in interest, agrees as follows:

- (A) **Compliance with Regulations:** Auditor shall comply with the Executive Order 11246 entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60), hereinafter referred to as the "Regulations".
- (B) **Nondiscrimination:** Auditor, with regard to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual preference in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Auditor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- (C) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiations made by Auditor for work to be performed under any subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Auditor of Auditor's obligation under this Agreement and the Regulation relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual preference.
- (D) **Information and Reports:** Auditor shall provide all existing information and reports required by Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the STA to be pertinent to

ascertain compliance with such Regulations, orders and instructions. Where any information required of Auditor is in the exclusive possession of another who fails or refuses to furnish this information, Auditor shall so certify to the STA, and shall set forth what efforts it has made to obtain the information.

- (E) **Sanctions for Noncompliance:** In the event of noncompliance by Auditor with the nondiscrimination provisions of this Agreement, the STA shall impose such contract sanctions as it may determine to be appropriate including, but not limited to:
- (1) Withholding of payments to Auditor under contract until Auditor complies;
 - (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.
- (F) **Incorporation of Provisions:** Auditor shall include provisions of Paragraphs A through E above in every subcontract, including procurements of materials and leases of equipment, unless exempted by Regulations, order, or instructions issued pursuant thereto. Auditor shall take such action with respect to any subcontract or procurement as the STA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Auditor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Auditor may request that STA enter such litigation to protect the interests of STA.

10. **Insurance Requirements.** During the duration of this Agreement, Auditor shall maintain the following noted insurance:

Broad Form Comprehensive Liability
Business Auto Liability
Workers' Compensation & Employers' Liability
Professional Liability (Errors and Omissions)

(A) **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- (1) Broad Form Comprehensive General Liability;
- (2) Automobile Liability, code 1 "any auto";

(B) Workers' Compensation as required by the Labor Code of the State of California, and Employers' Liability Insurance;

(1) Professional Liability (Errors and Omissions) insurance against loss due to error, omissions, or malpractice.

(C) **Minimum Limits of Insurance.**

Auditor shall maintain limits no less than:

(1) Comprehensive General Liability: \$1,000,000 per occurrence and in the aggregate for bodily injury and property damage.

(2) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation and Employers' Liability: Workers' compensation limits as required by the Labor Code of the State of California.

(4) Professional Liability (Errors and Omissions): \$1,000,000 limit per occurrence and in the aggregate.

(D) **Other Insurance Provisions.**

The policies are to contain, or be endorsed to contain, the following provisions:

(1) General Liability and Automobile Liability Coverages

(A) The STA, its officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor; or automobiles owned, leased, hired or borrowed by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to the STA, its officials, employees or volunteers.

(B) The Auditor's insurance coverage shall be primary insurance as respects the STA, its officials, employees and volunteers. Any insurance or self-insurance maintained by the STA, its officials, employees, or volunteers

shall be in excess of Auditor's insurance and shall not contribute with it.

- (C) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the STA, its officials, employees, or volunteers.
- (D) Coverage shall state that Auditor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

(2) Workers' Compensation and Employers' Liability Coverages

The insurer shall agree to waive all rights of subrogation against the STA, its officials, employees and volunteers for losses arising from work performed by Auditor for the STA. This requirement may, however, be waived in individual cases at the discretion of the STA.

(3) All Coverages

Should any of the above described policies be cancelled before the expiration date thereof without substitution of substantially similar coverage, Auditor will endeavor to provide 30 days written notice to STA. However, a failure to provide such notice shall impose no obligation or liability of any kind upon Auditor.

(E) **Acceptability of Insurers.**

Insurance is to be placed with insurers with a Bests' rating of no less than A: XIII. This requirement may, however, be waived in individual cases, provided, however, that in no event will a carrier with a rating below A:X be acceptable.

(F) **Verification of Coverage.**

Auditor shall furnish the STA with certificates of insurance reflecting endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms acceptable to the STA and are to be forwarded to the STA Representative named in Exhibit A

(G) **Payment Withhold.**

The STA will withhold payments to Auditor if certificates of insurance and

endorsements required in Paragraph F above have not been provided.

11. **Access and Retention of Audit Working Papers.**

Upon authorization from the STA Representative, Auditor shall provide for access to the audit working papers to the STA staff, STA Governing Board or its designee, other government audit staff, Federal Government Accounting Office, and those specifically authorized by the STA Representative. Auditor shall provide for the retention of the audit working papers for at least three years after the date of the audit reports, or longer if requested by the STA staff or Governing Board.

12. **Disclosure of Lobbying Activities**

Auditor certifies, by signing this contract, to the best of its knowledge, that:

(A) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal, loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(B) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

13. **Indemnification.**

Contractor specifically agrees to indemnify, defend, and hold harmless the Sacramento Transportation Authority (STA), its directors, officers, members, agents, and employees (collectively the "Indemnitees") from and against any and all actions, claims, demands, losses, costs, expenses, including reasonable attorneys' fees and costs, damages, and liabilities (collectively "Losses") arising out of or in any way connected with the performance of this Agreement, excepting only Losses caused by the sole, active negligence or willful misconduct of an Indemnitee. Contractor shall pay all costs and expenses that may be incurred by STA in enforcing this indemnity, including reasonable

attorneys' fees. The provisions of this Section shall survive the expiration, termination, or assignment of this Agreement. The indemnification clause is not intended to conflict with auditor professional standards included in:

AICPA – American Institute of Certified Public Accountants Code of Professional Conduct

ET Section 100: Independence, Integrity, and Objectivity

ET Section 191: Ethics Rulings on Independence, Integrity, and Objectivity

102: Indemnification of a Client



APRIL 9, 2020

AGENDA ITEM # 8

**APPROVAL OF MEMORANDUM OF UNDERSTANDING FOR 2020 MEASURE A
SUPPLEMENTAL EDUCATION/OUTREACH FUNDING**

Action Requested: Approve

Key Staff: Will Kempton, Executive Director

Recommendation

Approve Proposed Memorandum of Understanding (MOU) Regarding Supplemental Funding to Support Education and Outreach Activities for the 2020 Measure A Program

Discussion

The Authority is currently considering the adoption of a transactions and use tax ordinance that would place a countywide measure on the November 2020, ballot to approve a 0.5% sales tax for transportation purposes. To assist in the effort to implement an education and outreach program to inform the public of the purpose for and elements of 2020 Measure A, the Authority engaged the services of Townsend Calkin Tapio Public Affairs (Consultant) to perform this work through July 31, 2020. Given the limitations on administrative spending included in the existing Measure A Ordinance, the Authority/Consultant Agreement includes language that calls for the Consultant to assist STA staff in securing funds from other agencies to help cover outreach expenses associated with providing information to the public. It is anticipated that due to the local transportation operations, maintenance and infrastructure benefits which will result from the passage of 2020 Measure A, these agencies will be willing to contribute funding to the Consultant's outreach and education efforts.

The attached MOU establishes a framework under which voluntary contributions can be made to the Authority by Measure A recipient entities to support the following activities

1. Development, design and mailing of printed material
2. Development, design and placement of social media and digital informational content
3. Consultant staff time for presentations at community meetings

No contributions for this purpose can be drawn from a jurisdiction's allocation of Measure A funds or Sacramento County Transportation Mitigation Fee Program revenues. The Authority shall maintain an accounting of funding contributions made by Measure A recipient entities and account for invoicing and expenditures made in furtherance of the services provided. A jurisdiction's voluntary contribution of funds under this MOU will have no bearing or influence upon the future allocation of

revenues under either the existing Measure A program or the potential 2020 Measure A program among other recipient entities. Finally, no funds provided under this MOU will be used for campaign purposes or contrary to existing California elections law.

Attachment

DRAFT MEMORANDUM OF UNDERSTANDING

2020 MEASURE A SUPPLEMENTAL EDUCATION/OUTREACH FUNDING

This Memorandum of Understanding (“MOU”) is entered into this ____ day of April, 2020, by and between _____, the Sacramento Transportation Authority (“STA”) and Townsend Calkin Tapio Public Affairs (“Consultant”).

RECITALS

WHEREAS, STA is currently considering the adoption of a transactions and use tax ordinance that would place a countywide measure on the November, 2020, ballot to approve a 0.5% sales tax for transportation purposes (“2020 Measure A”); and

WHEREAS, STA and Consultant have previously entered into an Agreement under which Consultant is implementing an education and outreach program to inform the public of the purpose for and elements of 2020 Measure A; and

WHEREAS, the STA/Consultant Agreement includes a provision under which Consultant will “[a]ssist STA staff in securing funds from other agencies to help cover outreach expenses”; and

WHEREAS, _____ is an entity that would receive an allocation of sales tax revenue funding through the proposed 2020 Measure A; and

WHEREAS, in light of the anticipated local transportation operations, maintenance and infrastructure benefits to be realized as a result of the passage of 2020 Measure A, _____ is willing to contribute funding to Consultant’s supplemental outreach and education efforts.

NOW, THEREFORE, _____, STA and Consultant have reached the following understandings:

1. STA will separately account for the receipt of voluntary funding transfers from Measure A recipient entities to supplement current funding for Consultant’s ongoing outreach and education effort for 2020 Measure A.

2. No later than [insert date], _____ will voluntarily contribute \$ _____ towards Consultant's supplemental outreach and education effort for 2020 Measure A. Said contribution shall not be drawn from _____'s allocation of existing Measure A program revenues or SCTMFP revenues.

_____ will transfer said amount to STA, which will hold the funds, along with contributions from other Measure A recipient entities, in the separate account described above and thereafter coordinate and administer payments to Consultant for the services described in Paragraph 3, below.

3. The entity funding contributions made under Paragraph 2, above, shall strictly be used to compensate Consultant for the following tasks and activities in connection with 2020 Measure A supplemental outreach and education:

- a. Development, design and mailing of printed material
- b. Development, design and placement of social media and digital informational content
- c. Consultant staff time for presentations at community meetings

4. STA shall maintain an accounting of funding contributions made by Measure A recipient entities for this purpose and, further, account for invoicing and expenditures made in furtherance of the services provided pursuant to Paragraph 3, above. Upon request, STA shall make a copy of this accounting documentation available to _____. STA shall return any unused fund contributions under this MOU to _____ on a proportional basis subsequent to the November, 2020, election.

5. _____'s voluntary contribution of funds under this MOU shall have no bearing or influence upon the respective future allocation of revenues under either the existing Measure A program or the potential 2020 Measure A program as among other recipient entities.

6. No funds provided under this MOU will be used for campaign purposes or contrary to existing California elections law.

SACRAMENTO TRANSPORTATION AUTHORITY _____ Will Kempton Executive Director	TOWNSEND CALKIN TAPIO _____ David Townsend
[CITY/COUNTY OF <i>insert entity name</i>] _____ <i>authorized signatory</i>	



APRIL 9, 2020

AGENDA ITEM # 9

INTRODUCTION OF PROPOSED ORDINANCE NO. STA 20-001 REGARDING A POTENTIAL TRANSPORTATION SALES TAX MEASURE

Action Requested: Introduction of Ordinance No. STA 20-001

Key Staff: Will Kempton, Executive Director

Recommendation

1. Review/Accept Changes to Proposed Ordinance No. STA 20-001
2. Introduce Proposed Ordinance No. STA 20-001
3. Waive Full Reading of the Ordinance
4. Continue Item to May 14, 2020 Meeting to Consider Adoption of the Ordinance

Discussion

Following inclusion of Section I.J. (Metropolitan Transportation Plan Compliance) in the 2020 Measure A Transportation Expenditure Plan (TEP) which was tentatively adopted by the Authority on March 18, 2020, it was suggested that the requirements of this section be included in the proposed implementing Ordinance No. STA 20-001 to ensure that the language is not subject to change over the life of the program. As a result, the proposed Ordinance has been modified to include changes to Section XXIII (Expenditure Plan Amendments) of the Ordinance which will preclude future amendments to Section I.J. of the TEP. In addition, language has been added to Section XXIII to reinforce the Authority's intent to limit the amendment process for the TEP to every ten years. Changes are redlined on pages 11 and 12 of the draft Ordinance, which is attached to this item.

The Authority's tentative adoption of the TEP is followed by the first reading of the proposed Ordinance No. STA 20-001 which incorporates the TEP as Exhibit A. This agenda item is only to introduce the Ordinance, and staff is requesting that full reading of the Ordinance be waived. Adoption of the Ordinance is scheduled for consideration at the May 14, 2020 meeting, following deliberation on the TEP by all city councils and the Board of Supervisors.

The draft Ordinance provides for the imposition of a retail transactions and use tax of one-half of one percent for local transportation purposes for a period of forty (40) years.

This Ordinance will be enacted pursuant to the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Section 7252.16 of the California Revenue and Taxation Code.

Attachment

PROPOSED ORDINANCE NO. STA 20-01
AN ORDINANCE PROVIDING FOR A ONE-HALF OF ONE PERCENT
RETAIL TRANSACTIONS AND USE TAX BY THE SACRAMENTO TRANSPORTATION AUTHORITY FOR
LOCAL TRANSPORTATION PURPOSES IN
SACRAMENTO COUNTY

BE IT ENACTED BY THE GOVERNING BOARD OF THE
SACRAMENTO TRANSPORTATION AUTHORITY:

GUIDING PRINCIPLES AND PREAMBLE

To maintain and improve the quality of life in Sacramento County, the Sacramento Transportation Authority (STA) has prepared the Transportation Maintenance, Safety, and Congestion Relief Act – Sacramento County Measure A Transportation Sales Tax Expenditure Plan (Expenditure Plan):

To provide a multi-modal transportation system that addresses the needs of all Sacramento County residents and provides capacity for planned and approved population and employment growth;

To maintain and rehabilitate the County's street and road system, improve existing local roadway conditions for motorists, and maximize previous infrastructure investment by supporting a more efficient transportation system that better connects the existing network to development along roadway and transit corridors;

To help eliminate roadway fatalities and severe injuries and improve health outcomes by making streets, transit, and bicycle and pedestrian facilities safer, and increasing access to physical activity;

To reduce traffic congestion, reduce bottlenecks, and make the County's transportation system operate more efficiently and effectively;

To expand rail and bus service, improve system connectivity, provide better mobility options for our students and aging population, and make public transportation faster, safer, cleaner, and more accessible, convenient, frequent, reliable, and affordable;

To improve air quality, reduce greenhouse gas emissions, and support local and state climate goals;

To create jobs, generate local economic benefits, and encourage a stronger local economy that attracts greater private investment and sustains a larger and more diversified job base;

To provide investment in the County's entire transportation network and to integrate the capacity and benefits of all modes, including highways, bus and rail transit, streets and roads, rideshare options, and active transportation;

To distribute funding to address the transportation investment priorities of the incorporated cities and unincorporated county areas in a geographically- and socially-equitable manner and provide mobility options for all county residents;

To improve the ability of all local jurisdictions and agencies to leverage regional, state, and federal transportation funding programs with the objective to achieve a match of at least a third of the total cost of each of the capital projects programmed in this Expenditure Plan;

To provide flexibility for future allocations of funding to meet changing needs while maintaining program commitments to the voters;

To develop an expenditure plan that is acceptable to the voters and residents of Sacramento County, and,

To provide accountability and transparency in protecting and monitoring the public's investments through independent audits and oversight.

This one-half of one percent retail transactions and use tax is statutorily dedicated for transportation planning, design, construction, operations, and maintenance in Sacramento County, and cannot be used for other governmental purposes or programs. This Ordinance includes specific safeguards to ensure that revenues from the one-half of one percent retail transactions and use tax are used only to fund the transportation projects and services set forth in the Sacramento County Measure A Transportation Sales Tax Expenditure Plan (Exhibit A). These safeguards are outlined in Section III of this Ordinance and shown in Exhibit B and include:

An Independent Taxpayer Oversight Committee (ITOC) exists to supervise fiscal and performance audits regarding the use of the retail transactions and use tax revenues and to provide for independent review to ensure that all affected funds are spent in accordance with the provisions of the Expenditure Plan and Ordinance.

A declaration that the sales tax revenues are for transportation projects and services specifically described herein. Recipient agencies may not use the resulting funds to displace existing funds dedicated to transportation projects and programs, as the sales tax revenues are intended to supplement, not replace, traditional transportation funding programs.

Notwithstanding any provision of the Expenditure Plan, the Authority may expend up to, but not to exceed, one percent (1.0%) of total annual Measure A revenue, after deduction of administrative and collection costs of the California Department of Tax and Fee Administration (CDTFA), on the cost of the Authority's administration.

A requirement that the Authority conduct a mandatory Expenditure Plan review every 10 years to ensure that the program reflects contemporary community needs in light of changing demographics, technology, and revenue estimates. The Expenditure Plan can only be modified following a public review process and upon the approval of the Sacramento County Board of Supervisors with affirmation by the city councils of a majority of the incorporated cities representing a majority of the incorporated area population.

SECTION I. TITLE AND SUMMARY. This Ordinance shall be known as the Transportation Maintenance, Safety, and Congestion Relief Act of 2020 – Sacramento Transportation Authority Measure A Retail Transactions and Use Tax Ordinance. The Sacramento Transportation Authority hereinafter shall be called “Authority”. This Ordinance shall be applicable in the incorporated and unincorporated territory of the County of Sacramento, which shall be referred to herein as “District”. This Ordinance provides for the imposition of a retail transactions and use tax of one-half of one percent, beginning April 1, 2021, for local transportation purposes for a period of forty (40) years.

SECTION II. PURPOSE. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 180000 et. seq. of the Public Utilities Code, which authorizes the Authority to adopt this tax Ordinance which shall be operative if a two-thirds majority of the electors voting on the measure approve the imposition of the tax at an election called for that purpose.
- B. To adopt a retail transactions and use tax Ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a retail transactions and use tax Ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the CDTFA in a manner that adapts itself as fully practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the CDTFA in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a retail transactions and use tax Ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the retail transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Ordinance.

SECTION III. MANDATED TAXPAYER SAFEGUARDS.

- A. Independent Taxpayer Oversight Committee. An Independent Taxpayer Oversight Committee (ITOC) exists as specified in Exhibit B of this Ordinance to provide citizen review and to ensure that all Measure A funds are spent in accordance with provisions of the Expenditure Plan and Ordinance. Exhibit B sets forth the specific terms and conditions for the ITOC and its role in supervising regular independent financial and performance audits.

- B. Administrative Costs. The Authority shall expend only that portion of revenues generated from this Measure A sales tax that is necessary and reasonable to carry out its responsibilities for audit, Authority administrative expenses, staff support, and contract services. Notwithstanding any provision of the Expenditure Plan, the Authority may expend up to, but not to exceed, one percent (1.0%) of total annual Measure A sales tax revenue after deduction of administrative and collection costs of the CDTFA, on costs of the Authority's administration.
- C. Maintenance of Effort. By enactment of this Ordinance, the Authority intends that the funding provided to recipient agencies will supplement and not replace existing local revenues being used for transportation purposes. Measure A revenues shall not be used to supplant existing transportation funding programs. The County and the cities must continue to impose their local transportation impact fees on new development, along with the Sacramento Countywide Transportation Mitigation Fee Program required by Ordinance No. STA 04-01. The Authority and the ITOC shall enforce this provision by appropriate review, including program, fiscal and performance audits.

SECTION IV. DEFINITIONS. For the purposes of this Ordinance, the following terms shall have the following meaning:

"Expenditure Plan" means the Sacramento County Measure A Transportation Sales Tax Expenditure Plan 2021-2061 (attached as Exhibit A and adopted as part of this Ordinance) including any future amendments thereto.

"County" means the County of Sacramento.

"Authority" means the Sacramento Transportation Authority, a countywide special district formed under the Local Transportation Authority and Improvement Act, commencing at Section 180000 of the California Public Utilities Code.

"Existing Tax" means the 2009 Measure A one-half of one percent retail transactions and use tax adopted pursuant to Ordinance No. STA 04-01.

"Measure A" means this 2020 Ordinance (Ordinance No. STA 20-01) establishing a one-half of one percent retail transactions and use tax.

"Net Revenue" means total estimated revenue available for allocation after setting aside the cost of Authority administration and providing direct allocations for "off the top" expenditures prescribed in this Expenditure Plan.

SECTION V. AUTHORITY. This Ordinance is enacted pursuant to the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 of the California Revenue and Taxation Code.

SECTION VI. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX. Upon voter approval, the Authority shall impose, in the incorporated and unincorporated territory of the County of Sacramento, a retail transactions and use tax for transportation purposes (“the tax”) at the rate of one-half of one percent (0.500%) for forty (40) years beginning April 1, 2021. The tax shall be imposed by the Authority in accordance with Section 180201 of the California Public Utilities Code and Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue Taxation Code. The provisions of Revenue and Taxation Code Sections 7261 and 7262 and the applicable provisions of Ordinance No. STA 04-01, unless specifically modified by this Ordinance, are incorporated herein by reference as though fully set forth herein. The tax shall be in addition to any other taxes authorized by law, including any existing or future state or local sales tax or retail transactions and use tax.

SECTION VII. PLACE OF SALE. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the CDTFA.

SECTION VIII. USE OF PROCEEDS. Revenues from the tax shall be used for transportation purposes only as set forth in the Expenditure Plan (Exhibit A) and may include, but are not limited to, administration of the Authority, construction, maintenance, and operations of local streets, roads and trails (including bicycle and pedestrian uses), state highways, and public transit systems. These purposes include expenditures for planning, environmental review and mitigation, project engineering and design, and associated right-of-way acquisition. Expenditures also may include debt service on bonds and expenses related to the issuance and administration of bonds.

SECTION IX. SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP). No revenue generated from the tax shall be used to replace transportation mitigation fees required from new development now in effect in Sacramento County. In addition, each jurisdiction must continue to collect mitigation fees through the SCTMFP as established in Section VII of Ordinance No. STA 04-01 in order to qualify for its local road and maintenance formula funds, and that mitigation fee program is hereby extended until Measure A expires on March 31, 2061.

Goal: To continue the implementation of a uniform transportation impact mitigation fee on all new development in Sacramento County after the expiration of the Existing Tax implemented through Ordinance No. STA 04-01 to provide additional funding for road and transit system improvements needed to accommodate projected growth and development.

- A. The provisions of Section VII of Ordinance No. STA 04-01 shall govern the continuation of the SCTMFP and the existing Authority process guidelines shall remain in effect except where otherwise noted in this section. Fees from the continuation of this program shall continue to be remitted to the Authority for reallocation to the local jurisdiction(s) in accordance with the SCTMFP. Fees shall continue to be adjusted annually by the action of the Authority's Governing Board to reflect changes in construction costs based on the McGraw-Hill Engineering News Record (ENR) 20-City Construction Cost Index.
- B. Not later than April 1, 2037, the Authority, in coordination with all local jurisdictions, shall initiate a professional engineering and planning based process for charging new development with the cost of traffic impacts caused by each development during the extension period. Such a process will be consistent with state law, require each local jurisdiction to project growth of travel demand, identify specific road and transit capital improvements to meet such demands, describe the appropriate "nexus" between such demand and improvements, and adopt a continuing fee program to take effect no earlier than April 1, 2039, as necessary to implement the fee program for the extension period. The Authority and local jurisdictions shall also coordinate the development of an allocation plan which shall be in place prior to April 1, 2039, and shall guide the collection and distribution of fee revenue for the extension period which will not commence until that date.

The fee structure for the extension period shall be implemented if validated by the nexus study described in this section.

- C. All new low-, very low- and extremely low-income housing as defined by the California Department of Housing and Community Development shall be exempt from the fee.
- D. Subject to the results of the nexus study and a determination that the programs listed below are eligible recipients of fees collected through the SCTMFP, it is the intent of this Ordinance that the overall program allocation for the fees collected through the SCTMFP shall be:
- 35% Local Streets and Roads
 - 30% Transit and Rail Congestion Improvement Projects and SacRT Maintenance and Operations
 - 10% Highway Congestion Improvements on the local freeway system, including bus and carpool lane projects
 - 25% Transportation project environmental mitigation, including, but not limited to, habitat conservation, open space preservation, habitat replacement, clean air programs, recreation and overall environmental enhancement of transportation facilities to the benefit of local transit users and neighborhoods. From this allocation, consideration should be given to additional funding for the American River Parkway, for air quality and climate action programs conducted by the Sacramento Metropolitan Air Quality Management District, and for development of an Advanced Mitigation Program, subject to inclusion of these expenditures in a valid nexus study.
- E. All fees raised under continuation of this program must be expended in the impacted area where the fees were generated.
- F. Penalties for failure to continue implementation of the SCTMFP shall be in effect as outlined in Section VII, Subsection H of Ordinance No. STA 04-01.

SECTION X. BONDING AUTHORITY. Upon voter approval of the measure, the Authority shall have the power to sell or issue, from time to time, on or before the collection of taxes, bonds, or other evidence of indebtedness, in the aggregate principal amount at any one time outstanding of not to exceed the estimated proceeds of the tax, and to secure such indebtedness solely by way of future collection of taxes, for capital outlay expenditures set forth in Section VIII hereof, including the carrying out of transportation projects described in the Expenditure Plan.

SECTION XI. ANNUAL APPROPRIATIONS LIMIT. The annual appropriations limit established pursuant to Section 4 of Article XIII B of the California Constitution and Section 180202 of the Public Utilities Code shall be \$283,689,389 for fiscal year 2019-20, consistent with Ordinance No. STA 04-01 and Resolution No. STA 19-0002. The appropriations limit shall be subject to annual adjustment as provided by law.

SECTION XII. OPERATIVE DATE. Subject to voter approval, this Ordinance shall become operative on the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance but in no event earlier than April 1, 2021.

SECTION XIII. CONTRACT WITH STATE. Prior to the operative date of this Ordinance, the Authority shall contract with the CDTFA to perform all functions incidental to the administration and operation of this Ordinance; provided, that if the Authority shall not have contracted with the CDTFA prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

SECTION XIV. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the District at the rate of 0.500% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

SECTION XV. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the District of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use or other consumption in said territory at the rate of 0.500% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

SECTION XVI. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this Ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

SECTION XVII. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this Authority shall be substituted therefor. However, the substitution shall not be made when:
 - 1. The word “State” is used as part of the title of the State Controller, State Treasurer, Victim Compensation and Government Claims Board, California Department of Tax and Fee Administration (CDTFA), State Treasury, or the Constitution of the State of California;
 - 2. The result of that substitution would require action to be taken by or against this Authority or any agency, officer, or employee thereof rather than by or against the CDTFA, in performing the functions incident to the administration or operation of this Ordinance.
 - 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.
 - 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word “District” shall be substituted for the word “State” in the phrase “retailer engaged in business in this State” in Section 6203 and in the definition of that phrase in Section 6203.

SECTION XVIII. PERMIT NOT REQUIRED. If a seller’s permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor’s permit shall not be required by this Ordinance.

SECTION XIX. EXEMPTIONS AND EXCLUSIONS.

- A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

- B. There are exempted from the computation of the amount of transactions tax the gross receipts from:
1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 2. Sales of property to be used outside the District which is shipped to a point outside the District, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the District shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - b. With respect to commercial vehicles, by registration to a place of business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.
 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this Ordinance, the storage, use or other consumption in this District of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax Ordinance.
 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.
 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
 6. Except as provided in subparagraph (7), a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the District or through any representative, agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.
 7. "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the District.
- D. Any person subject to use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a District imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

SECTION XX. STATUTORY AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

SECTION XXI. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the Authority, or against any officer of the State or the Authority, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SECTION XXII. ELECTION. The Authority requests that the Sacramento County Board of Supervisors call an election for voter consideration of this Ordinance, which election shall be held on November 3, 2020, and consolidated with other elections to be held on the same date; that the measure be designated Measure "A," and that it appear first in order on the County ballot before all other local measures. The election shall be called and conducted in the same manner as provided by law for other elections by a county. The sample ballot to be mailed to voters shall include the ballot proposition set forth below and the Voter Information Handbook shall include the Expenditure Plan included in this Ordinance as Exhibit A. Approval of this Ordinance and the imposition of the tax shall require an affirmative vote of two-thirds of the electors voting on the measure at the election described in this section. The measure to be placed on the ballot shall read substantially as follows:

To:

Fill potholes and repave streets;

Repair deteriorating bridges and overpasses;

Reduce traffic congestion on roads and freeways;

Build a new expressway between Elk Grove, Rancho Cordova, and Folsom;

Extend light rail and express bus service, including toward the Sacramento International Airport and Elk Grove;

Support light rail and bus operations, maintenance, and security; and

Improve bicycle and pedestrian options and safety;

Shall the Ordinance enacting a 40-year countywide one-half cent sales tax, raising approximately \$130 million annually, escalating over time, with independent oversight and audits, be adopted?

SECTION XXIII. EXPENDITURE PLAN AMENDMENTS. Notwithstanding Section 180207 of the Public Utilities Code, the Expenditure Plan may only be amended by the following process:

1. Beginning in 2031, and every 10 years thereafter, the Authority shall review and, if necessary, propose amendments to the Expenditure Plan to meet changing transportation needs, priorities, and revenue estimates, and to ensure that the program reflects contemporary community desires in light of changing demographics and technology. Such review shall consider input from the Measure A recipient agencies, other transportation agencies and interest groups, and the general public.

2. The Authority shall notify the County Board of Supervisors, the city councils, and the policy boards of other Measure A recipient agencies in writing of its initiation of an Expenditure Plan amendment(s), reciting findings of necessity.
3. Any Expenditure Plan amendment(s) resulting from this process must be approved by the County Board of Supervisors and a majority of the city councils representing a majority of the incorporated area population.
4. Actions of the County Board of Supervisors and city councils regarding the proposed amendment(s) shall be communicated to the Authority within 60 days after the date notification is mailed. Failure of the Board of Supervisors or a city council to notify the Authority of formal action within 60 days of notification shall constitute approval by that respective policy board.
5. Under no circumstances may Section I.J. of the Expenditure Pan, regarding Metropolitan Transportation Plan Compliance, be amended during the life of this Ordinance.

SECTION XXIV. SEVERABILITY. If any provision of this Ordinance is for any reason held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining provisions, or the Existing Tax, and the Authority declares that it would have adopted each part of this Ordinance irrespective of the validity of any other part.

SECTION XXV. THE EXISTING TAX. Nothing in this Ordinance is intended to modify, repeal, alter, or increase the Existing Tax. The provisions of this Ordinance shall apply solely to the retail transactions and use tax adopted herein and not to the collection or administration of the Existing Tax.

SECTION XXVI. TERMINATION DATE. The authority to levy the tax imposed by this Ordinance shall expire March 31, 2061.

SECTION XXVII. This Ordinance was introduced and the title thereof read at the regular meeting of the Authority Governing Board on April 9, 2020.

On a motion by Member _____, seconded by Member _____, the foregoing Ordinance was passed and enacted by the Governing Board of the Sacramento Transportation Authority, State of California, at a regular meeting thereof, this 14th day of May, 2020, by the following vote, to wit:

AYES: Members

NOES: Members

ABSENT: Members

ABSTAIN: Members

Chair
Governing Board of the
Sacramento Transportation Authority

ATTEST:

Clerk

EXHIBIT A

**The Transportation Maintenance, Safety, and Congestion Relief Act –
Sacramento County Measure A Transportation Sales Tax Expenditure Plan 2021-2061**

I. Implementation Guidelines

- A. Revenue Estimates and Distribution.** Allocation of revenue authorized by Ordinance No. STA 20-01 is established within this Expenditure Plan. Funds shall be allocated to Expenditure Plan categories by percentage of revenue received, except as provided for in Section B. An estimate of revenues and allocations among categories is reflected in this Expenditure Plan. Some category allocations will be sub-allocated by formula to specified local transportation providers for expenditures on specified projects as set forth in this Expenditure Plan. The estimated revenue is based on 2020 value of funds escalated over the period of the measure and is not binding or controlling. Estimated revenues are net of required California Department of Tax and Fee Administration (CDTFA) administrative fees.
- B. “Off the Top” Expenditures.** Revenues available for percentage allocation are also net of the cost of Authority administration (1.0% of total estimated revenues) and fixed program expenditures directly allocated to recipient agencies in the following amounts for the specific purposes indicated:
1. To Sacramento County, the Regional Parks Department, not to exceed \$63 million for the program period for preservation, maintenance and safety of the American River Parkway.
 2. To the City of Sacramento, not to exceed \$20 million for the program period for direct support of the development of a Regional Mobility Center to foster innovation in clean transportation.
 3. To the Sacramento Area Council of Governments, not to exceed \$8 million for the program period for distribution to support the activities of Transportation Management Agencies in Sacramento County.
 4. To the San Joaquin Regional Rail Commission, not to exceed \$80 million for the program period for operations and service enhancements related to the Altamont Corridor Express service that will benefit Sacramento County residents.
 5. To the City of Sacramento, not to exceed \$40 million for the program period for operations related to the Sacramento Intermodal Transfer Facility.

Remaining revenue following these set asides shall be referred to as “net sales tax revenue” for purposes of this Expenditure Plan.

- C. Contribution from New Property Development.** No revenue generated from the tax shall be used to supplant transportation mitigation fees currently imposed on new property development in Sacramento County. The County and each incorporated city must continue to impose transportation impact fee programs as required in Ordinance No. STA 04-01 as a condition for receiving Measure A funds.
- D. Requirement for Annual Financial and Performance Audits of Measure A Funds.** The Authority and each agency receiving an allocation of Measure A revenue authorized by this Expenditure Plan shall undergo an annual financial audit performed in accordance with generally accepted accounting standards and government auditing standards issued by the Comptroller General of the United States. The annual audit shall be supervised by the Authority's Independent Taxpayer Oversight Committee (ITOC). Compliance audits shall also be periodically conducted to ensure that Measure A funds are expended in accordance with the provisions and guidelines established by this Expenditure Plan. In addition, the ITOC shall conduct periodic performance audits to determine progress in meeting program performance standards adopted by the Authority Board, and to make recommendations for improving overall program performance. The Authority Board shall adopt the relevant performance standards no later than April 1, 2021.
- E. Five-Year Programs.** Each recipient agency must prepare and adopt a five-year program on an annual basis that is approved by the Authority. Each agency receiving funding identified in Section II, Subsections A, D, and E shall file with the Authority an annually updated five-year program for expenditure of the sales tax revenue allocations. The first five-year program must be completed by December 31, 2021, and updated thereafter on an annual basis. Section II identifies reporting requirements for specific funding categories. Additional reporting requirements may be adopted by the Authority after consultation with recipient agencies and stakeholders.
- F. "Fix It First" Investment Priority for Years 1-5.** Authority allocations for the first five years following implementation of Ordinance No. STA 20-01 (2021-2026) shall prioritize "Fix It First" road, transit, safety, bicycle, and pedestrian investments. For recipient agencies responsible for maintaining streets and roads, the five-year program and each annual update shall include a pavement and bridge maintenance report that is consistent with the "Maintenance of Effort" requirement in Section IV, Subsection A of the Ordinance No. STA 04-01 Expenditure Plan. For the Sacramento Regional Transit District (SacRT), the five-year program and each annual update shall include performance indicators to assess whether "Fix It First" investment needs are being prioritized and to demonstrate that the agency is adhering to the financial management policies identified in Section II.
- G. Clear Format to Assess Progress.** For all agencies receiving "Fix It First" funding allocations, the five-year programs and annual updates shall be provided in a format to clearly assess progress towards improved maintenance and operations of existing transportation assets.

- H. Complete Streets.** The Authority views transportation projects as opportunities to improve safety, access and mobility for all users of streets, roads and highways in Sacramento County and recognizes bicycle, pedestrian, vehicle and transit modes as integral elements of the transportation system. The term “Complete Streets” describes a comprehensive, integrated transportation network with roadways designed and operated to enable safe and convenient travel for users of all abilities, including motorists, pedestrians, bicyclists, persons with disabilities, seniors, children, movers of commercial goods, operators of public transportation, public transportation users and emergency responders, in a balanced manner that is compatible with an urban, suburban or rural context.

Within one year following the implementation of Ordinance No. STA 20-01, each local jurisdiction in Sacramento County shall adopt or maintain an existing complete streets policy consistent with the California Complete Streets Act of 2008, including Government Code Section 65302 (b) (2), and/or a Bicycle/Pedestrian Master Plan, or a similar document that incorporates design guidelines and standards promoting safe and convenient travel for all users when considering any construction, reconstruction, retrofit, or alteration of streets, roads, highways, bridges, and other elements of the transportation system.

Planning and design of projects affecting the transportation system shall be consistent with any local bicycle, pedestrian, transit, multimodal and other relevant plans and/or the local complete streets policy in order to ensure that all transportation types and users are considered in the expenditure of Measure A funds.

- I. Federal Air Quality Requirements.** Measure A Expenditure Plan funds programmed for a project construction phase shall not impair the ability of the region's Metropolitan Transportation Plan (MTP) and Metropolitan Transportation Improvement Program (MTIP) to meet federal air quality conformity requirements.
- J. Metropolitan Transportation Plan Compliance.** The vast majority of proposed Expenditure Plan projects are already planned or programmed in the Metropolitan Transportation Plan (MTP) requiring that the region meet a 19% per capita GHG reduction target. For any projects not planned or programmed for construction in the adopted MTP, the following requirements will apply:

The parties agree to develop mitigation measures for any highway expansion and transit projects that increase GHG emissions in order to meet the applicable GHG target for the metropolitan transportation and climate plan.

If the parties can mitigate any such impacts to maintain adherence to the then applicable regional greenhouse gas reduction target, and if the projects are included in the metropolitan transportation and climate plan, the projects can be funded with Measure A proceeds.

If the GHG impacts are not mitigated to meet the region's then applicable GHG reduction target, and as a result the region cannot meet its applicable greenhouse gas target, the proceeds of the highway expansion or transit project will be returned to the corresponding jurisdiction for their discretion, for other than the originally intended projects, provided the projects are consistent with the Metropolitan Transportation Plan.

- K. Environmental Review.** All projects funded with Measure A Expenditure Plan funds are subject to the requirements of the California Environmental Quality Act (CEQA). Prior to allocation of funds for any project or program included in the Expenditure Plan, all necessary environmental review required by CEQA shall be completed.
- L. Road Health and Safety.** Each recipient agency shall demonstrate that projects in the five-year program and individual proposed projects incorporate street design elements to quantifiably reduce the risk of traffic-related deaths and severe injuries in the public right-of-way consistent with the principles of this Ordinance. Where applicable, each recipient agency shall also demonstrate that the projects adhere to the principles of "Safe Routes to Schools" to facilitate safer walking and bicycling to and from school.
- M. Revenue Estimate.** Tax revenues generated by this Ordinance No. STA 20-01 during the 40-year term are expected to be \$8,380,000,000 based on escalated dollar values. Approximately \$331 million in mitigation fees from new development is also projected for the period 2039-2061. These fees will be extended as provided for in Section IX of this Ordinance and contributions from new development for the period April 1, 2039, to March 31, 2061, shall be programmed and allocated through the process outlined in Section IX. Revenue estimates are not binding or controlling. The Authority Board shall make periodic allocation adjustments to reflect actual revenues received but may not amend the formula allocations set forth in this Expenditure Plan except as permitted in this Ordinance No. STA 20-01.

II. Measure A Revenue Percentage Allocations

All sales tax revenues, net of CDTFA administrative fees, the cost of Authority administration, and allocations outlined in Section I, Subsection B shall be expended as follows:

- A. Local Streets and Roads.** 47.95% of annual net sales tax revenues shall be allocated monthly to each incorporated city and the unincorporated county consistent with the following distribution:
 - 1. Local Street and Road Repair and Transformative System Improvements.** 39.29% of all annual net sales tax revenues shall fund project development, right-of-way, construction, and provision of:
 - a. "Fix It First" pavement maintenance, pavement rehabilitation, safety projects, and bridge repair, including complete streets improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians, and transit users.
 - b. New or expanded arterial streets, roads, and bridges, including complete streets improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians, and transit users.
 - c. Intelligent transportation system modifications to the existing street and road system to facilitate improved accessibility, safety, operations, and efficiency.

- d. Improvements to facilitate safe and convenient pedestrian, bicycle, and other non-motorized local trips, safe routes to school, lighting and synchronized signals, vehicle charging stations, trail improvements and other improvements to better facilitate improved mobility and the development of alternative travel options. The allocation of Measure A funds will implement street design elements that quantifiably reduce the risk of traffic-related deaths and severe injuries in the public right-of-way and ensure that the mobility needs of all users are considered in project scope elements.
- e. American River Parkway Trail improvements and maintenance in the jurisdictions through which the parkway passes (County of Sacramento, City of Sacramento, and the City of Rancho Cordova).
- f. Improvements to the Sacramento River Parkway and other regional trails.
- g. Trail improvements to the Folsom Lake State Recreation Area in the city of Folsom.

Distribution among the cities and unincorporated county shall be based 75% on relative population (per most recent annual California Department of Finance estimates) and 25% on relative paved and maintained road mileage (as reported in each entity's automated pavement management system).

Local Street and Road "Fix It First" Commitment

For the first five years following the date of implementation of Ordinance No. STA 20-01, not less than 90% of the funds identified in this Local Street and Road Repair and Transformative System Improvements program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" street, road, and bridge preventative maintenance and rehabilitation, including safety improvements, so as to bring these facilities throughout Sacramento County up to a Pavement Condition Index (PCI) of at least 70 at the soonest possible time.

At the end of the five-year period following the date of implementation of Ordinance No. STA 20-01, not less than 50% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" street, road, and bridge preventative maintenance and rehabilitation so as to continue efforts to bring these facilities throughout Sacramento County to a PCI of at least 70.

A 70 PCI is generally defined as safe, reliable, and smooth street surfaces with little to no blemishes, potholes, or substantial cracking. Streets and roads with a 70 PCI are expected to have a comfortable and safe ride for all motorized vehicles and bicycles, with minimum wear and tear on all such users.

The definition of maintenance and rehabilitation shall include as eligible for these funds the non-capacity upgrade of existing streets and roads to a contemporary urban standard (complete streets), including improvements to enhance safety and access for pedestrians, bicycles, and transit users.

Notwithstanding the “Fix It First” requirements for these funds over the program period following implementation of Ordinance No. STA 20-01, the percentage commitment to “Fix It First” maintenance and rehabilitation may be reduced and any city and the County of Sacramento may direct a higher percentage of those funds to new transformative system improvements, provided the following conditions have been met:

1. The public agency manager responsible for road maintenance has certified in writing to the City Council and City Manager in a city and the Board of Supervisors and the Chief Administrative Officer at the County that the road facilities under their management have met or will meet within the next 12 months a 70 PCI rating.
2. The public agency manager responsible for road maintenance has submitted a written plan to the City Manager or County Chief Administrative Officer clearly demonstrating how the 70 PCI rating will be sustained in the future. Any diversion of funds committed to maintenance and rehabilitation can only continue as long as a jurisdiction maintains an average PCI of 70 or above for its street and road systems.

Accountability

The objective for Measure A is to assist jurisdictions to achieve—but not require—a local match of at least one-third of total capital project costs. However, a city or the County may direct all or a portion of its formula share of these funds to general street/road pavement maintenance and pavement rehabilitation. The proportional allocation among entities will be recalculated annually to reflect current population and road mileage data. Each recipient entity shall adopt a five-year program for use of these funds.

The five-year programs will be updated annually and submitted to the Authority for approval. For recipient agencies responsible for maintaining streets and roads, the annual updates to the five-year programs shall include pavement and bridge "Maintenance of Effort" reports that are consistent with the requirement under Ordinance No. STA 04-01.

2. **Local Projects of Regional Significance.** 8.66% of all annual net sales tax revenues shall fund projects within the boundaries of local jurisdictions that provide a regional benefit to the overall transportation network. These projects include construction or modifications to interchanges interfacing with state highways, projects that are required for mitigation purposes for new or expanded access to the transportation system, improvements to local arterials or other transportation facilities that provide regional connectivity and improved throughout. Interchange projects funded through this category will require a federal, state, local or developer match of at least one-third the cost of the project. Distribution of these revenues among the cities and the unincorporated county area shall be based on a formula which takes into account population, lane miles, and sales tax generation. Following the implementation of Ordinance No. STA 20-01, this formula shall be reviewed annually by the public works directors of each city and the County based on updated data, and any modifications must be approved by the Authority Board.

Accountability

Aside from the one-third match requirement for interchange projects, it is the objective of Measure A to assist local jurisdictions to achieve—but not require—a local match of at least a third of any capital project costs from other sources. Funding from this subcategory will be restricted to the high priority projects listed by jurisdiction.

- B. Sacramento Regional Transit District (SacRT) Maintenance, Operations, and Transformative System Improvements.** 21.90% of all annual net sales tax revenues shall be used for light rail and bus vehicle replacement, operations and maintenance of existing services, operations and maintenance for new services partially funded through this Expenditure Plan, improved access for the senior and disabled populations, fare reductions for transit-dependent riders, and the implementation of innovative services that will improve transit connections and encourage increased ridership.

SacRT “Fix It First” Commitment

For the five years following the date of implementation of Ordinance No. STA 20-01, with the exception of funding for commuter rail service enhancements and the Sacramento Intermodal Transit Facility, not less than one-third of the total funds directly allocated to SacRT shall be used exclusively by SacRT for “Fix It First” bus and light rail vehicle replacement, operations, maintenance, and security for existing services at the soonest possible time. As a federal grantee, SacRT has developed and maintains a Transit Asset Management (TAM) Plan that includes capital asset inventories, condition assessments, lifecycle management, and investment prioritization. The plan addresses the application of asset management across SacRT’s entire diverse portfolio of assets, which includes assets with a range of useful lives, replacement costs, and inter-relationships. Using the five-level condition assessment code recommended by the Federal Transit Administration (FTA), the State of Good Repair (SGR) is defined as those assets that are rated higher than 2.5 (Adequate), on a scale of 1 through 5. Backlog is defined as those assets that have exceeded their useful life and have a condition rating of less than or equal to 2.5 (Substandard). This rating is based on how close an asset or component is to replacement or major overhaul. With a rating of 2.5 an asset would be near overhaul or retirement, but in serviceable condition. With a rating of 5 the asset would be new or like new, 95% to 100% confidence in reliability, with no visible defects, no damage, and cosmetically looks new.

During this period the following performance metrics shall also be met:

1. SacRT will meet or exceed the requirements in the SacRT Transit Asset Management (TAM) Plan for the percentage of buses and light rail vehicles that meet or exceed useful vehicle life or average vehicle age benchmarks.
2. SacRT will meet or exceed performance goals and industry standards, adopted by the SacRT Board of Directors, for miles between road calls, on-time performance, missed trips, and safety/security key performance indicators.
3. SacRT will meet or exceed the California Transportation Development Act (TDA) goals and requirements, which currently include meeting minimum farebox recovery ratio requirements and independent performance audits conducted every three years.

Prior to the end of the five-year period following implementation of Ordinance No. STA 20-01, the one-third commitment to “Fix It First” vehicle replacement, maintenance, operations, and security may be reduced, and SacRT may direct a higher percentage of the funds to new transit capital provided the following conditions have been met:

1. The SacRT Chief Financial Officer has certified in writing to the SacRT General Manager/CEO and the SacRT Board of Directors that the performance metrics above have been met.
2. The Chief Financial Officer has submitted a written five-year expenditure plan to the General Manager/CEO clearly demonstrating how the performance metrics will be sustained in the future in full consideration of the funds recommended for new transit capital purposes over the five-year period.

Accountability

SacRT shall develop a five-year program for use of all capital and operations funds, including capital projects funded under Section II, Subsection C1 of this Expenditure Plan, updated annually and submitted to the Authority for approval before allocations are made. SacRT must be in compliance with the financial management provisions of this section before the Authority Board can consider the allocation of these funds.

For SacRT, the five-year program and each annual program update shall include performance indicators to assess if “Fix It First” investment needs are being prioritized and expenditures are consistent with the adopted Metropolitan Transportation Plan, the SacRT Short Range Transit Plan, and the SacRT Transit Asset Management (TAM) Plan.

Funding for light rail extensions will only be available after analyzing ridership potential based on approved general plans and zoning land use designations in proximity to planned stations and inclusion of the project in the Metropolitan Transportation Plan. If these terms are not met for a proposed light rail extension, then funds would be reprogrammed for other transit projects subject to the approval of the Authority.

- C. Congestion Relief Improvements.** 24.86% of all annual net sales tax revenues shall be used for project development, right-of-way, and construction of highway, transit, rail, increased bus and light rail service, and expressway expansion and widening projects affecting multiple local entities, that reduce congestion, improve operations, and enhance access to the overall transportation network. The objective is for Measure A to assist—but not require—agencies, including SacRT, the California Department of Transportation (Caltrans) and the Capital Southeast Connector Joint Powers Authority, to achieve a match of at least a third of the total cost of each of the eligible projects listed for this category in this Expenditure Plan.
- 1. Transit and Rail Congestion Improvement Projects.** 13.11% of all annual net sales tax revenues shall be allocated to SacRT for transit and rail projects that reduce congestion, expand capacity, improve operations and enhance access to the transportation system. The proposed allocation amounts for bus and light rail projects are intended to be flexible to allow for SacRT to best apply the funding to achieve the maximum benefit in matching funds from state and federal resources. Projects funded through this subcategory shall be subject to the same accountability provisions included in Section II, Subsection B of this Expenditure

Plan regarding development of a five-year plan, updated annually and submitted to the Authority before allocations are made.

- 2. Highway Congestion Improvement Projects.** 11.75% of all annual net sales tax revenues shall be allocated to Caltrans, the Capital Southeast Connector Joint Powers Authority, and the City of Elk Grove for highway congestion improvement projects, including state highway improvements and the Capital Southeast Connector in Sacramento County. Allocations of funding to Caltrans will be used by the department for both project development and capital expenses associated with the projects included in this category and the funding is intended to provide matching leverage for additional state and federal funding.

- D. Senior and Disabled Transportation Services.** 3.09% of all annual net sales tax revenues shall be used for planning, design, operational, maintenance, and capital acquisition activities of any designated consolidated transportation services agency (CTSA) and Sac RT to provide demand-responsive transportation services to eligible seniors and disabled residents. Operation funds shall be allocated monthly. Any CTSA and SacRT shall adopt a five-year program for use of these funds. The five-year plan will be updated annually and submitted to the Authority for approval.

- E. Air Quality.** 2.20% of all annual net sales tax revenues shall be allocated monthly to the Sacramento Metropolitan Air Quality Management District (SMAQMD) to provide funding for monitoring, planning, emission reduction, and future mobility programs to promote clean air, mitigate climate change and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards and low-carbon development goals.

- F. Program Administration – Taxpayer Oversight.** 1.0% of all annual sales tax revenues shall be allocated monthly to the Authority for general and financial administration of the Authority and the Measure A program, coordination and consultation with Measure A recipient entities and Sacramento Area Council of Governments (SACOG), facilitation and administration of the Independent Taxpayer Oversight Committee, independent financial and performance audits, and ongoing public information and outreach.

- G. Extension of the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP).** This Ordinance extends the SCTMFP established by Ordinance No. STA 04-01 for the Existing Tax program for the period April 1, 2039, through March 31, 2061. Allocations for funding from the extended fee program are not included in this Expenditure Plan which governs the distribution of revenue resulting from the imposition of a retail transactions and use tax of one-half percent for local transportation purposes for a period of forty (40) years.

Future SCTMFP allocations are subject to validation by a nexus study to be initiated no later than April 1, 2037, as specified in Section IX of this Ordinance and fees collected shall be allocated to specific projects through a process determined by the Authority in coordination with local jurisdictions, and the allocation plan shall be in place prior to April 1, 2039.

MEASURE A 2020 TRANSPORTATION SALES TAX EXPENDITURE PLAN

MARCH 12, 2020

(All dollar figures are estimates and are stated in millions of dollars)

LOCAL STREETS AND ROADS (47.95%) \$ 3,876.00

47.95% of all annual net sales tax revenues shall be allocated to each incorporated city and the unincorporated county for local street and road purposes. Funds for each of the subcategories below will be allocated by formula.

Local Street and Road Repair and Transformative System Improvements (39.29%) \$ 3,176.00

39.29% of all annual net sales tax revenues shall be allocated monthly to each incorporated city and the unincorporated county based 75% on relative population and 25% on relative paved and maintained road mileage. These funds are available for the maintenance and rehabilitation of local streets, roads and other transformative improvements to the local system. Transformative improvements include safety projects, complete streets with or without capacity expansion, sidewalk and pedestrian improvements, active transportation improvements, safe routes to schools, Americans with Disabilities Act compliance, intelligent transportation system enhancements, street lighting and synchronized signals, electric vehicle charging stations, trail improvements, major arterial improvements, and other improvements which will help transform the overall system to better facilitate improved mobility and the development of alternative travel options.

For the first five years following implementation of Ordinance No. STA 20-01 (April 1, 2021, to March 31, 2026), not less than 90% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for “Fix It First” road and bridge preventative maintenance and rehabilitation, including safety improvements, so as to bring these facilities throughout Sacramento County to a Pavement Condition Index (PCI) of at least 70 at the soonest possible time.

At the end of the five-year period following the date of implementation of Ordinance No. STA 20-01 (after March 31, 2026), not less than 50% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for “Fix It First” street, road, and bridge preventative maintenance and rehabilitation so as to continue efforts to bring these facilities throughout Sacramento County to PCI of at least 70.

LOCAL STREETS AND ROADS**(continued)****Local Street and Road Repair and
Transformative System Improvements****(continued)**

A 70 PCI is generally defined as safe, reliable and smooth street surfaces with little to no blemishes, potholes or substantial cracking. Streets and roads with a 70 PCI are expected to have a comfortable and safe ride for all motorized vehicles and bicycles, with minimum wear and tear on all such users.

The definition of maintenance and rehabilitation shall include as eligible for these funds the non-capacity upgrade of existing streets, including improvements to enhance safety and access for pedestrians, bicycles, and transit users.

Notwithstanding these allocation restrictions, the percentage commitments to “Fix It First” maintenance and rehabilitation may be reduced and any city and the County of Sacramento may direct a higher percentage of those funds to new transformative system improvements, provided the following conditions have been met:

1. The public agency manager responsible for road maintenance has certified in writing to the City Council and City Manager in a city and the Board of Supervisors and the Chief Administrative Officer at the County that the road facilities under their management have met or will meet within the next 12 months a 70 PCI rating.
2. The public agency manager responsible for road maintenance has submitted a written plan to the City Manager or County Chief Administrative Officer clearly demonstrating how the 70 PCI rating will be sustained in the future. Any diversion of the funds committed to maintenance and rehabilitation can only continue as long as a jurisdiction maintains an average PCI of 70 or above for its street and road system. In addition, local jurisdictions must maintain current levels of funding for maintenance and rehabilitation and shall not use funds from this allocation to offset existing funding planned or allocated for this purpose.

With the exception of the City of Isleton, which will receive a fixed amount of these funds, the percentage allocation for each jurisdiction is listed and includes eligible projects proposed for funding from this category. In addition to the “Fix It First” Maintenance and Rehabilitation allocation, the jurisdiction lists include safety projects, complete streets projects, improvements to major arterials, local road capacity expansion, bicycle and pedestrian improvements, intelligent transportation system enhancements, and other transformative improvements which will facilitate improved mobility and the development of alternative travel options for the future. Arterial improvements and system access projects may also be included in another category of the Expenditure Plan.

LOCAL STREETS AND ROADS**(continued)****Local Street and Road Repair and
Transformative System Improvements****(continued)****Citrus Heights (5.29%)****\$ 168.05**

- “Fix It First” Street Maintenance and Rehabilitation
- Complete Streets Program:
 - Auburn Blvd Phase II (Rusch Park – I-80)
 - Auburn Blvd Phase III (Sylvan Corners – Greenback Lane)
 - Auburn Blvd Phase IV (Greenback Lane – Manzanita Avenue)
 - Antelope Road (Auburn Blvd – Old Auburn Road)
 - Dewey Drive (Greenback Lane – Connemara Circle)
 - Fair Oaks Blvd (Oak Avenue – Madison Avenue)
 - Greenback Lane (Sunrise Blvd – Fair Oaks Blvd)
 - Oak Avenue (Sunrise Blvd – Wachtel Way)
 - Old Auburn Road (Sylvan Corners – Roseville City Limit)
 - Roseville Road (Butternut Drive – City Limit)
 - San Juan Avenue (Madison Avenue – Sylvan Road)
 - Sunrise Blvd (Sayonara Drive – North City Limit)
 - Sylvan Road (San Juan Avenue – Sylvan Corners)
 - Wachtel Way (Oak Avenue – Auburn Road)
 - Van Maren Lane (Greenback Lane – Garden Gate Drive)
- Antelope Road/I-80 Interchange (Bike, Pedestrian, Americans with Disabilities Act and Congestion Relief Improvements)
- Intelligent Transportation System Improvements
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Elk Grove (10.99%)

\$ 348.79

- “Fix It First” Street Maintenance and Rehabilitation
- Widen, Rebuild, and Extend Kammerer Road*
- Construct SR-99 at Whitelock Parkway Interchange*
- Intelligent Transportation System Improvements
- Citywide Complete Streets Improvements
- Bicycle, Pedestrian, Trails, and Americans with Disabilities Act Master Plan Implementation
- Laguna Creek Trail
- Elk Grove Creek Trail
- Powerline Trail
- Stone Creek Lake Trail and Bridge
- Congestion Reduction on Elk Grove Blvd
- Congestion Reduction on Laguna Blvd/Bond Road
- Pedestrian Overcrossing of UPRR on Elk Grove Blvd
- Pedestrian Overcrossing of UPRR on Laguna Blvd
- City of Elk Grove Smart Corridors
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Folsom (5.29%)

\$ 168.05

- “Fix It First” Street Maintenance and Rehabilitation
- Construct US-50 at Empire Ranch Road Interchange*
- Construct US-50 at Oak Avenue Parkway Interchange*
- Widen White Rock Road (Prairie City Road – Empire Ranch Road)*
- Folsom Blvd Bicycle Overcrossing
- Intelligent Transportation System Improvements
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Folsom Lake State Recreation Area Trail Projects
- Support of a Local Transportation Management Agency

Galt (1.70%)

\$ 53.90

- “Fix It First” Street Maintenance and Rehabilitation
- Construct SR-99 at Walnut Avenue Interchange*
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Carillion Blvd Complete Streets Improvements
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Isleton (Fixed Amount)

\$ 2.00

- “Fix It First” Street Maintenance and Rehabilitation
- Community Center Americans with Disabilities Act Ramps and Parking Lot Rehabilitation
- Safety Lights for Tower Park and Ride Lot
- Electric Vehicle Charging Stations
- Dock/Ferry Station Rehabilitation
- Green Streets Plan
- Pilot Shuttle, Isleton to E-Bart Station
- Support of a Local Transportation Management Agency

Rancho Cordova (5.09%)

\$ 161.71

- “Fix It First” Street Maintenance and Rehabilitation
- Construct US-50 at Rancho Cordova Parkway Interchange, including the Interchange at US-50 to White Rock Road*
- Widen White Rock Road (Sunrise Blvd – Grant Line Road)
- Widen Douglas Road (Sunrise Blvd – Western City Limit with Bridge over Folsom South Canal)
- Sunrise Blvd Complete Streets Improvements (Folsom Blvd – Jackson Highway)
- Mather Field Road Complete Streets
- Coloma Road Complete Streets
- Zinfandel Bicycle and Pedestrian US-50 Overcrossing
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- American River Parkway
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Sacramento (31.27%)

\$ 992.47

- “Fix It First” Maintenance and Rehabilitation (to include complete streets and safety elements whenever feasible)
- Intelligent Transportation System Master Plan Implementation
- Vision Zero Action Plan (Safety Improvements) Implementation
 - High Injury Networks
 - Safe Routes to School
- Complete Streets (to include at a minimum currently identified efforts):
 - Stockton Blvd
 - Franklin Blvd
 - Fruitridge Road
 - Northgate Blvd
 - Meadowview Road/24th Street
 - Broadway
- Active Transportation Implementation
 - Bikeway Master Plan
 - Pedestrian Master Plan
- Accessibility Improvements
- Pedestrian and Bicycle Safety Improvements
- 14th Avenue Extension
- 67th Street Bike/Pedestrian Tunnel to CSUS
- Operations and Security
- Support of Strategic Local Transportation Management Agency Initiatives
- Parking Facilities

LOCAL STREETS AND ROADS**(continued)****Local Street and Road Repair and
Transformative System Improvements****(continued)****County of Sacramento (40.36%)****\$ 1,281.01**

- “Fix It First” Street Maintenance and Rehabilitation
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Hazel Avenue/US-50 Interchange*
- North Watt Avenue at UPRR/Capitol Corridor Overcrossing
- American River Parkway
- Arterial Corridor Rehabilitation with Complete Streets, Intelligent Transportation System Improvements and Streetscape:
 - Arden Way (Ethan Way – Watt Avenue)
 - Auburn Blvd (Fulton Avenue – Manzanita Avenue)
 - Cypress Avenue (Edison Avenue – Manzanita Avenue)
 - El Camino Avenue (Ethan Way – Fair Oaks Blvd)
 - Elverta Road (Watt Avenue – Antelope Road)
 - Fair Oaks Blvd (Howe Avenue – Madison Avenue)
 - Folsom Blvd (Watt Avenue – Bradshaw Road)
 - Fulton Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Garfield Avenue (Greenback Lane – Winding Way)
 - Greenback Lane (Hazel Avenue – Madison Avenue)
 - Howe Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Madison Avenue (Watt Avenue – Sunrise Blvd)
 - Manzanita Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Marconi Avenue (Howe Avenue – Fair Oaks Blvd)
 - Oak Avenue (Hazel Avenue – Folsom City Limit)

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

County of Sacramento

(continued)

- Pasadena Avenue (Cypress Avenue – Winding Way)
- Power Inn Road (Florin Road – Calvine Road)
- San Juan Avenue (Madison Avenue – Fair Oaks Blvd)
- Stockton Blvd (North of 65th Street – Power Inn Road)
- Sunrise Blvd (Madison Avenue – Coloma Road)
- Watt Avenue (Capital City Freeway – Fair Oaks Blvd)
- 47th Avenue (Franklin Blvd – Stockton Blvd)
- Road Capacity Expansion with Complete Streets and Intelligent Transportation System Improvements:
 - Antelope Road (Watt Avenue – Roseville Road)
 - Bradshaw Road (Old Placerville Road – Calvine Road)
 - Calvine Road (Power Inn Road – Grant Line Road)
 - Douglas Road (Rancho Cordova City Limit – Kiefer Blvd)
 - Elkhorn Blvd (Rio Linda Blvd – I-80)
 - Elverta Road (SR-99 – Watt Avenue)
 - Greenback Lane (Fair Oaks Blvd – Hazel Avenue)
 - Hazel Avenue (Placer County Line to Madison Avenue)
 - Jackson Highway (Watt Avenue – Grant Line Road)
 - Madison Avenue (Sunrise Blvd – Greenback Lane)
 - North Watt Avenue (Antelope Road – Capital City Freeway)
 - Roseville Road (Airbase Drive – Placer County Line)
 - South Watt Avenue/Elk Grove-Florin Road (Kiefer Blvd – Calvine Road)
 - Sunrise Blvd (Jackson Highway – Grant Line Road)
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS**(continued)****Local Projects of Regional Significance (8.66%) \$700.00**

8.66% of all annual net sales tax revenues shall be allocated to the local jurisdiction listed in this category to fund projects within the boundaries of these local jurisdictions that provide a regional benefit to the overall transportation network. These projects include construction or modifications to interchanges interfacing with state highways, projects that are required for mitigation purposes for new or expanded access to the system improvements to local arterials that promote regional connectivity. The interchange projects listed will require a federal, state, local and/or developer match of at least one-third of the cost of the improvement. Allocations are based on a formula which takes into account population, lane miles and sales tax generation, and funding will be provided to local jurisdictions for expenditure on these specific projects only. Recipient agencies are shown for each project.

Citrus Heights (3.60%) \$25.20

- Auburn Blvd Phase II (Rusch Park – I-80)
- Madison Avenue Corridor (Fair Oaks Blvd – San Juan Avenue)
- Sunrise Blvd (Sayonara Drive – Madison Avenue)
- Antelope Road/I-80 Interchange (Bike, Pedestrian, Americans with Disabilities Act, and Congestion Relief Improvements)

Elk Grove (10.20%) \$71.40

- Whitelock Parkway/SR-99 Interchange
- Elk Grove Blvd Congestion Relief
- Laguna Blvd/Bond Road Congestion Relief

Folsom (10.50%) \$73.50

- Empire Ranch Road/US-50 Interchange
- Oak Avenue Parkway/US-50 Interchange
- Oak Avenue Parkway (Folsom-Auburn Road – American River Canyon Drive)
- Folsom-Auburn Road at Folsom Lake Crossing
- Folsom Blvd/Blue Ravine Road Rail/Trail Grade Separation

LOCAL STREETS AND ROADS

(continued)

Local Projects of Regional Significance

(continued)

Galt (1.20%) **\$8.40**

- Walnut Avenue/SR-99 Interchange

Isleton (0.10%) **\$0.70**

- Local Street and Road Repair
- SR-160 Safety Plan

Rancho Cordova (10.50%) **\$73.50**

- Rancho Cordova Parkway/US-50 Interchange, including the Interchange at US-50 to White Rock Road
- White Rock Road Complete Streets (Sunrise Blvd – East City Limit)
- Widen Douglas Road (Sunrise Blvd – West City Limit)

Sacramento (30.20%) **\$211.40**

- Richards Blvd/I-5 Interchange (Implement River District Specific Plan/Railyards Specific Plan)
- Mack Road/SR-99 Interchange (Safety Improvements)
- 65th Street/US-50 Interchange (65th Street Transit Area Plan Improvements)
- I Street Bridge Replacement (Railyards Blvd) over Sacramento River
- American River Bridge to South Natomas
- Broadway Bridge over Sacramento River
- Cosumnes River Blvd Improvements (SR-99 – Franklin Blvd)
- West El Camino Avenue/I-80 Interchange (North Natomas Freeway Agreement)
- Northgate Blvd/I-80 Interchange (North Natomas Freeway Agreement)

LOCAL STREETS AND ROADS

(continued)

Local Projects of Regional Significance

(continued)

Sacramento

(continued)

- Sacramento River/American River/Regional Bike Trails (Development, Patrol, and Maintenance for Those Areas Not Covered by Sacramento County Parks)
- Intermodal Transportation Facility Development (Phase 3 Implementation Capital Costs)

County of Sacramento (33.70%)

\$235.90

- Arden Way (Ethan Way – Watt Avenue)
- Bradshaw Road (Old Placerville Road – Calvine Road)
- Elverta Road (SR-99 – Antelope Road)
- Fair Oaks Blvd (Howe Avenue – Madison Avenue)
- Folsom Blvd (Watt Avenue – Bradshaw Road)
- Hazel Avenue/US-50 Interchange
- Madison Avenue (Watt Avenue – Greenback Lane)
- Rural Road Shoulder and Safety Improvements
- South Watt Avenue/Elk Grove-Florin Road (Kiefer Blvd – Calvine Road)
- Sunrise Blvd (Jackson Highway – Grant Line Road)
- Watt Avenue (Capital City Freeway – Fair Oaks Blvd)
- 47th Avenue (Franklin Blvd – Stockton Blvd)

**Project may also be included in another category*

SACRAMENTO REGIONAL TRANSIT DISTRICT (SacRT) MAINTENANCE, OPERATIONS, AND TRANSFORMATIVE SYSTEM IMPROVEMENTS (21.90%) **\$1,770.00**

21.90% of all annual net sales tax revenues shall be allocated to SacRT in funding for the transit equivalent of “Fix It First” along with needed operational and other transformative improvements. For the first five years following implementation of Ordinance No. STA 20-01, not less than one-third of these funds must be spent on achieving a state of good repair of the transit system, bus and light rail vehicle replacement, safety, security, and fare assistance for senior, disabled, student, and low-income passengers. During this period, the following performance metrics service shall also be met:

1. SacRT will meet or exceed the requirements in the SacRT Transit Asset Management (TAM) Plan for the percentage of buses and light rail vehicles that meet or exceed useful vehicle life or average vehicle age benchmarks.
2. SacRT will meet or exceed performance goals and industry standards, adopted by the SacRT Board of Directors, for miles between road calls, on-time performance, missed trips, and safety/security key performance indicators.
3. SacRT will meet or exceed the California Transportation Development Act (TDA) goals and requirements, which currently include meeting minimum farebox recovery ratio requirements and independent performance audits conducted every three years.

Notwithstanding this allocation restriction, prior to the end of the five-year period following implementation of Ordinance No. STA 20-01, the one-third commitment to “Fix It First” vehicle replacement, maintenance, operations and security may be reduced and SacRT may direct a higher percentage of the funds to other activities included in this category, provided the following conditions have been met:

1. The SacRT Chief Financial Officer has certified in writing to the SacRT General Manager/CEO and the SacRT Board of Directors that the performance metrics above have been met.
2. The Chief Financial Officer has submitted a written five-year expenditure plan to the General Manager/CEO clearly demonstrating how the performance metrics will be sustained in the future.

Other investments with these funds are intended to provide for improved access for the senior and disabled populations, fare subsidies for transit-dependent riders, financial support for expanded light rail operations, and the implementation of innovative services that will improve transit connections and encourage increased ridership. The following projects will be eligible for funding through this category:

- Basic State of Good Repair, Bus Replacement, Safety, and Security
- Fare Subsidy Program for Students, Seniors, and Low-income Passengers
- Low-floor Trains Systemwide
- Americans with Disabilities Act Upgrades for Bus and Rail
- Zero Emission Vehicle Shuttles
- Maintenance and Operations of New Light Rail Projects

SACRAMENTO REGIONAL TRANSIT DISTRICT (SacRT) MAINTENANCE, OPERATIONS, AND TRANSFORMATIVE SYSTEM IMPROVEMENTS (continued)

- Florin Station TOD Partnership (\$1.0 million)
- SmaRT Ride Microtransit Program

CONGESTION RELIEF IMPROVEMENTS (24.86%) \$2,010.00

24.86% of all annual net sales tax revenues shall be allocated to the agencies indicated for highway, transit or rail projects that reduce congestion, expand capacity, improve operations, and enhance access to the transportation system. Allocations of funding to Caltrans for highway congestion improvements will be used by the department for both project development and capital expenses associated with the projects listed and will provide matching leverage for additional state and federal dollars. Proposed allocation amounts for SacRT bus and light rail projects included as transit and rail congestion improvements are intended to be flexible to allow for the transit agency to best apply the available funding to achieve the maximum benefit in matching funds from state and federal sources.

Transit and Rail Congestion Improvement Projects (13.11%) \$1,060.00

13.11% of all annual net sales tax revenues shall be allocated to SacRT for transit and rail projects that reduce congestion, expand capacity, improve operations and enhance access to the transportation system. The proposed allocation amounts for bus and light rail projects are intended to be flexible to allow for SacRT to best apply the funding to achieve the maximum benefit in matching funds from state and federal resources.

- Capital Improvement Projects \$485.00
 - LRT Gold Line Express Service
 - LRT Green Line Extension (Township 9 – Natomas – Toward SMF)
 - LRT Extensions to Elk Grove and Folsom
 - BRT to Citrus Heights, Stockton Blvd, and Sunrise in Rancho Cordova
- Increased Routes and Frequencies for Both Bus and Light Rail Operations \$575.00

CONGESTION RELIEF IMPROVEMENTS

(continued)

Highway Congestion Improvement Projects (11.75%) \$950.00

11.75% of all annual net sales tax revenues shall be allocated to Caltrans, Capital Southeast Connector Joint Powers Authority, and the City of Elk Grove for highway congestion improvement projects, including state highway improvements and the Capital Southeast Connector project in Sacramento County. Allocations of funding to Caltrans will be used by the department for both project development and capital expenses associated with the projects included in this category and the funding is intended to provide matching leverage for additional state and federal dollars to ultimately complete the identified projects.

- Caltrans \$650.00
 - Capital City Freeway Bus/Carpool Lanes (I-80 – P Street)
 - I-5 Bus/Carpool Lanes (US-50 – SMF)
 - I-5/I-80 Interchange Complex Improvements
 - I-5/US-50 Interchange Complex Improvements
 - SR-99/US-50/Bus-80 Interchange Complex Improvements
- Capital Southeast Connector (SR-99 – US-50) \$248.00
- Widen, Rebuild, and Extend Kammerer Road (City of Elk Grove) \$52.00

SENIOR AND DISABLED TRANSPORTATION SERVICES (3.09%) \$250.00

3.09% of all annual net sales tax revenues shall be allocated to SacRT and any designated consolidated transportation services agency to provide transit services for the county’s senior and disabled populations, including vehicle acquisition, operations of Americans with Disabilities Act and Non-Americans with Disabilities Act demand response service and maintenance, development and implementation of scheduling, communications, and service delivery technology to improve customer interface, senior and disabled low-fare discount programs, planning and implementation of new services to accommodate growing customer base, such as SacRT’s SmartRide service, or other similar services, for senior and disabled populations, maintenance and delivery of social services transportation, mobility training, and other innovative mobility management programs designed for elderly and disabled populations.

AIR QUALITY (2.20%)**\$ 177.50**

2.20% of all annual net sales tax revenues shall be allocated to the Sacramento Metropolitan Air Quality Management District (SMAQMD) to provide funding for monitoring, planning, emission reduction, and future mobility programs to promote clean air, mitigate climate change and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards and low-carbon development goals. Meeting these standards as demonstrated in an approved State Implementation Plan for Sacramento Region is a legally binding requirement for the region to receive federal funds for road widening, new roads, and other infrastructure projects. The funds will also leverage millions in State dollars to support other regional efforts for active transportation and land use, electrification of the transportation sector, and future mobility options, including deployment of electric school buses, electric transit for first- and last-mile trips, charging and hydrogen fueling infrastructure, and micro-mobility shared uses.

REGIONAL MOBILITY CENTER**\$ 20.00**

\$500,000 in annual net sales tax revenues, not to exceed \$20 million for the program period, shall be available to the City of Sacramento for a Regional Mobility Center to provide funding in collaboration with other public and private entities, for a center to foster innovation in clean transportation, including electric and automated vehicle technology, to develop future smart mobility solutions for the region. The center will provide a platform for industry innovators, educational institutions and clean tech regulators to conduct research and development work to create new technology and hardware, and provide a supportive regional environment to attract and grow transformative mobility startup businesses in the area, adding new jobs and stimulating investment in clean and innovative mobility solutions. The center will also contribute to machinery and equipment costs that will be used to train a future workforce for the clean mobility sector.

COMMUTER RAIL SERVICE ENHANCEMENTS**\$ 80.00**

\$2 million in annual sales tax revenues, not to exceed \$80 million for the program period, shall be available to the San Joaquin Regional Rail Commission for operations and serve enhancements related to the Altamont Corridor Express (ACE) service that benefit Sacramento County residents. Determination of that benefit shall be based on the route-miles of ACE service and the number of stations served by ACE in Sacramento County.

SACRAMENTO INTERMODAL TRANSIT FACILITY**\$ 40.00**

\$1 million in annual sales tax revenues, not to exceed \$40 million for the program period, shall be available to the City of Sacramento for support of operations related to the Sacramento Intermodal Transfer Facility.

TRANSPORTATION MANAGEMENT AGENCIES **\$ 8.00**

\$200,000 in annual sales tax revenues, not to exceed \$8 million for the program period, shall be available to the Sacramento Area Council of Governments (SACOG) and Sacramento Metropolitan Air Quality Management District (SMAQMD) to support the activities of Transportation Management Agencies in Sacramento County. Allocation details and program performance metrics will be developed by SACOG and SMAQMD in coordination with county Transportation Management Agencies prior to April 1, 2021, and subject to approval of the Authority.

AMERICAN RIVER PARKWAY **\$ 63.00**

Not more than \$63 million in sales tax revenues will be dedicated to the County of Sacramento, Department of Regional Parks, for the American River Parkway. The available funds will be allocated as follows: \$1 million per year from April 1, 2021, through March 31, 2039, and \$2 million per year for the remaining period of Measure A through March 31, 2061. Activities funded through this program will be coordinated with the appropriate jurisdictions in which the Parkway is located and projects eligible for funding shall include trail maintenance and rehabilitation, habitat preservation, and safety programs for trail segments where crime and safety conditions are an identified problem so as to preserve and enhance active transportation use.

PROGRAM ADMINISTRATION – INDEPENDENT TAXPAYER OVERSIGHT (1.00%) **\$ 83.78**

Not more than 1.00% of all annual sales tax revenues shall be available for Measure A program administration. The 1% limitation applies to administrative expenditures and support for Independent Taxpayer Oversight.

EXTENSION OF THE SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP) **\$331.00**

The amount of revenue to be delivered through contributions from new development through the extension of the SCTMFP for the period April 1, 2039, through March 31, 2061, is estimated to be approximately \$331 million. The intended program allocation for the fees collected by this program is 35% (\$115.9 million) for Local Streets and Roads; 30% (\$99.3 million) for Transit and Road Congestion Improvement Projects and SacRT Maintenance and Operations; 10% (\$33.1 million) for Highway Congestion Improvement Projects on the local freeway system; and 25% (\$82.8 million) for transportation project environmental mitigation.

Allocations for funding from the extension of the SCTMFP are not included in this Expenditure Plan which governs the distribution of revenue resulting from the imposition of all retail transaction and use tax of one-half percent for local transportation purposes for a period of forty (40) years.

Future SCTMFP allocations are subject to validation by a nexus study to be initiated no later than April 1, 2037, as specified in Section IX of this Ordinance and fees collected shall be allocated to specific projects through a process as determined by the Authority in coordination with local jurisdictions and an allocation plan shall be in place prior to April 1, 2039.

Percentages may not add to 100% due to rounding.

EXHIBIT B

MEASURE A TAXPAYER SAFEGUARDS

Independent Taxpayer Oversight Committee. The Authority Independent Taxpayer Oversight Committee (ITOC) shall supervise regular audits to assess the fiscal and program performance of the Measure A sales tax program to ensure that all sales tax funds are expended effectively and in accordance with the provisions of this Ordinance and Expenditure Plan. The ITOC will provide constructive advice to the Authority Board and staff on how to improve program implementation, and will study and report on other issues related to current or future administration of Measure A sales tax funds.

ITOC Membership and Selection. The composition of the ITOC, eligibility for membership, service terms, and the process for selecting and replacing members will be as set forth in Ordinance No. STA 04-01, with the exception that additional members may be added to the ITOC at the discretion of the Authority Board. ITOC members are prohibited from acting in any commercial activity directly or indirectly involving the Authority, such as being a consultant or vendor to the Authority. ITOC members shall not have direct commercial interest or employment with any public or private entity that receives Measure A sales tax funds.

Audit Requirement. The ITOC shall supervise annual fiscal audits and periodic performance audits, which shall be performed in accordance with generally accepted auditing standards and government auditing standards issued by the Comptroller General of the United States. Performance audits will assess program performance relative to standards to be adopted by the Authority Board. The Board shall adopt program performance standards no later than April 1, 2021, and shall review said standards for currency every five years.

Role of Financial and Performance Audits. The ITOC shall consult with the Executive Director and the Authority Board regarding the selection of a professional auditing firm to conduct the fiscal and performance audits of the receipt and expenditure of all Measure A sales tax funds. The ITOC will report audit results—with a detailed listing of findings—to the Authority Board and public. The ITOC will recommend additional audits or program review that it believes will improve the financial operation and integrity of program implementation, while meeting all voter mandates. No professional audit firm will conduct more than five consecutive annual fiscal audits.

The Authority Board shall consider findings and recommendations from each annual audit at a publicly-noticed meeting. The annual audit report shall be made readily available to the public on the Authority's website. The Authority Board and staff shall fully cooperate with and provide necessary financial and staff support to ensure that the ITOC effectively carries out its duties and obligations. The annual cost of the ITOC shall not exceed \$150,000, adjusted for inflation, and shall be derived from the one percent (1.0%) of annual sales tax funds earmarked for Authority administration.

Maintenance of Effort. Funding provided to recipient agencies will supplement—not replace—existing local revenues dedicated for transportation projects and programs. The County and cities must continue to impose their local transportation impact fees on new development, along with the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) required by Ordinance No. STA 04-01. The Authority and ITOC shall enforce these requirements through fiscal and performance audits of the recipient agencies.

Expenditure Plan Amendments. The Authority shall conduct a formal review of the Expenditure Plan every 10 years, beginning in 2031. The purpose of this review is to ensure that the Measure A program accommodates contemporary community transportation needs in light of changing demographics, technology, and revenue estimates. Based on this review, the Authority may adopt amendments to the Expenditure Plan. Such amendments may only take effect following the amendment process outlined in Section XXIII of this Ordinance. At no other time, shall changes be made to the Expenditure Plan.