



## MEETING NOTICE & AGENDA

**DATE:** Thursday, May 16, 2019

**TIME:** 4:00 P.M.

**PLACE:** Yuba County Board of Supervisors Chambers  
Yuba County Government Center  
915 8<sup>th</sup> Street  
Marysville, California

### I. Call to Order & Roll Call

Cardoza, Fletcher, Hudson, Leahy (Chair), Samayoa, Shaw, Sullenger and Whiteaker (Vice-Chair)

### II. Public Business from the Floor

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

### III. Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff or public request specific items to be discussed or removed from the Consent Calendar for specific action.

- A. Minutes from the Meeting of April 18, 2019. (Attachment)
- B. Disbursement List for April 2019. (Attachment)
- C. Monthly Performance Report for April 2019. (Attachment)

### IV. Reports

- A. **Yuba-Sutter Transit Operating and Capital Budget for FY 2019/2020.** Review and approval consideration of the final draft budget for the next fiscal year. (Attachment)

RECOMMENDATION: Adopt Resolution No. 5-19 approving the FY 2019/2020 budget as proposed or amended.

- B. **Local Transportation Fund (LTF) Apportionment for FY 2019/2020.** (Attachment)

RECOMMENDATION: Adopt Resolution No. 6-19 establishing the LTF contributions for each member jurisdiction for FY 2019/2020 as proposed or amended.

- C. **Set a Public Hearing on Yuba-Sutter Transit's FY 2019/2020 Federal Funding Applications.**

RECOMMENDATION: Set a public hearing for 4:00 p.m. on Thursday, July 18, 2019 to receive comments on Yuba-Sutter Transit's FY 2019/2020 federal funding applications.

- D. State of Good Repair (SGR) Project Designation.** Project discussion and authorization consideration for the FY 2019/2020 cycle of SGR funding under the California Road Repair and Accountability Act of 2017 (SB 1). (Attachment)

RECOMMENDATION: Adopt Resolution No. 7-19 approving the submittal of Yuba-Sutter Transit's FY 2019/2020 SGR Project List as proposed or amended.

- E. Administrative Staff Salary Schedule Adjustments.** (Attachment)

RECOMMENDATION: Approve staff salary adjustments and adopt the resulting salary schedule effective July 1, 2019 as proposed or amended.

- F. 2018 Discount Monthly Pass Program Grant Close-Out Report.** (Attachment)\_\_\_\_\_

RECOMMENDATION: Information only.

- G. Third Quarter Performance Report.** (Attachment)

RECOMMENDATION: Information only.

- H. Project & Program Updates.**

1. Bus Stop Enhancement Project
2. Computer Assisted Dispatch/Automatic Vehicle Location (CAD/AVL) Project
3. Reminder of Special Early June Board Meeting at 4:00 p.m. on Thursday, June 13, 2019

RECOMMENDATION: Information only.

**V. Correspondence/Information**

**VI. Other Business**

**VII. Adjournment**

**THE REGULAR JUNE MEETING HAS BEEN MOVED TO THURSDAY, JUNE 13, 2019  
AT 4:00 P.M. IN THE MARYSVILLE ROOM AT THE YUBA COUNTY GOVERNMENT CENTER**

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If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or (TTY) 634-6889 at least 72 hours in advance so such aids or services can be arranged.

## AGENDA ITEM III – A

### YUBA-SUTTER TRANSIT AUTHORITY MEETING MINUTES APRIL 18, 2019

#### **I. Call to Order & Roll Call** (4:00 pm)

Present: Cardoza, Fletcher, Hudson, Leahy (Chair), Shaw, and Sullenger.

Absent: Samayoa and Whiteaker

#### **II. Public Hearings**

##### **A. Proposed Fare and Fare Policy Adjustments**

Martin presented the fare and fare policy adjustments that had been introduced to the Board in February noting that no changes are being recommended. He stated that the one comment that had been received to date from a Ms. Susan Williams who was opposed to any fare increase. This comment was included in an attachment to the agenda packet. Martin invited questions from the Board noting that this was a public hearing.

Director Leahy opened the public hearing.

Mr. James Brinkley suggested that in exchange for higher fares that transfers should be reinstated. Martin responded that the proposed fare structure would replace the three tap daily cap with a two tap cap when using cash value on a Connect Card which would make transfers unnecessary for everyone except those who travel just one way each day and need to change buses to complete their trip. Mr. Brinkley asked how people would be able to use the daily cap if they purchased ticket sheets and Martin reminded him that the daily cap is available only with a Connect Card.

Phillip Steck asked if Yuba College students would be eligible for a discount fare under the new fare structure. Martin explained that such a discount has been discussed at length with Yuba College and we are still in conversation with them on this issue, but there is no timetable for when that might happen.

Director Leahy closed the public hearing. Absent any comments or questions from the Board, Director Sullenger made a motion to approve the staff recommendation. Director Fletcher seconded the motion and it carried unanimously.

#### **III. Public Business from the Floor**

None.

#### **IV. Consent Calendar**

Director Cardoza made a motion to approve the consent calendar. Director Fletcher seconded the motion and it carried unanimously.

#### **V. Reports**

##### **A. Revised Draft Yuba-Sutter Transit Operating and Capital Budget for FY 2020.**

Martin presented the revised draft Yuba-Sutter Transit Operating and Capital Budget for FY 2020 highlighting the current year budget estimates and several key factors for consideration. He noted that the revised draft budget remains a work in progress and that a final draft budget be presented for approval at the May meeting.

##### **B. Draft Service Contract Request for Proposals (RFP).**

Martin introduced the Draft Service Contract Request for Proposals (RFP) noting that it has already been presented to Caltrans for their review and approval. As a result, any action to authorize the release of the RFP would be conditional upon Caltrans approval providing that no material changes to the RFP are required.

Martin noted that the firm Transportation Planning and Policy was engaged by the Board to prepare this RFP to meet State and Federal requirements as well as create a more sustainable system under this next contract term. The previous five-year contract is set to expire September 30, 2019 and the next contract is proposed for a four-year fixed price term with two indexed extension options of two years each for a maximum contract term of eight years. Martin noted that overall service quality will be the most important evaluation criteria over cost and that increases in the minimum wage over the next few years will have an effect upon contract pricing.

Martin asked for the Board to appoint an ad hoc committee with up to three members to assist in the proposal evaluation process including the formation of an award recommendation to the Board. Director Cardoza and Director Leahy were appointed to serve on the ad hoc committee.

Director Fletcher made a motion to authorize the release of the RFP as proposed. Director Hudson seconded the motion and it carried unanimously.

##### **C. Disposal of Surplus Vehicles.**

Director Fletcher made a motion to approve Resolution No. 4-19 as recommended. Director Cardoza seconded the motion and it carried unanimously.

##### **D. Ticket Book Exchange Request.**

Martin stated that this item was placed on the agenda by Board direction following a request by Mr. James Brinkley at the March meeting that the four \$10 discount ticket books that were recently found by his friend be accepted or exchanged. Martin noted that after more

than a year of extensive public outreach, these discount ticket books have not been accepted or exchanged since June 30, 2018. He continued that after the March meeting, Mr. Brinkley turned down an offer by an anonymous donor to exchange the ticket books for four \$10 ticket sheets with the provision that both he and his friend waive the right to such reimbursement for any future ticket books.

Mr. Brinkley then asked the Board for a grandfather clause so that anyone still in possession of books at any time could use them until they were gone. After some discussion, it was the general consensus of the Board that that there had been adequate notice and time to use or exchange any outstanding ticket books and that to do so now would set a precedent for any ticket books that might remain in the possession of passengers.

Director Fletcher made a motion to deny the exchange request. Director Hudson seconded the motion and it was carried unanimously.

#### **E. Project & Program Updates**

##### **1. Bus Stop Enhancement Project**

Martin stated that we are currently out to bid for the concrete work for this project and we have ordered three new shelters and forty-eight (48) Simme Seats for installation. These enhancements should be done by July. As part of this project, the large shelter at the Government Center will be moved to the Sutter Campus of Yuba College.

##### **2. Computer Assisted Dispatch/Automated Vehicle Location (CAD/AVL)**

Martin stated that we are close to going live with the Computer Assisted Dispatch/Automated Vehicle Location system. All of the equipment has been installed on the buses and staff will soon be trained on the new system. The Board will be given a demonstration of the new system at a future meeting most likely in June after the system is operational.

##### **3. Adaptation Planning Grant Application**

Martin stated the award announcements are expected this spring, mostly likely in April or May. We were well ranked at the district level and then it is a State-wide discretionary project.

#### **VI. Correspondence/Information**

None.

#### **VII. Other Business**

None.

## **VIII. Closed Session**

### **A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957. Position Title: Transit Manager**

The meeting was adjourned to closed session at 4:35pm.

The Board reconvened the meeting at 4:50 p.m. at which time Director Leahy announced that no reportable action had been taken in the closed session.

## **IX. Adjournment**

The meeting was adjourned at 4:51pm.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, MAY 16, 2019 AT 4:00PM IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

**AGENDA ITEM III-B  
YUBA-SUTTER TRANSIT  
DISBURSEMENT LIST  
MONTH OF APRIL 2019**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 5,374.50	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 4,339.80	PERS RETIREMENT	RETIREMENT PAYMENT
EFT	\$ 500.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 32,422.97	PAYROLL	PAYROLL
EFT	\$ 1,222.14	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 281.54	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 34.48	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION
EFT	\$ 395.37	PG&E	ELECTRIC
EFT	\$ 32.07	PG&E	ELECTRIC #2 PARKING LOT LIGHTS
EFT	\$ 669.10	PG&E	GAS
EFT	\$ 120.48	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 59.21	CARDMEMBER SERVICES	RABOBANK CREDIT CARD
EFT	\$ 172.37	ELAVON	MERCHANT SERVICE FEE - APRIL
EFT	\$ 160.40	PRIMEPAY	PAYROLL FEE
16448	\$ 301.60	ADAM HANSEN	TRAVEL REIMBURSEMENTS
16449	\$ 735.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING MAINTENANCE/WEED CONTROL
16450	\$ 510.23	APPEAL DEMOCRAT	PUBLIC HEARING NOTICE
16451	\$ 207.29	BOB'S LOCK & KEY SHOP	RE-KEY BIKE LOCKER
16452	\$ 466.69	COMCAST BUSINESS	TELEPHONE - MARCH
16453	\$ 3,601.61	CONNECT CARD REGIONAL SERVICE CENTER	DEFERRED CREDITS CONNECT CARD
16454	\$ 19,169.83	FLYERS ENERGY	FUEL/LUBRICANTS
16455	\$ 50.00	GRACE ESPINDOLA	BOARD MEETING 3/21
16456	\$ 50.00	JIM WHITEAKER	BOARD MEETING 3/21
16457	\$ 50.00	MANNY CARDOZA	BOARD MEETING 3/21
16458	\$ 50.00	MIKE LEAHY	BOARD MEETING 3/21
16459	\$ 104.57	PREMIER PRINT & MAIL	BUSINESS CARDS
16460	\$ 1,054.77	QUEST	SERVICES AND MAINTENANCE
16461	\$ 1,100.00	R.C. JANITORIAL SERVICE	JANITORIAL SERVICES
16462	\$ 50.00	RANDY FLETCHER	BOARD MEETING 3/21
16463	\$ 1,476.00	RICH, FUIDGE, LANE & BORDSEN, INC	LEGAL SERVICES
16465	\$ 50.00	RON SULLINGER	BOARD MEETING 3/21
16466	\$ 2,535.00	ROY E. GLAUTHIER	PROFESSIONAL SERVICES
16467	\$ 20,251.48	SC FUELS	FUEL/LUBRICANTS
16468	\$ 50.00	SHELBY'S PEST CONTROL	PEST CONTROL
16469	\$ 120.00	SIMONE REED	LICENSE RENEWAL APPLICATION
16470	\$ 487.04	STANLEY SECURITY SOLUTIONS, INC	SECURITY SERVICES
16471	\$ 550.75	STATE COMPENSATION INSURANCE FUND	STATE COMP INSURANCE
16472	\$ 111.39	SUTTER COUNTY LIBRARY	CONNECT CARD/DEFERRED CREDITS
16473	\$ 2,026.61	T-MOBILE	WIFI SERVICE FOR BUSES MARCH
16474	\$ 137.92	TEHAMA TIRE SERVICE INC	TUBES/TIRES
16475	\$ 272.79	TIAA COMMERCIAL FINANCE, INC	COPIER LEASE
16476	\$ 450,622.66	TRANSDEV SERVICES, INC	CONTRACT SERVICES - FEBRUARY 2019
16477	\$ 25.00	WILLIAM APPLEBY	BIKE LOCKER DEPOSIT REFUND
16478	\$ 153.89	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINE - MARCH
16479	\$ 1,750.00	ALLIANT NETWORK SERVICES	MAY IT SERVICES
16480	\$ 185.00	ANDERSON'S AUTOMATIC GATE SERVICES	SERVICE CALL ON SLIDE GATE DRIVE REPAIR
16481	\$ 50.00	BRAD HUDSON	BOARD MEETING 4/18
16482	\$ 675.54	CALIFORNIA DEPT OF TAS AND FEE ADMIN	BUS FUEL SALES TAX
16483	\$ 255.00	CHRIS JAEGER TESTING	BACKFLOW TEST
16484	\$ 471.00	CITY OF YUBA CITY PUBLIC WORKS DEPT	BUS STOP ENCROACHMENT PERMIT FEE
16485		VOID	
16486	\$ 242.56	COMCAST HOLDINGS	INTERNET SERVICES FOR APRIL 2019
16487	\$ 50.00	DAVID SHAW	BOARD MEETING 4/18
16488	\$ 450.00	DIGITAL DEPLOYMENT	WEB SERVICES - APRIL
16489	\$ 50.00	MANNY CARDOZA	BOARD MEETING 4/18
16490	\$ 50.00	MICHAEL LEAHY	BOARD MEETING 4/18
16491	\$ 270.56	QUILL CORPORATION	JANITORIAL SUPPLIES
16492	\$ 50.00	RANDY FLETCHER	BOARD MEETING 4/18
16493	\$ 50.00	RON SULLINGER	BOARD MEETING 4/18
16494	\$ 20,793.21	SC FUELS	FUEL/LUBRICANTS
16495	\$ 50.00	SHELBY'S PEST CONTROL	PEST CONTROL
16496	\$ 150.00	SWRCB	ANNUAL PERMIT FEE
16497	\$ 469,088.29	TRANSDEV SERVICES, INC	CONTRACT SERVICES - MARCH 2019
16498	\$ 120.48	UTILITY MANAGEMENT SERVICES	SEWER
16499	\$ 25.00	YUBA-SUTTER CHAMBER OF COMMERCE	BUSINESS CONNECTION REGISTRATION FEE
16500	\$ 311.64	YUBA COUNTY PUBLIC WORKS	BUS STOP ENCROACHMENT PERMIT FEE
16501	\$ 465.55	COMCAST BUSINESS	TELEPHONE - APRIL
16502	\$ 1,500.00	ANDERSON'S AUTOMATIC GATE SERVICES	INSTALLATION OF PHOTE EYES FOR 2 GATES
	<b>\$ 1,049,260.38</b>		

**LAIF  
TRANSFERS**

NO LAIF TRANSFERS

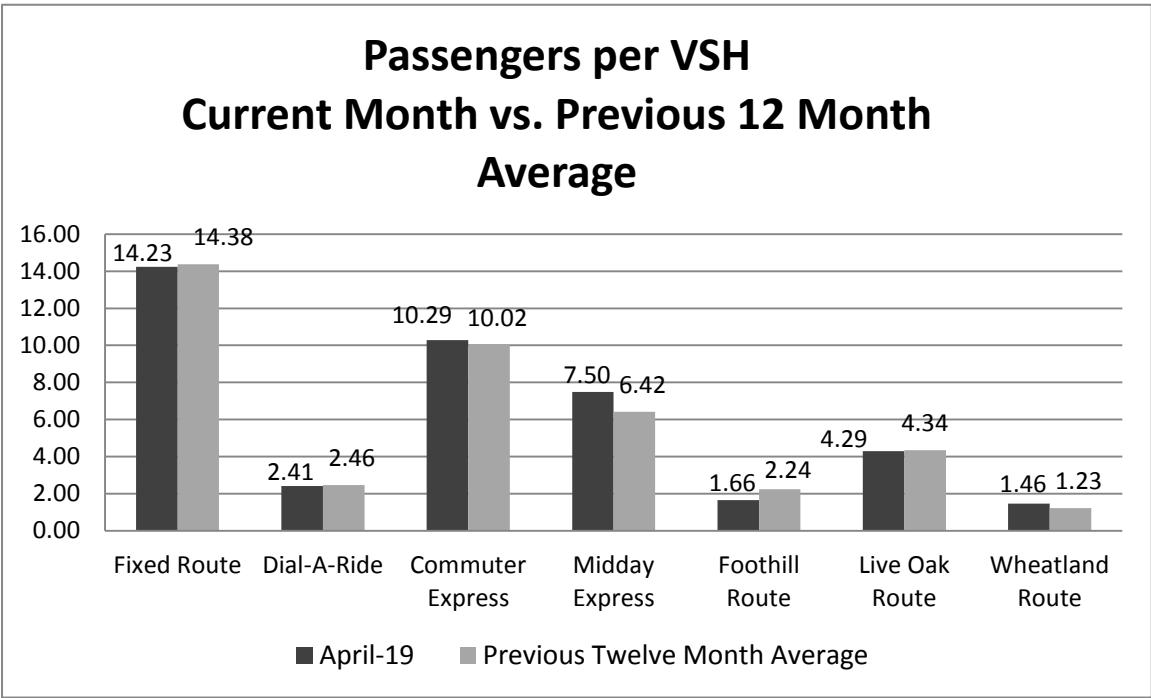
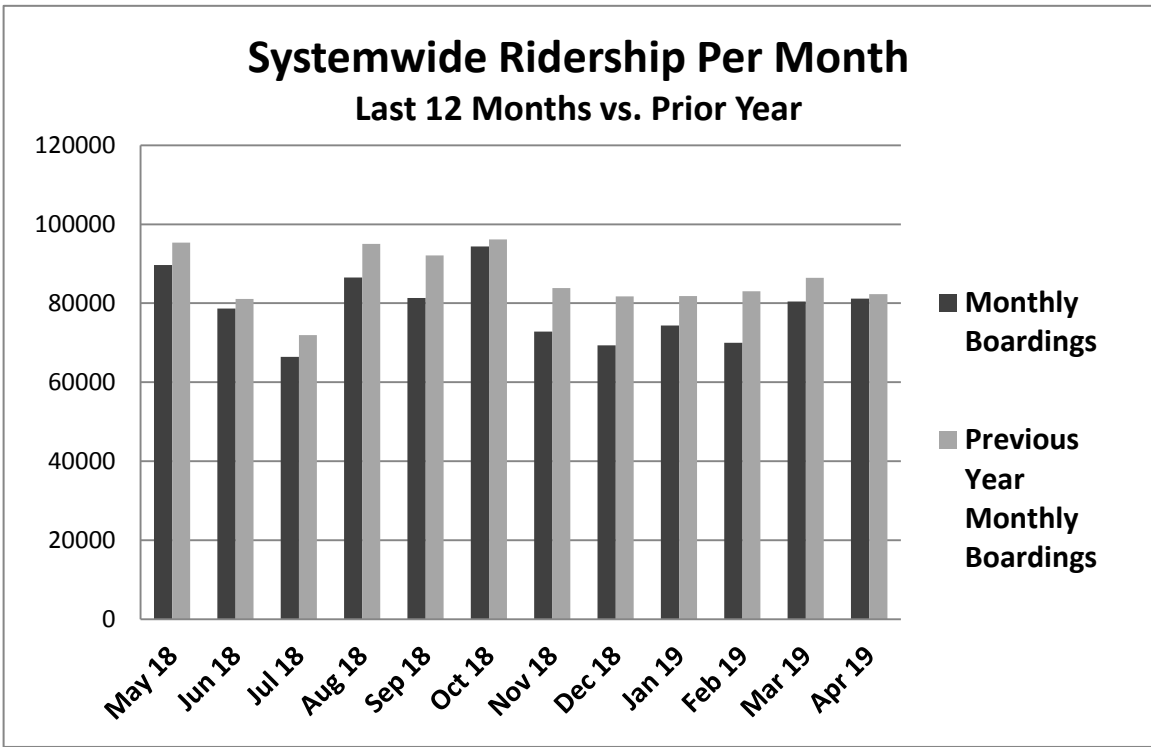
## AGENDA ITEM III - C

### APRIL 2019 PERFORMANCE REPORT

	<b>April-19</b>	<b>Previous Twelve Month Average</b>	<b>Fiscal YTD</b>	<b>Previous Fiscal YTD</b>
<b>Ridership:</b>				
Fixed Route	63,808	62,049	610,306	684,973
Dial-A-Ride	5,089	5,058	49,547	55,307
Commuter Express	10,478	10,142	100,499	98,800
Midday Express	1,211	1,034	10,482	10,329
Foothill Route	137	181	1,830	1,628
Live Oak Route	339	335	3,474	2,887
Wheatland Route	65	51	577	378
<b>Total Ridership:</b>	<b>81,127</b>	<b>78,850</b>	<b>776,715</b>	<b>854,302</b>
<b>Vehicle Service Hours:</b>				
Fixed Route	4,483.53	4,314.79	43,161.87	38,866.42
Dial-A-Ride	2,115.24	2,052.78	20,364.49	19,002.90
Commuter Express	1,018.16	1,012.33	10,102.11	8,840.32
Midday Express	161.55	161.11	1,602.04	1,420.13
Foothill Route	82.57	80.67	799.15	725.88
Live Oak Route	79.04	77.12	769.71	671.23
Wheatland Route	44.56	41.73	428.88	343.28
<b>Total VSH's:</b>	<b>7,984.65</b>	<b>7,740.52</b>	<b>77,228.25</b>	<b>69,870.16</b>
<b>Passengers Per Hour:</b>				
Fixed Route	14.23	14.38	14.14	17.62
Dial-A-Ride	2.41	2.46	2.43	2.91
Commuter Express	10.29	10.02	9.95	11.18
Midday Express	7.50	6.42	6.54	7.27
Foothill Route	1.66	2.24	2.29	2.24
Live Oak Route	4.29	4.34	4.51	4.30
Wheatland Route	1.46	1.23	1.35	1.10
<b>Total Passengers Per VSH:</b>	<b>10.16</b>	<b>10.19</b>	<b>10.06</b>	<b>12.23</b>



## APRIL 2019 PERFORMANCE REPORT



AGENDA ITEM IV – A  
STAFF REPORT

**YUBA-SUTTER TRANSIT  
OPERATING AND CAPITAL BUDGET FOR FY 2019/2020**

**Background**

Attached for Board review and approval consideration is the final draft Yuba-Sutter Transit Operating and Capital Budget for FY 2019/2020 which has been updated from the version that was presented at the April meeting. The final draft budget now includes proposed operating expenses of \$8,304,800 and proposed capital expenses of \$5,600,000 for FY 2020. Compared to the April version, operating expenses are now budgeted \$379,500 higher due largely to a significant increase in budgeted fuel costs along with the inclusion of first year expenses and revenues related to the now anticipated award of the State Adaptation Planning Grant for the Next Generation Facility Siting Study and a revised year-end CalPERS Unfunded Accrued Liability estimate.

The Yuba-Sutter Transit Authority Joint Powers Agreement (JPA) stipulates that a proposed budget be submitted to the Board by the end of March prior to the start of each fiscal year and that a final budget be adopted by the end of May. This adoption schedule is designed to provide early notice to the member jurisdictions of the annual apportionment of Local Transportation Fund (LTF) contributions for inclusion in their own budget process. Despite the substantial increase in budgeted operating costs, the LTF contribution was increased by just \$7,500 over the April version of the budget.

**Current Year (FY 2019) Budget Projections**

Projected year-end operating expenses of \$7,396,264 for FY 2019 (up \$29,000 from the April version) are now expected to be about \$27,500 (0.4 percent) less the amount that was budgeted. Compared to the April version, the only change was to increase the projected year-end fuel expenses due to the recent jump in fuel prices, but the currently projected budget savings could evaporate quickly if fuel prices continue to increase. The most significant revenue figures compared to the current year budget are still the projected drop in passenger fare receipts due to decreased ridership. As a result, a contribution from Yuba-Sutter Transit's deferred Local Transportation Fund (LTF) revenue of approximately \$79,000 is expected to be needed to balance the year-end budget (up \$29,000 compared to the April version).

**FY 2020 Budget Projections**

The final draft FY 2020 budget represents a departure from the status quo nature of recent budgets as it includes allowances for both service and fare increases based on recent actions, anticipated grant awards and current cost considerations. As a result, it does include the approved State Low Carbon Transit Operations Program (LCTOP) funded Sacramento service changes (effective July 1<sup>st</sup>) and the Yuba College Sutter

Campus student shuttle (effective January 2020), an allowance for the recently adopted July 1<sup>st</sup> fare changes and an allowance for first year expenses and revenues for the anticipated award of a State Adaptation Planning Grant for the Next Generation Transit Facility Siting Study. The draft budget also includes assumptions regarding an expected increase in operating costs from the upcoming re-bid of the system service contract that would become effective October 1, 2019 and eliminating Yuba-Sutter Transit's existing unfunded accrued liability balance with CalPERS. As a result, the final draft operating budget of \$8,212,800 for FY 2020 represents an increase of 10.6 percent (\$789,000) over the adopted FY 2019 budget though well over half of this increase is due to one-time or short-term temporary expenditures.

As always, the largest piece of the operating budget is the service contract with Transdev Services, Inc. The five year term of the current service contract will expire on September 30, 2019 and the Request for Proposals (RFP) that was approved for release at the April meeting is now being circulated with proposals due on May 31<sup>st</sup>. This schedule certainly creates a significant amount of budget uncertainty. For some perspective, all of the expenses related to the transit service contract combine to represent 69 percent of the final draft FY 2020 operating budget. Revenue vehicle fuel expenses (diesel and gasoline) represent the next largest expense factor at 11 percent of the budget and fuel prices have recently been anything but stable. Conversely, the recent and pending delivery of new commuter, demand response and fixed route buses in 2018 and 2019 representing more than half of the fleet should result in some stability in other expenses such component replacements and tires even with an increase in service hours.

The most significant revenue assumptions in the revised draft operating budget include the impact of the July 2019 fare increase along with some expectation of ridership stabilization following the final implementation of the Connect Card electronic fare payment program in July 2018 and the planned FY 2020 service expansions. Based on these and other budget assumptions along with a substantial increase in State Transit Assistance (STA) revenue for FY 2020, the Local Transportation Fund (LTF) contribution from the member jurisdictions is now budgeted at just \$10,200 more than what was allocated for FY 2019.

The final draft capital budget of \$5.6 million (unchanged from the April version) includes the local fixed route bus replacement project that is expected to be completed by the end of December 2019. A number of other capital projects are expected to be completed by the end of FY 2019 including the replacement of ten Dial-A-Ride buses; a variety of bus stop enhancements and a computer assisted dispatch / automatic vehicle location (CAD/AVL) passenger information system.

### **Other Considerations**

In addition to the above, the final draft FY 2020 budget includes several other significant expense and revenue assumptions for consideration:

- Continuation of the consulting agreement with the Regional Waste Management Authority.
- Continued funding from the Feather River Air Quality Management District (FRAQMD) for the deeply discounted monthly youth, senior and disabled discount pass program at a level similar to what is currently being provided. This program will otherwise expire on March 31, 2020 and higher out of pocket costs for passengers would likely have a significant impact on both ridership and fare revenue.

Staff will be prepared at the meeting to discuss the above issues and all of the budget assumptions in as much detail as desired.

RECOMMENDATION: Adopt Resolution No. 5-19 approving the FY 2019/2020 budget as proposed or amended.

Attachment: Final Draft FY 2019/2020 Operating and Capital Budget  
Final Draft FY 2019/2020 Budget Assumptions

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*YUBA-SUTTER TRANSIT AUTHORITY*

*RESOLUTION NO. 5-19*

*FISCAL YEAR 2019/2020 BUDGET ADOPTION*

*WHEREAS, The Yuba-Sutter Transit Authority was formed in 1975 for the purpose of providing public transit services to the residents of the Bi-County Area; and,*

*WHEREAS, Pursuant to Paragraph 4 of the Yuba-Sutter Transit Authority Joint Powers Agreement, as amended, the Board of Directors shall adopt a final budget on or before May 31 of each year for the fiscal year commencing July 1; and*

*WHEREAS, The proposed budget for the fiscal year ending June 30, 2020 reflects operating expenditures of \$8,304,800 and capital expenditures of \$5,600,000.*

*NOW, THEREFORE, BE IT RESOLVED that the Yuba-Sutter Transit Authority Board of Directors does hereby adopt the Fiscal Year 2019/2020 budget by the following vote:*

*Ayes:*

*Noes:*

*THE FOREGOING RESOLUTION WAS DULY AND REGULARLY INTRODUCED, PASSED AND ADOPTED BY THE YUBA-SUTTER TRANSIT AUTHORITY AT A REGULAR MEETING HELD ON MAY 16, 2019.*

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*Chairman of the Board*

*ATTEST:*

*Janet Frye  
Secretary to the Board*

**YUBA-SUTTER TRANSIT AUTHORITY  
FINAL DRAFT FY 2019/2020 OPERATING BUDGET**

REVISED MAY 8, 2019

	FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Audited	FY 2018/2019 Budget	FY 2018/2019 Projected	FY 2019/2020 Final Draft
<b>Operations Expenditures</b>							
010.50300 Services - Other Maintenance	120,000	158,284	190,000	194,959	220,000	220,000	230,000
010.50401 Fuel and Lubricants	651,000	540,844	699,000	689,361	717,000	750,000	875,000
010.50402 Tires and Tubes	70,000	62,040	70,000	94,687	92,500	60,000	70,500
010.50499 Other Materials and Supplies Consumed	120,000	185,514	60,000	140,056	90,000	90,000	90,000
010.50500 Utilities - Electric and Gas	48,000	46,067	50,000	50,091	53,000	50,000	53,000
010.50501 Utilities - Water and Sewer	5,500	4,711	5,500	5,182	5,500	5,500	5,500
010.50600 Casualty and Liability Costs - Operations	277,300	276,788	284,500	282,051	292,000	294,000	304,000
010.50800 Services - Contract Operations	4,856,000	4,795,226	4,960,000	5,013,837	5,093,000	5,100,000	5,400,000
010.50801 Services - Out of Contract	12,000	16,050	12,000	13,163	15,000	14,000	15,000
Subtotal - Operations	\$6,159,800	\$6,085,524	\$6,331,000	\$6,483,387	\$6,578,000	\$6,583,500	\$7,043,000
<b>Administration Expenditures</b>							
160.50102 Salaries and Wages - Admin. Staff	355,000	348,031	383,700	389,937	404,000	390,000	400,000
160.50200 Fringe Benefits - Admin. Staff	165,000	117,528	186,300	183,256	189,500	170,000	160,000
160.50201 Fringe Benefits - Unfunded CalPERS Liability Payments	0	19,528	0	22,353	0	28,464	425,000
160.50301 Services - Accounting	2,300	2,031	2,500	2,318	2,500	5,500	3,000
160.50302 Services - Legal	12,000	4,389	12,000	5,460	12,000	8,000	12,000
160.50303 Services - Printing and Copying	40,000	29,020	40,000	26,584	32,000	25,000	30,000
160.50309 Services - Miscellaneous Professional	20,000	35,716	114,000	77,275	103,000	90,000	130,000
160.50499 Materials and Supplies - Office & Postage	15,000	10,472	15,000	8,653	15,000	15,000	15,000
160.50502 Utilities - Telephone & Internet	13,000	12,526	15,000	14,729	20,000	15,000	20,000
160.50900 Miscellaneous Expense - Insurance and Bond	33,000	28,225	33,000	29,959	33,000	35,000	36,000
160.50901 Miscellaneous Expense - Dues & Subscriptions	6,000	4,505	6,000	4,191	5,000	5,000	5,000
160.50902 Miscellaneous Expense - Travel and Meetings	7,000	3,504	7,000	4,791	5,000	3,000	5,000
160.50903 Miscellaneous Expense - Board of Directors	4,800	3,900	4,800	3,700	4,800	4,800	4,800
160.50904 Miscellaneous Expense - Media Adv. and Promo.	20,000	5,450	20,000	4,703	10,000	12,000	10,000
160.50909 Miscellaneous Expense - Other	5,000	8,919	11,000	4,008	10,000	6,000	6,000
Subtotal - Administration	\$698,100	\$633,744	\$850,300	\$781,917	\$845,800	\$812,764	\$1,261,800
Total Expenditures	\$6,857,900	\$6,719,268	\$7,181,300	\$7,265,304	\$7,423,800	\$7,396,264	\$8,304,800

		FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Audited	FY 2018/2019 Budget	FY 2018/2019 Projected	FY 2019/2020 Final Draft
Operating Revenue								
40100	Passenger Fares	1,375,000	1,255,421	1,275,000	1,147,721	1,160,000	1,050,000	1,250,000
40200	Special Transit Fares	21,500	23,227	21,000	20,704	21,000	21,000	21,000
40600	Auxiliary Revenue (Bus, Shelter & Bench Advertising)	28,000	37,872	50,000	37,025	45,000	48,000	49,000
40700	Non-Transportation Revenue (Interest)	1,000	5,353	2,000	7,804	2,500	7,000	4,000
40709	Non-Transportation Revenue (RWMA, Misc.)	65,000	63,255	67,000	54,890	60,000	40,000	45,000
40900	Local Transportation Funds (LTF)	2,491,500	2,391,378	2,500,000	2,803,703	2,789,800	2,869,038	2,800,000
40901	Local Cash Grants/Reimbursements	23,400	27,738	34,500	33,423	34,500	45,000	41,000
41100	State Transit Assistance Funds (STA)	488,900	496,694	755,000	755,000	950,000	950,000	1,428,500
41109	State Cash Grants/Reimbursements	13,600	151,000	93,600	45,121	47,800	42,000	266,300
41300	General Operating Assistance - FTA Sect. 5307 (Urban)	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,200,000
41301	General Operating Assistance - FTA Sect. 5311 (Rural)	250,000	139,617	200,000	200,997	200,000	200,000	200,000
41310	Rural/Small Urban Planning Grant - FTA Sect. 5304 (Planning)	0	23,058	83,200	58,916	13,200	24,226	0
41399	Other Federal Financial Assistance	0	4,655	0	0	0	0	0
	Total Operating Revenue	\$6,857,900	\$6,719,268	\$7,181,300	\$7,265,304	\$7,423,800	\$7,396,264	\$8,304,800

		FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Audited	FY 2018/2019 Budget	FY 2018/2019 Projected	FY 2019/2020 Final Draft
	Deferred TDA Revenues, July 1	\$1,761,843	\$2,013,110	\$2,003,900	\$2,093,011	\$2,101,735	\$2,133,727	\$2,286,057
	LTF Revenues Received	2,491,500	2,491,500	2,500,000	2,500,000	2,789,800	2,789,800	2,800,000
	STA Revenues Received	760,000	476,373	1,000,000	1,099,419	1,281,568	1,281,568	1,770,356
	LTF Revenues Allocated - Operating	(2,491,500)	(2,391,378)	(2,500,000)	(2,803,703)	(2,789,800)	(2,869,038)	(2,800,000)
	STA Revenues Allocated - Operating	(488,900)	(496,694)	(755,000)	(755,000)	(950,000)	(950,000)	(1,428,500)
	LTF Revenues Allocated For Local Capital Outlays	0	0	0	0	0	0	0
	STA Revenues Allocated For Local Capital Outlays	(100,000)	0	(467,747)	0	(861,432)	(100,000)	(415,018)
	Proceeds from Sale of Vehicles	0	100	0	0	0	0	0
	Deferred TDA Revenues, June 30*	\$1,932,943	\$2,093,011	\$1,781,153	\$2,133,727	\$1,571,871	\$2,286,057	\$2,212,895
	Local Transportation Funds (LTF)	1,319,778	1,426,125	1,347,093	1,122,422	1,140,430	1,043,184	1,090,684
	State Transit Assistance Funds (STA)	613,165	666,886	434,060	1,011,305	431,441	1,242,873	1,165,519

Deferred STA Detail								
	Yuba-Sutter Transit Portion	\$569,070	\$618,793	\$365,760	\$969,813	\$390,608	\$1,204,183	\$1,088,840
	City of Live Oak Portion	44,095	50,117	56,200	38,060	32,657	28,790	51,561
	City of Wheatland Portion	0	(2,024)	12,100	3,432	8,176	9,900	25,118
	Total Deferred STA Revenue	\$613,165	\$666,886	\$434,060	\$1,011,305	\$431,441	\$1,242,873	\$1,165,519

\*Carryover revenues available and required for cash flow, contingencies and local capital match

**YUBA-SUTTER TRANSIT AUTHORITY**  
**FINAL DRAFT CAPITAL BUDGET**  
**FY 2019/2020**  
**REVISED MAY 7, 2019**

	<b>FY 2017/2018 BUDGET</b>	<b>FY 2017/2018 AUDITED</b>	<b>FY 2018/2019 ADOPTED BUDGET</b>	<b>FY 2018/2019 PROJECTED</b>	<b>FY 2019/2020 FINAL DRAFT BUDGET</b>
<b><u>EXPENDITURES</u></b>					
Maintenance and Operations Facility (1)	\$ 162,500	\$ -	\$ 129,538	\$ 148,795	\$ -
Vehicle Purchase/Replacement (2)	\$ 5,875,000	\$ 3,962,607	\$ 10,825,000	\$ 1,003,966	\$ 5,500,000
Miscellaneous Capital (3)	\$ 758,700	\$ 381,750	\$ 474,559	\$ 464,885	\$ 100,000
	<u>\$ 6,796,200</u>	<u>\$ 4,344,357</u>	<u>\$ 11,429,097</u>	<u>\$ 1,617,646</u>	<u>\$ 5,600,000</u>
<b><u>REVENUES</u></b>					
Federal (5307,5310,5311,5317,5339)	\$ 2,106,513	\$ 859,120	\$ 5,936,398	\$ 754,469	\$ 4,450,000
Transportation Development Act (Local)	\$ 467,747	\$ -	\$ 861,432	\$ 100,000	\$ 415,018
State of Good Repair (SGR)	\$ -	\$ -	\$ 489,107	\$ -	\$ 734,982
Low Carbon Transit Operation Program	\$ 180,400	\$ 55,250	\$ 124,917	\$ 125,350	\$ -
Other Local	\$ -	\$ 30,000	\$ -	\$ 12,000	\$ -
Proposition 1B (PTMISEA/Safety)	\$ 4,041,540	\$ 3,399,987	\$ 4,017,243	\$ 625,827	\$ -
	<u>\$ 6,796,200</u>	<u>\$ 4,344,357</u>	<u>\$ 11,429,097</u>	<u>\$ 1,617,646</u>	<u>\$ 5,600,000</u>

Notes:

1. Facility security projects completed in FY 2019 are the emergency generator system (\$145,526) and access control projects (\$3,269). These projects are funded by State Proposition 1B Transit Safety and Security Grants.
2. The FY 2020 vehicle project includes the replacement of eleven 2008 model NABI/Opus fixed route buses (\$5,500,000: \$4,450,000 Federal / \$734,882 state / \$315,018 local). The FY 2019 vehicle projects include the replacement of ten 2010 model Starcraft demand response/rural route buses (\$950,000: \$701,424 Federal / \$248,576 state), and \$53,966 (\$53,045 Federal / \$921 local) for the completion of the replacement of seven 2006/2007 model Blue Bird commuter buses (total cost \$4,016,573, of which \$3,962,607 was recognized in FY 2018: \$4,016,573: \$626,165 Federal / \$3,390,408 state & local).
3. Planned miscellaneous capital expenditures for FY 2020 include an allowance for facility and office equipment & furnishings (\$100,000 local). FY 2019 projects include the completion of bus stop enhancements (\$125,350 state / \$62,000 local); and the State Proposition 1B Transit Safety and Security Grant funded technology project for CAD/AVL (\$228,456 state / \$15,399 local) and an allowance for office equipment and furnishings (\$33,680 local).



**YUBA-SUTTER TRANSIT  
FY 2019/2020 OPERATING & CAPITAL BUDGET ASSUMPTIONS  
REVISED MAY 8, 2019**

**OPERATIONS EXPENDITURES**

**Services – Other Maintenance (Acct. #010.50300)**

This account is available to fund a variety of outside maintenance and operations related services. These services include radio maintenance and repeater contracts; bus Wi-Fi service; CAD/AVL license fees; CHP inspection certificates; minor facility repairs and services; landscape maintenance; janitorial expenses; bus stop shelter and sign maintenance, repairs and relocations; mechanical warranties; and, storm water/pollution prevention related planning, permitting, monitoring and reporting expenditures.

This account also includes an estimated \$51,000 for Yuba-Sutter Transit's share of operating expenses for the regional Connect Card electronic fare card system of which \$20,000 is expected to be covered with state funds from the Low Carbon Transit Operations Program (LCTOP). Though not included in the budget or year-end projections, the audited amounts may include the labor portion of state grant funded project expenditures below the capitalization threshold.

**Fuel & Lubricants (Acct. #010.50401)**

This account is based on the operation of 94,000 vehicle service hours (VSH) in FY 2020 with consumption of approximately 282,000 gallons of both gasoline and off-road (red-dye) diesel fuel at a combined average price of about \$3.10 per gallon including diesel emission additives and applicable taxes. Because fuel expenses are volatile and represent 11 percent of the proposed budget, this account will always be among the greatest expenditure risk each year as evidenced by the recent jump in fuel prices and the resulting impact on the current year budget.

**Tires & Tubes (Acct. #010.50402)**

This account is based on the projected year-end expenditures for FY 2019. While tire prices have increased significantly over the past few years, this figure can vary widely from year to year depending on if and when vehicles are replaced. The last new buses were delivered in mid-2018 (seven commuter buses) and the next new buses are now expected in June 2019 (ten demand-response / rural route buses) and December 2019 (eleven local fixed route buses).

**Other Materials & Supplies Consumed (Acct. #010.50499)**

This account is available to fund miscellaneous maintenance and operations materials and supplies such as the purchase of replacement vehicle components and non-capital maintenance equipment as necessary. The amount budgeted is based on recent expenditure levels with an allowance for major unforeseen expenses during the fiscal year. Of particular concern are the

repair and replacement costs for major components (engines, transmissions and differentials) on Yuba-Sutter Transit's older buses that are nearing the end of their life cycle. Though not included in the budget or year-end projections, the audited amounts may include non-labor state grant funded project expenditures below the capitalization threshold.

**Utilities – Electric & Gas (Acct. #010.50500)**

Based on the projected year-end expenditures for FY 2019 which includes the employee parking lot lights at the Allyn Scott Youth and Community Center (ASYCC) adjacent to Yuba-Sutter Transit's maintenance, operating and administration facility in Marysville that were placed in service in June 2017.

**Utilities – Water & Sewer (Acct. #010.50501)**

Based on the projected year-end expenditures for FY 2019.

**Casualty & Liability Costs – Operations (Acct. # 010.50600)**

This account is based on the current fleet of 51 revenue vehicles and the vehicle insurance rates that are provided in the current operating contract with Transdev Services, Inc. with a 5 percent price adjustment allowance for the new operating contract effective October 1, 2019.

**Services – Contract Operations (Acct. #010.50800)**

This figure is based on the current operating contract assuming the operation of 94,000 annual VSH for FY 2020 with a 5 percent price adjustment allowance for the new operating contract effective October 1, 2019.

**Services – Out of Contract (Acct. #010.50801)**

This account is available for the provision of out-of-contract service hours for special events and community services that are provided in partnership with a wide variety of community groups and organizations consistent with the applicable service procedures. This figure can vary from year to year depending on community demand.

**ADMINISTRATIVE EXPENDITURES**

**Salaries & Wages – Administrative Staff (Acct. #160.50102)**

The budgeted amount is based on a projected total salary figure for the five administrative staff positions including specific proposed staff salary adjustments for FY 2020 to be considered by the Board at the May meeting; any available step increases and longevity adjustments; an allowance for the pay out of a portion of accrued annual leave; and, required accounting adjustments for accrued compensated absences.

This line item has increased over the last few years due most recently to a FY 2017 salary increase of 7.53 percent that was offset by a decrease in Fringe Benefits due to the elimination of Employer Paid Member Contributions to CalPERS; the addition of a fifth staff position in FY 2018; and, required accounting adjustments for accrued compensated absences. The projected FY 2019 figure is lower than budgeted due primarily to two staff vacancies during the year that were ultimately filled at reduced salary rates.

**Fringe Benefits – Administrative Staff (Acct. #160.50200)**

Fringe benefit expenses have been adjusted to account for known increases in health and retirement expenses based on the above salary assumptions and current employee demographics. Recent fluctuations in this account are due to a one-time retirement credit from CalPERS that was recorded in FY 2017; reclassification of Worker's Compensation insurance into this account; the new RWMA consultant agreement; and, annual GASB 68 year-end adjustments. In addition, payments to CalPERS for the unfunded accrued retirement fund liability are now being recorded in the new expense item below.

**Fringe Benefits – Unfunded CalPERS Liability Payments (Acct. #160.50201)**

Employer contributions to the CalPERS retirement program are made up of two components: the normal annual costs of benefits earned by employees currently working which are included in the fringe benefits account above and an amortized payment toward the employer's Unfunded Accrued Liability (UAL). The UAL is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date. The UAL is billed monthly, but Yuba-Sutter Transit has been making annual lump sum payments at a reduced rate. For comparative purposes, the annual lump sum UAL payments are now being shown on this separate fringe benefit line item. While the normal cost payment is a predictable percentage of payroll, the UAL varies with plan experience and changes in actuarial assumptions.

With the recent jump in State Transit Assistance (STA) funding due to SB 1 (up 38 percent over FY 2019), rather than monthly or annual payments, staff is proposing to eliminate the current UAL fund balance of approximately \$425,000 in one payment. Based on the most recent Annual Valuation Report as of June 30, 2017, Yuba-Sutter Transit's required minimum annual payment for FY 2020 would be \$32,214 which is based on an amortization schedule that runs through 2045. Using the new STA funds to pay the UAL balance in full will save the authority over \$320,000 in interest over 25 years without increasing the current year LTF contributions from the member jurisdictions.

**Services – Accounting (Acct. #160.50301)**

Based on past expenditures including payroll and miscellaneous accounting services. The FY 2019 amount includes additional professional services that are required every ten years to audit financial reporting to the National Transit Database (NTD).

**Services – Legal (Acct. #160.50302)**

An allowance for contract legal services and notices based on recent expenditures with an allowance for unforeseen future legal services.

**Services – Printing & Copying (Acct. #160.50303)**

This account is for the lease and operating expenses for two office copiers as well as for the outside printing of ticket sheets, brochures and other miscellaneous materials based on projected expenses for FY 2019 with an allowance for all new passenger information materials related to the July 1, 2019 implementation of approved schedule and fare changes.

**Services – Miscellaneous Professional (Acct. #160.50309)**

This account is for miscellaneous professional services such as computer/internet/website support services, graphic design work and other administrative support services or consultants. For FY 2020, this account includes an allowance of \$100,000 for first year consultant expenses related to the anticipated award of the State Adaptation Planning Grant for the Next Generation Facility Siting Study. For FY 2019, this account included specific allowances for anticipated transit contracting and fleet inspection consultants (estimated at a combined \$50,000).

**Materials & Supplies – Office & Postage (Acct. #160.50499)**

This account is for supplies, postage and express mail expenses based on past expenditures with an allowance for increased costs associated with implementation of the Connect Card system.

**Utilities – Telephone & Internet (Acct. #160.50502)**

This account is based on past expenditures. The FY 2019 amount includes a monthly credit for internet service from Transdev our contract service operator.

**Miscellaneous Expense – Insurance & Bond (Acct. #160.50900)**

This account is based on the existing facility damage and liability insurance policy coverage limits.

**Miscellaneous Expense – Dues & Subscriptions (Acct. #160.50901)**

This account is based on past expenditures. Current memberships include the California Transit Association, the California Association for Coordinated Transportation (CalACT) and the Association of Government Accountants (AGA). This account also includes biennial CPA renewal fees. Paid subscriptions include the weekly publication from the American Public Transportation Association (APTA) and a weekly digest related to compliance with the Americans with Disabilities Act (ADA).

**Miscellaneous Expense – Travel & Meetings (Acct. #160.50902)**

This account is available to fund travel, lodging and meeting expenses on an as needed basis for Yuba-Sutter Transit staff and board. The budgeted amount is based on past expenditures and an allowance for unexpected future staff travel and training expenses.

**Miscellaneous Expense – Board of Directors (Acct. #160.50903)**

This account is based on an average of 12 meetings a year for each member. Current policy limits compensation to a maximum of 20 meetings per member each fiscal year.

**Miscellaneous Expense – Media Advertising & Promotion (Acct. #160.50904)**

This account is an allowance for a wide range of marketing and promotional expenses including specialized point of use passenger informational materials for bus stop shelters and information panels; special event promotional pieces; telephone directory advertising; and, other marketing opportunities. FY 2019 includes approximately \$8,000 of grant reimbursed funding to promote our Sacramento services. Yuba-Sutter Transit’s marketing activities have always been modest compared to similarly sized systems where such activities are typically 1 – 2 percent of the operating budget which would represent an annual marketing budget of at least \$80,000 for Yuba-Sutter Transit.

**Miscellaneous Expense – Other (Acct. #160.50909)**

This account is an allowance for miscellaneous expenses such as banking fees, check charges and otherwise undesignated expenses. It has been increasing in recent years due to credit/debit card merchant account fees, commissions paid to pass and ticket sales outlets and new annual CalPERS report expenses to comply with new accounting requirements.

**OPERATING REVENUES**

**Passenger Fares (Acct. #40100)**

The revised draft budget assumes some stabilization in ridership in FY 2020 and the adopted July 1, 2019 fare increase and fare policy changes. Despite the fare increase, staff is making this assumption after a four year decline in ridership through FY 2019 and one year after the full implementation of the Connect Card electronic fare card system due in part to the July 1, 2019 increase in the Sacramento Commuter service and the planned January 2020 implementation of a new shuttle service to Yuba College’s Sutter County Center. The budget also assumes the continuation of the Feather River Air Quality Management District (FRAQMD) sponsored discount monthly pass program for all of FY 2020.

**Special Transit Fares (Acct. #40200)**

This account is based on current year revenue projections for direct fare payments by Yuba County Employment Services, Yuba County Child Protective Services (CPS) and other miscellaneous special transit service revenues.

**Auxiliary Transportation Revenue – Advertising (Acct. #40600)**

This account is for bus exterior, bus stop shelter and bus stop bench advertising program revenues. This figure is based on the projected year end figure for FY 2019 with an allowance for additional revenue continuing from the recent expansion of the bus exterior program. A total of 32 advertising bus stop shelters and 68 advertising bus stop benches are located throughout the service area and exterior ads are now available on all 51 buses.

**Non-Transportation Revenue – Interest (Acct. #40700)**

This account represents the estimated interest earnings on available cash for FY 2020. Interest income is derived from the investment of operating and capital reserves (which varies from year to year) that are available for cash flow, contingencies and future capital expenditures such as fleet replacement/expansion and the repair or replacement of major facility items.

**Non-Transportation Revenue – FRAQMD, RWMA & Miscellaneous (Acct. #40709)**

This account includes receipts from the consulting agreement with the Regional Waste Management Authority and miscellaneous income from photo I.D. fees, bike locker rentals, special grants and surplus property sales. It also contains miscellaneous revenues allocated from the Connect Card consortium. For FY 2020, this account assumes the continued waiver of all initial Connect Card discount photo I.D. fees (approximately \$3,000 annually) to encourage conversion to the new Connect Card system.

**Local Transportation Funds (Acct. #40900)**

The allocation of Local Transportation Fund (LTF) revenues is based on the amount required to balance the budget after all other revenues are calculated. Despite a budgeted 10.6 percent increase (\$881,000) in operating costs over FY 2019, the draft budget assumes only a 0.4 percent increase (\$10,200) in the annual LTF allocation for FY 2020 due primarily to an increase in the use of State Transit Assistance (STA) funds for operating expenses, the July 1<sup>st</sup> fare increase and increased grant funding. For reference, SACOG’s adopted FY 2020 LTF apportionment is up by a combined total of 6.8 percent (\$380,257) for the four member jurisdictions compared to the FY 2019 apportionment.

The projected LTF short-fall for FY 2019 of approximately \$79,000 is primarily due to lower than expected passenger fare receipts. This figure will be covered from deferred LTF revenues from prior years that are retained in a contingency fund for such a purpose. These reserves are shown at the bottom of the operating budget as deferred TDA revenue (LTF and STA) with the

STA further broken out to include the amounts that are restricted for Live Oak and Wheatland. Yuba-Sutter Transit's STA reserves are typically used for capital purposes while LTF reserves constitute Yuba-Sutter Transit's contingency and cash flow fund. Due to this current year short-fall and the budgeted increase in operating costs for FY 2020, the LTF reserve is budgeted at 13.1 percent of total operating expenditures which is down from the 18.8 percent figure that was budgeted for FY 2019. In addition to providing a contingency fund for unforeseen expenses or wildly escalating fuel prices, an adequate cash reserve is essential due to the high level of Federal funding being used for operations (29 percent of all budgeted revenue) since most of these funds are not received until the end of the fiscal year or even beyond.

#### **Local Cash Grants/Reimbursements (Acct. #40901)**

This account is available for local contract service payments and other contributions for services or programs. This account includes grants from the Feather River Air Quality Management District (FRAQMD) to partially off-set the cost to expand the Live Oak Route from three to five days a week since July 2015 and reimbursements from Mercy Housing that are received from the City of Wheatland to off-set the cost to expand the Wheatland Route from three to five days a week since December 2015. This account increased in FY 2018 due to an increase in the Mercy Housing share of the Wheatland Route and again in FY 2019 due to a grant from SACOG to promote our Sacramento commuter service.

#### **State Transit Assistance (STA) Funds (Acct. #41100)**

State Transit Assistance (STA) revenue is the single source of on-going State transit funding that has historically been used as the primary source of local matching funds for Federal capital grants. As a result of Senate Bill (SB) 1 in 2017, STA funding is now tied to a sales tax on diesel fuel and is generally available with only minimal restrictions exclusively for transit operating or capital purposes. SACOG's adopted apportionment for FY 2020 includes a total of \$1,770,356 in STA funds for Yuba-Sutter Transit. This figure is up 38 percent (\$488,788) over the amount that is expected for FY 2019. The draft budget assumes the use of \$1,428,500 in STA funding for operations with the balance to be used for capital expenditures through FY 2020 and beyond. It should be noted that a portion of the STA funding budgeted for operating expenses is derived from specific allocations to Live Oak and Wheatland for the operation of the contract services that Yuba-Sutter Transit provides to these non-member jurisdictions.

#### **State Cash Grants/Reimbursements (Acct. #41109)**

This account is available for the receipt or accrual of miscellaneous grant related reimbursements for state Low Carbon Transit Operations Program (LCTOP) grant funded project operating expenditures for the regional Connect Card electronic fare card system; the Enhanced Peak-Hour Sacramento Commuter Service; and, the Yuba College Shuttle service along with the year-end posting of state funding for capital expenditures below the capitalization threshold. For FY 2020, this account also includes an allowance of \$88,500 for the State share of the first year of consultant expenses related to the anticipated award of the State Adaptation Planning Grant for the Next Generation Facility Siting Study.

**Federal General Operating Assistance – FTA Section 5307 (Acct. #41300)**

This account is for Federal operating assistance that is provided to transit systems in small urban areas through the Fixing America’s Surface Transportation (FAST) Act that was signed on December 4, 2015. Yuba-Sutter Transit’s FY 2019 allocation was up 3.7 percent (\$91,739) over the FY 2018 allocation. FY 2020 will be the last year of the FAST Act funding authorization though continuing resolutions to extend such authorizations are typical. Historically used primarily for capital projects, a greater percentage of these flexible Federal funds have been used for operations over the last 12 years due to the availability of various one-time/discretionary and limited term State and Federal capital funding sources. Consistent with Yuba-Sutter Transit’s current five year Federal funding plan, the draft budget assumes that \$2.2 million of the \$2.6 million now being projected from this source for FY 2020 will be programmed for operating support. The remainder and any prior year carryover balance will remain available for future operating or capital expenses.

**Federal General Operating Assistance – FTA Section 5311 (Acct. #41301)**

This account is for Federal operating assistance that is provided specifically to rural transit systems including CalACT scholarships for conference attendance. Yuba-Sutter Transit’s rural services include the Foothill, Live Oak and Wheatland Routes and the Plumas Lake stop on the Sacramento Commuter and Midday Express service. These funds can be used for both operating and capital assistance subject to a 55.33 percent Federal funding limitation for operations and 88.53 percent for capital expenditures. This funding source has grown significantly in recent years, but the limited amount of rural service provided by Yuba-Sutter Transit limits its use for operations though the balance can be used for capital needs was done for the 2018 replacement of one commuter bus and the purchase of seven demand response buses in FY 2019.

**Federal Rural/Small Urban Planning Grant – FTA Section 5304 (Acct. #41310)**

This account was for a Federal grant for the Route 1 Corridor Enhancement Plan which first incurred expenditures in FY 2017 and fully expended in FY 2019.

**Other Federal Financial Assistance (Acct. #41399)**

This account is for the receipt or accrual of Federal government payments to help cover the costs of operating transit service not included above. For FY 2017, this account was used for Federal evacuation relief related to the Oroville Dam emergency spillway incident.



## **DEFERRED REVENUE DETAIL**

1. Deferred TDA Revenues (July 1) – Carried forward from projected year-end figures for FY 2019 with LTF and STA revenues combined.
2. LTF Revenues Received – Amount set in annual apportionment adjusted for any prior year audit findings.
3. STA Revenues Received – Amount of STA revenues that are available to Yuba-Sutter Transit, Live Oak and Wheatland.
4. LTF Revenues Allocated (Operating) – Maximum local share of actual or projected expenditures as set by the budget.
5. STA Revenues Allocated (Operating) – Amount allocated in the budget for operating expenditures, if any.
6. LTF Revenues Allocated for Local Capital Outlays – Amount of deferred or current year LTF revenues budgeted for capital acquisitions during the fiscal year, if any.
7. STA Revenues Allocated for Local Capital Outlays – Amount of deferred or current year STA revenues budgeted for capital acquisitions during the fiscal year, if any.
8. Proceeds from Sale of Vehicles (As Necessary).
9. Deferred TDA Revenues (June 30) – Amount available for cash flow, contingencies and future local capital expenditures itemized by LTF and STA share of the total available.

## **CAPITAL PROGRAM SUMMARY**

The draft capital budget of \$5.6 million includes the replacement of eleven 2008 model NABI/Opus fixed route buses. This purchase was programmed in FY 2019 for funding purposes and is now expected to be completed by January 2020. Other capital projects include an allowance for miscellaneous office and shop equipment (such as a fork lift and a fall prevention system) or for unforeseen facility repairs.

AGENDA ITEM IV – B  
STAFF REPORT

**LOCAL TRANSPORTATION FUND (LTF) APPORTIONMENT FOR FY 2019/2020**

Pursuant to the adopted Yuba-Sutter Transit Joint Powers Agreement (JPA), staff has prepared the Annual Apportionment of Local Transportation Fund (LTF) contributions for Board review and approval consideration. Based on the draft budget that is being submitted for review and approval consideration earlier on this same agenda, the annual LTF contribution to Yuba-Sutter Transit for FY 2020 would be \$2,800,000.

The allocation of Local Transportation Fund (LTF) revenues is based on the amount required to balance the budget after all other revenues are calculated. Despite an 11.9 percent (\$881,000) increase in budgeted operating costs over FY 2019, the draft budget assumes just a \$10,200 increase (0.4 percent) in the annual LTF allocation for FY 2020. This is made possible due to a \$100,000 increase in the use of Federal funding for operating support, additional passenger fare revenue due to a July 1<sup>st</sup> systemwide fare increase, a significant increase in available State Transit Assistance (STA) revenue and additional State funding from other sources for special one-time activities. For reference, SACOG’s adopted FY 2020 LTF apportionment is up by a combined total of 6.8 percent (\$380,257) for the four member jurisdictions compared to the FY 2019 apportionment. As a result, the proposed LTF apportionment to Yuba-Sutter Transit for FY 2020 represents just 47 percent of the total combined apportionment of \$5,957,567 which is down from 50.9 percent for FY 2019. Both of these numbers are significantly lower than the 65.2 percent Yuba-Sutter Transit share of the combined \$3,034,748 LTF apportionment ten years earlier for FY 2010.

The JPA specifies a two part process to be followed in the apportionment of the annual LTF contribution among the member jurisdictions. First, a funding formula with four equally weighted factors is applied to determine the relative shares of the total LTF contribution necessary to balance the budget. These factors are: (1) service area population; (2) amount of LTF available to each jurisdiction; (3) fixed route miles; and, (4) demand response boardings. Second, if this formula results in a calculated contribution from one or more jurisdictions exceeding the amount of LTF available to such jurisdictions for the following fiscal year, the shortfall is then allocated to the remaining jurisdictions using the relative values of each funding formula component for the remaining jurisdictions. This second step was needed for the FY 2020 calculation as the LTF apportionment would again exceed the amount available to the City of Marysville.

Applying the two step JPA funding formula to the budgeted LTF figure of \$2,800,000, the member contributions for FY 2020 have been calculated as follows:

City of Marysville	\$ 286,654
City of Yuba City	1,537,735
County of Yuba	800,675
County of Sutter	<u>174,936</u>
	\$ 2,800,000

The following table summarizes the calculations for each of the four funding formula factors for FY 2020. The column labeled “Base Formula Share of LTF” is the relative share (derived by averaging the four equally weighted factors) of the total amount of LTF required without regard to the amount of LTF actually available to any one or more jurisdictions. Based on this calculation, the base share for the City of Marysville would be \$343,619 which is \$56,965 more than the \$286,654 available to Marysville for FY 2020. The reallocation of that shortfall among the remaining three jurisdictions is reflected in the final column which is the actual proposed LTF apportionment for FY 2020.

**YUBA-SUTTER TRANSIT  
FUNDING FORMULA CALCULATIONS FOR FY 2019/2020**

	DIAL-A-RIDE TRIP ORIGINS	FIXED ROUTE MILES	SERVICE AREA POPULATION	LTF AVAILABLE	BASE FORMULA SHARE OF LTF	REALLOCATED FY 2020 LTF SHORTFALL	PROPOSED FY 2020 LTF APPORTIONMENT
Marysville	20.8934%	12.6844%	10.6990%	4.8116%	12.2721%	(\$56,965)	\$286,654
Yuba City	57.0172%	46.3068%	57.2243%	54.1224%	53.6677%	\$35,041	\$1,537,735
Yuba County	20.8583%	39.8761%	27.0225%	24.0305%	27.9468%	\$18,163	\$800,675
Sutter County	1.2311%	1.1327%	5.0542%	17.0355%	6.1134%	\$3,761	\$174,936
Total*	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	\$0	\$2,800,000

\*Any variance in percentages is due to rounding and has no effect on the dollar amounts calculated.

Staff will be prepared at the meeting to discuss the funding formula process in detail as desired. The detailed documentation for the funding formula calculation is available in the Yuba-Sutter Transit office and will be made a part of the permanent apportionment file.

**RECOMMENDATION:** Adopt Resolution No. 6-19 establishing the LTF contributions for each member jurisdiction for FY 2019/2020 as proposed or amended.

**YUBA-SUTTER TRANSIT AUTHORITY  
RESOLUTION NO. 6-19**

**FISCAL YEAR 2020 LOCAL TRANSPORTATION FUND (LTF) APPORTIONMENT**

- WHEREAS,** *The member jurisdictions of the Yuba-Sutter Transit Authority Joint Powers Agreement receive Local Transportation Fund (PUC 99230) monies for the provision of public transit services in the Marysville, Yuba City, Sutter County and Yuba County Area; and,*
- WHEREAS,** *Pursuant to Paragraph 5 of the Yuba-Sutter Transit Authority Joint Powers Agreement, the Board of Directors must adopt an Annual Apportionment of those Local Transportation Fund monies for the operation of the Yuba-Sutter Transit Authority; and,*
- WHEREAS,** *The total amount of Local Transportation Fund monies required by the Yuba-Sutter Transit Authority for fiscal year 2019/2020 is \$2,800,000; and,*
- WHEREAS,** *The net apportionment of Local Transportation Fund monies for fiscal year 2019/2020 shall be as follows: City of Marysville, \$286,654; Yuba City, \$1,537,735; Yuba County, \$800,675 and, Sutter County, \$174,936.*

**NOW, THEREFORE, BE IT RESOLVED** *that the Yuba-Sutter Transit Authority Board of Directors approve the Fiscal Year 2019/2020 Apportionment of Local Transportation Fund (PUC 99230) monies by the following vote:*

*Ayes:*

*Noes:*

**THE FOREGOING RESOLUTION WAS DULY AND REGULARLY INTRODUCED, PASSED AND ADOPTED BY THE YUBA-SUTTER TRANSIT AUTHORITY AT A REGULAR MEETING HELD ON MAY 16, 2019.**

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*Chairman of the Board*

**ATTEST:**

*Janet Frye  
Secretary to the Board*

*P:\common\resolutions\reso 06-19 LTF*

AGENDA ITEM IV – D  
STAFF REPORT

**STATE OF GOOD REPAIR (SGR) PROJECT DESIGNATION**

The California Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB 1), provides on-going funding under several programs for a variety of transportation purposes. These programs include approximately \$107 million annually to transit operators for eligible transit maintenance, rehabilitation and capital projects under the State of Good Repair (SGR) Program. These funds are allocated to eligible agencies under the existing State Transit Assistance (STA) Program formula – half according to population and half according to transit operator revenues.

While SB 1 addresses a variety of transportation needs, the SGR program has a specific goal of keeping transit systems in a state of good repair including the purchase of new transit vehicles and the maintenance and rehabilitation of transit facilities and vehicles to rehabilitate and modernize California’s existing local transit systems. Program investments are intended to lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions and other pollutants.

Prior to receiving an apportionment of SGR funds in a given fiscal year, a potential recipient agency must submit a list of projects proposed to be funded to Caltrans. Each project proposal must include a description and location of the project, a proposed schedule for the project’s completion, the estimated useful life of the improvement and description of project benefits. Caltrans will then establish a list of all agencies that have submitted the required information and are eligible to receive an apportionment of funds. Each recipient agency is required to annually report on all activities completed with those funds. SGR project lists are due to Caltrans by September 1<sup>st</sup> each year, but the need for regional review requires a much earlier submittal of this list to SACOG.

To be eligible for SGR funding, the program guidelines require that all projects must fall into three major areas. The proposed list of eligible Yuba-Sutter Transit projects is identified below in italics for each relevant category:

1. Replacement or rehabilitation of:

- Rolling stock

*A.) Additional revenue for the 2020 replacement of 11 local fixed route buses*

- Passenger stations and terminals
- Security equipment and systems
- Maintenance facilities and equipment

2. Preventative Maintenance

*A.) Engine and/or transmission replacements*

3. New maintenance facilities or maintenance equipment if needed to maintain the existing transit service

*A.) Shop fall prevention system*

*B.) Diesel emission fluid (DEF) dispensing system for the fuel island*

*C.) Shop forklift*

Yuba-Sutter Transit previously received SGR allocations of \$246,221 for FY 2018 and \$242,886 for FY 2019 and the allocation for FY 2020 is \$246,634. The first two cycles of SGR funds have already been programmed as part of the funding package for the long-planned replacement of 11 local fixed route buses in 2020 and staff is recommending that the FY 2020 cycle also be allocated to this same project though staff is submitting the full list of projects for approval to offer flexibility should priorities change. Failure to submit a project list by the prescribed deadline may result in the permanent loss of revenue for that funding period so action at this meeting is critical.

Staff will be prepared at the meeting to discuss this recommendation and the State of Good Repair Program in detail.

RECOMMENDATION: Adopt Resolution No. 7-19 approving the submittal of Yuba-Sutter Transit's FY 2019-20 SGR Project List as proposed or amended.

Attachment

Yuba-Sutter Transit Agenda Items\AGENDA ITEMS 2019\MAY 16, 2019\SGR Project List Item IV-D 5-19.docx

YUBA-SUTTER TRANSIT AUTHORITY  
RESOLUTION NO. 7-19

**APPROVAL OF PROJECT LIST FOR THE 2019-2020  
CALIFORNIA STATE OF GOOD REPAIR PROGRAM**

**WHEREAS**, the Yuba-Sutter Transit Authority is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and,

**WHEREAS**, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and,

**WHEREAS**, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR Program; and,

**WHEREAS**, SGR funds are allocated through the Sacramento Area Council of Governments; and,

**WHEREAS**, Yuba-Sutter Transit's share of SGR funds for fiscal year 2019-20 is estimated to be \$246,634.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Yuba-Sutter Transit Authority does hereby approve the SB1 State of Good Repair Project List for 2019-20, and agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit projects.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the agency Transit Manager be authorized to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

Ayes:

Nos:

THE FORGOING RESOLUTION WAS DULY AND REGULARLY INTRODUCED,  
PASSED AND ADOPTED BY THE YUBA-SUTTER TRANSIT AUTHORITY AT A  
REGULAR MEETING HELD ON MAY 16, 2019.

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Chair, Board of Directors

ATTEST:

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Janet Frye  
Secretary to the Board

AGENDA ITEM IV – E  
STAFF REPORT

**ADMINISTRATIVE STAFF SALARY SCHEDULE ADJUSTMENTS**

Yuba-Sutter Transit annually reviews the compensation package (salary and benefits) for the agency's five employees to determine if any adjustments are warranted. This review traditionally occurs in conjunction with the development and adoption of Yuba-Sutter Transit's annual budget so the resulting changes, if any, can be included with an effective date of July 1<sup>st</sup> of each year. Pursuant to the Yuba-Sutter Transit Joint Powers Agreement (JPA), the annual budget is to be adopted by the end of May and the final draft budget for FY 2020 will be considered earlier on this same agenda.

To provide input into this process, staff tracks published inflation indexes as well as the salary and benefit package adjustments granted by the member jurisdictions and related agencies for comparable positions. Based on recent actions taken by several related organizations including Yuba County, Yuba City, Sutter County, the Feather River Air Quality Management District (FRAQMD) and the Sacramento Area Council of Governments (SACOG) along with recent increases in the Consumer Price Index; a general staff salary scale adjustment of 2.0 percent is now being recommended effective July 1, 2019. As proposed, this adjustment would also apply to the Transit Manager position whose salary is specifically set by the Board and not subject to a range. The total combined first year cost (salary and benefits) for such an adjustment would be approximately \$8,400.

Since 2008, one general salary scale adjustment of 2.0 percent was made effective July 1, 2018 though the Board of Directors did approve a number of targeted position, salary and benefit changes during this period. These include the establishment of two Program Manager positions in 2013 and a new Program Analyst position in 2017; employee benefit enhancements in 2014 and 2018; an equity adjustment for the Administrative Assistant position in 2015; and, in lieu of any salary adjustment in 2016, the agency then aligned with the Public Employee Pension Reform Act (PEPRA) by eliminating Employer Paid Member Contributions (EPMC) for Classic PERS members in exchange for an equivalent increase in all base salaries.

Separate from the annual staff salary and benefit analysis, pursuant to the terms of the Transit Manager Employment Agreement, periodic comparisons with chief transit official positions at comparable organizations are conducted to determine if any specific adjustments are warranted. Since 2008, these comparisons were done in 2013, 2016 and again this year. Based on the results of the recent survey of 11 comparable north state public transportation providers, for the first time since 2008, staff is recommending a 5.0 percent increase for the Transit Manager position which would include the recommended 2.0 percent general salary scale adjustment above.



With the recommended adjustment, the resulting monthly salary for the Transit Manager would rank 10<sup>th</sup> among the 12 surveyed systems (including Yuba-Sutter Transit) and be roughly equal to 90 percent of the current average of the five most comparable systems which has been the historical target for such comparisons. The recommended incremental adjustment would add approximately \$4,300 in salary and benefit expenses to the FY 2020 budget beyond the cost of the general salary adjustment alone. The combined first year cost of approximately \$14,300 for the above salary and benefit recommendations has been included in the draft FY 2020 budget.

Pursuant to the California Code of Regulations Section 570.5, the proposed salary schedule for FY 2020 assuming approval of the recommended adjustments is attached for Board reference and action consideration. Staff will be prepared at the meeting to discuss these recommendations in detail as desired.

**RECOMMENDATION:** Approve staff salary adjustments and adopt the resulting salary schedule effective July 1, 2019 as proposed or amended.

Attachment

## APPENDIX A

### PROPOSED MONTHLY SALARY SCHEDULE EFFECTIVE JULY 1, 2019

<u>Position</u>	<u>Step A</u>	<u>Step B</u>	<u>Step C</u>	<u>Step D</u>	<u>Step E</u>
Administrative Assistant I	\$3,147	\$3,304	\$3,469	\$3,642	\$3,824
Administrative Assistant II	\$3,469	\$3,642	\$3,824	\$4,015	\$4,216
Program Analyst I	\$3,673	\$3,857	\$4,050	\$4,253	\$4,466
Program Analyst II	\$4,253	\$4,466	\$4,689	\$4,923	\$5,169
Program Manager I	\$5,169	\$5,427	\$5,698	\$5,983	\$6,282
Program Manager II	\$5,983	\$6,282	\$6,596	\$6,926	\$7,272
Transit Manager					\$10,987

#### Notes:

Longevity Pay: Pursuant to the terms and conditions set forth in Section 12.07.04 of the Yuba-Sutter Transit Personnel Manual, full time permanent employees (except for the Transit Manager position) may be eligible for merit based longevity pay adjustments beyond the top step of their current classification.

The Transit Manager's salary is not determined by range and step, but at an amount determined by the Board of Directors.

AGENDA ITEM IV – F  
STAFF REPORT

**2018 DISCOUNT MONTHLY PASS PROGRAM  
GRANT CLOSE-OUT REPORT**

Attached is the annual performance summary for the 2018 Discount Monthly Pass Program that was funded through a grant from the Feather River Air Quality Management District (FRAQMD). This popular program allows area youth (ages 5 to 18), seniors (age 65 and over) and persons with disabilities to purchase the regular \$15 discount monthly bus pass for just \$5 with FRAQMD grant funds being used to pay the remaining cost for each pass. While the 2017 grant was extended through February 2018 in conjunction with a new FRAQMD grant to continue the program through March 2019, for comparison purposes this report is for the period January through December 2018. Each short extension period will be included as part of the respective calendar years.

For 2018, a total of 11,300 discount passes were sold and 277,470 discount pass trips were taken which represents nearly 36 percent of all local and rural fixed route passenger trips in 2018. At a subsidy of \$10 per pass, the subsidy of \$113,000 for 11,300 discount passes included \$15,550 from the 2017 FRAQMD grant and \$97,450 from the 2018 grant. As of the end of the grant period, March 31, 2019, an additional 2,945 discount passes were sold, resulting in an additional subsidy of \$29,450. In total, this grant subsidized 12,690 discount passes for an earned subsidy of \$126,900, leaving an unused amount of \$23,100 from the original \$150,000 grant. The 15 month grant period is now complete and the grant is ready to be closed.

Compared to 2017, total discount pass sales for 2018 were down by 9 percent while discount pass ridership was down 5 percent. For this same period, total systemwide local and rural route ridership dropped by 6 percent. The performance of each discount pass category varied significantly as shown in the following table.

	<u>Discount Pass Sales</u>			<u>Discount Pass Ridership</u>		
	2017	2018	% Change	2017	2018	% Change
Youth Pass	5,215	4,052	-22.3%	88,470	69,367	-21.6%
Senior Pass	2,145	1,848	-13.8%	58,668	55,955	-4.6%
Disabled Pass	5,085	5,400	6.2%	144,482	152,148	5.3%
<b>Total</b>	<b>12,445</b>	<b>11,300</b>	<b>-9.2%</b>	<b>291,620</b>	<b>277,470</b>	<b>-4.9%</b>

For the third year in a row, the most significant change was the reduction in the sale and use of discount monthly youth passes which is believed to be largely the result of a 2015 policy change. Effective September 2015, the eligibility age for a discount youth cash fare was increased from 12 to 18 for consistency with the eligibility age for a discount

youth pass in anticipation of the implementation of the Connect Card electronic fare card system. This change resulted in a tremendous increase in youth cash ridership and many of those were certain to be former youth pass riders. While discount youth pass ridership has dropped by nearly 55 percent in the last three years from 2015 to 2018, discount youth cash ridership has actually increased by 128 percent during the same period with the combined impact being a net three year decrease of 15 percent in all youth fare ridership (cash and pass).

Another contributing factor to the significant reduction in the sale of youth passes and youth pass ridership is the automatic eligibility phase-out that is built into the electronic fare card. Unlike paper passes which have not been sold since June 30, 2018, birthdates are embedded in the discount photo ID Connect Card which allows only those that are between the ages of 5 and 18 to load and use a discount monthly youth pass.

In summary, despite the rather significant reduction in local and rural route discount ridership over the last three years, which is down 25 percent in 2018 compared to the historical record highs of 2015, all three discount fare categories (cash and pass) were better off with a combined ridership reduction of only 11 percent over the same three years due at least in part to the continued availability of deeply discounted monthly passes. The current FRAQMD grant will continue this program through at least March 2020.

Staff will be prepared at the meeting to discuss this program in detail.

RECOMMENDATION: Information only.

AGENDA ITEM IV – G  
STAFF REPORT

**THIRD QUARTER PERFORMANCE REPORT**

Attached is the systemwide performance report for the services operated by Yuba-Sutter Transit for the first three quarters of FY 2019 (July 2018 through March 2019) presented in comparison with the performance for the same period in the previous fiscal year. Systemwide ridership for the third quarter of FY 2019 was down 10.5 percent over the same quarter for FY 2018 while fiscal year-to-date ridership is now off by 9.9 percent compared to the same period last year. After setting the historic high water mark in FY 2015 at nearly 1.3 million annual passenger trips, systemwide ridership has dropped steadily since and that trend will now assuredly continue for a fourth year through FY 2019.

Similar or worse (sometimes much worse) ridership declines have been experienced by most transit agencies in the greater Sacramento area and across the nation in recent years and there may be some common causal factors at play, but staff can certainly point to a number of local contributing factors that may have contributed to Yuba-Sutter Transit's losses. These include the restructuring of Routes 1 and 4 and the elimination of the "transfer-for-a-transfer" policy that occurred in September 2015; chronic on-time performance and reliability problems with the older fixed route and the now replaced commuter buses; relatively low and stable fuel prices at least until recently; and, the general lack of population and employment growth in the region. More specifically, the FY 2019 ridership drop was certainly made worse by the July 1, 2018 elimination of free transfers with the full and final conversion to the Connect Card electronic fare card system and the extremely unhealthy wild fire related smoke conditions in November that resulted in extended school and program closures throughout the valley.

Individually, the greatest year-to-date ridership drop in terms of passenger trips was on the local fixed route system for all of the reasons noted above. The Dial-A-Ride service also experienced a significant percentage reduction in ridership although that did result in at least some reduction in service hours as well. The most significant good news is that ridership on Yuba-Sutter Transit's Sacramento services is up 1.5 percent compared to the same period last year. Interestingly, ridership on all three rural routes, which tends to vary widely from year to year due to the limited nature of these services, is doing very well. Systemwide fare revenue and farebox recovery ratio figures were relatively flat or down slightly because of higher average fares per fixed route passenger trip since the end of free transfers as the daily cap provision of the Connect Card system has not yet caught on.

Looking forward, the negative trend in year-to-year ridership is expected to continue through the end of FY 2019 as many of the underlying issues noted above are likely to continue for the indefinite future. Moving into FY 2020, the most significant risk factors are the July 1<sup>st</sup> fare and fare policy changes. The full impact of these changes is not likely to be known until well into FY 2020 as monthly pass prices will be largely unchanged and the policy change to reduce the daily cap on cash fares from three to two boardings a day should all result in higher Connect Card use and ridership especially among cash fare passengers.

Staff will be prepared to discuss the performance summary in detail at the meeting.

RECOMMENDATION: Information only.

**THIRD QUARTER PERFORMANCE REPORT  
FISCAL YEAR 2018-2019**

<b>Fixed Route:</b>	Passenger Trips	Vehicle Serv. Hours	Pass. Trips Per VSH	Est. Fare Revenue	Fare Rev. Per VSH	Est. Farebox Ratio
July 2018 - March 2019	610,306	43,161.87	14.14	\$373,776	\$8.66	10.8%
July 2017 - March 2018	619,845	38,866.42	15.95	\$369,665	\$9.51	12.5%
Percent Change	-1.5%	11.1%	-11.3%	1.1%	-8.9%	-13.4%
<b>Dial-A-Ride:</b>						
July 2018 - March 2019	49,547	20,364.49	2.43	\$89,811	\$4.41	5.5%
July 2017 - March 2018	49,987	19,002.90	2.63	\$90,572	\$4.77	6.3%
Percent Change	-0.9%	7.2%	-7.5%	-0.8%	-7.5%	-12.5%
<b>Sacramento Services (Commuter &amp; Midday):</b>						
July 2018 - March 2019	110,981	11,704.15	9.48	\$419,144	\$35.81	44.8%
July 2017 - March 2018	97,810	10,260.45	9.53	\$421,386	\$41.07	54.0%
Percent Change	13.5%	14.1%	-0.5%	-0.5%	-12.8%	-17.1%
<b>Foothill Route:</b>						
July 2018 - March 2019	1,830	799.15	2.29	\$1,497	\$1.87	2.3%
July 2017 - March 2018	1,464	725.88	2.02	\$1,262	\$1.74	2.3%
Percent Change	25.0%	10.1%	13.4%	18.6%	7.7%	1.8%
<b>Live Oak Route:</b>						
July 2018 - March 2019	3,474	769.71	4.51	\$2,486	\$3.23	4.0%
July 2017 - March 2018	2,570	671.23	3.83	\$2,523	\$3.76	4.9%
Percent Change	35.2%	14.7%	17.8%	-1.5%	-14.1%	-17.6%
<b>Wheatland Route:</b>						
July 2018 - March 2019	577	428.88	1.35	\$658	\$1.53	1.9%
July 2017 - March 2018	343	343.28	1.00	\$465	\$1.35	1.8%
Percent Change	68.2%	24.9%	34.5%	41.5%	13.6%	6.5%
<b>Systemwide Summary:</b>						
July 2018 - March 2019	776,715	77,228.25	10.06	\$887,371	\$11.49	14.4%
July 2017 - March 2018	772,019	69,870.16	11.17	\$885,873	\$12.68	16.7%
Percent Change	0.6%	10.5%	-10.0%	0.2%	-9.4%	-13.9%

Notes:

1. All financial calculations are estimates pending final fiscal audits.
2. Prior year estimated fare revenue calculations were corrected through the third quarter.

