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SamTrans Citizens Advisory Committee (CAC)
1250 San Carlos Avenue, San Carlos, CA 94070, Bacciocco Auditorium, 2nd Floor

AGENDA

May 31, 2017 - Wednesday

6:30 PM

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Comment
4. Approval of Meeting Minutes for April 26, 2017
5. Presentation – Fiscal Year 2018 Operating and Capital Budgets
6. Approval of Proposed Recommendation of Elimination of Routes 11, 43 and 89
7. Report of the Chair – Juslyn Manalo
8. SamTrans Staff Update – Margo Ross
9. CAC Member Comments/Requests
10. Liaison Reports
 - a. SamTrans Board – Juslyn Manalo
 - b. SamTrans Accessibility Advisory Committee – David Nelson
11. Next Meeting: Wednesday, June 28, 2017 at 6:30 p.m., 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd floor, San Carlos, CA
12. Adjournment

CAC MEMBERS: J. Baker, A. Barnes, M. Buzbee, J. Galisatus, B. Gomez, A. Juarez, A. Jones, S. Koya, J. Lee, F. Liu, J. Manalo (Chair), D. Nelson, G. Wilson

INFORMATION TO THE PUBLIC

If you have questions on the agenda, please contact the Assistant District Secretary at 650.508.6279. Assisted listening devices are available upon request. Agendas are available on the SamTrans Website at www.samtrans.com.

Date and Time of Boards and Advisory Committee Meetings

San Mateo County Transit District (SamTrans) Committees and Board: First Wednesday of the month, 2 PM. SamTrans Citizens Advisory Committee: Last Wednesday of the month, 6:30 PM. Date, time and location of meetings may be changed as needed.

Location of Meeting

The San Mateo County Transit District Administrative Building is located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real, accessible by SamTrans bus Routes ECR, 260, 295 and 398. [Map link](#) Additional transit information can be obtained by calling 1-800-660-4287 or 511.

Public Comment

If you wish to address the Citizens Advisory Committee, please fill out a speaker's card located on the agenda table. If you have anything that you wish distributed to the Citizens Advisory Committee and included for the official record, please hand it to the Assistant District Secretary, who will distribute the information to the Committee members and staff.

Members of the public may address the Citizens Advisory Committee on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to three minutes and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, SamTrans will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to Nancy McKenna at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email to cacsecretary@samtrans.com; or by phone at 650.508.6279, or TTY 650.508.6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

**SAN MATEO COUNTY TRANSIT DISTRICT (DISTRICT)
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

Draft

**CITIZENS ADVISORY COMMITTEE (CAC)
MINUTES OF MEETING – APRIL 26, 2017**

COMMITTEE MEMBERS PRESENT: A. Barnes, A. Barrios, M. Buzbee, J. Galisatus, B. Gomez, A. Juarez, S. Koya, J. Lee, G. Wilson, J. Manalo (Chair)

COMMITTEE MEMBERS ABSENT: J. Baker, A. Jones, F. Liu, D. Nelson

SAMTRANS STAFF PRESENT: N. McKenna, S. Murphy, M. Ross

Chair Juslyn Manalo called the meeting to order at 6:31 p.m. and led the Pledge of Allegiance.

INTRODUCTION/WELCOME NEW CAC MEMBERS

Chair Manalo welcomed new members Andrew Barnes, Jason Galisatus and Allie Juarez.

PUBLIC COMMENT

Director Peter Ratto said he wanted to welcome the new members and to thank the CAC members for being the eyes and ears for the Board.

APPROVAL OF THE MINUTES OF MARCH 29, 2017

Motion/Second: Koya/Barrios

Ayes: Barnes, Barrios, Buzbee, Galisatus, Gomez, Juarez, Koya, Wilson, Manalo

Absent: Baker, Jones, Lee, Liu, Nelson

PRESENTATION: MARKETING UPDATE

Seamus Murphy, Chief Communications Officer, said:

- The Communications Division was formed when Jim Hartnett, General Manager/CEO combined marketing, customer service with public affairs and government affairs.
- With all the departments under one division staff is able to communicate and market the services of the District.
- Key goal is to help Margo Ross, Director, Bus Transportation and David Olmeda, Chief Operating Officer, Bus, grow the service.
- Key goals:
 - Market target areas for change.
 - Promote existing service and service that the public is not aware of, including service to San Francisco International Airport (SFO).
 - Make the service more attractive to riders and encourage new riders.
- In the first fiscal year with the new organization his group focused on key markets that the Board said was important including youth.

Julia Lee arrived at 6:42 p.m.

- Social media:
 - Staff does paid social media and direct mailings to concentrated areas.
 - Social media presence has grown with a team of two full-time social media staff and will be hiring a third social media person.
 - There was an increase of 183 percent in social media to the youth web page.
- Youth:
 - Ridership on all routes that serve schools increased from 230,000 to 270,000 over the past year.
 - Staff engages the school districts, schools and parents which all helped with the increase in youth ridership.
 - Summer Youth Pass sales dipped in 2015 so staff focused on communicating the great value of the pass. The 2016 campaign was revamped with the pass being able to be purchased on-line, there was a television spot and paid social media. This had a 20 percent increase in sales so staff is working on a similar campaign for this summer.
- Promotions:
 - Partnered with the American Public Transportation Association to promote services through the annual Dump the Pump Day by providing free fare on Route ECR for the day and saw a 10 percent increase for the day but it wasn't sustained.
 - Doing a campaign for SFO service to focus on the use to get there and targeted with Google search when purchasing airline tickets.
 - Partnering with the County of San Mateo to explore targeted outreach to County employees. The County recently launched private shuttles to provide transportation to their employees who live outside San Mateo County to work. The County is providing incentives to employees to try the service including free rides.
 - Route 71 is a new route servicing Woodside High School and Cañada College.
- Staff is finishing up a youth mobility study and it is recommending a youth mobility coordinator to be a liaison to schools around the county.
- Express bus study is finishing up and planning staff will be reviewing.
- Looking to add luggage racks to buses that serve SFO.
- Expanding late night service to SFO over the next fiscal year and will market to SFO employees.
- Working on real-time information on mobile application and web, mobile ticketing, full website refresh, and expand survey efforts with Customer Satisfaction Survey being done yearly instead of every three years.

Sonny Koya said he has been a proponent of marketing the service. He suggested reaching out to people at farmers markets or events where there will be a lot of people. Mr. Koya said staff needs to reach out to low income areas to let them know about the service.

Mr. Murphy said there is a new Director of Marketing and he is looking to form this type of street team to go to these types of events.

Michelle Buzbee said she is excited about the mobile application.

Mr. Barnes asked what is meant by the service needs to be changed. Mr. Murphy said on the service changes for school service that have been successful and use that formula for other service in the county. On the Coastside there used to be express service to San Francisco and it was eliminated and people miss this service. Ms. Ross said Route 78 and 399 will launch in August. Route 399 will be owl connection to San Francisco Municipal Transportation Agency's Route 14 and late night service to SFO. SFO has said their employees cannot afford Bay Area Rapid Transit to the airport. Ms. Ross said in the next four to five years the service will look entirely different. In August Route ECR run time will be cut down to two hours. She said there is a new operations team in place who are enthusiastic and young and want to try new things. Mr. Murphy said ridership trends are low due to the price of gas and the Uber and Lyft expansion in the Bay Area.

Mr. Barnes asked if there will be any service enhancements in the Menlo Park and Dumbarton Corridor area. Mr. Murphy said there is a Dumbarton Corridor Study being done now. Ms. Ross said staff is going back to look at decisions made during the SamTrans Service Plan regarding east/west service.

Geraldine Wilson said there a lot of senior living communities along El Camino Real and has staff thought about going there to market service. Mr. Murphy said there is a senior mobility coordinator who has an ambassador program that does this outreach.

Julia Lee said the youth coordinator should reach out to community and regular colleges. Increasing visibility to the college age rider is important. She said she is for staff pushing real-time information.

Angel Barrios said she works with families who are low-income with one car and mom takes children to programs. She said they are tracking students missing school because of transportation issues. She asked if there is a way to have a sliding fare for those families that are on public funded programs such as WIC. Mr. Murphy said SamTrans has an eligible discount fare, but the region is focused on a means based fare study. The Metropolitan Transportation Commission is looking for agencies to pilot the program, but the hardest part is who will manage the qualification process.

Ms. Barrios said there are drivers that drive with no licenses or insurance and there should be a way to promote people to get on the bus. She asked if there is a transit system that SamTrans aspires to be or a model. Mr. Murphy said it is where there is density and a high cost of parking such as San Francisco.

Allie Juarez thanked Mr. Murphy and his team for the marketing campaigns. She asked if SamTrans has relationships with corporations along the El Camino. Mr. Murphy said staff is trying to leverage the relationships on the Caltrain side to the bus side. The Go Pass program grew 22 percent in one year. Companies are gravitating towards them, but have not been focused on SamTrans.

Jason Galisatus said density drives higher bus ridership. He asked to what extent are new housing developments being targeted to get residents on the bus. Mr. Murphy said staff hasn't come up with any good ideas or strategy that reaches that group of people. There is a Way to Go Pass program for residential density and must be purchased for everyone in the development.

Bob Gomez asked how far the Dumbarton Study is. Mr. Murphy said the study will be completed at the end of the summer and will include near and long-term ideas. The study will look at the viability of the Dumbarton Rail Corridor, Dumbarton Bridge, bike and pedestrian trail and approaches to the bridge.

Mr. Gomez asked if there is any type of brochures he can distribute to youth riders he speaks. Mr. Murphy said he will get the information for him.

REPORT OF THE CHAIR

Chair Manalo thanked Mr. Koya for chairing the March meeting in her absence.

SAMTRANS STAFF UPDATE

Ms. Ross reported:

- March performance:
 - Average weekday ridership was 32,387.
 - On-time performance (OTP) was 80 percent, below the goal of 85 percent.
 - There were 132 complaints.
 - Miles between road calls was 32,971, above the goal of 20,000 miles between road calls.
 - Tokens continue to be popular with 25,905 adults and 30,624 youth.
 - There were 11 missed schedules.

CAC MEMBER COMMENTS/REQUESTS

Mr. Gomez asked if there is an update on Route 296 at Willow Road Shopping Center and the congestion issue. Ms. Ross said she has a supervisor checking the issue out.

Mr. Gomez said the buses don't seem to be as clean as they usually are.

Ms. Lee asked how often the shelters are cleaned. Ms. Ross said if the CAC sees any issues to submit them through the Customer Service 800 number or the website. She said facilities and maintenance staff do audits in April and October.

Ms. Wilson said she rides Route ECR every day and has noticed there is a lot of smoking in and around the shelters. She asked if the no smoking signage could be larger and more visible. Ms. Ross said she will speak to the Director of Maintenance.

Ms. Buzbee said she attended the Coastside Transportation Study meeting in Half Moon Bay and will be attending the meeting in Pacifica tomorrow night. Ms. Ross said it is tomorrow from 6:30 p.m. to 8:30 p.m. Ms. Buzbee said the Half Moon Bay meeting was very interesting and the biggest request was for express routes.

LIAISON REPORTS

- **SamTrans Board – Juslyn Manalo**
 - Appointed new CAC members
 - Received a presentations on Caltrain and the Caltrain Business Plan
- **SamTrans Accessibility Advisory Committee – David Nelson – no report**

NEXT MEETING:

The next meeting will be held May 31, 2017 at 6:30 p.m., 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, California 94070.

Adjourned at 7:51 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Kathleen Kelly
Interim Chief Financial Officer

SUBJECT: **PRELIMINARY FISCAL YEAR 2018 OPERATING BUDGET**

ACTION

This report is submitted for informational purposes only. No action is requested at this time. Staff will present a final Fiscal Year (FY) 2018 budget proposal for Committee review and Board adoption at the June 7, 2017 Board meeting.

SIGNIFICANCE

The FY2018 Preliminary Budget shows a deficit of \$6.2 million, which, if approved, would have to be covered by Reserves. The Projected Sources of Funds for FY 2018 total \$172.5 million, almost identical to the FY2017 Adopted Budget. The Projected Uses of Funds total \$178.7 million, an increase of almost \$6 million compared to FY2017 Adopted Budget. The Sources of Funds include:

- \$147.3 million for District Operations (\$2.2 million, or 1.5 percent higher than FY17);
- \$9.8 million for Capital Programs (\$3.7 million, or 61 percent higher than FY17);
and
- \$21.7 million for Debt Service (the same as FY17)

At the end of the current fiscal year, FY2017, there will be a projected ending balance of slightly more than \$100 million in unrestricted cash. If \$6.2 million is needed to balance the FY2018 Preliminary Budget, the unrestricted cash will decrease to about \$94.1 million.

The preliminary SamTrans FY2018 Operating Budget is shown in Attachment A.

Key assumptions for the FY2018 Budget are as follows:

- Farebox revenue is based on annualized year-to-date actuals as of March 2017. There are no planned fare increases for FY2018.

- Projected increases for both revenues and expenses related to Senate Bill 1 (SB1) are included in the FY2018 Preliminary Budget (projections for FY2018 are pro-rated for a partial year, because the measure is effective November 1, 2017). The FY2018 projected Sources of Funds include additional revenue totaling \$1.5 million related to SB 1. Increases to District expenses include: 1) a 20-cent cost per gallon increase to diesel fuel; 2) a 12-cent cost per gallon increase to gasoline; and 3) a 4 percent increase to the tax on diesel fuel.
- District Sales Tax is projected to increase by 2 percent, based on Metropolitan Transportation Commission's (MTC) fund estimate, which includes projections from county auditors and treasurers
- The FY2018 Preliminary Budget assumes continued receipt of \$5 million from San Mateo County Measure A, which is used to offset paratransit expenses. If the County Board of Supervisors does not approve that level of Measure A funding, additional funds will be needed from reserves or a reduced level of paratransit services will need to be considered to align expenses with the revenues.
- The diesel fuel cost per gallon for FY2018 is \$2.68, compared to \$2.95 in the FY2017 Adopted Budget. The FY2018 price per gallon includes the impact of the passage SB1.
- No salary and wage increases are included in the Preliminary FY2018 Budget. However, as a point of reference, for every 1 percent increase in Wage & Benefits, expenses will increase by approximately \$0.6 million.
- The Preliminary Budget includes five new positions, partially funded by the SamTrans Operating Budget, adding \$0.4 million to Wages and Benefits (costs are pro-rated based on expected hiring dates). See Attachment B.

10 Year Projections

Attachment C shows the 10-year financial projections through FY2028, and projects annual expenses exceeding revenues in every year, even before taking wage increases into account. The primary reason for this is that revenues are projected to grow at a much slower pace than expenses. In addition, the San Mateo County Transit District (District) has an Unfunded Pension Liability that will drive expense projections higher in this 10-year projection compared to the fiscal years in the preceding 10-year period.

These 10-year projections show that the agency faces substantial financial challenges that will require changes to its current approach, in order to maximize revenues and control costs. The SamTrans Business Plan, which is already underway, will develop a comprehensive blueprint to address the District's short-term and long-term fiscal, operational, and organizational challenges. Future changes must be predicated on a reinvention of public transit that is innovative and meets the changing needs of the

Peninsula. Finally, a business plan is needed to help optimize the District workforce's efforts to effectively implement these changes.

BUDGET IMPACT

This report is submitted for informational purposes only. There is no budget impact. At the Board's June 7, 2017 meeting, Staff will request that the Committee recommend Board adoption of the FY2018 Operating Budget.

BACKGROUND

The preliminary FY2018 budget supports the high level of service and reliability that the community has come to expect from the District. At the same time, every effort is being made to control costs through a variety of methods. The FY2018 budget supports the District's leadership role in Caltrain operations, funds capital improvements, and seeks to incorporate the new initiatives to be identified in the SamTrans Business Plan which the Board approved in Resolution No. 2017-12, dated March 1, 2017.

Sources of Funds

Sources of Funds for FY2018 total \$172.5 million and include the following significant components:

Passenger Fares (Attachment A, page 1, line 1), are projected to be \$17 million in FY2018 based annualized year-to-date actuals as of March 2017, a **decrease** of \$2.5 million or 13 percent from the FY2017 Adopted Budget:

- Motor Bus Fares are projected to **decrease** by \$2.4 million or 12.9 percent
- Redi-Wheels Fares are projected to **decrease** by \$0.1 million or 15.6 percent

Local/State/Federal (page 1, lines 2, 4, and 7) funds totaling \$46.6 million are roughly the same as the FY2017 Budget. This includes additional funding from SB1 in the amount of \$1.5 million, offset by lower State Transportation Development Act (TDA) funds from a carry-forward used in FY2017.

Pass-through funds to Other Agencies (page 1, line 3) total \$0.8 million, a projected **increase** of \$0.8 million from the FY2017 Adopted Budget, reflecting the addition of three Life Line Transportation Pass Through programs for the: 1) Bus Pass/Ticket Program, 2) Menlo Park Mid-Day Shuttle, and 3) Daly City Bayshore Shuttle, sponsored by the San Mateo County Human Service Agency, city of Menlo Park and city of Daly City respectively. The equivalent pass-through expenditure can be found under Uses of Funds (page 1, line 22).

SMCTA Measure A (page 1, line 5) in FY2018 budget is \$9.6 million and comprised of two items, 1) Pass-through for Caltrain in the amount of \$6.2 million, and 2) Redi-Wheels in the amount of \$3.4 million. The total is projected to **decrease** by \$0.4 million, or 3.8 percent, from FY2017 Adopted Budget, which reflects the correction of a payment related to Caltrain service in FY2017 (Santa Clara Valley Transportation Authority staff inadvertently budgeted a lower FY2017 payment than had been discussed, resulting in over-payments for San Francisco Municipal Transportation Agency (SFMTA) and

SamTrans; the FY2018 allocations correct this discrepancy). The Caltrain amount is a pass-through to the Peninsula Corridor Joint Power Board (page 1, line 20). The Redi-Wheels component is included in the total for A.D.A. Programs (page 1, line 19).

San Mateo County Measure A (page 1, line 6) funding approved by the San Mateo County Board of Supervisors for the District's paratransit program is projected to be \$5 million. This assumes **no change** from the FY2017 Adopted Budget. If the Board of Supervisors approves a lower amount prior to the adoption of the SamTrans Budget in June, the FY2018 Budget will be adjusted accordingly.

District Half-cent Sales Tax (page 1, line 10) receipts are projected to total \$84.7 million, which is an **increase** of \$1.7 million, or 2 percent, from the FY 17 Adopted Budget. The increase in District sales tax revenues is based on MTC's fund estimate, which includes projections from county auditors and treasurers.

Investment Interest (page 1, line 11) of \$1.1 million is virtually the same as FY2017.

Other Interest, Rent & Other Income (page 1, line 12) totals \$7.8 million and reflects a projected **increase** of \$0.5 million, or 6.4 percent, compared to the FY2017 Adopted budget, mainly due to increased revenue from night-time (owl) airport service, change card revenue from expired tickets, advertising income, parking revenues and rental income. These projections are primarily based upon on annualized year-to-date actuals.

Uses of Funds

Total Use of Funds for FY2018 is \$178.7 million and includes the following significant components:

Operating Costs

Operating costs (page 1, line 24) of \$147.3 million are projected to **increase** by \$2.2 million or 1.5 percent from the FY2017 Adopted Budget of \$145.1 million. The increase is primarily due to higher costs in Motor Bus (\$1.6 million), and increased expenses for Pass through to Other Agencies (\$0.8 million), offset by a slightly reduced contribution to Caltrain (related again to the error in the payment for FY2017).

Motor Bus Highlights

Total Motor Bus Expense (page 1, line 18) of \$119.5 million, reflects a projected **increase** of \$1.6 million or 1.3 percent over the FY 17 Adopted Budget of \$118 million. Critical Motor Bus elements include:

- *Wages and Benefits* (page 3, line 1) are projected to **increase** \$0.5 million or 0.8 percent, due to SamTran's share of the unfunded California Public Employees Retirement System's liability, increased retiree medical costs, and the addition of five new FTEs, offset by reductions in the fringe benefits rates.
- *Contracted Vehicle Maintenance* (page 3, line 4) is projected to **decrease** \$0.2 million, or 11.4 percent, primarily due to adjustments to actuals for costs related to maintenance and warranty support.

- *Professional Services* (page 3, line 6) are projected to **decrease** \$0.3 million or 7 percent, primarily due to moving human resources (HR) consultant expense to recruiting expense within Promotional & Legal Advertising. Included is \$0.5 million for improvements to the PeopleSoft system, formerly known as Business Optimization Program (BOP).
- *Technical Services* (page 3, line 7) are projected to **increase** \$0.5 million or 7.1 percent, primarily due to increased software maintenance and licensing fees, and a cost-of-living increase for security services provided by the San Mateo County Sheriff.
- *Fuel and Lubricants* (page 3, line 11) are projected to **decrease** \$0.4 million or 7.5 percent, primarily due to the reduced rate assumption for diesel fuel compared to FY2017 Adopted Budget (even assuming the higher rates included in SB 1). The FY2018 Budget assumes a cost per gallon of \$2.68 compared to the FY2017 Budget cost per gallon of \$2.95.
- *Insurance Costs* (page 3, line 21) are projected to **increase** \$0.1 million, or 5 percent, primarily due to projected increases in premiums and claims.
- *Promotional & Legal Advertising Expense* (page 3, line 26) is projected to **increase** \$0.4 million, or 79.3 percent, primarily due to moving HR recruiting consultant expense from Professional Services.
- *Training and Business Travel* (page 3, line 27) is projected to **increase** \$0.3 million, or 43.9 percent, primarily due to the District's focus on employee professional development, and training and seminars.
- *Contracted Urban Bus Service* (page 3, line 34) is projected to **increase** \$0.7 million, or 4.3 percent, primarily due to an increase in revenue miles.

ADA Programs Highlights

The FY2018 budget (page 1, line 19) of \$18.4 million represents an **increase** of \$0.3 million, or 1.4 percent, over the FY2017 Adopted Budget, mainly due to an increase in ridership and increased ADA Accessibility Support.

Caltrain Service

In the FY2018 budget, the proposed SamTrans member agency share for Caltrain service (page 1, line 20) is \$6.2 million, a **decrease** of \$0.5 million, or 6.8 percent over the FY2017 Adopted Budget, based on correction of the payment in FY2017.

Other Multimodal Programs

In the preliminary FY2018 budget, support costs for the SamTrans shuttle program and the multimodal facility maintenance (page 1, line 21) are projected to be \$2.2 million, an **increase** of \$0.1 million, or 4 percent, over the FY2017 Adopted Budget, primarily because of increased temporary staffing related to service modifications and expansion.

Land Transfer Interest Expense

The FY2018 budget includes \$46,000 (page 1, line 23) in interest expense, the same as the FY 2017 budget. The expense represents an interest payment to the San Mateo County Transportation Authority (TA) on a promissory note for four acres of property acquired from the TA, which is located in the city of San Carlos along the Caltrain right-of-way.

Sales Tax Allocations - Capital Programs

Sales Tax Allocation – Capital Programs (page 1, line 28) is projected to total \$9.8 million, an **increase** of \$3.7 million, or 61 percent, compared to the FY2017 Adopted Budget.

Debt Service

Debt Service is (page 1, line 30) is projected to be \$21.7 million, a very slight **increase** of \$7,600, due to increased Fiscal Agent Fees.

Total Budget and Use of Reserves

The full amount of the Preliminary FY2018 Budget, including capital expenditures and debt service, is \$178.7 million. The Preliminary Budget uses \$6.2 million in reserves to achieve a balanced budget. This represents 3.5 percent of the total budget.

Prepared By:

Virginia Baum, Acting Manager, Budgets

650-508-7963

**SAN MATEO COUNTY TRANSIT DISTRICT
FY2018 PRELIMINARY OPERATING BUDGET**

Attachment A

	FY2016	FY2017	FY2017	FY2018	FY18 PRELIMINARY Compared to FY17 ADOPTED	BUDGET PERCENT	
	<u>ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>FORECAST</u>	<u>PRELIMINARY</u>	<u>BUDGET</u>	<u>CHANGE</u>	
	A	B	C	D	E = D-B	F = E/B	
<u>SOURCES OF FUNDS:</u>							
Operating Revenues							
1 Passenger Fares	18,078,031	19,517,000	16,955,520	16,977,116	(2,539,884)	-13.0%	1
2 Local TDA and STA Funds	36,905,487	42,361,438	42,081,438	42,013,473	(347,965)	-0.8%	2
3 Pass through to Other Agencies	101,844	69,000	490,268	836,536	767,536	1112.4%	3
4 Operating Grants	7,871,961	4,010,671	4,362,671	4,445,220	434,549	10.8%	4
5 SMCTA Measure A	9,268,158	9,960,000	9,960,000	9,577,753	(382,247)	-3.8%	5
6 SM County Measure A	5,000,000	5,000,000	5,000,000	5,000,000	0	0.0%	6
7 AB434 Funds	154,500	109,000	109,000	100,000	(9,000)	-8.3%	7
8 Subtotal - Operating Revenues	77,379,981	81,027,109	78,958,897	78,950,098	(2,077,011)	-2.6%	8
Other Revenue Sources							
10 District 1/2 Cent Sales Tax	79,705,074	83,000,000	83,000,000	84,660,000	1,660,000	2.0%	10
11 Investment Interest	1,193,457	1,090,519	1,601,899	1,100,312	9,793	0.9%	11
12 Other Interest, Rent & Other Income	7,016,040	7,308,988	7,784,807	7,777,196	468,208	6.4%	12
13 Subtotal - Other Revenues	87,914,571	91,399,507	92,386,706	93,537,508	2,138,001	2.3%	13
14							14
15 Total Sources of Funds	165,294,552	172,426,616	171,345,604	172,487,606	60,990	0.0%	15
16							16
<u>USES OF FUNDS:</u>							
18 Motor Bus	104,738,838	117,968,986	113,405,017	119,545,805	1,576,819	1.3%	18
19 A.D.A. Programs	15,621,075	18,157,910	17,657,910	18,407,911	250,001	1.4%	19
20 Caltrain	6,080,000	6,640,000	6,640,000	6,191,353	(448,647)	-6.8%	20
21 Other Multi-Modal Programs	1,874,472	2,161,708	2,161,707	2,247,765	86,057	4.0%	21
22 Pass through to Other Agencies	101,844	79,780	490,268	836,536	756,756	948.6%	22
23 Land Transfer Interest Expense	41,604	45,716	45,716	45,716	0	0.0%	23
24 Total Operating	128,457,833	145,054,100	140,400,618	147,275,086	2,220,986	1.5%	24
25							25
26 Total Operating Surplus/(Deficit)	36,836,719	27,372,516	30,944,986	25,212,520	(2,159,996)	-7.9%	26
27							27
28 Sales Tax Allocation - Capital Programs	5,857,267	6,071,968	6,071,968	9,774,218	3,702,250	61.0%	28
29							29
30 Total Debt Service	21,578,155	21,676,445	21,676,445	21,684,044	7,599	0.0%	30
31							31
32 Total Uses of Funds	155,893,255	172,802,513	168,149,031	178,733,348	5,930,835	3.4%	32
33							33
34 PROJECTED SURPLUS/(DEFICIT)	9,401,298	(375,897)	3,196,573	(6,245,742)	(5,869,845)		34

UNRESTRICTED CASH

Projected Beginning Balance of Unrestricted Cash			97,145,000	100,341,573		
Projected Surplus/(Deficit)			3,196,573	(6,245,742)		
Projected Ending Balance of Unrestricted Cash	97,145,000		100,341,573	94,095,831		

SAN MATEO COUNTY TRANSIT DISTRICT
FY2018 PRELIMINARY OPERATING BUDGET

	FY2016 <u>ACTUAL</u> A	FY2017 <u>ADOPTED</u> <u>BUDGET</u> B	FY2018 <u>PRELIMINARY</u> D	FY18 PRELIMINARY Compared to FY17 <u>ADOPTED</u> <u>BUDGET</u> E = D-B	BUDGET PERCENT CHANGE F = E/B
OPERATING REVENUES - MOTOR BUS:					
1 TOTAL MOTOR BUS FARES	17,313,304	18,638,000	16,235,675	(2,402,325)	-12.9%
2					
3 LOCAL (TDA) TRANSIT FUND:					
4 General Operating Assistance	32,212,723	37,540,609	36,440,749	(1,099,860)	-2.9%
5					
6 STATE TRANSIT ASSISTANCE:					
8 STA TOTAL	2,648,742	2,609,106	3,310,138	701,032	26.9%
9					
10 OPERATING GRANTS:					
11 Operating Grants	7,042,848	1,666,278	1,112,367	(553,911)	-33.2%
12					
13 DISTRICT 1/2 CENT SALES TAX:					
14 General Operating Assistance	38,706,499	51,283,370	55,839,192	4,555,822	8.9%
15 Accessibility Fixed Route	1,005,169	1,133,217	1,092,576	(40,641)	-3.6%
16 TOTAL 1/2 CENT SALES TAX	39,711,668	52,416,587	56,931,768	4,515,181	8.6%
17					
18 INVESTMENT INTEREST INCOME					
19 Investment Interest Income	943,732	882,519	861,312	(21,207)	-2.4%
20					
21 OTHER REVENUE SOURCES:					
22 Overnight Deposit Interest Income	213	0	608	608	n/a
22 Rental Income	1,413,846	1,360,000	1,400,000	40,000	2.9%
23 Advertising Income	1,030,090	1,149,000	1,210,700	61,700	5.4%
24 Other Income	2,202,893	1,706,888	2,042,488	335,600	19.7%
25 TOTAL OTHER REVENUES	4,647,042	4,215,888	4,653,796	437,908	10.4%
26					
27 TOTAL MOTOR BUS	104,520,059	117,968,986	119,545,805	1,576,819	1.3%
28					
29 AMERICAN DISABILITIES ACT:					
30 Passenger Fares-Redi Wheels	764,727	879,000	741,441	(137,559)	-15.6%
31 Local TDA 4.5 Redi Wheels	1,702,554	1,844,243	1,917,935	73,692	4.0%
32 Local STA - Paratransit	341,468	367,480	344,651	(22,829)	-6.2%
33 Operating Grants	829,113	2,344,393	3,332,853	988,460	42.2%
34 Sales Tax - Paratransit District	644,748	1,124,994	203,532	(921,462)	-81.9%
35 Sales Tax - Paratransit Suppl. Coastside	1,528,746	1,669,800	1,842,100	172,300	10.3%
36 Interest Income-Paratransit Fund	249,725	208,000	239,000	31,000	14.9%
37 SMCTA Measure A Redi-Wheels	3,188,158	3,320,000	3,386,400	66,400	2.0%
38 SM County Measure A	5,000,000	5,000,000	5,000,000	0	0.0%
39 Measure M Paratransit	1,400,000	1,400,000	1,400,000	0	0.0%
40 TOTAL ADA PROGRAMS	15,649,239	18,157,910	18,407,912	250,002	1.4%
41					
42 MULTI-MODAL TRANSIT PROGRAMS:					
43 Transfer from SMCTA for Caltrain	6,080,000	6,640,000	6,191,353	(448,647)	-6.8%
44 AB434 Funds - SamTrans Shuttle	154,500	109,000	100,000	(9,000)	-8.3%
45 Employer SamTrans Shuttle Funds	968,998	1,693,100	1,723,400	30,300	1.8%
46 Sales Tax - SamTrans Shuttle Program	592,640	189,608	254,365	64,757	34.2%
47 Sales Tax - Gen. Operating Asst.	158,335	170,000	170,000	0	0.0%
48 TOTAL MULTI-MODAL	7,954,473	8,801,708	8,439,118	(362,590)	-4.1%
49					
50 TOTAL REVENUES	128,123,771	144,928,605	146,392,835	1,464,230	1.0%

**SAN MATEO COUNTY TRANSIT DISTRICT
FY2018 PRELIMINARY OPERATING BUDGET**

	FY2016	FY2017	FY2018	FY18 PRELIMINARY Compared to	BUDGET PERCENT		
	<u>ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>PRELIMINARY</u>	<u>FY17 ADOPTED BUDGET</u>	CHANGE		
	A	B	D	E = D-B	F = E/B		
DISTRICT OPERATED BUSES							
1	56,888,842	58,214,650	58,690,582	475,932	0.8%	1	
2	Services:						2
3	58,825	86,000	86,000	0	0.0%	3	
4	1,313,665	1,508,154	1,335,850	(172,304)	-11.4%	4	
5	1,410,641	1,238,000	1,055,500	(182,500)	-14.7%	5	
6	3,987,895	4,956,711	4,612,204	(344,507)	-7.0%	6	
7	5,933,665	7,065,517	7,565,480	499,963	7.1%	7	
8	3,229,292	3,206,540	3,210,668	4,128	0.1%	8	
9							9
10	Materials & Supply:						10
11	2,703,009	5,525,612	5,113,595	(412,017)	-7.5%	11	
12	2,138,319	2,042,508	2,043,233	725	0.0%	12	
13	377,302	479,129	533,731	54,602	11.4%	13	
14	162,491	263,645	326,500	62,855	23.8%	14	
15	369,668	485,062	484,412	(650)	-0.1%	15	
16	123,748	159,500	160,000	500	0.3%	16	
17							17
18	Utilities:						18
19	518,385	731,991	745,491	13,500	1.8%	19	
20	1,082,365	1,140,000	1,140,000	0	0.0%	20	
21	803,057	2,897,298	3,042,164	144,866	5.0%	21	
22	3,301,997	3,668,160	3,666,068	(2,092)	-0.1%	22	
23	509,488	735,136	813,715	78,579	10.7%	23	
24	1,005,169	1,133,217	1,092,576	(40,641)	-3.6%	24	
25	161,964	175,740	182,670	6,930	3.9%	25	
26	127,353	484,700	869,000	384,300	79.3%	26	
27	255,250	610,463	878,513	268,050	43.9%	27	
28	102,028	118,620	159,043	40,423	34.1%	28	
29	98,892	102,999	94,792	(8,207)	-8.0%	29	
30							30
31	86,663,310	97,029,352	97,901,787	872,435	0.9%	31	
32							32
33	CONTRACTED BUS SERVICES						33
34	15,088,891	17,246,300	17,987,300	741,000	4.3%	34	
35	475,236	392,150	358,694	(33,456)	-8.5%	35	
36	161,940	736,593	773,422	36,829	5.0%	36	
37	1,759,679	1,968,000	1,954,500	(13,500)	-0.7%	37	
38	265,597	233,000	253,100	20,100	8.6%	38	
39	88,527	124,525	116,884	(7,641)	-6.1%	39	
40	55,125	55,130	55,130	0	0.0%	40	
41	162,482	177,100	138,350	(38,750)	-21.9%	41	
42	18,051	6,836	6,638	(198)	-2.9%	42	
43	18,075,528	20,939,634	21,644,018	704,384	3.4%	43	
44							44
45	104,738,838	117,968,986	119,545,805	1,576,819	1.3%	45	

SAN MATEO COUNTY TRANSIT DISTRICT
FY2018 PRELIMINARY OPERATING BUDGET

	FY2016	FY2017	FY2018	FY18 PRELIMINARY Compared to FY17 ADOPTED	BUDGET PERCENT		
	<u>ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>PRELIMINARY</u>	<u>BUDGET</u>	CHANGE		
	A	B	D	E = D-B	F = E/B		
AMERICAN DISABILITY ACT PROGRAMS							
46	Elderly & Disabled/Redi-Wheels	5,295,622	7,322,052	7,716,600	394,548	5.4%	46
47	Other Related Cost	2,741,288	3,386,207	3,030,191	(356,016)	-10.5%	47
48	ADA Sedan/Taxi Service	4,681,151	3,628,328	3,704,208	75,880	2.1%	48
49	ADA Accessibility Support	1,136,601	1,571,564	1,505,855	(65,709)	-4.2%	49
50	Coastside ADA Support	1,528,746	1,669,800	1,842,100	172,300	10.3%	50
51	Insurance Costs	237,667	579,959	608,957	28,998	5.0%	51
52	TOTAL ADA PROGRAMS	15,621,075	18,157,910	18,407,911	250,001	1.4%	52
53							53
54	MULTI-MODAL TRANSIT PROGRAMS						54
55							55
56	CALTRAIN SERVICE						56
57	Peninsula Rail Service	6,080,000	6,640,000	6,191,353	(448,647)	-6.8%	57
58	Total Caltrain Service	6,080,000	6,640,000	6,191,353	(448,647)	-6.8%	58
59							59
60	OTHER SUPPORT						60
62	SamTrans Shuttle	1,716,138	1,991,708	2,077,765	86,057	4.3%	62
63	Bicycle Coordinating Activities	0	0	0	0	n/a	63
64	Maintenance Multimodal Fac	158,334	170,000	170,000	0	0.0%	64
65	Total Other Support	1,874,472	2,161,708	2,247,765	86,057	4.0%	65
66							66
67	TOTAL MULTI-MODAL PROGRAMS	7,954,472	8,801,708	8,439,118	(362,590)	-4.1%	67
68							68
69	TOTAL OPERATING EXPENSES	128,314,385	144,928,605	146,392,834	1,464,230	1.0%	69

San Mateo County Transit District
New FTE requests in FY18 Budget

Attachment B

New Position Requests	Justification	Budget Labor Distribution	Strategic Goal
Market Development Contract Administrator	To support the management of marketing contracts; i.e. advertising, mobile ticketing and coordinating the advertising program.	50% Samtrans Operating, 50% JPB	2 & 4
Associate Contract Officer	To support increased workload for procurements under \$150K in accordance with new AB2030 procurement thresholds.	30% Samtrans Operating, 20% Samtrans Capital, 40% JPB, 10% TA	4
HR Specialist	To provide assistance with recruitments.	100% Samtrans Operating	5
ADA Coordinator	Increase support to address ADA compliance needs.	50% Samtrans Operating, 50% JPB	4
Human Resources Assistant	To provide support for recruitments and training coordination along with clerical support to the Department.	100% Samtrans Operating	5

Strategic Goals

- 1) Increase weekday fixed-route ridership by 15 percent
- 2) Increase fixed-route farebox revenue by 20 percent
- 3) Reduce debt service by \$1.5 million annually
- 4) Improve organizational performance
- 5) Manage workforce change

Samtrans Financial Projections

Attachment C

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	
<u>SOURCES OF FUNDS</u>													
1 Passenger Fares	16,977,115	17,161,177	17,347,551	17,536,275	17,727,389	17,920,931	18,116,943	18,315,466	18,516,543	18,720,218	18,926,533	19,135,537	1
2 Local TDA and STA Funds	42,013,473	42,816,072	43,634,358	44,468,641	45,319,237	46,186,470	47,070,667	47,972,166	48,891,307	49,828,441	50,783,923	51,758,116	2
3 Pass through to Other Agencies	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	3
4 Operating Grants	4,445,220	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	4
5 SMCTA Measure A	9,577,753	10,362,384	10,569,632	10,781,024	10,996,645	11,216,578	11,440,909	11,669,727	11,903,122	12,141,184	12,384,008	12,631,688	5
6 SM County Measure A	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	6
7 AB434 Funds	100,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	7
8 Subtotal - Operating Revenues	78,950,097	76,590,169	77,802,077	79,036,476	80,293,807	81,574,514	82,879,056	84,207,895	85,561,508	86,940,379	88,345,000	89,775,877	8
9 Other Revenue Sources													
10 District 1/2 Cent Sales Tax	84,660,000	86,353,200	88,080,264	89,841,869	91,638,707	93,471,481	95,340,910	97,247,729	99,192,683	101,176,537	103,200,068	105,264,069	10
11 Investment Interest	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	11
12 Other Interest, Rent & Other Income	7,777,196	8,033,352	8,301,578	8,582,532	8,876,913	9,185,460	9,508,961	9,848,248	10,204,208	10,577,778	10,969,956	11,381,802	12
13 Subtotal - Other Revenues	93,537,508	95,486,864	97,482,154	99,524,714	101,615,931	103,757,253	105,950,183	108,196,289	110,497,203	112,854,627	115,270,336	117,746,183	13
14													14
15 Total Sources of Funds	172,487,605	172,077,034	175,284,231	178,561,190	181,909,738	185,331,768	188,829,239	192,404,185	196,058,711	199,795,006	203,615,336	207,522,059	15
16													16
<u>USES OF FUNDS:</u>													
17													17
18 Motor Bus	119,545,805	123,726,250	128,956,181	133,993,517	139,312,396	144,702,185	149,926,356	155,383,782	161,087,442	167,051,142	173,289,570	179,818,352	18
19 A.D.A. Programs	18,407,911	19,633,373	20,940,416	22,334,473	23,821,335	25,407,182	27,098,602	28,902,624	30,826,745	32,878,960	35,067,795	37,402,347	19
20 Caltrain	6,191,353	10,000,000	11,224,600	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	20
21 Other Multi-Modal Programs	2,247,765	2,315,198	2,384,654	2,456,194	2,529,880	2,605,776	2,683,949	2,764,468	2,847,402	2,932,824	3,020,809	3,111,433	21
22 Pass through to Other Agencies	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	22
23 Land Transfer Interest Expense	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	23
24 Total Operating	147,275,087	156,557,073	164,388,103	170,583,635	177,463,062	184,514,595	191,508,359	198,850,326	206,561,041	214,662,378	223,177,626	232,131,584	24
25													25
26 Total Operating Surplus/(Deficit)	25,212,519	15,519,961	10,896,128	7,977,554	4,446,676	817,173	(2,679,120)	(6,446,141)	(10,502,330)	(14,867,373)	(19,562,289)	(24,609,525)	26
27													27
28 Sales Tax Allocation - Capital Programs	9,774,218	10,557,266	7,020,680	7,434,160	12,761,389	14,551,884	15,706,872	12,034,500	8,484,827	10,949,540	9,600,000	9,600,000	28
29													29
30 Total Debt Service	21,684,044	21,643,714	19,397,431	19,186,781	19,192,681	19,189,081	19,190,031	19,189,431	19,189,931	19,189,431	19,186,431	19,194,431	30
31													31
32 Total Uses of Funds	178,733,349	188,758,053	190,806,215	197,204,577	209,417,133	218,255,560	226,405,263	230,074,257	234,235,799	244,801,349	251,964,057	260,926,016	32
33													33
34 PROJECTED SURPLUS/(DEFICIT)	(6,245,743)	(16,681,019)	(15,521,984)	(18,643,387)	(27,507,395)	(32,923,792)	(37,576,024)	(37,670,073)	(38,177,088)	(45,006,344)	(48,348,721)	(53,403,956)	34

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Kathleen Kelly
Interim Chief Financial Officer

SUBJECT: **PRELIMINARY FISCAL YEAR 2018 CAPITAL BUDGET**

ACTION

This report is submitted for informational purposes only. No Board action is required at this time. Staff will bring this item back to the Board at its June 1, 2017 meeting with a request that the Committee recommend Board adoption of the Fiscal Year (FY) 2018 Capital Budget.

SIGNIFICANCE

The FY2018 Capital Budget, as presented in Attachment A, totals \$15.4 million and contains projects necessary and essential to sustain the existing service and infrastructure network of the San Mateo County Transit District (District).

BUDGET IMPACT

Of the \$15.4 million recommended for the FY2018 Capital Budget, the total amount of District sales tax required is \$9.8 million. This investment would be used to leverage an additional \$5.6 million in Federal, State and other sources to fully fund the FY2018 Capital Budget.

BACKGROUND

The District's Capital Budget is developed on an annual basis. A comprehensive call for projects was issued District-wide. The capital projects submitted were reviewed and prioritized for consistency with District policy directives and key Strategic Plan Initiatives. In keeping with the District's need to conserve financial resources, the final recommendations reflect the most critical projects that support existing District revenue service without compromising either safety or security. In addition, the program is developed to leverage as much external funding and grants as possible.

The FY2018 Capital Budget contains the following major elements:

Revenue Vehicle and Support: \$3.8 million – The FY2018 budget is requesting an additional \$3.7 million for the purchase of up to 10 Electric buses and charging stations, revising the original FY2017 approved plan to purchase up to six fully electric buses and charging stations. The total project cost for the purchase of up to 10 electric buses and charging stations is \$10.9 million. The electric buses will replace 2003 Gillig diesel

uses and will serve as a pilot program that will allow the District to gain experience with the procurement, operations, and maintenance of battery-electric buses and associated charging infrastructure.

The budget also includes funding for the purchase of 50 American Seating Single Flip Seats and 50 modesty panels to retrofit the District's 25 Hybrid buses as part of the District's safety initiative. This capital budget request is in response to a 2014 safety letter from the bus manufacturer regarding first row forward facing seats potentially exposing bus passengers to catastrophic injury.

Information Technology: \$2.9 million – Many of the District's technology systems and resources are out-of-date or obsolete and need to be replaced. The budget includes continued investment in the replacement and upgrade of Information Technology equipment, networks, and software applications necessary to improve system security and network traffic. Additionally, PeopleSoft EPM 9.1 extended support ends at the end of December 2017, and the District will no longer receive product updates. Full budget support is still necessary and therefore, the procurement and implementation of an upgrade or replacement for EPM is required.

Planning / Development: \$1.5 million – The budget includes funding for ridership reporting and analytics software capable of storing, cleaning, and analyzing the vast amount of Automated Passenger Counters (APC)/ Automated Vehicle Locator (AVL) data recorded on the District's buses. Federal Transit Administration (FTA) highly recommends that the District start reporting ridership data using APCs and the District's current system, BRIO, is outdated and does not support the requirement. Also, included in this category is continued funding for the District's Business Plan, to address the District's fiscal, operational, and organizational challenges. Funds are also included to support the capital programs and project development, as well as capital program management.

Facilities/Construction: \$6 million – Projects in this category include; implementation of traffic signal priority for SamTrans buses traveling on El Camino Real in San Mateo County, at cost of \$2 million; purchases of major components for buses for \$1.5 million; development of a Transit Asset Management Plan (\$1 million); Linda Mar Park-n-Ride Lot Repaving (\$0.7 million), replacement of the roof of Central at 1250 San Carlos Ave (\$0.5 million), small facility projects (\$0.3 million); and, replacement of the current time clock system (\$0.1 million).

Safety and Security: \$1 million – The single project in this category is for the continued installation of vandal-resistant fencing at key locations along the Dumbarton Rail Corridor.

Other/Contingency: \$0.3 million - Funding is included to cover unforeseen and emergency capital expenditures during the fiscal year.

Prepared by:

Virginia Baum, Acting Manager, Budgets

650-508-7963



San Mateo County Transit District Fiscal Year 2018 Capital Budget

PROJECT TITLE	PROJECT DESCRIPTION	Current Total Estimated Project Cost	Previously Budgeted	FY2018 Budget Request	Remaining	Funding Sources				notes	
						Federal	State	Other	District Sales Tax		
i. REVENUE VEHICLE SUPPORT											
1.1	Purchase of 10 Electric Buses and Installation of 10 Charging Stations	Purchase of 10 electric buses and installation of 10 charging stations	\$ 10,926,668	\$ 7,250,000	\$ 3,676,668	\$ -	\$ 2,528,880	\$ 1,482,824	\$ (1,083,167)	\$ 748,131	(1) & (2)
1.2	50 Flip Seats and Modesty Panels	The purchase of 50 American Seating Single Flip Seats and 50 Modesty Panels to retrofit District's 25 Hybrid buses to support District's safety initiative	\$ 144,613	\$ -	\$ 144,613	\$ -	\$ -	\$ -	\$ -	\$ 144,613	-
Subtotal				\$ 3,821,281							
ii. INFORMATION TECHNOLOGY											
2.1	Tech Refresh Project	Technology refreshment with periodic replacement of District system's servers and storage, copiers/printers, network equipment to avoid obsolescence of existing technology	\$ 2,377,800	\$ -	\$ 2,377,800	\$ -	\$ -	\$ -	\$ -	\$ 2,377,800	-
2.2	EPM Replacement	PeopleSoft EPM 9.1 extended support ends 12/31/17, no longer providing product updates. Full budget support is necessary and therefore, the procurement and implementation of a replacement for EPM is required.	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000	-
Subtotal				\$ 2,877,800							
iii. PLANNING / DEVELOPMENT											
3.1	Ridership Reporting and Analytics Software	Purchase of software capable of storing, cleaning, and analyzing the vast amount of APC/AVL data recorded on District buses	\$ 222,000	\$ -	\$ 222,000	\$ -	\$ -	\$ -	\$ -	\$ 222,000	-
3.2	SamTrans Strategic Business Plan	A comprehensive strategy to define a business plan that averts financial failure, reinvents the District vision for delivering public transit, and tackling District internal and external organizational challenges	\$ 1,138,000	\$ 358,000	\$ 780,000	\$ -	\$ -	\$ -	\$ -	\$ 780,000	-
3.3	Capital Program and Project Development	Capitalized funds for annual program development including but not limited to plans, budgets, programs, funding strategies, and preliminary engineering	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
3.4	Capital Program Management	Capitalized funds for programs and project controls support, including monitoring project performance and delivery	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
Subtotal				\$ 1,502,000							

PROJECT TITLE	PROJECT DESCRIPTION	Current Total Estimated Project Cost	Previously Budgeted	FY2018 Budget Request	Remaining	Funding Sources				notes	
						Federal	State	Other	District Sales Tax		
iv. FACILITIES / CONSTRUCTION											
4.1	Traffic Signal Priority	Implementation of Traffic Signal Priority (TSP) technology for SamTrans buses traveling on El Camino Real in San Mateo County (State Highway 82).	\$ 1,953,500	\$ -	\$ 1,953,500	\$ -	\$ 1,729,500	\$ -	\$ -	\$ 224,000	(3)
4.2	Facilities Smaller Projects	Projects to maintain continuity of services and sustainability of a pleasant work environment, inclusive of routine maintenance or replacement.	\$ 547,000	\$ 282,000	\$ 265,000	\$ -	\$ -	\$ -	\$ -	\$ 265,000	-
4.3	Time Clock Replacement	Replacement of current time clock systems	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	-
4.4	Transit Asset Mgmt Plan	Implementation of new Federal mandated requirement for conditioned based assessments for a broad range of assets	\$ 975,000	\$ -	\$ 975,000	\$ -	\$ -	\$ -	\$ -	\$ 975,000	-
4.5	Roof Replacement	Repair of Central building roof	\$ 475,000	\$ -	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ 475,000	-
4.6	Linda Mar Park-n-Ride Repaving	Linda Mar Park-n-Ride Lot Repaving	\$ 700,000	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000	-
4.7	Major Bus Components	Purchases of major bus components	\$ 4,841,436	\$ 3,341,436	\$ 1,500,000	\$ -	\$ -	\$ 937,326	\$ -	\$ 562,674	(4)
Subtotal					\$ 5,968,500						
v. SAFETY AND SECURITY											
5.1	Dumbarton Rail Corridor ROW Fencing	Install vandal resistant fencing at key locations along the Dumbarton Rail Corridor to deter trespassing, illegal dumping and homeless encampments	\$ 4,511,000	\$ 3,561,000	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000	-
Subtotal					\$ 950,000						
vii. Other											
6.1	Contingency	Annual set-aside for unforeseen and emergency capital expenditures	\$ 250,000	\$ -	\$ 250,000	\$ -				\$ 250,000	
Subtotal					\$ 250,000						
GRAND TOTAL			\$ 30,162,017	\$ 14,792,436	\$ 15,369,581		\$ 4,258,380	\$ 2,420,150	\$ (1,083,167)	\$ 9,774,218	

NOTES:

- (1) State funds include FY17 LCTOP (309,127) and PTMISEA (954,000) from Gillig bus & (\$219,697 residual)
- (2) Other funding for this project includes TFCA funds of \$473,990 and CARB HVIP funds of \$950,000 for total of \$1,423,990. FY17 Capital Budget had an estimate for other funds; the negative adjustment of \$1,083,167 in FY18 is necessary to properly reflect the correct funding between the two years
- (3) Funded by TPI Grant Funds for \$1,729,500 (89%) with District Sales Tax match (11%)
- (4) State funding includes SB1 fund effective November 1, 2017

**BOD ITEM # 4
JUNE 7, 2017**

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
General Manager/CEO

FROM: David Olmeda
Chief Operating Officer, Bus

SUBJECT: **PUBLIC HEARING: ELIMINATION OF ROUTES 11, 43, AND 89**

ACTION

No action required. The Board will hear public comment on the elimination of Routes 11, 43 and 89.

SIGNIFICANCE

In accordance with the San Mateo County Transit District's (District) Public Comment for Fare and Service Change Policy, adopted December 8, 2004, a public hearing will be set to consider the elimination of three low performing routes.

BUDGET IMPACT

Holding a public hearing will not impact the budget

BACKGROUND

As part of the District's ongoing commitment to route monitoring, Routes 11, 43, and 89 have been identified as the lowest performers among SamTrans' Community Routes. Route 11 runs between Hickey Boulevard and Thomas Edison Elementary School/Fernando Rivera Intermediate School in Daly City. Route 43 runs between Burlingame Plaza/Mills High School in Millbrae and the San Bruno BART station, and provides service to Capuchino High School in San Bruno. Route 89 runs from Encinal Elementary School in Atherton south to Santa Monica/Andreas.

These routes comprise a total of four daily trips and average around five riders per trip. On average SamTrans Community Routes serve approximately 19 riders per trip.

While these routes only operate on school days, about half of the passengers are youth riders. Routes 11, 43 and 89 average approximately less than one, three, and two youth riders per day, respectively.

Routes 11, 43 and 89 cost approximately \$170,000 per year to operate. Elimination of these underperforming routes will help ensure that resources are available to invest in more productive services beginning in August and throughout Fiscal Year 2018. These investments will be made to help advance the goals identified in the District's Strategic Plan.

A Title VI equity analysis of the proposed service changes will be presented to the Board of Directors and the public at the July 5 Board meeting, when the Board is asked to consider the proposed changes. These routes do not operate during the summer. Elimination of the routes would be effective with implementation of the August Runbook on August 6, 2017.

Prepared By: Sean Hedgpeth, Senior Planner

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