

Sacramento County Transportation Expenditure Plan 2009-2039
Adopted June 10, 2004, Updated April 8, 2021

Revenue Estimates and Distribution. Allocation of revenue authorized by Ordinance No. STA 04-01 is established within this Expenditure Plan. Funds shall be allocated by percentage of the actual revenue received. An estimate of revenues and allocation among categories is reflected in the Expenditure Plan. The estimated revenue is based upon 2004 value of money and is not binding or controlling.

Formula Allocations. After deduction of required Board of Equalization fees and authorized costs, revenues to be distributed by formula allocation to local governments and transit agencies as described below. All other funds shall be deposited with the Authority and expended at the discretion of the Authority Board as described below.

Contribution from New Development. No revenue generated from the tax shall be used to replace transportation mitigation fees currently required from new development in each local jurisdiction. In addition, each local jurisdiction must adopt a development financing mechanism as specified in Ordinance No. STA 04-01 in order to continue receiving local road maintenance funds.

Requirement for Annual Financial and Performance Audits of Measure Funds. The Sacramento Transportation Authority and each agency receiving an allocation of Measure revenue authorized in this Expenditure Plan shall undergo an annual financial audit supervised by the Independent Taxpayer Oversight Committee (ITOC) and performed in accordance with generally accepted auditing standards and government auditing standards issued by the Comptroller General of the United States. Compliance audits shall also be conducted to ensure that each agency is expending funds in accordance with the provisions and guidelines established for Measure revenues. In addition, the ITOC shall, based on performance standards for expending sales tax funds adopted by the Authority Board, conduct a performance audit to report on progress in meeting such standards and make recommendations for improving overall program performance. The Authority Board shall adopt the performance standards for each part of the program no later than December 31, 2009.

Sacramento Expenditure Plan. All available sales tax revenues shall be expended as follows:

I. **Revenue Estimates.** Tax revenues generated by Ordinance No. STA 04-01 over a thirty-year period are estimated to be **\$4,740 million**. Approximately **\$488 million** in contributions from new development are projected over this period, for an estimated total revenue of **\$5,228 million** for transportation improvements. Revenue estimates are not binding or controlling. To the extent these estimates provide more or less revenue, the Authority Board shall make appropriate allocation adjustments periodically to reflect actual revenues received.

II. **Allocations to the Cities of Galt and Isleton.** The City of Galt shall receive 1% of the sales tax revenues collected annually for eligible transportation purposes. The City of Isleton shall receive 0.04% of the sales tax revenues collected annually for eligible transportation purposes.

III. Cosumnes River Permanent Open Space Preserve. Funding shall be available for planning, development and acquisition of the Cosumnes River Permanent Open Space Preserve for the I5/SR99/US50 corridor and/or any other environmental mitigation needed to offset project impacts from such project consistent with the adjacent local jurisdictions' land use planning documents and processes. The Preserve shall be eligible for funding in the amount of at least \$5 million in each of the following categories: Local Arterial Program, as part of the funding dedicated for the I-5/US 50/SR 99 corridor; the Smart Growth Incentive Program; and the Transportation Environmental Mitigation Program. Facilities located in the Preserve can also qualify for funds available in the Safety, Streetscaping, Pedestrian and Bicycle Facilities Program at the discretion of each local jurisdiction receiving such funding. The Preserve shall be administered by an appropriate private, not for profit land preservation organization or other organization created specifically for the purpose of administering Measure open space funds as selected by the Authority Board.

IV. Local Road Maintenance, Safety and Congestion Relief Program. 38% of sales tax revenue collected and 35% of the revenues collected from new development shall fund the programs and projects included in this program. Cost estimates for such projects are not binding or controlling. Included in this program are subcategories described below.

A. City Street and County Road Maintenance Program. 30% of the sales tax revenue collected shall be distributed among the local jurisdictions for city street and county road maintenance. A Maintenance of Effort is required regarding existing road maintenance programs to ensure that the net impact of the program will provide continuing funds for this purpose in each of the cities and in the unincorporated areas of the County. Each of the local jurisdictions receiving these funds shall file a pavement and bridge maintenance system report on a biennial basis with the Authority regarding progress in maintaining local streets and roads. The report shall be in a format that can be audited on a biennial basis by the Independent Taxpayer Oversight Committee.

Distribution among the cities and unincorporated County area shall be based 75% on relative population and 25% on total street/road mileage. The formula will be updated annually based on the California Department of Finance population estimates for cities and counties.

B. Local Arterial Safety and Traffic Operations Improvements Program. 8% of the sales tax revenue collected and 35% of the revenues collected from new development shall fund local arterial safety and traffic operations improvements. The 8% portion would be separated into two categories of which 5% would be dedicated to the Local Arterial Program and 3% will be dedicated to the Traffic Control and Safety Program.

1. Local Arterial Program. This program will fund arterial safety, operational, streetscaping, bicycle, and pedestrian improvements, improved accessibility for the disabled, and upgrades of arterials to urban standards. A technical advisory committee made up of the public works directors or their designees from the County and each city in the county shall develop a recommended five-year program, updated annually, for expenditure of these program funds. Funds from this program shall be expended for implementation of, but shall not be limited to, the specific arterials or proposed corridors detailed in this Expenditure Plan. This list of arterials may be modified based on changing traffic, safety, and other changed conditions and priorities of each local jurisdiction over time. The costs shall also include necessary environmental mitigation directly related to project implementation. Receipt of funding for the I-5/SR99/US50 Connector is contingent on establishment of a habitat conservation approach, approval of the habitat conservation approach by the appropriate agencies, and adoption of the habitat conservation approach by the local recipient of funds.

2. Traffic Control and Safety Program. This program will fund traffic control system improvements, high priority pedestrian and vehicle safety projects, and emergency vehicle preemption systems for quicker police, fire and ambulance response throughout Sacramento County. Distribution among the cities and unincorporated County area shall be based 75% on relative population and 25% on total street/road mileage. The formula will be updated annually based on the California Department of Finance population estimates for cities and counties. Each local jurisdiction shall file a five-year program for use of the funds with the Authority, updated every other year to ensure program integrity and performance.

V. Transit Congestion Relief Program. 38.25% of the sales tax revenue collected and 20% of the revenues collected from new development shall fund transit capital improvements and provide funding for operating and maintaining such improvements, as well as existing transit services. The funding for capital improvements assumes 1/3 sales tax and a match of 2/3 federal, state and/or local funding other than sales tax. The funding for operations shall augment existing funds available for transit operations. These funds will be directly subvented to Sacramento Regional Transit based on a five year, annually updated transit capital and operating business plan recommended by Sacramento Regional Transit District, and approved by the Authority Board.

VI. Neighborhood Shuttle System. At least \$30 million in sales tax revenues will fund the development of additional Neighborhood Shuttles throughout Sacramento County. The Authority shall develop a program that will allow local jurisdictions to compete for these funds.

VII. Senior and Disabled Transportation Services. This program will be funded by an average of 4.5% of the sales tax revenues collected over the life of the tax. The sales taxes dedicated in support of the Consolidated Transportation Services Agency (CTSA) shall be 3.5% for years 1-10. In years 11-20 the funding would increase to 4.5% and then increase in years 21-30 to 5.5%. The City and County of Sacramento General Fund contribution to CTSA will expire with the Existing Tax. The funds will be directly subvented to the CTSA based on a five year, annually updated business plan recommended by the CTSA and approved by the Authority Board.

VIII. Freeway Safety and Congestion Relief Program. 12% of the sales tax revenue collected and 20% of the revenues collected from new development shall fund congestion relief projects on the freeway system in Sacramento County. This program is separated into two categories of which 9% of the sales tax revenues collected shall be dedicated to Regional Bus/Carpool Lane Connectors and Extensions and 3% of the sales tax revenues collected shall be dedicated to Local Freeway Interchange Congestion Relief Upgrades.

A. Regional Bus/Carpool Lane Connectors/Extensions. These projects will provide congestion relief on the freeway system throughout the County. The funding for these capital improvements assumes 1/2 sales tax and a match of 1/2 federal, state and/or local funding other than sales tax. All local jurisdictions, except the City of Isleton, shall establish transportation management associations to promote the use of carpools and public transit.

B. Local Freeway Interchange Congestion Relief Upgrades. Funding for these projects assumes 2/3 federal, state, and/or developer oriented funding and 1/3 sales tax funding. The Authority Board has the flexibility to change the matching formula based on project delivery and other issues the Board deems appropriate for consideration. Funding is dedicated for, but is not limited to, interchanges described in this Expenditure Plan. The Authority Board in collaboration with the Technical Advisory Committee of Authority may add additional local freeway congestion relief projects to reflect the changing transportation needs of the County over time.

IX. Safety, Streetscaping, Pedestrian and Bicycle Facilities. 5% of the sales tax revenues collected shall fund non-motorized, pedestrian and bicycle safety improvements. With the exception of \$30 million dedicated for improvement and maintenance of the American River Parkway/Bikeway Network, funds shall be distributed among the cities and unincorporated County area based 75% on relative population and 25% on total street/road mileage. The formula will be updated annually based on the California Department of Finance population estimates for cities and counties.

X. Transportation-Related Air Quality Program. 1.50% of the sales tax revenues collected shall exclusively fund projects and programs that facilitate the Authority's ability to meet state and federal air quality mandates for mobile sources and to environmentally mitigate for transportation capital improvements in this Expenditure Plan. The Sacramento Metropolitan Air Quality Management District (SMAQMD) shall administer the program. The program will be based on a five-year program, updated annually, recommended by the SMAQMD and approved by the Authority Board.

XI. Smart Growth Incentive Program. 15% of the revenues collected from new development shall be available to local jurisdictions on a competitive basis for projects that meet certain smart growth objectives. This program shall be administered by the Authority and shall take into account the SACOG Community Design competitive funding program. The program shall include planning, development and acquisition of the Cosumnes River Permanent Open Space Preserve for the I5/SR99/US50 corridor and/or any other environmental mitigation needed to offset impacts from that project consistent with the adjacent local jurisdictions' land use planning documents and processes.

XII. Transportation Project Environmental Mitigation Program. 10% of the revenues collected from new development shall fund environmental mitigation for transportation projects contained in the Expenditure Plan. The program shall be administered by the Authority and will be available for a variety of eligible categories of mitigation. The program shall include planning, development and acquisition of the Cosumnes River Permanent Open Space Preserve for the I5/SR99/US50 corridor and/or any other environmental mitigation needed to offset impacts from that project consistent with the adjacent local jurisdictions' land use planning documents and processes.

XIII. General Program Administration and Independent Taxpayer Oversight Committee. 0.75% of the sales tax revenues collected shall fund staff costs of the Authority and other costs of administering the programs and projects contained in this Expenditure Plan and the activities of the Independent Taxpayer Oversight Committee described in Exhibit B.

Sacramento County Transportation Expenditure Plan 2009-2039

Percentage of DEVELOPER FEES	Percentage of SALES TAX		Proposed Sales Tax Allocation in \$	Proposed Developer Fee Allocation in \$	TOTAL PROPOSED ALLOCATION IN \$\$
35%	38%	Local Road Maintenance, Safety and Congestion Relief Program	<u>\$1,786</u>	<u>\$171</u>	<u>\$1,957</u>
	30%	City Street and County Road Maintenance Program	<u>\$1,410</u>		<u>\$1,410</u>
35%	8%	Local Arterial Safety & Traffic Operations Improvements Program	<u>\$376</u>	<u>\$171</u>	<u>\$547</u>
	5%	Local Arterial Program	<u>\$235</u>	<u>\$171</u>	<u>\$406</u>
		<ul style="list-style-type: none"> • Antelope Road: Watt—Auburn • Arden Way: ITS improvements Del Paso—Fair Oaks Blvd • Bradshaw Road: Grant Line—Folsom Blvd • Bruceville Road: Sheldon—Cosumnes River Blvd • Cosumnes River Blvd: I-5—Franklin Blvd • Elk Grove Blvd: Big Horn—Waterman • Folsom Blvd: 65th—Sunrise • Folsom Bridge Crossing • I5/SR99/SR50 Connector, including at least \$5 million for the Cosumnes River Permanent Open Space Preserve • Greenback Lane: I/80—Folsom/Auburn Road • Hazel Ave Improvements: Placer Co Line—Folsom Blvd • Madison Ave: Watt—Greenback • S Watt/Elk Grove-Florin Road: Folsom—Elk Grove Blvd • Sheldon Road: Bruceville—Bradshaw • Sunrise Blvd: Placer Co line—Grant Line • Watt Ave: Antelope—Capital City Freeway 			
	3%	Traffic Control and Safety Program	<u>\$141</u>		<u>\$141</u>
		Eligible funding categories:			
		<ul style="list-style-type: none"> • Synchronizing Traffic Signals • Emergency Vehicle Signal Preemption • Installing Fog/Rain/Night Roadway Reflectors • Construct Shoulders for Safety on Rural Roads • Audible Pedestrian Signals • Changeable Message Signs • Installation or improvements to streetscape for bicyclists • Modifications to streetscape to improve accessibility for disabled persons 			

Percentage of DEVELOPER FEES	Percentage of SALES TAX		Proposed Sales Tax Allocation in \$	Proposed Developer Fee Allocation in \$	TOTAL PROPOSED ALLOCATION IN \$\$
20%	38.25%	Transit Congestion Relief Program	<u>\$1,798</u>	<u>\$98</u>	<u>\$1,896</u>
	34.50%	Transit Operations, Maintenance & Safety	<u>\$1,622</u>		<u>\$1,622</u>
		Eligible funding categories:			
		• Operating & Maintaining Existing Bus, Light Rail, & Neighborhood Shuttle System			
		• Guaranteed Discount Transit Fares for Students, Seniors & Disabled			
		• Operating & Maintaining New Transit Capital Improvements			
20%	3.75%	Transit Capital Improvement Program	<u>\$176</u>	<u>\$98</u>	<u>\$274</u>
	1.25%	Construct Downtown Sacramento Intermodal Station	<u>\$58</u>		<u>\$58</u>
	2.50%	Rail Transit Improvements	<u>\$118</u>		<u>\$118</u>
		• Construct LRT extension from Meadowview Road to Cosumnes River College			
		• Implement Regional Rail commuter service (Sacto County portion)			
		• Fund planning, environmental, and design studies and processing for Downtown to Airport LRT Extension			
		• LRT Improvements in the I-80 Corridor			
		Neighborhood Shuttle System	<u>\$30</u>		<u>\$30</u>
	4.5%	Senior & Disabled Transportation Services <i>3.5% 1-10 years 4.5% 11-20 years 5.5% 21-30 years</i>	<u>\$212</u>		<u>\$212</u>
20%	12%	Freeway Safety and Congestion Relief Program	<u>\$564</u>	<u>\$98</u>	<u>\$662</u>
	9%	Regional Bus/Carpool Lane Connectors/Extensions	<u>\$423</u>		<u>\$423</u>
		• Bus/Carpool ramp connection from SR 50 E to SR 99 S			
		• I/80 Bus/Carpool Lanes: I-5—Capital City Freeway			
		• I-5 Bus/Carpool Lanes: Elk Grove to I-80			
		• Ramp widenings for connectors between SR 50 and I-5			
		• SR 50 Bus/Carpool Lanes: Sunrise thru Downtown Sacto.			
	3%	Local Freeway Interchange Congestion Relief Upgrades	<u>\$141</u>		<u>\$141</u>
		• Central Galt/SR 99 Interchange Upgrade			
		• Cosumnes Blvd/I-5 Interchange Upgrade			
		• Grant Line Road/SR 99 Interchange Upgrade			
		• I-5/I-80 Interchange Upgrade & Carpool Lane Connector			
		• Richards Blvd/I-5 Interchange Upgrade			
		• Sheldon Road/SR 99 Interchange Upgrade			
		• Watt Ave/SR 50 Interchange Upgrade			

Percentage of DEVELOPER FEES	Percentage of SALES TAX		Proposed Sales Tax Allocation in \$	Proposed Developer Fee Allocation in \$	TOTAL PROPOSED ALLOCATION IN \$\$
	5%	Safety, Streetscaping, Pedestrian and Bicycle Facilities	<u>\$235</u>		<u>\$235</u>
		Eligible funding categories:			
		<ul style="list-style-type: none"> American River Parkway/Bikeway Network Improvement Program (\$30 million or \$1 million per year) Local Corridor Streetscape Enhancements Pedestrian, Bike, and Road Safety Improvements <ul style="list-style-type: none"> <i>Installing & Maintaining Safe Pedestrian Sidewalks (inc. ADA)</i> <i>Installing Safe Bike & Pedestrian Ways Near Schools</i> <i>Bikeways, signage, wayfinding and bicycle facilities</i> <i>Education and outreach to facilitate bicycle and pedestrian travel and school access</i> <i>Programs to promote walking and bicycling as travel alternatives</i> Smart Growth Transportation Objectives 			
	1.50%	Transportation-Related Air Quality Program	<u>\$71</u>		<u>\$71</u>
		Eligible funding categories:			
		<ul style="list-style-type: none"> Air Quality Monitoring & Public Information Accelerated Replacement of Dirty Diesel Engines Replacement of Gasoline Engine Catalysts Installation of Diesel Engine Catalysts Other proven emission-reducing strategies 			
	15%	Smart Growth Incentive Program		<u>\$73</u>	<u>\$73</u>
		Eligible funding categories:			
		<ul style="list-style-type: none"> Promotion of transit oriented joint development At least \$5 million for planning, development and acquisition of the Cosumnes River Permanent Open Space Preserve for the I5/SR99/US50 corridor and/or any other environmental mitigation needed to offset project impacts from such project consistent with the adjacent local agencies land use planning documents and process. 			
	10%	Transportation Project Environmental Mitigation Program		<u>\$48</u>	<u>\$48</u>
		Eligible funding categories:			
		<ul style="list-style-type: none"> Environmental mitigation for transportation projects contained in Measure A Open space acquisition Natural habitat preservation At least \$5 million for planning, development and acquisition of the Cosumnes River Permanent Open Space Preserve for the I5/SR99/US50 corridor and/or any other environmental mitigation needed to offset project impacts from such project consistent with the adjacent local agencies land use planning documents and process. 			
	0.75%	Program Administration	<u>\$35</u>		<u>\$35</u>
		<ul style="list-style-type: none"> General Program Administration Independent Taxpayers' Oversight Committee & Independent Audit 			
	100%	Total Revenue over 30 years	\$4.74B	\$488	\$5.188B

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

ITOC Goal and Function. Voter adoption of this transportation sales tax ordinance shall result in creation of the Independent Taxpayer Oversight Committee (ITOC) as follows:

The ITOC shall review the fiscal and program performance of the sales tax transportation program through an annual audit to ensure that all transportation sales tax funds are spent by the Sacramento Transportation Authority (hereby referred to as the Authority) in accordance with all provisions of the voter-approved expenditure plan and ordinance. The ITOC's other mission is to provide positive, constructive advice to the Authority on how to improve implementation over the thirty-year course of the program for the benefit of Sacramento County residents and businesses, and to study and report on other issues related to the current or future use of transportation sales tax funds that may be expressly authorized by the Authority Board.

Audit Requirement. The ITOC shall supervise annual fiscal and periodic performance audits, which shall be performed in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States and based on performance standards adopted by the Authority Board for each program or project funded in whole or in part with sales tax funds. The first set of performance standards shall be adopted not later than July 1, 2009 and shall be updated every five years.

Role of Financial and Performance Audits. The ITOC shall, under the competitive procurement rules of the Authority and with the active involvement of the Authority Executive Director, select a professional auditor to conduct the fiscal and performance audits of expenditure of all sales tax funds, report findings based on the audits to the Authority and to the public; and recommend any additional audits that the ITOC believes may improve the financial operation and integrity of program implementation, while meeting all voter mandates. No professional audit firm shall conduct more than three consecutive fiscal audits during the course of the 30-year sales tax extension.

The Authority, with the direct participation of the ITOC, shall hold publicly noticed meetings, which may or may not be part of a regularly scheduled Board meeting, to consider the findings and recommendations of the audits. A report of the findings and recommendations of each audit by the ITOC shall be made readily available to the public in print and on the Authority's electronic website.

Membership and Selection Process. The Authority shall develop an open selection process that actively advertises for potential members and selects three committee members who are all residents of Sacramento County and possess the following professional and/or community credentials:

- One member who is a professional--active or retired--in the field of municipal audit, finance and/or budgeting with at least five years in a relevant and senior decision-making position in the public or private sector.
- One member who is a licensed civil engineer or trained transportation planner--active or retired--with at least five years of demonstrated experience in the field of transportation in government and/or the private sector.
- One member who is a current or retired manager of major public and/or privately financed development or construction projects, who by training and experience would understand the complexity, costs and implementation issues involved in building large scale infrastructure improvements.

- The Chair of the Authority Governing Board, the Executive Director of the Authority, and the County Auditor shall serve as ex-officio non-voting members of the ITOC.

Terms and Conditions for Committees

- Members shall serve staggered four-year terms. In no case shall any voting committee member serve more than eight years on the ITOC.
- Members shall serve without compensation, except they shall be reimbursed for authorized travel and other expenses directly related to the work of the ITOC.
- Members cannot be current local elected officials in the county or a full time or part time staff member of any city, the county government, local transit operator, or state transportation agency.
- If and when vacancies on the ITOC occur on the part of voting committee members, the Authority shall appoint an appropriate replacement within 90 days of the vacancy to fill the remainder of the term.

Sales Tax ITOC Operation Protocols. Given the thirty-year duration of the sales tax extension, the ITOC shall be appointed 120 days after the effective date of the sales tax extension and continue as long as sales tax funds from the current voter authorization are made available. The Authority Board and staff shall fully cooperate with and provide necessary financial and staff support to ensure the ITOC effectively carries out its duties and obligations. The annual cost of the activities of the ITOC shall not exceed \$150,000, adjusted for inflation.

Conflict of Interest. ITOC voting 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 during their tenure on the ITOC. ITOC voting members shall not have direct commercial interest or employment with any public or private entity that receives transportation sales tax funds authorized by the voters in this ordinance.