

RESOLUTION NO. 2007-10

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
ADOPTING THE AMENDED SHORT RANGE TRANSIT PLAN**

WHEREAS, the City of Elk Grove recognizes the importance of establishing transit goals and objectives; and

WHEREAS, the City desires to pursue those goals and objectives in an orderly and timely manner; and

WHEREAS, the Short Range Transit Plan is the planning tool to guide the City in pursuit of its goals and objectives; and

WHEREAS, the City intends to pursue the goals and objectives in the Short Range Transit Plan in a fiscally responsible manner.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby adopts the amended Short Range Transit Plan.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 10th day of January 2007.



JAMES COOPER
MAYOR of the CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY

Executive Summary

Introduction

Elk Grove, approximately 15 miles south of the City of Sacramento, was an unincorporated part of Sacramento County until 2000 when it incorporated and became the second largest city in the County.

The city prides itself on its rural heritage, which stretches back to California's Gold Rush days. It's General Plan describes the city's rural character in detail and reiterates Elk Grove's commitment to maintaining this identity in the midst of rapid growth. This is important to remember because the growth has been, and will continue to be, explosive. In 2000 when it was still an unincorporated part of Sacramento County, Elk Grove had a population of 72,685 residents. In 2003 the city annexed the Laguna West, Stonelake and Lakeside subdivisions, which in turn pushed the city's population close to 100,000. Looking ahead twenty years, by 2025 Elk Grove is expected to have nearly 170,000 residents. Today, the City has 130,874.

The community is made up of mostly young families, with 35% of the population under 19 years of age. The number of school age children has grown so much over the past few years that the Elk Grove Unified School District (EGUSD) is now the 12th largest, and the fastest growing, district in California. EGUSD predicts enrollment will more than double between 2000 and 2025 from 15,986 students to 40,492.

In recent years Elk Grove's main economic generator has been home building, as it seeks to meet the demands for affordable housing in the region. In 2002, single-family homes averaged around \$312,000, about \$20,000 less than homes in surrounding cities. This affordable housing has attracted families from all over the state.

In terms of the balance between jobs and housing, Elk Grove is still considered an "outflow" community. This means that most residents who are employed commute to worksites outside the city limits. The city is actively working to address this issue by attracting more employers to the city (e.g. Laguna Blvd Corridor), but in the short-term most people will still commute to job sites in places like Downtown Sacramento, Rancho Cordova and the San Francisco Bay Area.

Traffic congestion and circulation issues linked to development are major issues facing the City and its residents. Elk Grove, with its predominantly agricultural history and rural design, was not built to accommodate the level of automobile growth experienced in the past decade. Most residents do not work in Elk Grove and are commuting to jobs in places like Sacramento, Pleasanton, San Ramon and even San Francisco, and because of this the neighboring freeways, I-5 and Highway 99 both experience significant levels of traffic congestion during the peak commute periods. Even many of the arterials in town, such as Laguna Blvd, Elk Grove Blvd and Elk Grove-Florin Road are highly congested at peak travel periods.

Public Transit and the Debut of *e-tran*

Historically, Sacramento Regional Transit District (RT) has provided the local and commute public transit services for Elk Grove. These services were provided under a contract that was set to expire in June 2004. During the summer of 2003, the City hired JKaplan & Associates to review the contract and assess the cost effectiveness of the existing RT services operating in the Elk Grove area.

In late 2003, following the release of the JKaplan report, the city decided to create its own transit system to replace the services being provided by RT. Initially, the city anticipated starting service in July 2004. However, a number of issues beyond the city's control made it necessary to move the implementation date to January 2nd, 2005. On that day, Elk Grove's new "e-tran" system started operating and replaced the existing Sacramento RT routes 52, 53, 57, 59, 60 and 66 essentially as they were at that time. The only significant changes were:

- Route 53 was re-named to Route 157
- Sacramento RT Route 56 was terminated at Cosumnes River College. A new *e-tran* route operating every 30 minutes between Old Town, the College and the Meadowview Light Rail station replaced the southern portion of Route 56.

Looking beyond 2005

In the first year, the city was busy with all of the details typically linked to the start of a new transit system. The city hired a transit system manager, a contract operator, developed marketing materials and system image, purchased buses, established a maintenance/operations facility, developed new service and established a five year agreement with Sacramento RT.

e-tran's ridership increased 90% through October 2005, and *e-tran* received an "Environmental Excellence Award" and the Transit Excellence Award for 2005. In 2006 *e-tran* received the Caltrans Excellence Award for Intermodalism and the League of Cities Helen Putnam Award for Excellence. *e-tran* has the highest percentage ridership growth in the nation in 2006 and its achievements and innovations have been featured in national magazines.

This raises the question of what happens after the first two years. This chapter focuses on addressing that question. This plan has concentrated on: 1) identifying issues that might trigger new or expanded services. 2) developing performance expectations and guidelines for those services. 3) Capital projects that are in the planning or design phases.

Report Format

This report has 10 chapters:

Chapter 1 Planning Issues and the Realities of Transit Service

| | |
|--------------|--|
| Chapter 2 | Setting and Current Policies |
| Chapter 3 | Existing Local Transportation Services |
| Chapters 4-7 | Ridership Data for Existing Routes |
| Chapter 8 | Existing Local Transportation Policies |
| Chapter 9 | Five Year Service Plan |
| Chapter 10 | Financial Plan |

Issues Impacting Transit Demand

A number of issues can be expected to impact the demand for transit service over the next few years.

Projected Growth

The city's population is expected to increase by 13% (10,000-12,000 residents) during the next five years. Assuming that approximately 10% of these new residents use transit and that the new riders are split proportionately between commute and local services, the growth in population should add approximately 500 daily trips to the local services and 500 daily trips to the commute services.

The existing local services can meet the demand without adding any service but the commuter services, which are nearly at capacity with the most recent service expansion, will need to add more trips per route, and new routes to meet the demand. This growth is above and beyond any growth that might occur due to improved marketing, providing high quality service or some other factor. The Franchise Tax Board in Rancho Cordova has expressed interest in adding commuter service to its place of employment. Service to Rancho Cordova could add substantially more trips per day.

Transit Equity Study

Booz-Allen-Hamilton, under contract to Sacramento RT, is conducting a Transit Equity Study for Sacramento County. The objective of this study is to develop an optimal allocation formula, or set of formulas, for redeploying transit funds and regional transit services throughout the county. It is anticipated that the Transit Equity Study will impact Elk Grove in 2010, at the end of the new five year operating agreement with Sacramento Regional Transit District.

Extension of RT South Line to CRC

The South Sacramento Corridor Phase 2 Project proposes a four-mile extension of the light rail system from Meadowview Road (end point of South Line Phase 1) to a new end-of-line station in the vicinity of Cosumnes River College near the intersection of Bruceville and Cosumnes River Parkway.

The Sacramento Regional Transit District (RT) is completing conceptual engineering and evaluation of the impacts associated with constructing and operating the proposed light rail extension. The current plan calls for implementation of service in 2010.

This proposed service extension is relevant because starting in 2010 light rail will be within one mile of the Elk Grove city limits, which should make transit a more attractive option for many people traveling to regional destinations. Already, all of the *e-tran* local routes go to Cosumnes River College.

Current Transit System Performance

Elk Grove shares a number of characteristics (i.e. development patterns and practices) with similar, growing suburban communities throughout California and along the West Coast. Many of these characteristics, which have been in place for years, make it difficult to create and operate effective/efficient public transit services.

For example, Elk Grove, like most of the peer cities, has:

1. A residential street and sidewalk network for new developments that: a) limits the ability of pedestrians to have quick and direct access to arterial streets where transit services are typically found and b) makes it very difficult and inefficient to bring transit vehicles into neighborhoods because buses most follow slow, and indirect routes.
2. Commercial and employment development practices that continue to place surface parking between the front door of businesses and the street, forcing transit patrons to walk across large parking lots to get to their destinations.
3. Residential development patterns that place single family homes, instead of multi-unit housing, along most major arterials (e.g. Elk Grove Blvd).
4. Arterial streets (e.g. Laguna Blvd.) that are not an inviting environment for pedestrians.

Add all of these together and it creates a situation where it's difficult to get the people to the buses and/or bring the buses to the people. However, the City has actively pursued additional parking ride lots and has brought transit into these new neighborhoods, and Elk Grove continues to add riders despite the obstacles.

Existing transit/transportation goals and objectives

The General Plan is the primary document guiding city policies on land use (development) and transportation, including the role of public transit in meeting mobility needs. Some of the primary objectives that pertain to public transit are:

1. In its efforts to tackle traffic congestion and parking problems, the city prefers to focus its attention on developing incentives that reduce vehicle use, rather than disincentives that will make driving and parking less convenient, more costly or both. This is commendable goal but it is probably unrealistic given recent municipal experience throughout the western US during the past two decades.
2. The city shall require that RT or any other local or regional transit agency serving Elk Grove, include bus service to the rural areas of Elk Grove. – This action item supports a transit system service design policy that is geared towards providing

“service area coverage” rather than “maximizing ridership.” This is certainly acceptable as long as there is an understanding amongst policy-makers that providing coverage will reduce the overall farebox recovery ratio.

3. The city shall review all options for providing public transit to the residents and businesses of Elk Grove and seek to implement the option, which provides the most effective and cost-efficient service.
4. Light Rail/BRT -- a) The city shall encourage the extension of light rail or Bus Rapid Transit (BRT) service to the planned office/retail areas north of Kammerer Road and West of Hwy 99, b) light rail/BRT service in Elk Grove should be designed to serve major employment centers and the proposed regional mall at Kammerer and Hwy 99, c) the City of Elk Grove encourages the development of light rail/BRT which will bring shoppers and workers to Elk Grove, while also serving as part of a coordinated transportation network, d) the city’s preferred alignment for the extension of light rail from Cosumnes River College to Kammerer/Hwy 99 is via Bruceville, Big Horn and Kammerer, and e) using the preferred alignment, the city work with RT to select a final alignment for the extension of light rail/BRT into Elk Grove and to develop final station and or park and ride locations along the entire transit corridor in Elk Grove.

This preferred alignment presents the city with some difficult issues. For one thing, the level of development proposed for the areas adjacent to the corridor south of Laguna Blvd do not approach the density (du/acre and # of employees/sq’) needed to truly make the investment in light rail cost effective.¹ In addition, it will be difficult to develop cost effective park and ride locations at stations along the corridor due to the high cost of land. The city might wish to consider either changing its development plans and creating truly high density pockets of residential development along the preferred corridor or seriously considering BRT since its investments costs are roughly 80% less than light rail. Also, maintenance costs will be much lower.

5. Heavy Rail – The city, once it builds the multimodal station, shall encourage Amtrak and the San Joaquin Regional Rail Commission to provide as much service as possible for Elk Grove residents. The Amtrak service is paid for by Caltrans. The region will need to determine how to pay for the operating costs for commuter rail service from Modesto to Sacramento. The new Measure A agreement expenditure plan does call out for commuter rail service. The San Joaquin Regional Rail Commission will need to work at securing those funds.

As it seeks to develop a vision for public transit service, the city might wish to re-evaluate some of these goals/objectives to determine the role they play in supporting a transit policy, whatever it may be.

The potential for successful transit service

Nelson\Nygaard completed a number of data collection and analysis activities for this study including:

- Passenger surveys and boarding counts

¹Discussion of proposed development and area specific plan with City of Elk Grove planning staff (June 2004).

- Assessment of projected population growth and development
- Review of existing General Plan policies and action items
- Interview with key transportation stakeholders
- Field observations (physical characteristics and transit operations)

Based on the information collected for this effort, the city's most promising opportunities for providing effective and efficient transit service during the next few years will be in the following areas (prioritized):

1. Commuters traveling to/from mid-town and downtown Sacramento and Rancho Cordova - The opportunities to expand service in this market and capture new riders look quite promising for two important reasons: 1) parking is expensive and limited in mid-town and downtown Sacramento and 2) the travel time for buses using HOV lanes is equal to travel times for solo commuters. New routes from new park and ride lots, plus additional trips on existing routes, should be very successful. 3) fuel prices over \$2.00 per gallon forces all commuters to consider transit.
2. Commuters and non-commuters traveling to CRC and the LRT station – This market will also remain strong for the next few years and could benefit from more frequent service in 2010 when the LRT station opens.
3. Residents making local trips in areas currently unserved by local transit The city should consider expanding the same level and type of service to new neighborhoods as developments are completed. An hourly shuttle service should be seen as the minimum mobility service throughout the city.

Proposed Objectives and Standards

Commuter Services

For the commuter services the city should gradually expand the network for two reasons: 1) to relieve overcrowding on existing routes and 2) to entice more residents to ride transit rather than drive alone. The City will see more demand for commuter services to destinations other than mid-town or downtown Sacramento, such as Rancho Cordova.

Success of the commuter program should be measured using the following performance standards:²

- Service Reliability – 99% of trips shall arrive within 5 minutes of scheduled time.
- Service Reliability – No missed³ trips per month.
- Customer Satisfaction – Vehicles will be cleaned internally every day and externally at least once per week (weather permitting). All graffiti and vandalism damage will be removed/repared within 7 calendar days.

² These are considered the minimum number of standards. The city might wish to develop a far more comprehensive set of standards.

³ These are trips that are cancelled due to lack of a driver or mechanical breakdown.

- Customer Satisfaction - All bus stops and Park & Ride lots will be cleaned at least once/week. All litter and trash will be picked up every other day. Damaged materials will be repaired within 14 calendar days of notification.
- Customer Satisfaction - Additional trips will be added to any route when load factors (passengers/# of seats) consistently exceed 1.0 for a month.
- Efficiency/Effectiveness – 75% or greater utilization of seated capacity in the peak commute direction (inbound AM, outbound PM).
- Efficiency/Effectiveness – Annual costs (operations and maintenance), outside of costs associated for increasing service hours, shall not increase at a rate greater than the local CPI.⁴

Local Services

The city should pursue a policy of providing local services based primarily on addressing *coverage and mobility goals* as opposed to *productivity goals*, for the simple reason that it will be very difficult to design any local network that will be as productive as the commuter service. Establishing a basic mobility network throughout the city is an important part of meeting the basic transportation goals listed in the General Plan.

Success of the local services should be measured using the following performance standards:⁵

- Service Reliability – 95% of trips shall arrive within 5 minutes of scheduled time.
- Service Reliability – No missed trips per month.
- Customer Satisfaction – Vehicles will be cleaned internally every day and externally at least once per week (weather permitting). All graffiti and vandalism damage will be removed/repaired within 7 calendar days.
- Customer Satisfaction - All bus stops will be cleaned at least once/week. All litter and trash will be picked up every other day. Damaged materials will be repaired within 14 calendar days of notification.
- Customer Satisfaction - Additional trips will be added to any route when load factors (passengers/# of seats) consistently exceed 1.10 for a month.
- Efficiency/Effectiveness – Local routes should carry an average of 15-passengers/revenue hour.
- Efficiency/Effectiveness – Annual contractor costs (operations and maintenance) shall not increase at rate greater than the local CPI.⁶

Paratransit Plan

The City implemented *e-van* on August 27, 2006 to provide local ADA and senior trips. The City of Elk Grove has a few months to decide if it wants to provide all ADA and senior

⁴ This assumes that there are no major increases or decreases in service levels.

⁵ These are considered the minimum number of standards. The city might wish to develop a far more comprehensive set of standards.

⁶ This assumes that there are no major increases or decreases in service levels.

trips for Elk Grove residents including the regional trips. The city may continue to contract directly or indirectly with Paratransit Inc. (or subsequent operator) for all ADA complementary paratransit service outside the city limits.

Other Issues

RT Route 65

Currently this route connects Laguna West with the Florin Road LRT station via Franklin and Florin Roads. Buses operate every 60 minutes on weekdays and Saturdays.

Existing ridership activity within the Elk Grove city limits is marginal, perhaps less than 50 people per day. Why is ridership to/from/within Elk Grove so low? It could be a couple of reasons:

1. Commuter service from Laguna West to downtown Sacramento meets many of the transit needs.
2. The route takes people to Florin LRT instead of Meadowview LRT. That has two drawbacks for people coming from Elk Grove: 1) It takes an extra 5 minutes of travel time and 2) since it's not the end of the LRT line it's often difficult to get a seat.
3. The route doesn't cover much of Elk Grove. This means that the market potential is really pretty small because only a limited number of people can access the route.

Financial Plan

Figures ES-1 through ES-3 present the Five Year Financial Plan and supporting operating data and performance indicators.

Figure ES-1 Five Year Operating Costs

| <i>e-tran</i> Operating Costs - System-Wide | FY 04/05 | FY 05/06 | FY 06/07 | FY 07/08 |
|---|--------------------|--------------------|--------------------|-------------------|
| Employee Total Cost | \$64,394 | \$123,556 | \$121,900 | \$132,26 |
| Purchased Transportation | \$3,160,409 | \$3,529,683 | \$4,479,179 | \$4,825,90 |
| Operating Costs | \$380,173 | \$778,582 | \$1,161,651 | \$1,196,50 |
| Administrative Costs | \$473,094 | \$634,473 | \$355,000 | \$365,65 |
| Total Operating Costs | \$4,078,071 | \$4,827,587 | \$6,117,730 | \$6,520,31 |

Figure ES-2 Five-Year Operating Data and Performance Indicators

| | FY 04/05 | FY 05/06 | FY 06/07 |
|--|--------------|--------------|--------------|
| | Actual | Actual | Projected |
| System-Wide Operating Data | | | |
| Passengers | 235,052 | 714,709 | 960,000 |
| Revenue Hours | 16,566 | 43,450 | 58,000 |
| Revenue Miles | 393,521 | 463,421 | 521,000 |
| Fare Revenue | \$ 287,885 | \$ 920,496 | \$ 1,403,195 |
| Total Operating Costs | \$ 3,638,825 | \$ 4,827,587 | \$ 6,117,730 |
| <i>Total Op Costs less RT cost</i> | \$ 1,763,370 | \$ 4,349,869 | \$ 5,617,730 |
| System-Wide Performance Indicators | | | |
| Passengers/hour | 14.2 | 16.4 | 16.6 |
| Passengers/mile | 0.60 | 1.54 | 1.84 |
| Cost/hour (excludes consulting and vehicle lease) | \$ 106.45 | \$ 100.11 | \$ 96.86 |
| Farebox Recovery | 16.3% | 21.2% | 25.0% |
| Cost/passenger (excludes consulting and vehicle lease) | \$ 7.50 | \$ 6.09 | \$ 5.85 |
| Subsidy/passenger (excludes RT costs) | \$ 6.28 | \$ 4.80 | \$ 4.39 |

Only 6 months of operation

Figure ES-3 Five-Year Capital Plan

City of Elk Grove
 Short Range Transit Plan
 Projected 5 Year Major Capital Projects

| Projected 5 Year Expenses | FY 04/05 | FY 05/06 | FY 06/07 | FY 07/08 | FY 08/09 | Five Year Total |
|--|----------------------|-------------------|---------------------|---------------------|---------------------|----------------------|
| Expansion--Gasoline-Hybrid Buses (21) | \$ 9,158,668 | | | | | \$ 9,158,668 |
| Expansion--32' Diesel Cutaways (6) | | \$ 558,498 | | | | \$ 558,498 |
| Expansion 22' Diesel Cutaways (3) | \$ 219,612 | | | | | \$ 219,612 |
| Expansion Minivans (3) | | | \$ 142,800 | | | \$ 142,800 |
| Expansion Commuter Buses (6) | | | | \$ 3,300,000 | | \$ 3,300,000 |
| Replacement 22' Diesel Cutaways | \$ - | | | \$ 255,000 | | \$ 255,000 |
| Replacement 40' CNG Commuter Buses (10 in 06-07 and 4 in 07-08) | \$ - | | \$ 4,090,000 | \$ 1,636,000 | | \$ 5,726,000 |
| Elk Grove Florin Multimodal Station PS&E | \$ 800,000 | | | | | \$ 800,000 |
| Elk Grove Florin Multimodal Station Construction | | | | | \$ 6,000,000 | \$ 6,000,000 |
| Fixed Transit Alignment Study | | | \$ 338,868 | | | \$ 338,868 |
| Bus Stop Improvements | | | \$ 385,900 | \$ 125,000 | \$ 125,000 | \$ 635,900 |
| Corporation Yard Expansion | \$ 965,000 | | | \$ 1,500,000 | | \$ 2,465,000 |
| Total Expenses | \$ 11,143,280 | \$ 558,498 | \$ 4,957,568 | \$ 6,816,000 | \$ 6,125,000 | \$ 29,600,344 |

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Chapter 10. Financial Plan

This chapter presents Elk Grove Transit's five-year financial plan and includes both capital and operating expenses.

Capital and Operating Expenses

Capital Projects

Maintenance-Operations-Administration Facility (MOA)

The city recently purchased a facility at the south end of the city (Iron Rock Way), which it plans to use as both a corporation yard for general equipment and as a maintenance/operations and storage facility for the transit contract operator. This facility is only a few years old and is well suited to being a transit MOA yard. The City will need to expand the facility to meet the growing fleet needs. Additional parking, an automated wash bay and a gasoline/diesel/Compressed Natural Gas (CNG) fuel facility will be needed in 2007.

Bus Stops and Passenger Amenities

The City of Elk Grove is designing bus stop improvements in the older part of Elk Grove in order to make the bus stops ADA compliant. A \$135,900 Community Development Block Grant (CDBG) was secured for this purpose. An additional \$250,000 federal grant was secured for bus stop improvements on Elk Grove Blvd. Four lighted bus stop poles with a signaling system that alerts a driver that a passenger is waiting for the bus will be installed in December 2006 on a trial basis. The City will have an on-going line item for federal formula funds of \$100,000 each year to make the bus stop improvements.

Revenue Vehicles

Commuter Buses

The City will be receiving ten (10) low-floor CNG buses in late 2007 for commuter service. The buses will have high back reclining seats. The City also has used CNG buses in its fleet to meet commuter needs. Four (4) additional diesel commuter buses will be replaced in 2007. The City will also request six (6) additional commuter buses for the Park and Ride Rapid Bus Service in 2007; however, funding has not been identified for this purchase.

Local Buses

The City has twenty-one (21) hybrid buses for current local service. The City also has six (6) "cutaway" style, medium duty, 32' foot buses for ez-tran routes, which are designed for elderly and disabled passengers.

Paratransit Buses

The City will replace three (3) diesel "cutaway" medium-duty, 22' foot buses in 2007.

Planning Study

Fixed Transit Alignment Study

The City, in collaboration with Regional Transit, will issue a Request for Proposal in December 2006 for a Fixed Transit Alignment Study. The study will finalize the alignment for light rail/BRT from CRC to the regional mall.

Preliminary Engineering and Design

Elk Grove Florin Multimodal Station

The City will begin preliminary engineering and design for the Elk Grove Florin Multimodal Station in 2007. Construction costs are estimated in FY 09.

Operating Cost Projections

The operating cost projections are based primarily on the number of service hours required to implement the Service Plan. Significant assumptions are outlined below:

- Costs are presented in constant dollars (no inflation).
- Fixed route services will be provided through a contract with a vendor.
- Paratransit services will be provided under contract with Paratransit, Inc and MV Transportation.
- Elk Grove will pay Sacramento Regional Transit District for access to the regional transit network in the amount through 2010.
- Ridership growth and revenue for 2006 is projected to be over 50%. Ridership growth and revenue is expected to continue above 25% through 2009.

Figure 10-1 presents the estimated operating costs and Figure 10-2 presents the estimated five-year operating data and performance indicators.

Figure 10-1 Five Year Operating Costs

| <i>e-tran</i> Operating Costs - System-Wide | FY 04/05 | FY 05/06 | FY 06/07 | FY 07/08 | FY 08/09 | Five Year Total |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Employee Total Cost | \$64,394 | \$123,556 | \$121,900 | \$132,261 | \$143,504 | \$564,731 |
| Purchased Transportation | \$3,160,409 | \$3,529,683 | \$4,479,179 | \$4,825,900 | \$5,100,000 | \$12,375,869 |
| Operating Costs | \$380,173 | \$778,582 | \$1,161,651 | \$1,196,501 | \$1,232,296 | \$4,751,117 |
| Administrative Costs | \$473,094 | \$634,473 | \$355,000 | \$365,650 | \$376,620 | \$652,143 |
| Total Operating Costs | \$4,078,071 | \$4,827,587 | \$6,117,730 | \$6,520,312 | \$6,852,519 | \$19,418,276 |

Figure 10-2 Five-Year Operating Data and Performance Indicators

Only 6 months of operation

| | FY 04/05 Actual | FY 05/06 Actual | FY 06/07 Projected | FY 07/08 Projected | FY 08/09 Projected | Five Year Total |
|--|--------------------|--------------------|-----------------------|-----------------------|-----------------------|-----------------|
| System-Wide Operating Data | | | | | | |
| Passengers | 235,052 | 714,709 | 960,000 | 1,200,000 | 1,500,000 | 4,609,761 |
| Revenue Hours | 16,566 | 43,450 | 58,000 | 63,800 | 70,180 | 251,996 |
| Revenue Miles | 393,521 | 463,421 | 521,000 | 573,100 | 630,410 | 2,581,452 |
| Fare Revenue | \$ 287,885 | \$ 920,496 | \$ 1,403,195 | \$ 1,753,994 | \$ 2,192,492 | 6,558,062 |
| Total Operating Costs | \$ 3,638,825 | \$ 4,827,587 | \$ 6,117,730 | \$ 6,520,312 | \$ 6,852,519 | 27,956,973 |
| <i>Total Op Costs less RT cost</i> | \$ 1,763,370 | \$ 4,349,869 | \$ 5,617,730 | \$ 6,020,312 | \$ 6,352,519 | 24,103,800 |
| System-Wide Performance Indicators | | | | | | |
| Passengers/hour | 14.2 | 16.4 | 16.6 | 18.8 | 21.4 | |
| Passengers/mile | 0.60 | 1.54 | 1.84 | 2.09 | 2.38 | |
| Cost/hour (excludes consulting and vehicle lease) | \$ 106.45 | \$ 100.11 | \$ 96.86 | \$ 94.36 | \$ 90.52 | |
| Farebox Recovery | 16.3% | 21.2% | 25.0% | 29.1% | 34.5% | |
| Cost/passenger (excludes consulting and vehicle lease) | \$ 7.50 | \$ 6.09 | \$ 5.85 | \$ 5.02 | \$ 4.24 | |
| Subsidy/passenger (excludes RT costs) | \$ 6.28 | \$ 4.80 | \$ 4.39 | \$ 3.56 | \$ 2.77 | |

Funding Sources and Capital Plan

Figure 10-3 provides the five year capital plan. The following text outlines the potential funding sources of revenue for these projects.

Local Funding

Farebox Revenues

No fare increase is projected during the five-year plan period. Ridership has increased dramatically and is expected to continue to increase at a 25% clip through 2009. Fare revenues are also projected to increase dramatically for the same period. The fare revenues offset operating costs.

Local Transportation Fund (LTF) and State Transit Assistance Funds (STA)

LTF funds are the largest single source of operating revenue for Elk Grove Transit. TDA funds are intended to be "transit first" funding, meaning that funds are expected to be spent on transit projects to the extent that such projects are needed to fill all "transit needs that are reasonable to meet". There is no universally accepted definition of reasonable to meet, and individual jurisdictions must make their own determination. TDA funds can be used for capital expenditures or operations or a combination thereof.

The Local Transportation Fund revenues are derived from a one-quarter cent sales tax, which is collected by the Board of Equalization, but administered locally through the Metropolitan Planning Organization (MPO), the Sacramento Area Council of Governments (SACOG) that returns it to local jurisdictions on the basis of population.

Sales tax receipts have historically grown at a faster rate than inflation. Over the past ten years, they have averaged 3.5% real growth (after accounting for inflation) in Sacramento County, due largely to steady population increase in the county and a subsequent growth in overall purchases. Given that Elk Grove is among the fastest growing communities in the state and region, and should continue growing at a rapid rate during the plan period, it is reasonable to assume that will continue to receive a sizable percentage of TDA funds.

The State Transit Assistance Program (STA) provides funding from gasoline sales tax revenues. It is appropriated annually by the State Legislature, and thus varies from year to year. STA funds are allocated to regions based on population (50%) and fare revenues (50%). Within the SACOG region funds, the revenue-based funds are allocated among transit agencies on a basis of their proportion of total regional fare revenue. The population-based funds are distributed on a discretionary basis by SACOG, and may be used for fixed-route, paratransit, regional coordination and demonstration projects. These funds can be used for capital or operating projects.

In 2007 Elk Grove is expected to receive \$1,081,000 in STA funds, and a like amount in FY 08 and FY 09. In years in which they are not required to support capital projects, these funds may be used for operating costs.

Federal and State funds

FTA Section 5307

The FTA Section 5307 Capital Program funds assist in financing bus and bus-related capital projects. These include acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, intermodal terminals, park-and-ride lots, acquisition of replacement vehicles, bus re-builds, miscellaneous equipment such as mobile radio units and passenger amenities such as shelters and bus stop signs. Section 5307 funds require a 20% local match.

Section 5307 funds are “formula” funds, which flow to the Sacramento Regional Transit District (SRTD) as the designated federal recipient for the region. SRTD then distribute portions of the fund to other local transit operators, based on an assessment of relative need mediated by the Sacramento Area Council of Governments (SACOG). Approximately \$20 million in 5307 funds are provided to the region on an annual basis.

This project assumes that Elk Grove will receive \$675,000 in FY 08 and \$709,000 in FY 09 for preventative maintenance, ADA operating costs and bus stop improvements.

FTA Section 5309

The FTA Section 5309 Capital Program funds assist in financing bus and bus-related capital projects. These include acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, intermodal terminals, park-and-ride lots, acquisition of replacement vehicles, bus re-builds, miscellaneous equipment such as mobile radio units and passenger amenities such as shelters and bus stop signs. Section 5309 funds require a 20% local match. A request for six expansion buses will be made in 2007.

State Transportation Improvement Program (STIP)

The City of Elk Grove has already received \$3.3 million in STIP funding for the purchase of ten (10) new low-floor CNG buses in 2007. In 2007, the City will request STIP funds for the corporation yard expansion and all of the bus replacement requests. The City will make a request for \$6 million in STIP funds for 2008 for construction of the Elk Grove Florin Multimodal Station.

Short Range Transit Plan • Final Report

CITY OF ELK GROVE

Figure 10-3 Five-Year Capital Plan

City of Elk Grove
 Short Range Transit Plan
 Projected 5 Year Major Capital Projects

| Projected 5 Year Expenses | FY 04/05 | FY 05/06 | FY 06/07 | FY 07/08 | FY 08/09 | Five Year Total |
|--|----------------------|-------------------|---------------------|---------------------|---------------------|----------------------|
| Expansion--Gasoline-Hybrid Buses (21) | \$ 9,158,668 | | | | | \$ 9,158,668 |
| Expansion--32' Diesel Cutaways (6) | | \$ 558,498 | | | | \$ 558,498 |
| Expansion 22' Diesel Cutaways (3) | \$ 219,612 | | | | | \$ 219,612 |
| Expansion Minivans (3) | | | \$ 142,800 | | | \$ 142,800 |
| Expansion Commuter Buses (6) | | | | \$ 3,300,000 | | \$ 3,300,000 |
| Replacement 22' Diesel Cutaways | \$ - | | | \$ 255,000 | | \$ 255,000 |
| Replacement 40' CNG Commuter Buses (10 in 06-07 and 4 in 07-08) | \$ - | | \$ 4,090,000 | \$ 1,636,000 | | \$ 5,726,000 |
| Elk Grove Florin Multimodal Station PS&E | \$ 800,000 | | | | | \$ 800,000 |
| Elk Grove Florin Multimodal Station Construction | | | | | \$ 6,000,000 | \$ 6,000,000 |
| Fixed Transit Alignment Study | | | \$ 338,868 | | | \$ 338,868 |
| Bus Stop Improvements | | | \$ 385,900 | \$ 125,000 | \$ 125,000 | \$ 635,900 |
| Corporation Yard Expansion | \$ 965,000 | | | \$ 1,500,000 | | \$ 2,465,000 |
| Total Expenses | \$ 11,143,280 | \$ 558,498 | \$ 4,957,568 | \$ 6,816,000 | \$ 6,125,000 | \$ 29,600,346 |

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**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2007-10**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)

I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on January 10, 2007 by the following vote:

AYES : COUNCILMEMBERS: Scherman, Cooper, Davis, Hume

NOES: COUNCILMEMBERS: None

ABSTAIN : COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Leary





**Peggy E. Jackson, City Clerk
City of Elk Grove, California**