



(SPECIAL MEETING)

**Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority (SAVSA)**

700 H Street, Suite 1450 • Sacramento, California • 95814

WEDNESDAY

FEBRUARY 26, 2020

1:30 PM

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

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

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.sacmetrocable.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.

Members of the audience wishing to address the Board may sign up electronically at the kiosk located in the back of the room. Please speak into the microphone when addressing the Board, and state your name for the record.

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

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: February 13, 2020 STA Governing Board Meeting ◀

Jennifer Doll

Continued on back side →

AGENDA

Sacramento Transportation Authority
Sacramento Abandoned Vehicle Service Authority

February 26, 2020

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SEPARATE ITEMS

4. Status Of Development Of Proposed Measure A 2020 Ordinance And Transportation Expenditure Plan *Will Kempton*
 - 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

5. Comments Of Authority Members *All*

◀ *Denotes items that require Board action*



FEBRUARY 26, 2020

AGENDA ITEM # 2

EXECUTIVE DIRECTOR'S REPORT

Action Requested: Receive and File

Key Staff: Will Kempton, Executive Director

Letter of Support for City of Rancho Cordova INFRA Grant Request

The City of Rancho Cordova is submitting an application for a federal INFRA Grant for a four-lane project improving White Rock Road from the future Rancho Cordova Parkway to the eastern City Limits. The total project cost is estimated to be \$24 million and the City is funding over \$7.7 million of that cost with City funds and will be requesting approximately \$12 million. The City has asked the STA to write a letter of support for this grant and staff has complied with that request (see attached).

In addition to local funding, the City has included this project as a high priority for the Local Projects of Regional Significance subcategory in the proposed Measure A 2020 Expenditure Plan. This funding approach is consistent with the guiding principles of that document which state, in part, that the new Measure intends "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 the Expenditure Plan."

Tentative Schedule for Council and BOS Presentations on the Measure A 2020 TEP

Following tentative adoption of the Measure A 2020 TEP, it will be necessary to appear before governing boards of each jurisdiction within the county to seek approval of the Plan. Pursuant to California Public Utilities Code, Section 180206(b), "a county transportation plan shall not be adopted until it has received the approval of the board of supervisors and of the city councils representing both a majority of the cities in the county and a majority of the population residing in the incorporated areas of the county." Following are the tentative dates that are currently scheduled for presentations to comply with this statute:

City of Sacramento	Tuesday, March 24, 2020
City of Rancho Cordova	Monday, April 6, 2020
County of Sacramento	Tuesday, April 7, 2020
City of Galt	Tuesday, April 7, 2020
City of Elk Grove	Wednesday, April 8, 2020
City of Folsom	Tuesday, April 14, 2020
City of Isleton	Tuesday, April 20, 2020

Attachments

Letter to USDOT Secretary Elaine Chao



Sacramento Transportation Authority

801 12th Street, 5th Floor
Sacramento, CA 95814

(916) 323-0080 Phone
(916) 323-0850 Fax

Email: info@sacta.org
Web: SactA.org

February 20, 2020

The Honorable Elaine Chao
United States Department of Transportation
1200 New Jersey Avenue, SE
Washington DC 20590

Re: INFRA 2020 Grant Request for White Rock Road Corridor Safety Project

Dear Secretary Chao:

I am writing in support of the City of Rancho Cordova's INFRA 2020 grant application for the widening of White Rock Road in the city Rancho Cordova. This project has a regional significance by providing parallel capacity and congestion relief to US Highway 50, a major east-west transportation corridor in Sacramento and El Dorado Counties. This project is part of a concerted, regional effort to develop and implement a coordinated transportation improvement plan for the Sacramento/El Dorado County area that improves mobility, creates job opportunities and spurs regional economic development. The project accomplishes these goals by strengthening the connection between rural communities to the east, 70,000 jobs in the City of Rancho Cordova, Mather Airport, and Sacramento County to the west.

In addition to the benefits noted above, the proposed improvements and widening of White Rock Road from two to four lanes will improve the overall safety for all modes of travel by providing improved sight lines, added shoulders, curve re-alignment, innovative intelligent transportation elements and improved signage. These improvements will help provide an alternate route for first responders, emergency management services and national security connecting multiple communities within Sacramento and El Dorado Counties.

Using local dollars to leverage state and federal investment is consistent with the principles of the STA and funding the White Rock Road Safety Improvement Project will allow the City of Rancho Cordova to complete the improvements on this integral transportation corridor. The City of Rancho Cordova will improve a major portion of White Rock Road this year with multiple funding sources and completing the final stretch with INFRA grant funding will close the gap to the City limits. The City has demonstrated its commitment to this important project and has been consistently moving forward to improve this roadway of regional significance. Please give the City of Rancho Cordova every consideration in advancing an INFRA grant to complete this critical connection.

Sincerely,

A handwritten signature in blue ink that reads "Will Kempton".

WILL KEMPTON
Executive Director
STA.

cc: Albert Stricker, P.E.
Public Works Director
City of Rancho Cordova



FEBRUARY 26, 2020

AGENDA ITEM # 3

ACTION SUMMARY: FEBRUARY 13, 2020 STA GOVERNING BOARD MEETING

Action Requested: Approve

Key Staff: Jennifer Doll, Special Programs Manager

Recommendation

Approve the attached Action Summary of the February 13, 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

THURSDAY **February 13, 2020** **1:30 PM**

MEMBERS: Larry Carr, 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, Darren Suen (Chair), Susan Peters

(Director Carr was not present)

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

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Assistive listening devices are available for use by the public. See the Clerk of the Board for information.

Members of the audience wishing to address the Board should complete a speaker identification form located at the back of the room and give it to the Clerk. Please speak into the microphones when addressing the Board, and state your name for the record.

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

PLEDGE OF ALLEGIANCE

COMMENTS ITEMS

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

1:33 PM Board Action: Jeffrey Tardiguila addressed the Board regarding transportation concerns.

2. Executive Director's Report

1:36 PM Board Action: Executive Director Will Kempton provided updates regarding Independent Taxpayer Oversight Committee, local partnerships and upcoming Board meetings.

CONSENT ITEMS

3. Approve The February 5, 2020 STA Action Summary

1:38 PM Board Action: Don Nottoli/ Jay Schenirer - 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: (None)

ABSENT: Larry Carr

RECUSAL: (None)

(PER POLITICAL REFORM ACT (§ 18702.5.))

SEPARATE ITEMS

4. Status Of Development of Proposed Draft Measure A Ordinance and Transportation Expenditure Plan

- **Revisions to Draft Measure A 2020 Ordinance and Transportation Expenditure Plan for discussion purposes only**
- **Continue Public Hearing on Draft Measure A 2020 Ordinance and Transportation Expenditure Plan**
- **Confirm special meeting on February 26, 2020**

3:32 PM Board Action: Received and filed the report. Confirmed special meeting on February 26, 2020.

5. Comments From Authority Members

3:34 PM Board Action: No comments were made.

Adjourned at 3:34 PM

Respectfully Submitted,


Renae McClain-White, Deputy Clerk



FEBRUARY 26, 2020

AGENDA ITEM # 4

STATUS OF DEVELOPMENT OF PROPOSED MEASURE A 2020 ORDINANCE AND TRANSPORTATION EXPENDITURE PLAN

Action Requested: Receive and File

Key Staff: Will Kempton, Executive Director

Recommendation

Receive an oral presentation from the Executive Director on the status of ongoing development of the Proposed Measure A 2020 Ordinance and Transportation Expenditure Plan (TEP), including a summary of revisions made to the Ordinance and TEP since these documents were presented at the Authority meeting on February 13, 2020.

Continue the public hearing on the Draft Ordinance and TEP to the regular monthly meeting on March 12, 2020, at which the Governing Board is scheduled to tentatively adopt the Measure A 2020 Transportation Expenditure Plan.

THIS ITEM IS FOR DISCUSSION PURPOSES ONLY. NO ACTION IS PLANNED FOR TODAY'S MEETING.

Discussion

At the last Authority meeting on February 13, 2020, staff presented an update on the Proposed Measure A 2020 Ordinance and Transportation Expenditure Plan for discussion purposes only. Work continues to progress on the development of the TEP with concomitant changes to the draft Ordinance, which includes the draft TEP as Exhibit A. Changes include minor adjustments to the wording of the document for clarification purposes and some additional content in certain sections of the document. Significant changes are summarized below:

1. As discussed at the meeting on February 13th, program percentages and funding amounts have been adjusted to reflect 60% of allocations going for streets, roads and highways with 40% dedicated for rail and transit purposes, after set asides for multi-modal activities. To accommodate this division, Local Streets and Roads funding was increased by \$165 million dollars and the amount of money previously proposed for Rail and Transit has been reduced by the same amount.
2. The new subcategory for Local Projects of Regional Significance has been modified to include projects of high priority for all recipient jurisdictions, including interchange projects, and funding for this subcategory must be spent on listed projects. Funding for this subcategory will be restricted to those high priority projects identified by local jurisdictions. A list of those projects is attached.

3. Dollars (in millions) and percentages for the major funding categories and subcategories after these changes is shown below:
 - a. Local Streets & Roads – \$3,825 (48.17%)
 - 1) Local Street/Road Repair & Transformative System Improvements – (\$3,125.00) (39.35%)
 - 2) Local Projects of Regional Significance – (\$700.00) (8.82%)
 - b. SacRT Maintenance, Operations, and Transformative System Improvements – \$1,856.00 (23.37%)
 - c. Congestion Relief Improvements - \$2,010.00 (25.31%)
 - 1) Transit & Rail Congestion Improvement Projects – (\$1,060.00) (13.35%)
 - 2) Highway Congestion Improvement Projects – (\$950.00) (11.96%)
 - d. Senior and Disabled Transportation Services - \$250.00 (3.15%)
 - e. Air Quality - \$127.50 (1.61%) – Off the Top
 - f. Regional Mobility Center (0.2%) – Off the Top
 - g. Administration – (1.00%) – Off the Top
4. Updates have been made to the jurisdiction project lists under the Local Street and Road Repair & Transformative System Improvement subcategory to include additional eligible projects.
5. Commuter Rail Service Enhancements and the Sacramento Intermodal Transit Facility have been added to the SacRT Maintenance, Operations and Transformative System Improvements Category.
6. Language revisions acceptable to all parties for the Senior and Disabled Transportation Services description have been included in the document.

Revisions to the Ordinance and the TEP are iterative and ongoing. Additional changes to be presented at the meeting for discussion purposes only are outlined below:

1. Revenue Estimate Adjustment

A draft expenditure plan was presented to the Board during its December 12, 2019 meeting which represented more than a year of input from the public and local agencies participating in planning for a proposed sales tax measure. The draft expenditure plan was based on conservative assumptions that estimated \$8.17 billion in revenue over the 40-year life of the program and a 2.29% year-over year growth rate.

To ensure that the draft expenditure plan which will be presented to the Authority in March is based on the most up-to-date revenue estimate, the Authority engaged Avenu Insights & Analytics, a financial consulting firm, to review current estimates and provide updated revenue information. The firm provided three sales tax revenue scenarios, the most conservative of which resulted in a 2.58% year-over-year growth rate.

Since it is imperative that the Authority approve an expenditure plan for the program using a decidedly conservative outlook, and recognizing that it is reasonable based on existing data to assume there is a likelihood of at least some additional revenue, staff has increased the original revenue estimate for the plan by \$200 million over the life of the program to \$8.37 billion. This equates to a year-over-year growth rate of 2.4%, roughly a one-tenth of one

percent increase in the escalation factor over the previous estimate and well within a conservative range for the program's revenue projections.

2. Programmatic Application of Additional Revenue

The proposed TEP will be modified to apply the additional \$200 million in additional revenues as follows:

- At least \$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, of 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.
- \$50 million to augment funding for the programs of the Sacramento Metropolitan Air Quality Management District over the program period.
- \$51 million to local jurisdictions for Local Street/Road Repair and Transformative System Improvements.
- \$34 million to SacRT for Maintenance, Operations, and Transformative System Improvements.
- \$2 million for Program Administration.

3. Inclusion of Formula for Distribution of Funding Under the Local Projects of Regional Significance Subcategory

It will be necessary to finalize an acceptable formula for distributing funding under the Local Projects of Regional Significance subcategory and include that formula in the TEP. Local jurisdictions have completed this effort and the information needs to be summarized and included in the documents. Again, funding for this subcategory will be restricted to those high priority projects identified by the local jurisdictions.

All changes discussed above and those previously presented to the Governing Board for discussion purposes only will be included in the Ordinance and the final TEP for the Authority's consideration at the next STA meeting scheduled for March 12, 2020, at 1:30 p.m. in the Board of Supervisors Chambers. At that meeting, the Authority will be asked to tentatively adopt the Measure A 2020 Transportation Expenditure Plan and will take additional public input on the Ordinance and TEP prior to consideration of that action.

Attachments

1. Draft Ordinance and TEP
2. Local Projects of Regional Significance by Jurisdiction
3. Proposed Measure A TEP (Version 2.8) Including Application of New Revenue

PROPOSED ORDINANCE NO. STA 20-01
AN ORDINANCE PROVIDING FOR A ONE-HALF OF ONE PERCENT
RETAIL TRANSACTIONS AND USE TAX 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 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 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 the State's 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 transactions and use tax are used only to fund the transportation projects and services set forth in the Sacramento County Measure A Transportation 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 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, STA may expend up to, but not to exceed, one percent (1.0%) of annual net Measure A revenue on the cost of STA 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 and technology. 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 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 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 California Department of Tax and Fee Administration (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 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 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 Independent Taxpayer Oversight Committee 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, STA administrative expenses, staff support, and contract services. Notwithstanding any provision of the

Expenditure Plan, STA may expend up to, but not to exceed, one percent (1.0%) of annual net Measure A tax revenue on costs of STA 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 fiscal and performance audits of recipient agencies.

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 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.

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 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 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 STA, 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 STA Ordinance No. 04-01 in order to qualify for its local road and maintenance formula funds, and that mitigation fee program is hereby extended until the termination of Measure A 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 STA Ordinance No. 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 STA Ordinance No. 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 STA 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 continuing fee programs 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 B above.

- C. All new low-, very low- and extremely low-income housing as defined by state law shall be exempt from the fee extension.
- 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 for capital improvements and rehabilitation, local interchange upgrades, and safety
 - 30% Public transit for capital improvements and rehabilitation
 - 10% Congestion relief 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, at least \$1 million annually will be made available for expenditure on the American River Parkway, subject to inclusion of this expenditure in a valid nexus study.
- E. All projects and program priorities for use of the continuation of the SCTMFP shall be included in a five-year program, annually updated and approved by the Authority Board.
- F. All fees raised under continuation of this program must be expended in the impacted area where the fees were generated.
- G. Penalties for failure to continue implementation of the SCTMFP shall be in effect as outlined in Section VII, Subsection H of STA Ordinance No. 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 .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, with independent oversight and audits, be adopted?

SECTION XXIII. EXPENDITURE PLAN AMENDMENTS. Except as set forth in 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 and priorities, and to ensure that the program reflects contemporary community needs 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.

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. 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. 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.
- C. 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.
- D. Five-Year Programs.** Each recipient agency must prepare and adopt biennially a five-year program that is approved by the Authority Board. The first five-year program must be completed by December 31, 2021, and updated thereafter on a biennial basis. Section II identifies reporting requirements for specific funding categories.

- E. "Fix It First " Investment Priority for Years 1-5.** Authority allocations for the first five years following implementation of STA Ordinance No. 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 biennial update shall include a pavement and bridge maintenance report that is consistent with the "Maintenance of Effort" requirement in Section IV.A of the Ordinance STA-04-01 Expenditure Plan. For the Sacramento Regional Transit District (SacRT), the five-year program and each biennial 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.
- F. Clear Format to Assess Progress.** For all agencies receiving "Fix It First" funding allocations, the five-year programs and biennial updates shall be provided in a format to clearly assess progress towards improved maintenance and operations of existing transportation assets.
- G. Complete Streets.** All Authority allocation decisions shall consider the needs of all users and all types of transportation. Five-year programs submitted by recipient agencies and approved by the Authority Board shall be consistent with the California Complete Streets Act of 2008 (AB 1358) in order to ensure that all transportation types and users are considered in the planning and expenditure of funds.
- H. 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.
- I. Revenue Estimate.** Tax revenues generated by this Ordinance No. STA-20-01 during the 40-year term are expected to be \$8,170,000,000 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 by 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 of this Ordinance. 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 allocation set forth in this Expenditure Plan except as permitted in this Ordinance No. STA-20-01 or Section 180207 of the Public Utilities Code.

II. Measure A Revenue Allocations

All sales tax revenues, net of CDTFA administrative fees, shall be expended as follows:

- A. Local Streets and Roads.** 48.17% of all annual 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. 39.35% of all annual 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, bridges, and interchanges, 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 (ITS) 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 improvements in the jurisdictions through which the parkway passes (County of Sacramento, City of Sacramento, and the City of Rancho Cordova).
- f. Improvements to the Folsom Lake State Recreational 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 STA Ordinance No. 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 implantation of STA Ordinance No. 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 STA Ordinance 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 biennially 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 biennially and submitted to the Authority for approval. For recipient agencies responsible for maintaining streets and roads, the biennial updates to the five-year programs shall include pavement and bridge "Maintenance of Effort" reports that are consistent with the requirement under STA Ordinance No. 04-01.

- 2. Local Projects of Regional Significance.** 8.82% of all annual 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 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 to be determined by the STA Governing Body.

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 source. Funding from this subcategory will be distributed to local jurisdictions on a formula basis to be determined prior to tentative adoption of the TEP and will be restricted to the high priority projects listed by jurisdiction

- B. Sacramento Regional Transit District (SacRT) Maintenance, Operations, and Transformative System Improvements.** 23.37% of annual 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 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. In addition, revenues shall be used to provide operational support for commuter rail service enhancements for the Altamont Corridor Express and for the Sacramento Intermodal Transit Facility.

SacRT "Fix It First" Commitment

For the five years following the date of implementation of STA Ordinance No. 20-01, with the exception of funding for commuter rail service enhancements and the Sacramento Intermodal Transit Facility, not less than one third of these funds directly allocated to the Sacramento Regional Transit District (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. During this period, the following performance metrics shall also be met:

1. Annual ridership shall increase over the most recent rolling five-year average standard as set by the SacRT Board.
2. SacRT shall meet or exceed the farebox recovery ratio as required by the Transportation Development Act and SacRT Board.
3. SacRT's Operating Reserves shall meet or exceed the requirements in the SacRT Board-adopted Reserve Policy.

Prior to the end of the five-year period following implementation of STA Ordinance No. 20-01, the 50% 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 projects, provided the following conditions have been met:

1. The SacRT Assistant General Manager of Administration has certified in writing to the SacRT General Manager/CEO and SacRT Board of Directors that the performance metrics above have been met.
2. The Assistant General Manager of Administration 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

The objective for Measure A is to assist—but not require—the Sacramento Regional Transit District (SacRT) to obtain funding from other sources for at least a third of any capital project costs and half of operations and maintenance costs for new expansion transit projects listed in this Expenditure Plan.

SacRT shall develop a five-year program for use of all capital and operations funds, updated biennially and submitted to STA 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 biennial program update shall include performance indicators to assess if "Fix It First" investment needs are being prioritized, expenditures are consistent with the adopted Metropolitan Transportation Plan and the SacRT Short-Range Transit Plan, and SacRT is meeting the policy objectives and any specified performance indicators set forth in the three financial management policies adopted by the SacRT Board:

1. Comprehensive Reserve Policy

2. Financial Sustainability Policy

3. Farebox Recovery Policy

Any funding for light rail extensions included in this Expenditure Plan 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. Details of these funding policies will be specified in an MOU between appropriate jurisdictions seeking a light rail extension, SacRT, STA, and the Sacramento Area Council of Governments. If these terms are not met for a proposed light rail extension, then funds would be reprogrammed for other transit projects in the affected jurisdiction through a subsequent amendment to the Measure A Expenditure Plan, subject to the approval of the STA Governing Board.

C. Congestion Relief Improvements. 25.31% of all annual sales tax revenues shall be used for project development, right-of-way, and construction of highway, transit, rail, 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 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. 13.35% of all annual 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.

2. Highway Congestion Improvement Projects. 11.96% of all annual 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. 3.15% of all annual sales tax revenues shall be used for planning, design, operational, maintenance, and capital acquisition activities of any 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 biennially and submitted to the Authority for approval.

- E. Air Quality.** 1.58% of all annual sales tax revenues shall be allocated monthly to the Sacramento Metropolitan Air Quality Management District to provide funding for monitoring, planning and emission reduction programs to advance on clean air, climate change and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards.
- F. Regional Mobility Center.** 0.2% of all annual sales tax revenues shall be allocated monthly to the Regional Mobility Center to provide funding to foster innovation in clean transportation, including, electric and automated vehicle technology, to develop future smart mobility solutions for the region.
- G. Program Administration – Taxpayer Oversight.** 1.0% of annual sales tax revenues shall be allocated monthly to the Authority for general and financial administration of STA and the Measure A program, coordination and consultation with Measure A recipient entities and SACOG, facilitation and administration of the Independent Taxpayer Oversight Committee, independent financial and performance audits, and ongoing public information and outreach.
- H. Extension of the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP).** This Ordinance extends the SCTMFP established by STA Ordinance No, 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 Transportation 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 TENTATIVE TRANSPORTATION EXPENDITURE PLAN

DECEMBER 12, 2019 DISCUSSION DRAFT

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

LOCAL STREETS AND ROADS (48.17%) **\$ 3,825.00**

48.17% of annual 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 (39.35%) **\$ 3,125.00**

39.35% of all annual 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, ADA 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 STA Ordinance No. 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 STA Ordinance 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 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.

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 Transportation Expenditure Plan.

**Local Street and Road Repair and Transformative System
Improvements****(continued)****Citrus Heights (5.29%)****\$ 165.35**

- “Fix It First” Street Maintenance and Rehabilitation
- Complete Streets Program:
 - Auburn Blvd Phase II (Rusch Park to I-80)
 - Auburn Blvd Phase III (Sylvan Corners to Greenback Lane)
 - Auburn Blvd Phase IV (Greenback Lane to Manzanita)
 - Antelope Road (Auburn Blvd to Old Auburn Road)
 - Dewey Drive (Greenback Lane to Connemara Circle)
 - Fair Blvd (Oak Avenue to Madison Avenue)
 - Greenback Lane (Sunrise Blvd – Fair Oaks Blvd)
 - Oak Avenue – Sunrise Blvd to Wachtel Way
 - Old Auburn Road (Sylvan Corners to Roseville City Limits)
 - Roseville Road (Butternut Drive to City Limits)
 - San Juan (Madison to Sylvan Road)
 - Sunrise Blvd (Sayonara to North City Limits)
 - Sylvan Road (San Juan to Sylvan Corners)
 - Wachtel Way (Oak Ave to Auburn Road)
 - Van Maren Lane (Greenback Lane to Garden Gate)
- Antelope Road/I-80 Interchange (Bike, Pedestrian, ADA 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

Elk Grove (10.99%)**\$ 343.19**

- “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, and Trails ADA Master Plan Implementation

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

(continued)

Elk Grove

(continued)

- 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

Folsom (5.29%)

\$ 165.35

- “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 Recreational Area Trail Projects
- Support of a Local Transportation Management Agency

Galt (1.7%)

\$ 53.04

- “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 Street and Road Repair and Transformative System
Improvements**

(continued)

Isleton (Off the Top)

\$ 2.00

- “Fix It First” Street Maintenance and Rehabilitation
- Community Center ADA 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%)

\$ 159.11

- “Fix It First” Street Maintenance and Rehabilitation
- Construct US-50 at Rancho Cordova Parkway Interchange*
- 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 Highway 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

Sacramento (31.27%)

\$ 976.52

- “Fix It First” Maintenance and Rehabilitation (to include complete streets and safety elements whenever feasible)
- Intelligent Transportation Systems Master Plan Implementation

**Local Street and Road Repair and Transformative System
Improvements****(continued)****Sacramento****(continued)**

- 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
 - Franklin
 - Northgate
 - Meadowview/24th Street
 - Broadway
- Active Transportation Implementation
 - Bikeway Master Plan
 - Pedestrian Master Plan
- ADA Improvements
- Pedestrian Safety Improvements
 - 14th Avenue Extension
 - 67th Street Bike/Ped Tunnel to CSUS
- Operations and Security
- Support of a Local Transportation Management Agency

County of Sacramento (40.36%)**\$ 1,260.43**

- “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, ITS and Streetscape:
 - Arden Way (Ethan Wy – Watt Avenue)
 - Auburn Blvd (Fulton Avenue – Manzanita Avenue)
 - Cypress Avenue (Edison Avenue – Manzanita Avenue)
 - El Camino Avenue (Ethan Wy – Fair Oaks Blvd)
 - Elverta Road (Watt Avenue – Antelope Road)
 - Fair Oaks Blvd (Howe Avenue – Madison Avenue)

**Local Street and Road Repair and Transformative System
Improvements****(continued)****County of Sacramento****(continued)**

- Folsom Blvd (Watt Avenue – Bradshaw Road)
 - Fulton Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Garfield Avenue (Greenback Lane – Winding Wy)
 - 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)
 - 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 w/ Complete Streets and Intelligent Transportation Systems 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 Limits – 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 to 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 Projects of Regional Significance (8.82%)**\$700.00**

8.82% of all annual 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 local and/or developer match of at least one-third of the cost of the improvement. Allocations will be formula-based, and funding will be provided to local jurisdictions for expenditure on these specific projects only. Recipient agencies are shown for each project.

Citrus Heights

- Auburn Blvd – Phase II (Rusch Park to I-80)
- Madison Ave Corridor – Fair Oaks Blvd to San Juan Ave
- Sunrise Blvd – Sayonara Dr to Madison Ave

Elk Grove

- Whitelock Pkwy/SR 99 Interchange
- Elk Grove Blvd – Congestion Relief
- Laguna/ Bond Blvd 0- Congestion Relief
- Sunrise Blvd – Sayonara Dr to Madison Ave

Folsom

- Empire Ranch Road/ US 50 Interchange
- Oak Ave Pkwy/ US 50 Interchange

Galt

- Walnut Ave/SR 99 Interchange

Isleton

- Local Street and Road Repair

Rancho Cordova

- Rancho Cordova Pkwy/ US 50 Interchange
- White Rock Road Complete Streets – Sunrise Blvd to East City Limit
- Widen Douglas Road – Sunrise Blvd to West City Limit

Local Projects of Regional Significance

(continued)

Sacramento

- 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 Boulevard) over Sacramento River
- American River Bridge to South Natomas
- Broadway Bridge over Sacramento River
- Cosumnes River Blvd Improvements (SR99-Franklin)
- West El Camino/I-80 Interchange (North Natomas Freeway Agreement)
- Northgate Blvd/I-80 Interchange (North Natomas Freeway Agreement)
- 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

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

SACRAMENTO REGIONAL TRANSIT DISTRICT (SacRT) MAINTENANCE, OPERATIONS, AND TRANSFORMATIVE SYSTEM IMPROVEMENTS (23.37%)

\$1,856.00

23.37% of all annual 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 STA Ordinance No. 20-01, not less than one third of these funds, with the exception of funding for commuter rail service enhancements and the Sacramento Intermodal

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

Transit Facility, 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, students, and low income passengers, excluding funding for Commuter Rail Enhancements and the Sacramento Intermodal Transit Facility. During this period, the following performance metrics service shall also be met:

1. Annual ridership shall increase over the most recent rolling five-year average standard as set by the SacRT Board.
2. SacRT shall meet or exceed the farebox recovery ratio as required by the Transportation Development Act and SacRT Board.
3. SacRT's Operating Reserves shall meet or exceed the requirements in the SacRT Board-adopted Reserve Policy.

Notwithstanding this allocation restriction, prior to the end of the five-year period following implementation of STA Ordinance No. 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 Assistant General Manager of Administration has certified in writing to the SacRT General Manager/CEO and SacRT Board of Directors that the performance metrics above have been met.
2. The Assistant General Manager of Administration 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 population, 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
- Low-floor Trains Systemwide
- ADA Upgrades for Bus and Rail
- Zero Emission Vehicle Shuttles
- Maintenance and Operations of New Light Rail Projects
- Florin Station TOD Partnership (\$1.0 million)
- SmaRT Ride Microtransit Program
- Commuter Rail Service Enhancements (ACE)
- Sacramento Intermodal Transit Facility (Sacramento)

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

For the Commuter Rail Service enhancements, \$2 million in annual sales tax revenues, not exceeding \$80 million for the program period, will be made available to this San Joaquin Regional Rail Commission for operations and service enhancements related to the Altamont Corridor Express service.

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

CONGESTION RELIEF IMPROVEMENTS (25.31%) \$2,010.00

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 (13.35%) \$1,060.00

13.35% of all annual 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.

- LRT Gold Line Express Service \$20.00
- LRT Green Line Extension (Township 9 – Natomas – Toward SMF) \$275.00
- LRT Extensions to Elk Grove and Folsom \$90.00
- BRT to Citrus Heights, Stockton Blvd, and Sunrise in Rancho Cordova \$40.00
- Increased Routes and Frequencies for Both Bus and Light Rail Operations \$650.00

Highway Congestion Improvement Projects (11.96%) \$950.00

11.96% of all annual sales tax revenues shall be allocated to Caltrans, Capital Southeast Connector Joint Powers Authority, and the City of Elk Grove for highway congest 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

CONGESTION RELIEF IMPROVEMENTS**(continued)****Highway Congestion Improvement Projects****(continued)**

- Capital City Freeway Bus/Carpool Lanes (Arden Wy – P Street)
- I-5 Bus/Carpool Lanes (US-50 to 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 (3.15%)**\$250.00**

3.15% of all annual sales tax revenues shall be allocated to SacRT to provide transit services for the county’s senior and disabled population, including vehicle acquisition, operations of ADA and non-ADA 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 (1.58%)**\$ 127.50**

1.58% of all annual sales tax revenues shall be allocated to the Sacramento Metropolitan Air Quality Management District to provide funding for monitoring, planning, and emission reduction programs to advance on clean air, climate change, and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards. Meeting these standards 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 (0.2%)**\$ 20.00**

0.2% of all annual sales tax revenues shall be available 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.

PROGRAM ADMINISTRATION – INDEPENDENT TAXPAYER OVERSIGHT (1.0%)

\$ 81.70

Not more than 1% 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. Any unused administration funds will be redistributed by formula back to the recipient agencies.

**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 for capital improvements and rehabilitation, including local interchange upgrades and safety; 30% (\$99.3 million) for public transit for capital improvements and rehabilitation; 10% (\$33.1 million) for congestion relief improvements on the local freeway system, including bus and carpool lane projects; and 25% (\$82.8 million) for transportation project environmental mitigation.

Allocations for funding from the extension of the SCTMFP are not included in this Transportation 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.

**Project may also be included in another category*

EXHIBIT B

MEASURE A TAXPAYER SAFEGUARDS

Independent Taxpayer Oversight Committee. The STA Independent Taxpayer Oversight Committee (ITOC) shall participate in and review 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 review annual fiscal audits and triennial 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 STA 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 three 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 STA 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 allocations 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 land use. 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.

Local Projects of Regional Significance

Citrus Heights

- Auburn Blvd – Phase II (Rusch Park to I-80)
- Madison Ave Corridor – Fair Oaks Blvd to San Juan Ave
- Sunrise Blvd – Sayonara Dr to Madison Ave

Elk Grove

- Whitelock Pkwy/SR 99 Interchange
- Elk Grove Blvd – Congestion Relief
- Laguna/ Bond Blvd 0- Congestion Relief
- Sunrise Blvd – Sayonara Dr to Madison Ave

Folsom

- Empire Ranch Road/ US 50 Interchange
- Oak Ave Pkwy/ US 50 Interchange

Galt

- Walnut Ave/SR 99 Interchange

Isleton

- Local Street and Road Repair

Rancho Cordova

- Rancho Cordova Pkwy/ US 50 Interchange
- White Rock Road Complete Streets – Sunrise Blvd to East City Limit
- Widen Douglas Road – Sunrise Blvd to West City Limit

Sacramento

- 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 Boulevard) over Sacramento River

- American River Bridge to South Natomas
- Broadway Bridge over Sacramento River
- Cosumnes River Blvd Improvements (SR99-Franklin)
- West El Camino/I-80 Interchange (North Natomas Freeway Agreement)
- Northgate Blvd/I-80 Interchange (North Natomas Freeway Agreement)
- 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

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

Proposed Measure A Transportation Expenditure Plan

Version 2.8

(in millions of dollars)

DRAFT

40-Year Total

Local Streets & Roads	48.29%	\$	3,876.00
Local Street/Road Repair & Transformative System Improvements	39.57%	\$	3,176.00
• Citrus Heights	5.29%	\$	168.05
• Elk Grove	10.99%	\$	348.79
• Folsom	5.29%	\$	168.05
• Galt	1.70%	\$	53.90
• Isleton (fixed allocation)	Fixed Amount	\$	2.00
• Rancho Cordova	5.09%	\$	161.71
• Sacramento	31.27%	\$	992.47
• Sacramento County	40.36%	\$	1,281.01
Local Projects of Regional Significance	8.72%	\$	700.00
• Citrus Heights	3.60%	\$	25.20
• Elk Grove	10.20%	\$	71.40
• Folsom	10.50%	\$	73.50
• Galt	1.20%	\$	8.40
• Isleton	0.10%	\$	0.70
• Rancho Cordova	10.50%	\$	73.50
• Sacramento	30.20%	\$	211.40
• Sacramento County	33.70%	\$	235.90
SacRT Maintenance, Operations, and Transformative System Improvements	23.55%	\$	1,890.00
Transit Projects	22.05%	\$	1,770.00
• Basic State of Good Repair, Bus Replacement, Safety & Security			
• Fare subsidy program for students, seniors, and low-income			
• Low-floor trains systemwide			
• ADA Upgrades for Bus and Rail		\$	1,770.00
• Zero Emission Vehicle Shuttles			
• Maintenance and Operations of New Light Rail Projects			
• Florin Station TOD Partnership			
• SmaRT Ride Microtransit Program			
Rail Projects (off the top)	1.50%	\$	120.00
• Commuter Rail Service Enhancements (ACE)		\$	80.00
• Sacramento Intermodal Transit Facility (Sacramento)		\$	40.00
Congestion Relief Improvements	25.04%	\$	2,010.00
Transit & Rail Congestion Improvement Projects	13.21%	\$	1,060.00
• LRT Gold Line express service			
• LRT Green Line extension (Township 9–Natomas–Arena Blvd)		\$	485.00
• LRT extensions to Elk Grove and Folsom			
• BRT Watt Ave, Stockton Blvd and Sunrise Blvd (Citrus Heights and Rancho Cordova)			
• Increased routes and frequencies for both bus and light rail operations		\$	575.00
Highway Congestion Improvement Projects	11.84%	\$	950.00
• Capital City Fwy Bus/Carpool Lanes (Interstate 80 – P Street)			
• Interstate 5 Bus/Carpool Lanes (US Highway 50 to Sacramento International Airport)		\$	650.00
• Interstate 5/Interstate 80 Interchange Complex Improvements			
• Interstate 5/US Highway 50 Interchange Complex Improvements			
• State Route 99/US Highway 50/Business 80 Interchange Complex Improvements			
• Capital Southeast Connector (SR 99 – US 50)		\$	248.00
• Widen, Rebuild and Extend Kammerer Road (Elk Grove)		\$	52.00
Senior and Disabled Transportation Services	3.11%	\$	250.00
Air Quality	0.00%	\$	177.50
Regional Mobility Center	0.00%	\$	20.00
American River Parkway (off the top)	0.00%	\$	63.00
Administration	0.00%	\$	83.71

Total Roads	60.13%	\$4,775.00	TOTAL	8,370.21
Total Rail and Transit	39.87%	\$3,166.00	100.0%	344.21
				8,026.00