



SANTA CLARA

**Valley Transportation Authority**

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# Final Recommended Biennial Budget

## Fiscal Years 2010 and 2011

June 4, 2009

# FY 2010 and FY 2011 Biennial Budget Board and Public Review/Updates



- 
- ~ October 16, 2008
  - ~ December 10, 2008
  
  - ~ December 11, 2008
  - ~ February 19, 2009
  - ~ February 27, 2009
  - ~ March 11, 2009
  
  - ~ March 19, 2009
  - ~ April 15, 2009
  - ~ April 16, 2009
  - ~ April 24, 2009
  - ~ May 4, 2009
  - ~ May 5, 2009
  - ~ May 6, 2009
  - ~ May 7, 2009
  
  - ~ May 11, 2009
  - ~ May 12, 2009
  - ~ May 13, 2009
  
  - ~ May 14, 2009
  
  - ~ May 21, 2009
  
  - ~ June 4, 2009
- ~ Administration & Finance Committee
  - ~ Committee for Transit Accessibility
  - ~ Citizens Advisory Committee
  - ~ Policy Advisory Committee
  - ~ Administration & Finance Committee
  - ~ Board Workshop
  - ~ Committee for Transit Accessibility
  - ~ Citizens Advisory Committee
  - ~ Administration & Finance Committee
  - ~ Advisory Committee Chairs & Co-Chairs
  - ~ Administration & Finance Committee
  - ~ Board Workshop
  - ~ Community Meeting-San Jose (2)
  - ~ Community Meeting-Morgan Hill
  - ~ Community Meeting-Milpitas
  - ~ Board Meeting
  - ~ District 8 Community Round Table-San Jose
  - ~ Community Meeting-Mountain View
  - ~ Community Meeting-Cupertino
  - ~ Committee for Transit Accessibility
  - ~ Citizens Advisory Committee
  - ~ Technical Advisory Committee
  - ~ Policy Advisory Committee
  - ~ Congestion Management Program & Planning Committee
  - ~ Administration & Finance Committee
  - ~ Transit Planning & Operations Committee
  - ~ Board Meeting

# Current vs. Proposed Fixed-Route Fares

Effective January 1, 2010



|                           | Current Fare | Proposed Fare | Change  | % Change |
|---------------------------|--------------|---------------|---------|----------|
| <b>ADULT</b>              |              |               |         |          |
| Cash                      | \$1.75       | \$2.00        | \$0.25  | 14%      |
| Community Bus             | \$1.00       | \$1.25        | \$0.25  | 25%      |
| Light Rail Excursion Pass | \$3.50       | \$4.00        | \$0.50  | 14%      |
| Day Pass                  | \$5.00       | \$6.00        | \$1.00  | 20%      |
| Day Pass Token (bag of 5) | \$22.50      | \$27.00       | \$4.50  | 20%      |
| Express Cash              | \$3.50       | \$4.00        | \$0.50  | 14%      |
| Express Day Pass          | \$10.00      | \$12.00       | \$2.00  | 20%      |
| Monthly Pass              | \$61.25      | \$70.00       | \$8.75  | 14%      |
| Express Monthly Pass      | \$122.50     | \$140.00      | \$17.50 | 14%      |
| <b>YOUTH</b>              |              |               |         |          |
| Cash                      | \$1.50       | \$1.75        | \$0.25  | 17%      |
| Community Bus             | \$0.50       | \$0.75        | \$0.25  | 50%      |
| Light Rail Excursion Pass | \$3.00       | \$3.50        | \$0.50  | 17%      |
| Day Pass                  | \$4.00       | \$5.00        | \$1.00  | 25%      |
| Day Pass Token (bag of 5) | \$18.00      | \$22.50       | \$4.50  | 25%      |
| Monthly Pass              | \$40.00      | \$45.00       | \$5.00  | 13%      |
| <b>SENIOR/DISABLED</b>    |              |               |         |          |
| Cash                      | \$0.75       | \$1.00        | \$0.25  | 33%      |
| Community Bus             | \$0.50       | \$0.50        | \$0.00  | 0%       |
| Light Rail Excursion Pass | \$1.50       | \$2.00        | \$0.50  | 33%      |
| Day Pass                  | \$2.00       | \$2.50        | \$0.50  | 25%      |
| Monthly Pass              | \$20.00      | \$25.00       | \$5.00  | 25%      |

# Current vs. Proposed ADA Paratransit Fares

Effective January 1, 2010



| Service Type                              | Current Fare | Proposed Fare |
|---|--------------|---------------|
| One-Way Trip (2x Adult Base Fare)         | \$3.50       | \$4.00        |
| Companion (equal to one-way trip)         | \$3.50       | \$4.00        |
| Open Return Trip (4x one-way trip)        | \$7.00       | \$16.00       |
| Second Vehicle Sent (4x one-way trip)     | \$17.50      | \$16.00       |
| No Show (equal to one-way trip)           | \$3.50       | \$4.00        |
| Same Day Trip (4x one-way trip)           | \$14.00      | \$16.00       |
| Same Day Trip Companion (4x one-way trip) | \$7.00       | \$16.00       |
| Same Day No Show (4x one-way trip)        | \$14.00      | \$16.00       |
| Extended Service Area (4x one-way trip)   | \$7.00       | \$16.00       |

# Current vs. Proposed Eco Pass Fares

Effective January 1, 2010  
(Annual rate per employee)



| Employer and Residential Location/Service Level | 1-99** Employees/Residents |          | 100 - 2,999 Employees/Residents |          | 3,000 – 14,999 Employees/Residents |          | 15,000+ Employees/Residents |          |
|---|----------------------------|----------|---------------------------------|----------|------------------------------------|----------|-----------------------------|----------|
|   | Current                    | Proposed | Current                         | Proposed | Current                            | Proposed | Current                     | Proposed |
| <b>Downtown San Jose</b>                        | \$120.00                   | \$144.00 | \$90.00                         | \$108.00 | \$60.00                            | \$72.00  | \$30.00                     | \$36.00  |
| <b>Areas served by bus and light rail</b>       | \$90.00                    | \$108.00 | \$60.00                         | \$72.00  | \$30.00                            | \$36.00  | \$15.00                     | \$18.00  |
| <b>Areas served by bus only</b>                 | \$60.00                    | \$72.00  | \$30.00                         | \$36.00  | \$15.00                            | \$18.00  | \$7.50                      | \$9.00   |

\*Current rates adopted June 2003 for contracts effective January 2004

\*\*A minimum annual contract fee applies

# Updates from Draft Budget — VTA Transit Fund



- Advance effective date of fare increase to January 1, 2010 – yields additional \$2.2 million in FY10.
- Utilize \$2.7 million of Supplemental Federal Stimulus Funds for Preventive Maintenance in FY10.
- Advertising on light rail vehicles – generates \$195 thousand each year.
- Lifeline South County Community Bus program grant
- Joint Workforce Investment grant
- Labor Costs – additional \$3.7 million per year to reflect increase in ATU Pension contributions, based on actuarial analysis.
- Bus Procurement – increased \$2.0 million
- 20% reduction in Board Member stipend per meeting

## Updates from Draft Budget — Paratransit Services



- Retain “Open Return” and “Second Vehicle” premium service with operational policy revisions
- Retain “Out of Service Area service” at premium fare
  - Assessed on travel to or from area outside  $\frac{3}{4}$  ADA boundary with 1 additional mile boundary limit
  - Discontinue South County exemption
- Service modifications and fare increase effective January 1, 2010
- All premium services priced at 4 times base paratransit fare (\$16)

# VTA Transit Fund

## Revised Sources & Uses

(In thousands)



| <u>Line</u> | <u>Description</u>                                 | <u>FY 2009<br/>Projected<br/>Actual</u> <sup>1</sup> | <u>FY 2010<br/>Recommended<br/>Budget</u> | <u>FY 2011<br/>Recommended<br/>Budget</u> |
|-------------|--|--|---|---|
| 1           | Total Revenues                                     | \$351,195  | \$349,600                                 | \$336,255                                 |
| 2           | Total Operating Expenses                           | <u>354,313</u>                                       | <u>353,395</u>                            | <u>359,529</u>                            |
| 3           | Operating Revenues Over (Under) Expenses           | (\$3,118)  | (\$3,795)                                 | (\$23,274)                                |
| 4           | Total VTA Transit Capital                          | \$49,901   | \$102,481                                 | \$17,228                                  |
|             | LESS:  |  |   |   |
| 5           | Funding from Grants & Other Sources                | <u>(24,097)</u>                                      | <u>(96,040)</u>                           | <u>(13,403)</u>                           |
| 6           | VTA Transit Share, drawn from Reserves             | \$25,804   | \$6,441                                   | \$3,825                                   |
| 7           | Beginning Reserves                                 | \$54,629   | \$51,510                                  | \$47,715                                  |
| 8           | Operating Revenues Over (Under) Expenses           | (3,118)  | (3,795)                                   | (23,274)                                  |
| 9           | From (To) Debt Reduction Fund for Capital          | 25,804   | 6,441                                     | 3,825                                     |
| 10          | VTA Transit Funds, drawn from Reserves for Capital | <u>(25,804)</u>                                      | <u>(6,441)</u>                            | <u>(3,825)</u>                            |
| 11          | Ending Operating Reserves                          | \$51,510   | \$47,715                                  | \$24,442                                  |
| 12          | Operating Reserve % <sup>2</sup>                   | 13.9%  | 13.5%                                     | 6.8%                                      |

<sup>1</sup> Staff Projection as of April 10, 2009

<sup>2</sup> Line 11 divided by Budgeted Line 2

# Contingency Plan for VTA Transit Fund



- VTA Transit operating expenses assume wage and benefit savings of \$10.8M in FY10 and \$16.8M in FY11.
- Contingency planning underway.

# Updates from Draft Budget — 2000 Measure A



- Capitol Expressway Light Rail to Eastridge
  - Maintain existing appropriation
  - Reallocate \$45 million of funding source
  
- Vasona Light Rail Extension
  - Maintain existing appropriation
  - Reallocate funding source
  
- Caltrain Mountain View Parking Structure – reduce de-obligation by \$500 thousand
  
- Dumbarton Rail Corridor – reduce de-obligation by \$972 thousand
  
- Freight Rail Relocation
  - reduce appropriation by \$18 million previously appropriated
  - Transfer \$41.9 million from Silicon Valley BART Extension for Kato Road project
  
- Mineta Airport People Mover – add \$2.0 million augmentation to FY08 appropriation
  
- Santa Clara Underpass – reduce de-obligation by \$1.5 million
  
- Swap Payments to Other Agencies – add \$32.2 million

# 2000 Measure A

## Revised Total Appropriation Available\*

(In thousands)



| Project                                     | Revised Total<br>Available<br>Appropriation* |
|---|--|
| Caltrain Electrification                    | \$800  |
| Caltrain Mountain View Parking Structure    | 500  |
| Caltrain Safety Enhancements                | 17,968                                       |
| Caltrain Service Upgrades                   | 2,448  |
| Caltrain South County Capacity Improv.      | 55,066                                       |
| Caltrain/UP Blossom Hill Ped. Grade Sep     | 8,733  |
| Capitol Expressway Light Rail to Eastridge  | 72,023                                       |
| Dumbarton Rail Corridor                     | 943  |
| Freight Rail Relocation Project             | 221,228                                      |
| Light Rail Extension to Vasona              | 7,355  |
| Santa Clara and SJ Diridon Station Upgrade  | 12,598                                       |
| SC Sta. Pedestrian Underpass Extension      | 1,468  |
| Silicon Valley BART Extension               | 205,654                                      |
| Warm Springs BART Extension                 | 16,000                                       |
| Downtown/East Valley Conceptual Design      | 275  |
| <b><i>Rail Facility Expansion Total</i></b> | <b><i>\$623,059</i></b>                      |

\*Existing unspent appropriation as of 4/30/09 plus FY10-FY11 appropriation

# 2000 Measure A

## Revised Total Appropriation Available\* (cont.)

(In thousands)



| <b>Project</b>   | <b>Revised Total<br/>Available<br/>Appropriation*</b> |
|--|---|
| Procurement of 40 BRT Articulated Buses                  | \$43,250  |
| Zero Emission Buses (ZEB)                                | 330   |
| <b><i>Revenue Vehicles &amp; Equipment Total</i></b>     | <b><i>\$43,580</i></b>                                |
| BRT-Santa Clara/Alum Rock Corridor                       | \$113,490   |
| Bus Rapid Transit Strategic Plan                         | 837   |
| CE/Environmental for Stevens Creek BRT                   | 1,000   |
| El Camino Real BRT                                       | 9,600   |
| Projects from Light Rail Systems Analysis                | 5,000   |
| ZEB Facility Improvements                                | 212   |
| <b><i>Operating Facilities &amp; Equipment Total</i></b> | <b><i>\$130,139</i></b>                               |
| Palo Alto Intermodal Transit Center                      | \$147   |
| <b><i>Passenger Facilities Total</i></b>                 | <b><i>\$147</i></b>                                   |
| Environmental Impact Studies                             | \$1,000   |
| Highway 17 Bus Service Improvements                      | 2,500   |
| Mineta Airport People Mover                              | 3,933   |
| Swap Payments to Other Agencies                          | 32,190  |
| Light Rail System Analysis                               | 1,168   |
| New Rail Corridors                                       | 1,260   |
| Santa Clara Station Area Planning-Ph II                  | 68  |
| <b><i>Miscellaneous Total</i></b>                        | <b><i>\$42,119</i></b>                                |
| <b><i>Grand Total</i></b>                                | <b><i>\$839,044</i></b>                               |

\*Existing unspent appropriation as of 4/30/09 plus FY10-FY11 appropriation

# 2000 Measure A Revised Sources & Uses

(In thousands)



| <u>Line</u> | <u>Description</u>                                    | <u>FY 2009<br/>Projected<br/>Actual</u> <sup>1</sup> | <u>FY 2010<br/>Recommended<br/>Budget</u> | <u>FY 2011<br/>Recommended<br/>Budget</u> |
|-------------|---|--|---|---|
| 1           | Total Revenues  | \$159,649  | \$148,110                                 | \$146,164                                 |
| 2           | Total Non-Project Expenses                            | <u>59,894</u>  | <u>57,718</u>                             | <u>59,277</u>                             |
| 3           | Revenues Over (Under) Expenses                        | \$99,755   | \$90,392                                  | \$86,887                                  |
| 4           | Project Expenditures                                  | \$133,455  | \$340,574                                 | \$395,259                                 |
|             | LESS:   |  |   |   |
| 5           | Funding from Grants & Other Sources                   | <u>(43,572)</u>                                      | <u>(133,907)</u>                          | <u>(227,739)</u>                          |
| 6           | 2000 Measure A Share, drawn from Reserves             | \$89,883   | \$206,667                                 | \$167,520                                 |
| 7           | Beginning Undesignated Reserves                       | \$247,134  | \$257,006                                 | \$140,731                                 |
| 8           | Revenues Over (Under) Expenses                        | 99,755   | 90,392                                    | 86,887                                    |
| 9           | 2000 Measure A Share, drawn from Reserves for Capital | <u>(89,883)</u>                                      | <u>(206,667)</u>                          | <u>(167,520)</u>                          |
| 10          | Ending Undesignated Reserves                          | \$257,006  | \$140,731                                 | \$60,098                                  |

<sup>1</sup> Staff Projection as of April 10, 2009

# Congestion Management Agency Revised Sources & Uses

(In thousands)



| <u>Line</u> | <u>Description</u>                       | <u>FY 2009<br/>Projected<br/>Actual<sup>1</sup></u> | <u>FY 2010<br/>Recommended<br/>Budget</u> | <u>FY 2011<br/>Recommended<br/>Budget</u> |
|-------------|--|---|---|---|
| 1           | Total Revenues                           | \$5,115   | \$4,610                                   | \$4,897                                   |
| 2           | Total Operating Expenses                 | <u>5,214</u>  | <u>4,870</u>                              | <u>5,572</u>                              |
| 3           | Operating Revenues Over (Under) Expenses | (\$99)  | (\$260)                                   | (\$675)                                   |
| 4           | Beginning Undesignated Reserves          | \$1,430   | \$1,331                                   | \$1,071                                   |
| 5           | Revenues Over (Under) Expenses           | <u>(99)</u>   | <u>(260)</u>                              | <u>(675)</u>                              |
| 6           | Ending Undesignated Reserves             | \$1,331   | \$1,071                                   | \$396                                     |

<sup>1</sup>Staff Projection as of April 10, 2009

- Member Agency Fees -- defer 3.5% increase in FY10 only.

## Updates from Draft Budget — VTP Highway Program



- I-280/I-880/Stevens Creek Blvd Interchange - increase by \$5.2 million in FY11.
- SR 152 Realignment Concept Study - transfer \$950 thousand to FY10 from FY11.
- US 101 Improvements, I-280 to Yerba Buena - transfer \$44.6 million to FY10 from FY11.

# Final Recommended Biennial Budget Appropriation Summary

(In thousands)



| <b>Fund</b>                 | <b>FY 2010</b> | <b>FY 2011</b> |
|-----------------------------|----------------|----------------|
| VTA Transit-Operating       | \$ 353,395     | \$ 359,529     |
| VTA Transit-Capital         | 102,481        | 17,228         |
| 2000 Measure A-Operating    | 57,718         | 59,277         |
| 2000 Measure A-Capital      | 410,606        | 0              |
| CMP-Operating               | 4,870          | 5,572          |
| VTP Highway Program-Capital | 81,032         | 214,253        |