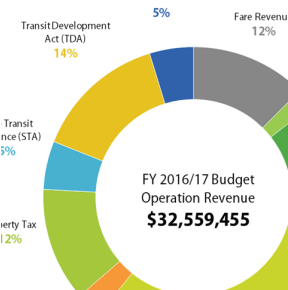


# Marin Transit Budget

FY 2016/17





## Table of Contents

Marin Transit Budget Overview.....	3
Budget Summary .....	3
District Reserve Balance.....	4
Local Sales Tax – Measure A.....	5
Operations Budget.....	8
District Revenue .....	10
District Expenses .....	12
Administration.....	16
Local Service.....	18
Rural Service.....	21
Marin Access (Paratransit and Mobility Management).....	24
Capital Budget.....	29

## Tables

Table 1: Budget Summary.....	4
Table 2: Operations Budget (Admin, Local, Rural & Marin Access) .....	9
Table 3: Revenue Variances in Operations Budget.....	11
Table 4: Administration Budget.....	17
Table 5: Local Budget Service Levels .....	18
Table 6: Local Service Budget.....	20
Table 7: Rural Service Levels.....	21
Table 8: Rural Service Budget.....	213
Table 9: Marin Access Service Levels.....	25
Table 10: Marin Access Budget .....	28
Table 11: Capital Budget by Project.....	32

## List of Figures

Figure 1: Measure A Transit Funds by Fiscal Year (Programmed/Projected vs Actual Receipts).....	6
Figure 2: Measure A Expenditures by Fiscal Year .....	7
Figure 3: Revenue Sources for FY 2016/17 Budget .....	12
Figure 4: Operations Expenses for FY 2016/17 Budget .....	13
Figure 5: Growth of Financial Transactions.....	14
Figure 6: Marin Transit FY 2016/17 Organization Structure .....	15
Figure 7: Local Revenue Service Hours by Program.....	19
Figure 8: Rural Service Level Trends and Assumptions .....	22
Figure 9: Marin Access Passengers by Program .....	26
Figure 10: Capital Budget by Type.....	29



# Marin Transit Budget Overview

The Marin County Transit District (Marin Transit) is responsible for local transit service within Marin County, providing over 3.4 million unlinked passenger trips per year and over 213,000 revenue hours of service. Marin Transit provides services through contract operators including the Golden Gate Bridge Highway & Transportation District (GGBHTD), Marin Airporter, MV Transportation, Marin Senior Coordinating Council (Whistlestop) and Michael's Transportation. Marin Transit's Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District and includes ten years of financial projections for operations and capital programs. The District's Board adopted the latest SRTP on July 27, 2015.

Marin Transit's budget uses full accrual basis of accounting to record annual revenue and expenses consistent with Generally Accepted Accounting Principles (GAAP) for special districts and the District's annual audited financial reports. All known revenues and expenditures are recorded in the period they are earned or expended.

The Marin Transit Board of Directors adopts an annual budget for the District's fiscal year starting July 1 and ending June 30. Under the direction of the Director of Finance, staff develops a balanced budget for the Board of Directors that provides sufficient and sustainable funding for local transit service needs using the following guidelines:

- A. Maintain adopted reserve levels;
- B. Preserve a balance of revenues and expenditures over a ten-year horizon;
- C. Provide for SRTP-adopted service levels; and
- D. Allow for innovative growth.

The following is the timeline for fiscal year July 1, 2016 to June 30, 2017 (FY 2016/17) budget development:

February 23, 2016	Budget kick-off meeting
March 2016	Program level budget meetings
April 18, 2016	Draft budget presented to Board of Directors
June 27, 2016	Adoption of final budget

Board adopted budget amendments are required to increase total operating or capital expenditure levels. Budget transfers between District cost centers or program areas can be authorized by the District's General Manager and are reported to the Board of Directors as part of the quarterly budget report.

## Budget Summary

The FY 2016/17 expenditure Budget for Operations and Capital Projects is \$39,453,374 and allows for a fully funded Emergency Reserve (two months operating expenses), a Contingency Reserve of 3.5 months of operating expenses and funding \$3.45 million for future year projects in a new Capital Reserve.

**Table 1: Budget Summary**

	FY 2014/15 Actual	FY 2015/16 Budget	FY 2015/16 Estimated Actual	FY 2016/17 Draft Budget	FY 2016/17 Final Budget
<b>Revenue</b>					
Capital	2,987,471	14,666,503	10,845,260	7,624,858	10,132,854
Operations	28,010,487	29,730,138	29,149,296	32,596,057	32,604,512
<b>Total Revenue</b>	<b>\$30,997,958</b>	<b>\$44,396,641</b>	<b>\$39,994,556</b>	<b>\$40,220,915</b>	<b>\$42,737,366</b>
<b>Expenditures</b>					
Capital	2,987,471	14,666,503	10,845,260	7,624,858	10,132,854
Operations	25,399,837	27,838,050	25,901,276	29,309,290	29,320,520
<b>Total Expenditures</b>	<b>\$28,387,308</b>	<b>\$42,504,553</b>	<b>\$ 36,746,536</b>	<b>\$36,934,148</b>	<b>\$39,453,374</b>
Net Change in Fund Balance	\$2,610,651	\$1,892,088	\$3,248,020	\$3,286,768	\$3,283,992
Emergency Reserve	4,572,081	4,955,023	4,955,023	5,432,676	5,434,085
Contingency Reserve	7,275,144	8,784,290	8,784,290	9,498,596	9,494,411
Capital Reserve			1,355,932	3,450,740	3,450,740
Fund Balance (total reserve)	\$11,847,225	\$13,739,313	\$15,095,245	\$18,382,012	\$18,379,237

### District Reserve Balance

Marin Transit’s Board adopted policy designates an Emergency Reserve that is equivalent to two months of operating expenses and a Contingency Reserve equivalent to an additional two to four months of operating expenses. In the current SRTP, Marin Transit staff and Board Members reviewed 10-year projections of revenues and expenses to ensure long term financial stability while maximizing mobility for local transit riders. As recently as FY 2010/11 and FY 2011/12, Marin Transit relied on funds from the Contingency Reserve to balance the operations budget. In FY 2014/15, Marin Transit used prior year carry forwards to balance the budget.

Successful contract renegotiations with Golden Gate Bridge Highway & Transportation District (GGBHTD) in 2015 resulted in a new operations contract that is reflected in the FY2015/16 Budget. This contract provides a reduction in the costs of Local Fixed route service and the shift to direct payments for customer service, fuel, and other services and provides additional revenues for Local Paratransit.

A new competitively bid Local Paratransit contract was effective January 1, 2016 and has also resulted in lower purchased transportation costs. With these cost savings, the District has restored reserves and is implementing a 19% service expansion on June 12, 2016 as approved by the Board of Directors on March 28, 2016 and outlined in the District’s SRTP. Even with this service expansion, the FY 2016/17 budget anticipates a significant revenue surplus from increasing property tax, lower fuel costs, lower contract service rates, and carryforward of prior year Measure A funds. The District identified unfunded needs in the adopted SRTP that will be the basis for prioritizing expenditures as the financial outlook stabilizes and the current service expansion is completed.

The budget includes the creation of a Capital Reserve to ensure the availability of resources for high priority capital projects and grant matching funds. The District's Financial Management Policies regarding reserves has been updated to reflect the new Capital Reserve. The reserve is designed to reduce the District's future needs for borrowing or bonding for large capital projects. Since the Emergency Reserve is fully funded and the Contingency Reserve has more than the equivalent of two months operating expenses, the FY 2016/17 budget includes funding \$2.1 million in the Capital Reserve in addition to \$1.3 million that will be funded in FY 2015/16.

### Local Sales Tax – Measure A

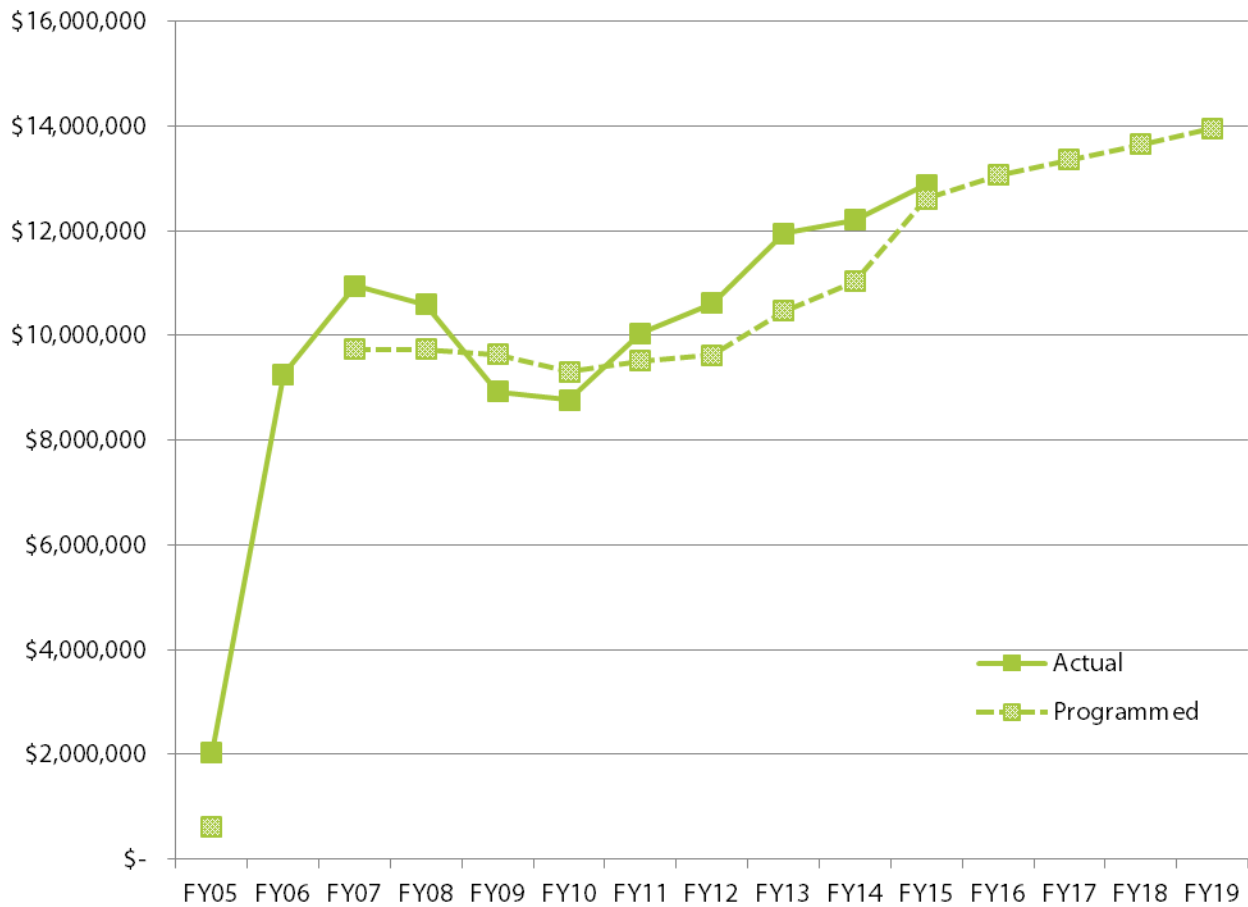
Marin County voters passed a half cent sales tax measure (Measure A) in 2004 to provide local funding and investment for transportation infrastructure and programs. Under the sales tax expenditure plan, fifty-five percent of Measure A is available for local transit service in the following four sub-strategies:

- Maintain and expand local bus transit service (37%);
- Maintain and expand rural bus transit system (3%);
- Maintain and expand transit services for those with special needs (9%); and
- Invest in bus transit facilities for clean and efficient transit system (6%).

Measure A provides approximately one-third of Marin Transit's operating revenues. Consequently, the drop in allocations beginning in Fiscal Year 2008 significantly impacted District revenues and the District cut back service and expenses. As the economy recovered, sales tax receipts in Marin County have rebounded with actual receipts for FY 2012/13 coming in 13% higher than the prior year. The growth has slowed with a 2% increase in FY 2013/14 and a 5% increase in FY2015/16. Transportation Authority of Marin (TAM) is projecting a conservative 2.2% increase for future years. Retail sales are strong, but other aspects of sales tax have not rebounded due to the change from manufacturing to a service based economy. This has less of an impact on Marin County which has never had a large manufacturing base.

TAM programs Measure A funding to the District based on projections, and adjusts future year balances to account for actual receipts. Based on the programmed amounts, Marin Transit requests annual allocations of funds. In recent years, the resulting carry forward of unallocated funds were significant, but a stabilizing economy should decrease this annual carryforward.

**Figure 1: Measure A Transit Funds by Fiscal Year (Programmed/Projected vs Actual Receipts)**

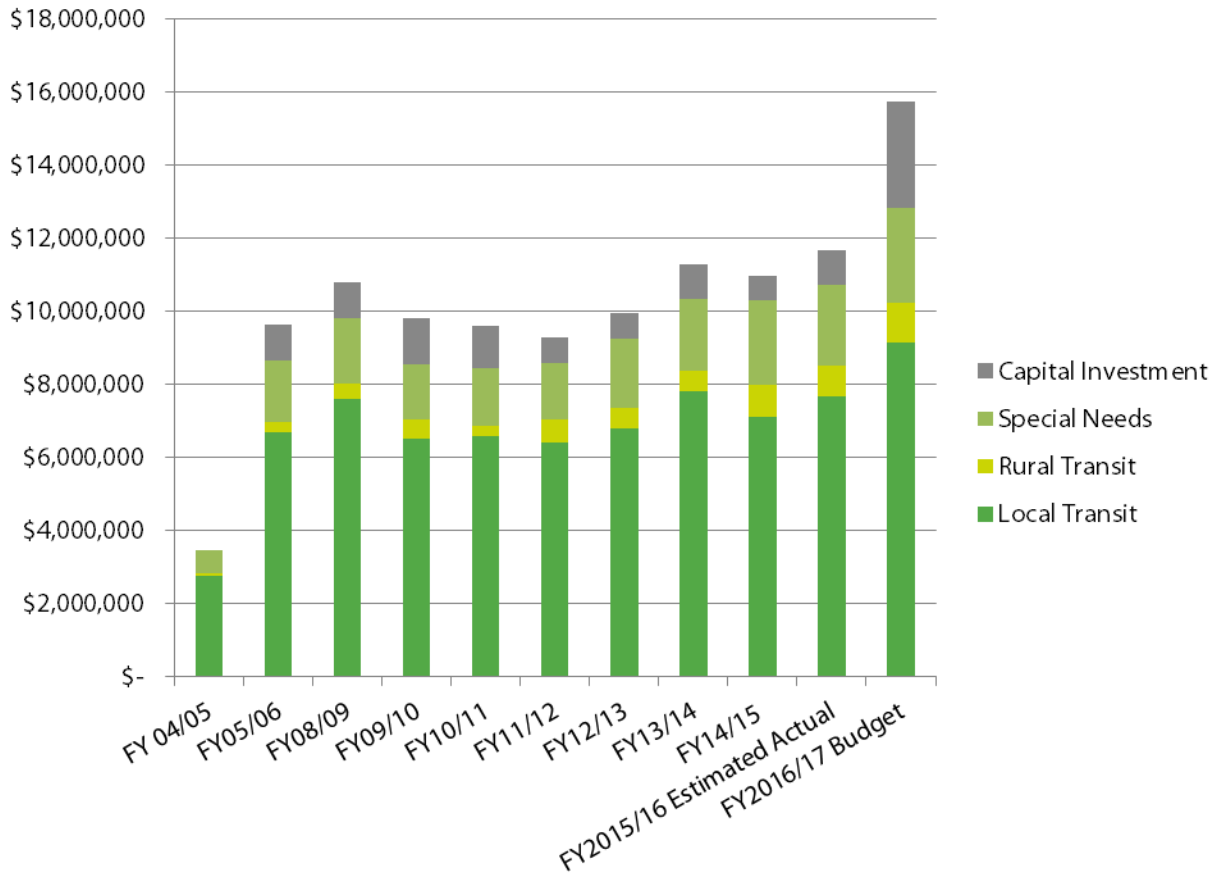


The District’s actual expenditure of Measure A revenue varies due to the capital replacement cycles and the availability of other grant funding in a particular year (Figure 2). Any unclaimed Measure A revenue in a given year is available for TAM to allocate to Marin Transit in future years. Marin Transit and TAM reviewed historic balances and made updates to include funds from FY 2004/05 that had not been previously programmed. This has increased Marin Transit’s reserves held by TAM by \$1.8 million.

After the Measure A allocations for the FY 2016/17 budget and assumptions for FY2015/16 actuals, the District will have a Measure A reserve of \$9.0 million (\$5.7 million in local, \$633,000 in rural, and \$2.7 million in capital funds). These reserves are held by TAM and are not included in Marin Transit’s Emergency or Contingency Reserve funds. Marin Transit programs these funds in the ten year operation and capital financial forecasts included in the adopted SRTP. Figure 2 shows the increase in local Measure A expenditures anticipated in the budget year (FY 2016/17) for the service increases. The Rural reserve allowed for service expansion on the Stagecoach and is being spent down over a 5-7 year period All Capital funds are programmed in the SRTP as local matching funds for upcoming vehicle replacements.

In FY2016/17, Marin Transit’s allocation of Measure A will be reduced by \$528,650 and the District will be allocated State Transit Assistance Funds through the Lifeline program. This fund exchange was requested by TAM’s Board of Directors and approved by the Marin Transit Board of Directors on March 28, 2016.

**Figure 2: Measure A Expenditures by Fiscal Year**



### Operations Budget

Marin Transit’s FY 2016/17 operations budget provides for operation of the following services:

Regular Local and Trunk Line	114,035 revenue hours
Community Shuttles	42,965 revenue hours
Local Supplemental School Service	6,786 revenue hours
Muir Woods Shuttle	4,950 revenue hours
Novato Dial-A-Ride	2,650 revenue hours
Yellow School Bus Service	6 buses
West Marin Stagecoach Service	16,500 revenue hours
Tomales Service	260 revenue hours
Local Paratransit Service	62,455 revenue hours
Regional Paratransit Service	10,560 revenue hours
Catch-A-Ride	16,096 trips
Volunteer Driver	14,000 trips

The operating expense budget of \$29,309,290 is a 5% increase over the FY 2015/16 budget (Table 2) and provides for an overall increase in service hours over the prior year budget of 16% (36,300 hours). The operating budget increase is due to service expansions in fixed route service. The operation budget for mobility management (including paratransit) decreases by 13% over the FY 2015/16 budget due to a new competitively bid operations contract for paratransit.

**Table 2: Operations Budget (Admin, Local, Rural, & Marin Access)**

	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Actuals	FY 2017 Final Budget	% Change in Budget from FY 2016
<b>Revenue</b>					
Fare Revenue	3,669,512	4,078,076	3,964,285	4,026,199	-1%
Advertising & Other Revenue	283,688	344,520	356,838	356,838	4%
Reimbursements (GGBHTD, WSW)	1,954,352	2,448,427	2,531,958	2,102,372	-14%
Interest	9,816	5,000	8,910	8,910	78%
Measure A	10,299,547	11,300,289	10,767,373	13,012,196	15%
Measure B	863,617	863,386	876,570	917,386	6%
Property Taxes	3,577,395	3,630,099	3,768,060	3,986,849	10%
Development Fees	33,961	17,517	34,426	33,959	94%
State Transit Assistance (STA)	1,310,912	1,328,015	1,316,133	1,666,660	26%
Transit Development Act (TDA)	4,542,050	4,566,400	4,270,164	4,586,366	0%
Other State	19,534	19,343	19,343	294,947	1,425%
FTA Funds	1,317,129	962,250	746,511	1,435,140	49%
National Park Service	168,666	166,816	188,725	176,690	6%
Transfers to Capital Budget	(39,691)	0	0	0	NA
<b>Total Revenue</b>	<b>28,010,487</b>	<b>29,730,138</b>	<b>29,149,296</b>	<b>32,604,512</b>	<b>10%</b>
<b>Expenses</b>					
Salaries and Benefits	1,410,195	1,992,741	1,766,040	2,243,260	13%
Professional Service	328,800	523,561	318,725	545,014	4%
Professional Service- Legal	88,716	85,000	75,547	105,000	24%
Security and Maintenance	19,183	204,000	234,848	242,570	19%
Customer Service	118,760	499,480	409,921	760,154	52%
Indirect County Overhead	2,009	5,000	2,013	5,000	0%
Mobility Management Support Programs	73,699	75,000	50,698	49,270	-34%
Office Supplies	86,261	128,999	124,093	145,620	13%
General Insurance	29,444	30,000	29,580	25,036	-17%
Contract Service Operation	21,814,329	21,157,393	20,731,815	22,319,868	5%
Membership & Prof Development	14,671	27,000	21,743	57,927	115%
Mileage and Travel	13,063	18,400	18,472	22,430	22%
Marketing	114,661	235,314	137,646	229,773	-2%
Communication	110,284	126,605	128,156	149,940	18%
Fuel	1,291,857	2,864,944	1,907,547	2,574,660	-10%
Misc. Services	22,348	30,750	23,428	19,000	-38%
Office - Rental and Overhead	92,236	96,000	95,000	98,000	2%
Partner Agency Pass Through	0	0	85,000	85,000	NA
Transfers to Capital Budget	(230,676)	(262,137)	(262,137)	(357,002)	36%
<b>Total Expenses</b>	<b>25,399,842</b>	<b>27,838,050</b>	<b>25,901,276</b>	<b>29,320,520</b>	<b>5%</b>
<b>Net Revenue Over Expenditures</b>	<b><u>2,610,646</u></b>	<b><u>1,892,088</u></b>	<b><u>3,248,020</u></b>	<b><u>3,283,993</u></b>	

## District Revenue

Marin Transit derives its revenues from multiple sources (Figure 3) with no single revenue source making up the majority of the District's operating funds. The primary revenue sources for Marin Transit operations are:

- Measure A sales tax operating funds;
- Transportation Development Act (TDA) funds;
- State Transit Assistance (STA) funds;
- Passenger fares; and
- Property taxes.

To develop revenue projections in the FY 2016/17 budget, staff referred to Metropolitan Transportation Commission (MTC) revenue projections for STA and TDA funds, Transportation Authority of Marin (TAM) allocations for Measure A, and County of Marin estimates for property tax revenue. This year, uncertainty in the State allocation process for STA means the projection for revenue based STA may vary significantly from actual allocations. The Budget includes a reasonable, but conservative estimate based on the known data. Since the ability to accurately project revenues is critical to establishing and maintaining service levels, the District should support efforts by the California Transit Association and MTC to quickly resolve the current uncertainty. Passenger fare revenue is budgeted based on current program receipts or estimated using a linear projection to account for service levels are increases or reductions.

The operating revenue budget of \$32,604,512 is a 10% increase from the FY 2015/16 budget (Table 2).

Six revenue categories have variances greater than \$100,000 between the FY2016/17 budget and FY2015/16 budget (Table 3). Measure A, Property Tax, Other State Revenue, and Federal Transit Assistance (FTA) increased significantly. The decrease of \$346,055 in Other Government Payments is primarily due to anticipated decreased payments from GGBHTD due to the lower paratransit operations costs under the new operations contract. The expenditure of Measure A revenue increases significantly in the budget due to the increase in expenses related to the June 2016 service expansion. The revenues include some reserve balances but also reflect the growth in Marin County sales tax.

Property Tax revenue projections are based on estimates from the County of Marin and indicate that another year of over 5% growth is likely. FY2015/16 receipts are expected to exceed the budget by 2%.

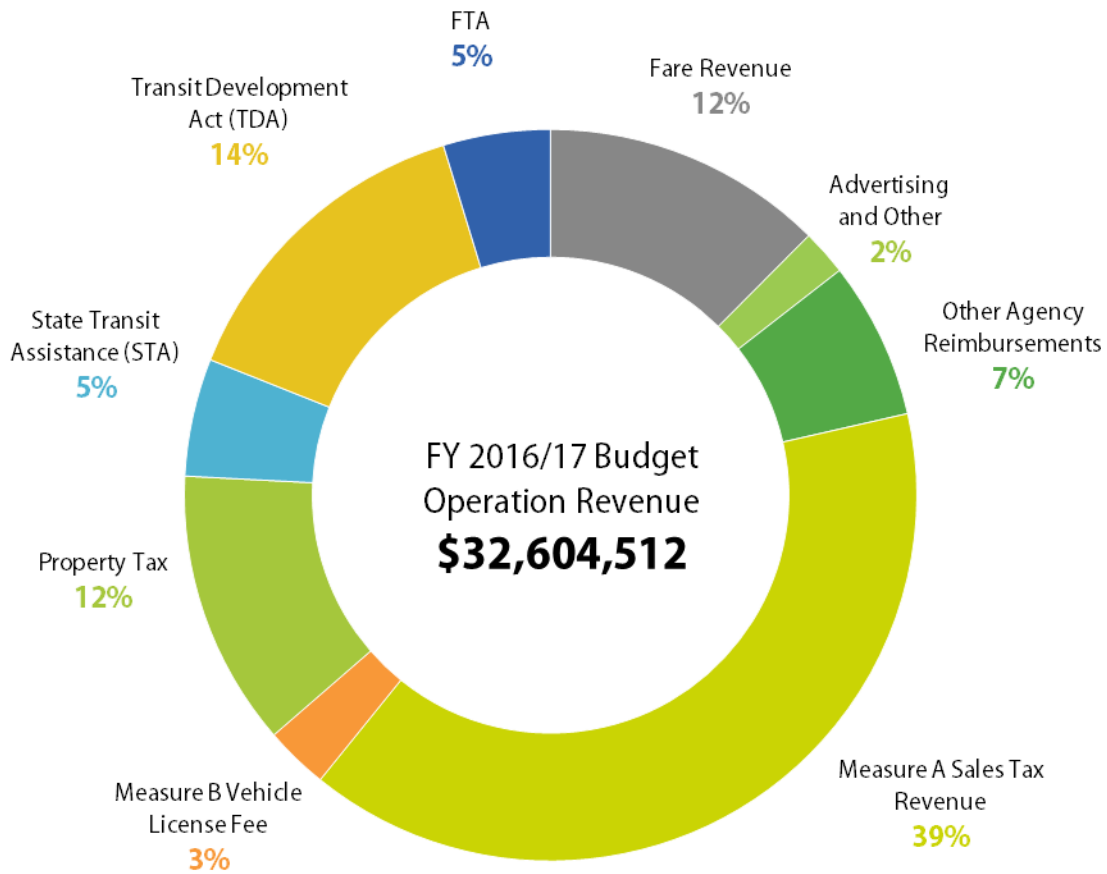
Other State Revenues includes a new operations funding source for new service under the Cap and Trade, Low Carbon Transit Operations Program. These funds can be used for new service for two years. Lastly, FTA funding increased due to Marin Transit receiving an increased share of ADA set aside funds under the new GGBHTD contract and the award of federal funds for the operation of Lifeline transit services under Cycle 4 of the regional Lifeline program.



**Table 3: Revenue Variances in Operations Budget**

Revenue Category	FY 2016/17 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Reimbursements/ Other Agency Payments	\$2,102,372	(\$346,055)	-14%	Decreased payments from GGBHTD due to lower contract costs for local and regional paratransit.
Measure A	\$13,012,196	\$1,711,907	15%	Increased allocations for service expansions
Property Tax	\$3,986,849	\$356,750	10%	County projected growth combined with estimated actuals in FY2015/16 exceeding budgeted amount
State Transit Assistance	\$1,666,660	\$338,645	6%	Increase is due to Lifeline STA discretionary grant awarded to the District combined with the TAM fund exchange for Measure A. The baseline MTC projections for Revenue Based and Population Based STA show declines due to drop in fuel prices.
Other State	\$294,947	\$275,604	1423%	Addition of Cap and Trade funds for new service under the Low Carbon Transit Operations Program (LCTOP)
FTA Operations Funds	\$1,435,140	\$472,890	49%	Increased formula share of ADA set aside funds combined with Lifeline Grant funding for transit operations

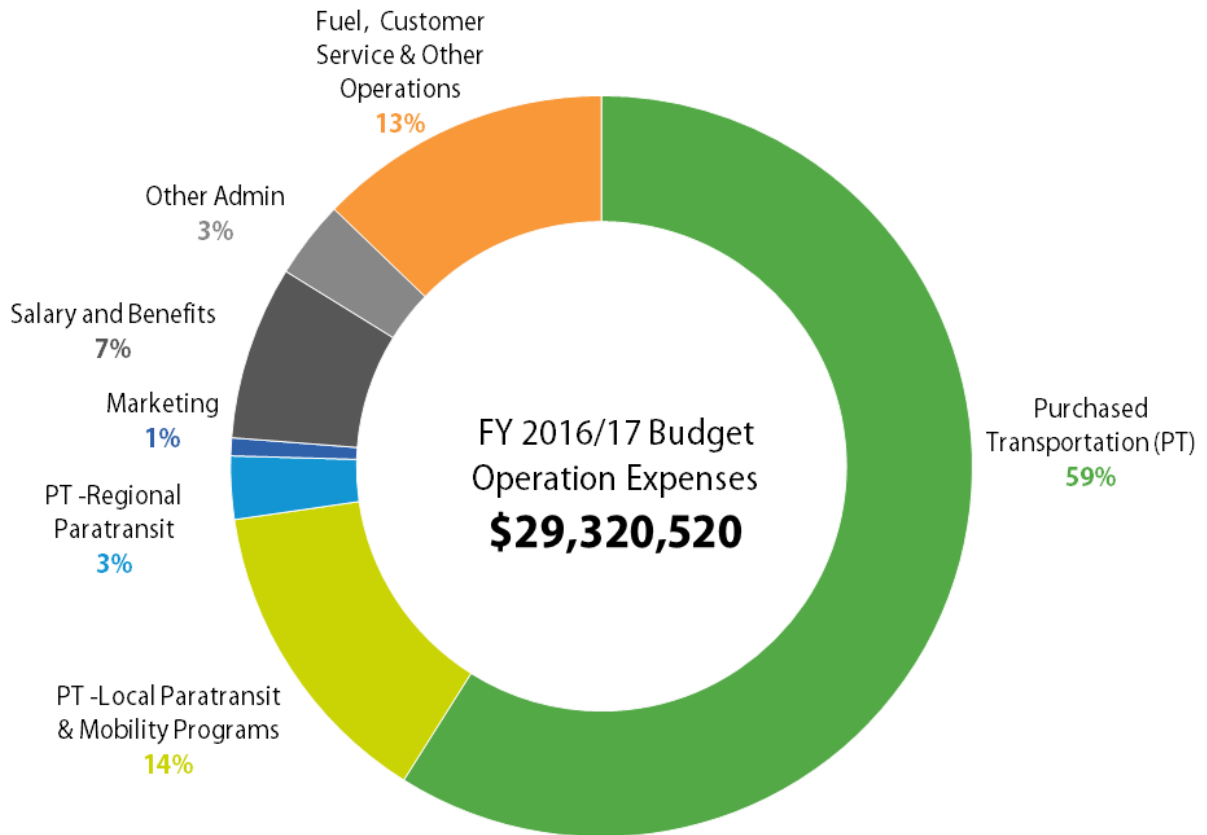
**Figure 3: Revenue Sources for FY 2016/17 Budget**



### District Expenses

Marin Transit provides local transit service through purchased transportation contracts. Under this structure, the majority of district operations expenses (Figure 4) are for contract service operation (76% - for Local Paratransit, Regional Paratransit and fixed route Purchased Transportation) and associated fuel and other operations expenses (13%). Information and trends on general agency costs including staffing, consulting, fuel, and marketing are discussed below. More detailed operations and service costs are then discussed in the following sections that correspond to the Measure A expenditure categories: Local Service, Rural Service, and Marin Access.

**Figure 4: Operations Expenses for FY 2016/17 Budget**



**Staffing**

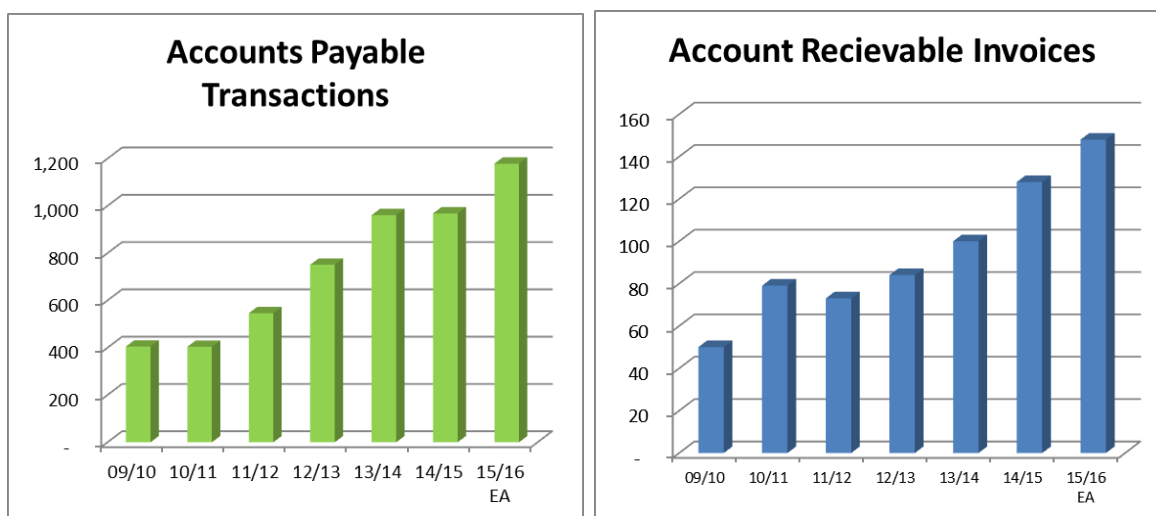
All District staff are employed directly by Marin Transit. Benefits for regular employees include medical benefits coordinated through the County of Marin and an employer funded defined contribution retirement program. FY2016/17 includes 15.6 regular full time equivalent employees plus temporary seasonal workers for the Muir Woods program.

The preceding fiscal years have included significant program growth and increased responsibilities for operations, planning, maintenance, and capital projects. Staff has identified structural gaps in the current staffing that include marketing and outreach, customer service, grants management, accounting, capital projects, and bus stop maintenance and improvements. Marin Transit was unsuccessful in filling a new capital program position in FY2015/16. To compensate, Marin Transit deferred bus stop improvement projects and utilized a lower level intern position, existing staff, and additional consultant support to deliver critical projects. Marin Transit staff is currently re-posting a revised job bulletin for this position. Marin Transit also has an unfilled position in the Operations and Planning department.

At the February 22, 2016 Board meeting an additional School Operations Analyst position was authorized to support management of yellow bus service at the request of two school districts. The position has recently been filled. The majority of the cost for this School Operations Analyst position will be funded by the school districts.

Filling the capital and school positions will address some workload challenges and help Marin Transit staff continue to provide quality local transit and deliver projects outlined in the District's Short Range Transit Plan. One identified gap that will not be affected by filling open positions is in accounting and grants. This budget adds an Accounting Analyst position to address this immediate need. Financial transactions, including processing invoices and creating accounts receivable invoices, have more than doubled since FY2010/11 when the District hired an Accounting and Grants Analyst (Figure 5). The District has compensated by relying on the District's Administrative Analyst/Board Secretary to enter financial transactions. In FY2012/13 the District took on direct employment and human resource (HR) functions which saved \$75,000 in annual HR consulting cost with the expectation that this would require a 0.5 FTE. Staff delayed this recruitment to ensure the District made conservative and deliberate staffing choices.

**Figure 5: Growth of Financial Transactions**



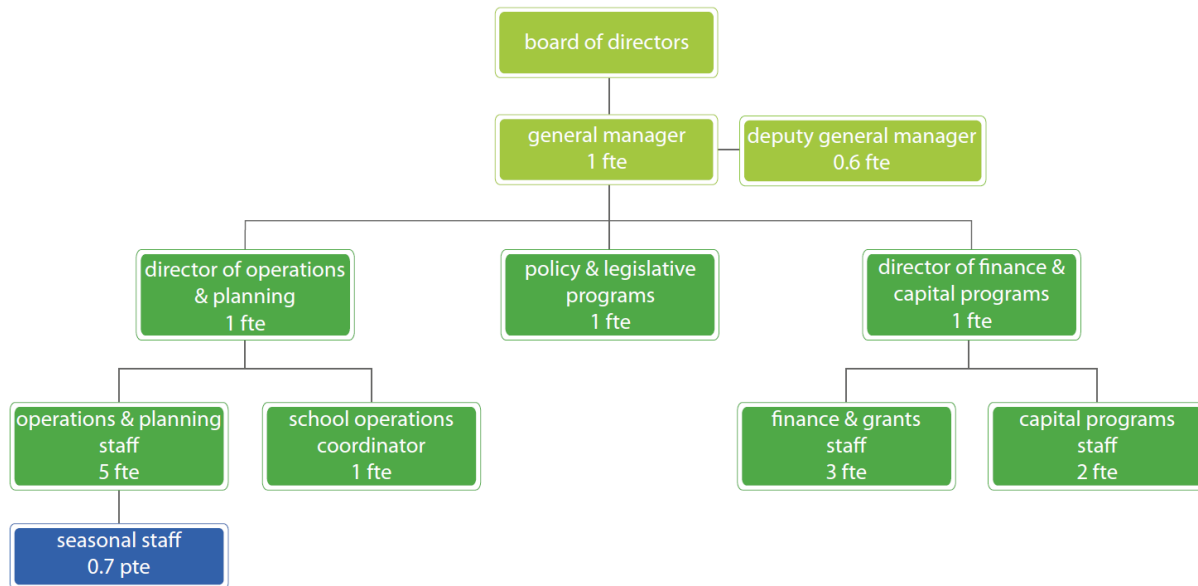
Once the currently vacant positions and the newly created accounting position are filled, it is appropriate for the District to take a comprehensive look at staff resources and the agency structure. Marin Transit staff will review staffing levels at similar transit agencies and review compensation and benefits levels to ensure the District is able to retain staff and deliver the best transit service possible.

With the creation of an Accounting Analyst position, the FY2016/17 budget will include 15.6 regular full time equivalent positions. Based on the employment framework adopted by the Board in August 2013, top salary ranges for each classification will increase by the consumer price index (CPI) of 3.0%. This does not affect individual salaries. Any potential salary increases for cost of living and merit are subject to the agency review process and will be in accordance with Board-adopted employment policies.

The salary and benefits budget increases 13% or \$256,219. This allows for the additional school operation position, the accountant position, a CPI increase, and additional compensation for merit based promotions or salary increases.

Currently, Marin Transit has several vacant positions. The budget assumes these positions are filled quickly. If there is a need to delay filling the positions to locate the right candidates, Marin Transit will continue to underspend in this budget category.

**Figure 6: Marin Transit FY 2016/17 Organization Structure**



**Fuel**

Effective in FY2015/16, Marin Transit pays directly for fuel on all purchased transportation contracts. This structure shifts the risks for fuel price fluctuations to the District and in exchange the contractors can provide lower contract rates since they do not need to hedge against potential fuel price increases.

The method by which fuel is purchased varies between contracts depending on the volume of service, existing infrastructure, and location of service. One contractor (GGBHTD) maintains its own fuel contract and delivery system. Two contractors purchase fuel through the County of Marin, and one contractor uses a combination of commercial pumps and onsite delivery. In general the bulk contract purchases (County of Marin and GGBHTD) provide a lower cost per gallon and result in a delayed market effect. The County of Marin applies a 10% service charge which reduces effective savings. As the District identifies future facility locations, potential fueling savings should be considered.

Fuel costs are projected in the FY2016/17 budget by accounting for both the projected service increases (increased consumption) and the projected price increases. Based on the March 2016, Short Term Energy Outlook, U.S. Diesel Fuel is expected to increase 25% next year but remain lower than FY2014/15 prices.

## Administration

The administration budget (Table 4) includes revenues and expenses that are shared by all program areas. While these items are budgeted and recorded in administration, expenses are allocated to the program budgets based on a program's resource usage (i.e., billed staff time). This allows Marin Transit to track the full cost of programs.

Expenses in the administration budget include staff salaries and benefits, audit fees, insurance, travel costs, professional development expenses, office rental, and other associated costs. Marin Transit's current administrative office lease extends through November 2017.

**Table 4: Administration Budget**

		FY 2015 Actual	FY 2016 Budget - Revised	FY 2016 Estimated Actuals	FY 2017 Budget	% Δ from FY 2016 Budget
<b>Revenue</b>						
4070301	Lease of Property	245	0	0	0	NA
4070400	Interest	9,816	5,000	8,910	8,910	78%
4079950	Development Fees	13,583	11,310	11,310	13,582	20%
4079954	Residual ABX 126	20,377	6,207	23,116	20,377	228%
4080101	PropTax-CurrntSecured	3,126,747	3,226,380	3,361,574	3,563,269	10%
4080102	County Fee-Admin Basic Tax	(49,661)	(48,970)	(48,970)	(51,419)	5%
4080103	Property Tax-Unitary	29,656	30,874	31,878	31,878	3%
4080104	PropTax-CurrntUnSecur	69,581	66,581	66,581	66,581	0%
4080105	Educ Rev Augm Fund-Redist	304,033	276,782	279,544	279,500	1%
4080106	PropTax-Supp CY SECR	88,406	70,120	70,120	88,406	26%
4080107	PropTax-Supp Unsecured	1,149	1,565	1,565	1,149	-27%
4080108	PropTax-Redemption	2,516	1,798	1,876	2,516	40%
4080109	Property Tax-Prior Unsecured	4,969	4,969	3,892	4,969	0%
4119940	Other State	208	208	208	208	0%
<b>Subtotal Revenue</b>		<b>3,621,625</b>	<b>3,440,609</b>	<b>3,811,604</b>	<b>4,029,926</b>	<b>10%</b>
4700001	Property Tax Transfer	(994,095)	(1,369,481)	(484,599)	(288,966)	-79%
<b>Net Revenue</b>		<b>2,627,530</b>	<b>2,283,343</b>	<b>3,327,005</b>	<b>3,740,960</b>	<b>64%</b>
<b>Expense</b>						
5010200	Salaries and Benefits	1,402,125	1,975,041	1,752,352	2,231,260	13%
5030301	Consultant Services	61,425	230,163	145,171	230,000	0%
5030305	Prof Svcs - Audit	45,058	42,115	30,000	30,900	-27%
5049901	Office Supplies	6,535	8,240	7,326	8,487	3%
5049902	Small Furn/Equip	2,599	12,000	12,000	12,360	3%
5049903	Software Maintenance	44,521	56,650	46,055	59,483	5%
5049904	Copier Suppl & Srvc	6,854	8,000	7,888	8,240	3%
5049905	Postage	1,135	2,500	1,500	2,500	0%
5049906	Computers	4,630	10,609	6,500	9,000	-15%
5050201	Communication - Phone	20,635	23,602	28,116	28,000	19%
5060301	Insurance - Gen Liability	29,444	30,000	29,580	25,036	-17%
5090101	Memberships & Prof Dev.	14,671	27,000	21,743	57,927	115%
5090202	Mileage and Travel	13,063	18,400	18,472	22,430	22%
5090801	Marketing	19,144	24,479	7,386	12,000	-51%
5100401	County Fee - Special District	2,009	5,000	2,013	5,000	0%
5121200	Office Rental	92,236	96,000	95,000	98,000	2%
<b>Subtotal Expense</b>		<b>1,766,085</b>	<b>2,569,799</b>	<b>2,211,102</b>	<b>2,840,623</b>	<b>11%</b>
5100100	Salary/Benefit Transfers	(1,306,935)	(1,829,544)	(1,708,277)	(1,963,509)	7%
5100101	Transfer Overhead	(442,267)	(348,998)	(423,840)	(420,144)	20%
<b>Net Expense</b>		<b>16,882</b>	<b>391,257</b>	<b>78,985</b>	<b>456,970</b>	<b>17%</b>

## Local Service

The local service budget (Table 6) includes all revenues and expenses related to the provision of fixed route service and general purpose dial-a-ride (excluding rural service). Major programs in the local service budget include Local Fixed Route, Community Shuttle service, Supplemental School, Muir Woods seasonal shuttle, and Novato Dial-A-Ride.

The local service budget for FY 2016/17 is \$20,645,062 (Table 6). This budget is a 13% increase from the prior year budget and provides for a 19% increase in fixed route service. The District's adopted service change and expansion will be implemented on June 12, 2016 and the costs for these services include a 22% increase of Regular Local and Trunk Line service and an 8% increase in Community Shuttle hours (Table 5). The budget also includes operation of the seasonal Muir Woods Shuttle with limited weekday service, continuation of the College of Marin funded partnership service with student fees, and yellow bus operation in Ross Valley. While included in the Local Service budget, yellow bus service is not eligible for federal transit funding and is recorded in a separate fund in the accounting system.

Other major expenses included in the Local Service budget are consultant services (stop-level ride checks, service contract audits and reviews, grant-funded studies), communication, marketing, and staff time for contract oversight. Costs and revenues for special projects such as the youth pass, Homeward Bound tickets, and supplemental school services are also included under this budget.

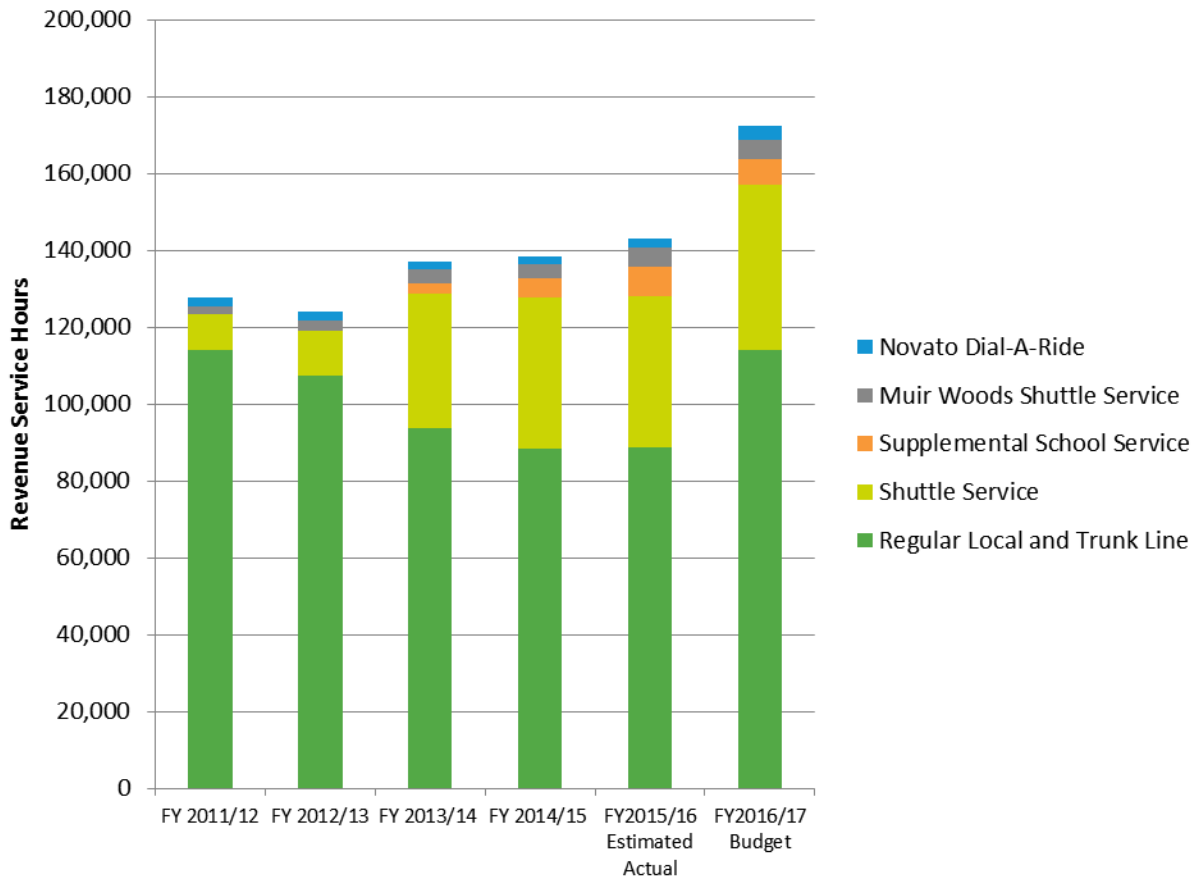
Within the yellow bus program, Marin Transit will continue to operate yellow bus service in Ross Valley including contract management, operations, and fare pass sales. This year, two additional school districts will directly pay Marin Transit to help manage and implement yellow bus services. This expense is included in the Local Budget as additional salary and benefit costs transferred from the Administration Budget.

**Table 5: Local Budget Service Levels**

Service Type	Service (Revenue Hours)	Average Contract Cost Per Hour (without fuel)	Notes
Regular Local and Trunk Line	114,035	\$100.59	Twenty-two percent (22%) increase over prior year service level; service provide by three contractors
Community Shuttles	42,965	\$72.84	Eight percent (8%) increase over prior year service level
Local Supplemental School Service	6,786	\$99.10	Similar service level to prior year
Muir Woods Shuttle	4,950	\$72.25	Seasonal weekend, holiday and limited weekday service.
Novato Dial-A-Ride	2,650	\$59.97	Similar to FY2016 budgeted service level
Yellow School Bus Service	6 buses	NA	Same direct operation of RVSD; new directly funded support to additional districts



**Figure 7: Local Revenue Service Hours by Program**



Local service is funded with a combination of fare revenue, advertising revenue, Measure A local sales tax funds, State Transit Assistance, and limited federal grants. Measure A sales tax funds budgeted for local service are \$9,214,741 and 44% of budgeted revenues. State operations funding from Transportation Development Act (TDA) and State Transit Assistance (STA) make up 28% of the local budget. Fare revenues are estimated to be 16% of the budget.

Marin Transit expects to expend the following grant awards for local service in FY 2016/17:

<u>Amount</u>	<u>Program</u>	<u>Source</u>
\$123,080	Youth Pass	MTC Transit Incentive Funds
\$222,210	Shuttle to Health and Human Services	Lifeline Cycle 4 (JARC)
\$275,413	Local Service Expansion	Low Carbon Transit Operations Program (LCTOP)

**Table 6: Local Service Budget**

		FY 2015 Actual	FY 2016 Budget - Revised	FY 2016 Estimated Actuals	FY 2017 Budget	% Δ from FY 2016 Budget
<b>Revenue</b>						
4060301	Advertising Revenue	218,971	278,004	229,202	229,202	-18%
4070301	Lease of Property	64,472	66,516	127,636	127,636	92%
4090101	Other Gov Agency Payments	6,559	0	157,132	248,675	NA
4092001	Measure A Sales Tax	7,109,172	8,086,178	7,552,030	9,214,741	14%
4092003	Measure A Sales tax - Interest	0	0	85,000	85,000	NA
4110101	State Transit Assistance	1,217,391	1,256,385	1,253,361	1,083,659	-14%
4110102	Transit Development Act (TDA)	4,542,050	4,566,400	4,570,164	4,640,233	2%
4110103	State Transit Assistance - Lifeline	13,181	0	0	528,650	NA
4119904	State - LCTOP	0	0	0	275,413	NA
4139910	Fed-FTA 5307- JARC	0	0	0	222,210	NA
4139912	Fed-FTA 5307 STP	216,017	122,249	0	123,080	1%
4139951	National Park Service	120,773	166,816	159,272	176,690	6%
4139961	Fed-FTA 5304 State Planning	101,850	10,000	0	0	-
4140100	Fare Revenue	3,210,813	3,255,396	3,213,163	3,309,873	2%
4140105	Fare Revenue – Yellow Bus	0	368,000	280,000	280,000	-24%
<b>Subtotal Revenue</b>		<b>16,821,249</b>	<b>18,175,944</b>	<b>17,626,960</b>	<b>20,545,062</b>	<b>13%</b>
4700001	Property Tax Transfer	0	0	0	0	-
4700002	Program Revenue Transfer	99,846	100,000	100,000	100,000	0%
<b>Total Revenue</b>		<b>16,921,095</b>	<b>18,275,944</b>	<b>17,726,960</b>	<b>20,645,062</b>	<b>13%</b>
<b>Expense</b>						
5010200	Salaries and Benefits	4,282	17,700	13,688	12,000	-32%
5030301	Consultant Services	233,724	226,350	91,242	218,000	-4%
5030310	Fare Processing Charges	0	0	27,000	30,000	-
5030320	Customer Service	0	302,000	301,571	310,154	3%
5030602	Custodial Service	19,183	20,000	15,848	17,000	-15%
5030701	Security Services	0	184,000	219,000	225,570	23%
5040101	Fuel	489,952	1,884,401	1,156,761	1,733,163	-8%
5050205	Communication-AVL	42,635	44,746	52,143	66,341	48%
5050206	Communication-Data	2,331	10,000	3,000	5,000	-50%
5080101	Purchased Transportation	15,033,513	13,551,734	13,707,535	15,792,912	-17%
5080103	Yellow Bus School Service	0	616,000	588,600	607,435	-1%
5090801	Marketing	39,082	95,481	85,252	95,481	0%
5100404	Expense Transfer - GGT Wave	0	0	85,000	85,000	-
5122010	Signs	22,348	30,750	23,428	19,000	-38%
<b>Subtotal Expense</b>		<b>15,887,705</b>	<b>15,887,705</b>	<b>16,370,068</b>	<b>19,217,056</b>	<b>13%</b>
5100100	Salary/Benefit Transfers	772,109	1,099,155	1,095,232	1,190,005	8%
5100101	Overhead Transfer	261,282	193,627	261,660	238,001	23%
<b>Total Expense</b>		<b>16,921,095</b>	<b>18,275,944</b>	<b>17,726,960</b>	<b>20,645,062</b>	<b>13%</b>

## Rural Service

Rural Service is operated as the West Marin Stagecoach and includes northern Route 68, southern Route 61, and Tomales-Dillon Beach Dial-A-Ride. The Rural service budget (Table 8) includes contract service operations, marketing, fuel, communications, and Marin Transit staff expenses.

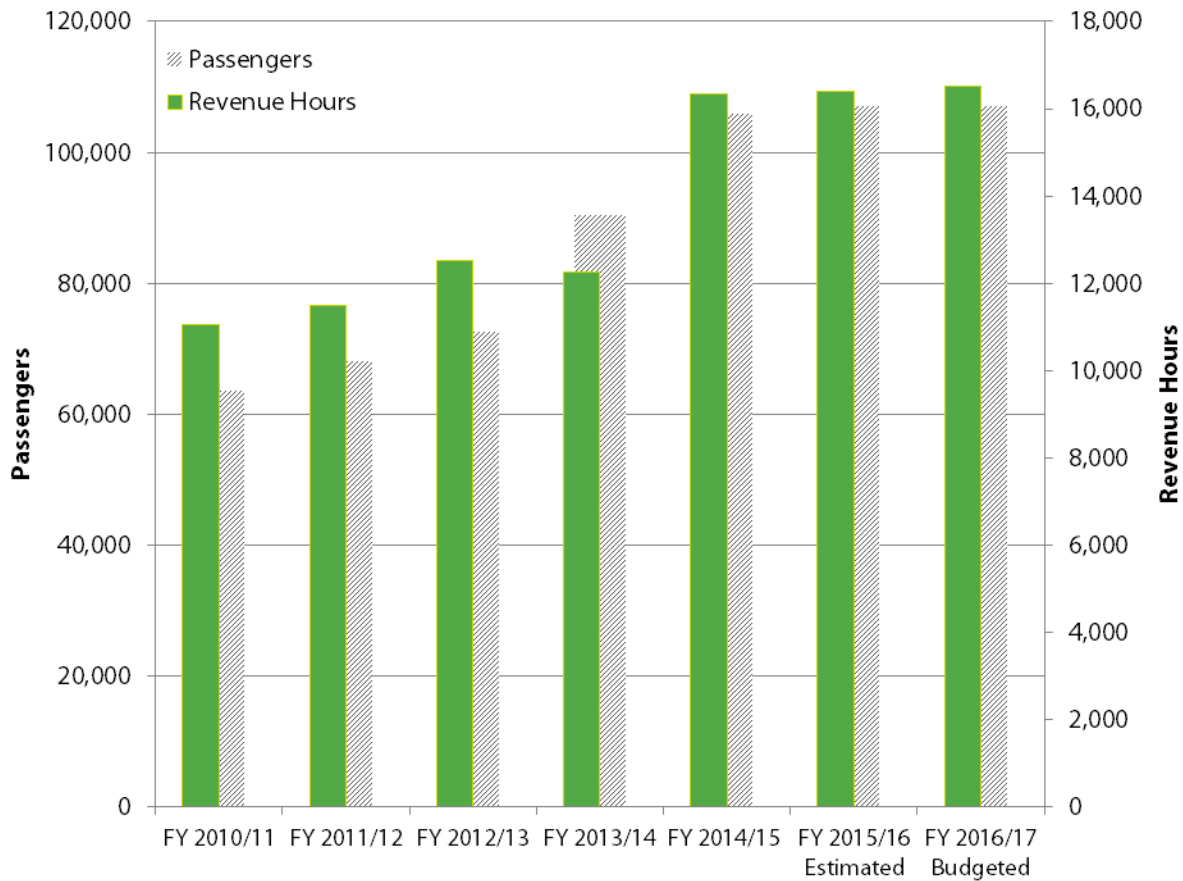
**Table 7: Rural Budget Service Levels**

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
West Marin Stagecoach	16,500	\$61.87	Minor service increase, increased contract rate to allow for wage increases.
Tomales-Dillon Beach Dial-A-Ride	260	\$55.70	Lower rate as part of new Paratransit contract

The West Marin Stagecoach Routes 68 and 61 are operated under contract with MV Transportation. The current contract extends through June 30, 2018. This effective contract rate is \$7.00 higher than the current year under a revised allocation of the fixed fee contract component and a new contract amendment that provides increased contractor employee wages. The Tomales-Dillon Beach Dial-A-Ride service is operated by the paratransit contractor.

The FY2016/17 Rural budget will fund the same level of service as the prior year and includes 16,500 fixed route revenue hours. The pilot Stagecoach Route 65 was redesigned as a general public Dial-A-Ride service in an attempt to help the route meet performance targets. The solid green bar in Figure 7 shows how the District has increased Rural revenue hours in prior years and the corresponding ridership growth.

**Figure 8: Rural Service Level Trends and Assumptions**



Rural service is funded with a combination of local sales tax funds and Federal Transit Administration (FTA) Section 5311 rural funding. Marin Transit receives an annual allocation of 3% of Measure A sales tax funds (\$728,204 for FY 2016/17) for rural service. In addition to the current year allocation, the Rural service budget (Table 8) includes the expenditure of \$365,947 of unspent prior year rural Measure A funding. The District is estimated to have a reserve of \$700,000 in prior year Rural Measure A funds at the end of FY2016/17 (held by the Transportation Authority of Marin), which is down from last year’s balance of \$1.2 million. These prior year funds are due to (1) a reduced rate for contracted services effective in January 2012, (2) fluctuating FTA funds for rural operations, and (3) recent increases in Measure A sales tax receipts. The service expansion in 2014 was anticipated to allow the District to fully expend the reserve funds over a five-year time frame. This will be the third year of expanded service and corresponding increases in expenditures. The remaining two years, of the five year expenditure plan, will allow the District to make future service level adjustments based on performance and future funding forecasts. The Short Range Transit Plan assumed a continuation of the current service levels with increased property tax funding expended on the program.

Section 5311 funding is programmed through MTC based on rural populations and service hours. MTC’s recent programming changes have created a multi-year program that increases the predictability of funding. However, Marin Transit has experienced an overall decline in FTA 5311 funding.

**Table 8: Rural Service Budget**

		FY 2015 Actual	FY 2016 Budget- Revised	FY 2016 Estimated Actuals	FY 2017 Budget	% Δ from FY 2016 Budget
<b>Revenue</b>						
4092001	Measure A Sales Tax	886,505	1,010,565	926,797	1,094,151	8%
4139920	Fed-FTA 5311 Rural	212,197	217,117	210,793	210,793	-3%
4139951	National Park Service	47,893	0	29,453	0	-
4140100	Fare Revenue	128,410	124,126	137,604	137,604	11%
<b>Total Revenue</b>		<b>1,275,005</b>	<b>1,351,808</b>	<b>1,304,647</b>	<b>1,442,548</b>	<b>7%</b>
<b>Expense</b>						
5010200	Salaries and Benefits	3,135	0	0	0	-
5030301	Consultant Services	2,906	15,914	11,020	15,914	0%
5030310	Fare Processing Charges	0	0	980	1,200	-
5040101	Fuel	180,232	255,608	205,700	211,871	-17%
5050205	Communication-AVL	14,212	15,167	13,500	16,000	5%
5050206	Communication-Data	831	1,000	1,000	1,000	0%
5080101	Purchased Transportation - In Report	890,257	901,952	916,240	1,035,609	15%
5080102	Purchased Transportation – Not in Report <sup>1</sup>	2,840	0	29,453	0	-
5090801	Marketing	31,236	25,750	23,000	30,000	17%
<b>Subtotal Expense</b>		<b>1,125,648</b>	<b>1,215,391</b>	<b>1,200,893</b>	<b>1,311,594</b>	<b>8%</b>
5100100	Salary/Benefit Transfers	111,593	116,198	83,686	104,125	-10%
5100101	Transfer Overhead	37,763	20,219	20,068	26,828	33%
<b>Total Expenses</b>		<b>1,275,005</b>	<b>1,351,808</b>	<b>1,304,647</b>	<b>1,442,547</b>	<b>7%</b>
Notes:						
1) Fort Baker service operated for National Park Service						

## Marin Access (Paratransit and Mobility Management)

The Marin Access budget (Table 10) includes Marin Access Paratransit Services for both local and regional trips (intra- and inter-county) and the associated costs (fuel, communications, and marketing). The Marin Access budget also includes Marin Transit's Mobility Management Office and Mobility Management Center, including the Catch-A-Ride subsidized taxi program, volunteer drivers, travel navigators, and travel training. The purpose of the Mobility Management Office is to increase mobility for the County's senior, disabled, and low-income residents and to help manage the increasing demand for paratransit services.

The FY 2016/17 budget for Marin Access (Table 10) is \$6.8 million and funds the service and programs shown in Table 9. The budget is a 13% decrease from FY 2015/16 budget and is similar to FY2013/14 expenditures. The decline is due to the lower local paratransit contract rates (24% less) and regional contract rates (30% less) that took effect January 1, 2016. Marin Transit is committed to ensuring sufficient funding is available to meet ADA-mandated paratransit service demand and using any additional paratransit funding to continue meeting the majority of demand for non-mandated trips. An internal Marin Transit mobility management study to evaluate current mobility programs and identify opportunities and needs for future programs is anticipated to be completed in the summer of 2016.

### ***Paratransit***

The local component of the Marin Access paratransit service provides demand-response trips to passengers that are certified as unable to use the fixed route system either all or some of the time. This includes trips mandated under the Americans with Disabilities Act (ADA) federal law as well as trips that go beyond the ADA. While demand for paratransit in Marin County has historically continued year-over-year growth as Marin County ages, the current fiscal year has seen a 5% drop in local paratransit ridership (Figure 9). While staff continue to evaluate and monitor trends on paratransit, drops in ridership are consistent with decreases seen on other programs in FY2015/16.

The FY2016/17 budget includes a 4.5% increase in revenue service hours over the FY2015/16 estimated actuals. The budget also includes other related program costs such as scheduling software, operations of on-vehicle equipment, and fuel. Consulting budget is available for IT costs related to hosting software and for a potential maintenance review.

Fuel for the paratransit program is purchased directly from the County of Marin. The FY2016/17 fuel budget is 13% lower than the current year based on both a drop in fuel prices and slower program growth.

Regional paratransit service levels are determined by GGBHTD. Similar contract savings are reflected in the budget.

**Table 9: Marin Access Budget Service and Program Levels**

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
Local Paratransit	62,455	\$56.97 <sup>1</sup>	4.5 % increase in hours over FY2015/16 Estimated Actual
Regional Paratransit	10,560	\$77.06 <sup>2</sup>	Lower rate as part of new Paratransit contract
Service/Program	Service Level (Projected Ridership)	Funding Level	Notes
Catch A Ride	16,096	\$300,000	Similar program level. Availability of Taxi providers may affect delivery of service.
Volunteer Driver	14,000	\$212,000	Plans to expand non-traditional volunteer driver programs in Central and West Marin.
Gap Grants	NA	\$40,000	Refocused grant making with an emphasis on program sustainability
Low Income Scholarships	NA	\$40,000	Provides free paratransit fares for low income riders. Program may be adjusted or expanded based on 2016 mobility management study.
Travel Navigators and Outreach Programs	NA	\$450,000	Award and implement a new contract for the provision of Travel Navigator services in East and West Marin to create a more comprehensive and coordinated countywide program

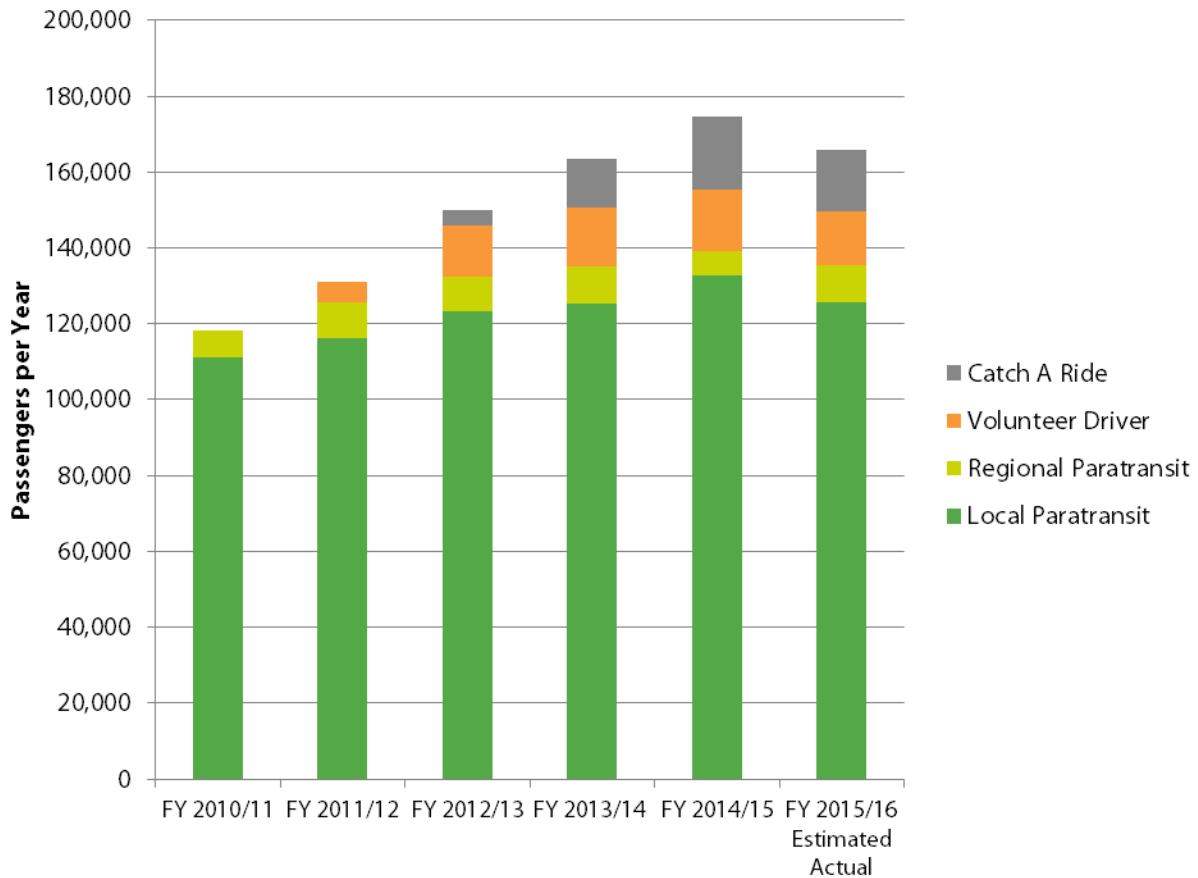
Notes:

- 1) This is the effective rate at the projected service level. Actual costs are billed as a fixed monthly administrative cost with a \$34.98 hourly rate.
- 2) This is the effective rate at the projected service level. Actual costs are billed as a fixed monthly administrative cost with a \$41.22 hourly rate.

**Mobility Management**

The Mobility Management Office was established in 2009 and was initially funded with a Federal New Freedom Grant. Shortly after, in October 2010, Marin Transit established the Marin Access Mobility Management Center (Travel Navigator program), a one-stop-shop for information and eligibility on all Marin Access programs, which have grown to include paratransit, volunteer driver, a subsidized taxi program (Catch-A-Ride), and travel training. Travel training activities include local informational presentations, a transit ambassador program, and a weekly training bus for the developmentally disabled. Marin Transit also provides free fixed route tickets, valued at \$100,000, to Marin County's Homeward Bound program for participating residents. The cost of this program is represented as a revenue transfer to the Local Budget.

**Figure 9: Marin Access Passengers by Program**



Like paratransit, Catch-A-Ride and volunteer driver programs also saw slight declines in ridership for FY2015/16. Catch-A-Ride’s ridership decline is largely due to a change in the taxi market that drastically reduced the availability of taxis in Marin County.

Mobility Management initiatives in the FY 2016/17 budget include; awarding and implementing a new contract for the provision of Travel Navigator services in East and West Marin to create a more comprehensive and coordinated countywide program, expanding travel training, evaluating new providers and wheelchair accessible vehicles for the Catch-A-Ride (Paratransit Plus) discounted taxi ride program, formalizing a means tested low-income fare policy across all Marin Access programs, expanding volunteer driver programs, re-focusing the Gap Grants initiative, and revising the eligibility process, including requirements, for all programs.

**Marin Access Revenue**

Local paratransit is primarily funded by local sources including Measure A and property tax. GGBHTD payments towards local paratransit cover the regional share of local paratransit trips based on their share of fixed route service. Accordingly, GGBHTD also benefits from the paratransit contract cost savings and GGBHTD has the ability to directly report the associated ridership, fares, and costs to the National Transit Database (NTD) and the State Controller’s Office. Marin Transit’s share of Federal Transit Administration Section 5307 funding to support paratransit



operations increased to 80% of the Marin County share under the 2015 GGBHTD contract. This source now accounts for 9% of Marin Access revenue.

Marin Transit’s Marin Access programs are funded through a combination of property tax, sales tax, vehicle registration fees, GGBHTD reimbursements, state funds, and federal grants. Marin Access receives 9% of Measure A sales tax revenue. Beginning in FY 2011/12, Marin Transit receives 35% of the Measure B vehicle license fee to support the mobility management initiatives. Marin County voters passed the Measure B vehicle license fee in November 2010 which provides funding for Marin Access programs. Marin Transit is budgeting \$917,386 of Measure B funding in FY 2016/17, which includes \$132,586 in unspent prior year allocations.

GGBHTD will continue to fully fund regional paratransit service. This contribution is expected to decrease 26% in FY2016/17 because of the new paratransit contract rate, which also applies to regional service.

Fare revenue makes up approximately 4% of the Marin Access budget. Based on the final SRTP recommendations, Marin Transit may consider restructuring paratransit fares and other mobility management program fees in FY2016/17. As this will require a public hearing process and Board approval, the Budget does not include an assumption of increased fare revenue. As part of any fare increase, Marin Transit will also consider formalizing a more comprehensive low-income fare policy across all Marin Access programs and fixed route services.

Marin Transit expects to expend the following grant awards in FY 2016/17:

<u>FY2016/17 Expenditure</u>	<u>Total Grant Award</u>	<u>Program</u>	<u>Source</u>
\$67,623	\$160,436	Traditional Volunteer Driver Pilot Program/Expanded Coordination Efforts	Federal New Freedom (Cycle 5)
\$186,270	\$186,270	ADA Catch-A-Ride/Travel Navigator	Federal Section 5310

**Table 10: Marin Access Budget**

		FY 2015 Actual	FY 2016 Budget - Revised	FY 2016 Estimated Actuals	FY 2017 Budget	% Δ from FY 2015 Budget
<b>Revenue</b>						
4090101	Fee For Service	5,357	0	0	0	-
4092001	Measure A Sales Tax	2,303,870	2,203,546	2,203,546	2,564,437	16%
4099950	Measure B	863,617	863,386	876,570	917,386	6%
4110101	State Transit Assistance	80,340	71,630	71,360	54,351	-24%
4119910	State Prop Tx Relief HOPTR	19,326	19,135	19,135	19,326	1%
4139910	Fed-FTA 5307 Urbanized Area Formula	677,859	461,944	461,944	625,164	35%
4139915	Fed-FTA 5310 Mobility	0	50,000	0	186,270	273%
4139941	Fed-FTA 5317 New Freedom	109,207	100,940	73,774	67,623	-33%
4140100	Fare Revenue	330,289	330,554	333,518	298,722	-10%
4601001	Misc.-Reimbursement	64,447	66,294	30,318	30,318	-54%
4601003	GGBHTD – Local Paratransit Payment	725,800	1,217,696	1,190,608	966,024	-21%
4601004	GGBHTD – Regional Paratransit Payment	1,152,188	1,164,437	1,153,900	857,355	-26%
<b>Subtotal Revenue</b>		<b>6,332,300</b>	<b>6,549,562</b>	<b>6,414,673</b>	<b>6,586,976</b>	<b>1%</b>
4700001	Property Tax Transfer	954,404	1,369,481	476,011	288,966	-79%
4700002	Program Revenue Transfer	(99,846)	(100,000)	(100,000)	(100,000)	0%
<b>Total Revenue</b>		<b>7,186,858</b>	<b>7,819,043</b>	<b>6,790,684</b>	<b>6,775,942</b>	<b>-13%</b>
<b>Expense</b>						
5030301	Consultant Services	74,402	94,019	92,000	124,000	32%
5030320	Customer Service	118,760	197,480	108,350	450,000	128%
5040101	Fuel	621,674	724,935	545,086	629,626	-13%
5049903	Software	19,987	31,000	42,824	45,550	47%
5050203	Communication- Mobile Data Terminal	3,871	4,000	4,120	4,500	13%
5050204	Communication-MERA Radio	19,268	19,900	18,057	20,499	3%
5050206	Communication-Data	6,500	8,190	8,220	8,600	5%
5080101	Purchased Transportation - In Report	4,774,784	5,008,642	4,363,863	4,070,137	-19%
5080102	Purchased Transportation - Regional	1,112,936	1,079,065	1,126,124	813,775	-25%
5090801	Marketing	25,199	89,604	22,008	92,292	3%
5098001	Misc-Exp Transit User Training	5,897	9,000	4,456	9,270	3%
5098002	Gap Grant	50,158	46,000	27,850	40,000	-13%
5098003	Low Income Rider Scholarships	17,644	20,000	18,392	0 <sup>1</sup>	-100%
<b>Subtotal</b>		<b>6,851,080</b>	<b>7,331,835</b>	<b>6,381,350</b>	<b>6,308,249</b>	<b>-14%</b>
5100100	Salary/Benefit Transfers	250,881	414,995	330,162	371,877	-10%
5100101	Transfer Overhead	84,898	72,212	79,172	95,815	33%
<b>Total Expense</b>		<b>7,186,860</b>	<b>7,616,003</b>	<b>6,790,684</b>	<b>6,775,941</b>	<b>-13%</b>

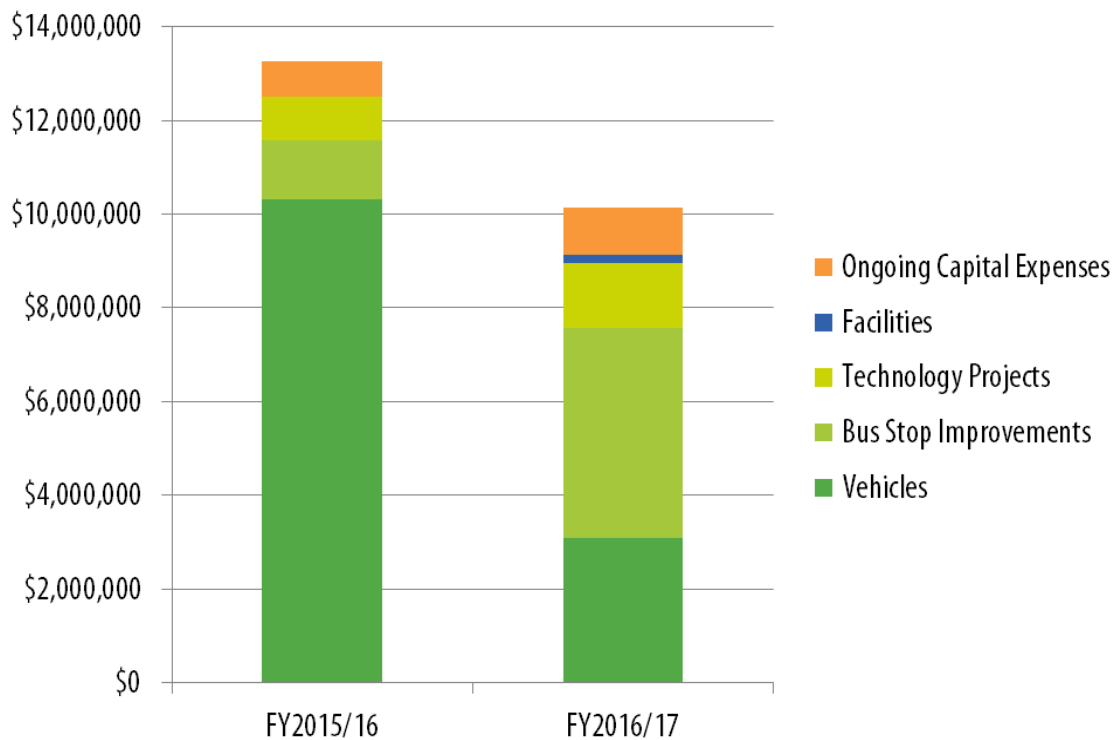
Notes:

- 1) Low income rider scholarships now accounted for as a revenue reduction rather than an expense. The program is budgeted at \$40,000 in FY2016/17

# Capital Budget

Marin Transit’s capital budget (Table 11) provides funding for transit vehicles, bus stop and transit hub improvements, transit technology projects, and other capital expenses. The FY2016/17 capital budget is a balanced budget of \$10,132,854. All projects meeting the requirements of the District’s capital asset policy are capitalized and depreciated over the defined life of the associated asset type. The capital budget is presented in Table 11 in a multi-year project format to show how annual expenditures are represented in the FY 2016/17 budget. Seventy-one percent of the proposed FY 2016/17 capital budget is funded by state and federal grants.

**Figure 10: Capital Project Budget by Type**



The following capital projects will be active for FY 2016/17:

## Vehicles

Purchase One Shuttle Vehicle (Replacement) – Marin Transit will purchase one (1) shuttle replacement vehicle in FY 2016/17. The expenditure of \$122,000 for this vehicle will be funded with 82% Federal 5307 funds and 18% Measure A local sales tax funding. The vehicle has been ordered and is expected to be delivered in summer 2016.

Purchase Two XHF Vehicles (Replacements) – Marin Transit will purchase two XHF vehicles. These vehicles will be added to the fleet used for rural, seasonal, and supplemental service. The vehicles will replace one shuttle vehicle and one 40ft vehicle previously operated by GGBHTD. The expenditure of \$944,000 will be funded with 52%

Federal 5307 funds and 48% Measure A local sales tax funding. Additional local match is programmed since the amount of federal funding is determined by the size of the replaced vehicle.

Purchase 10 - 40ft Hybrid Vehicles (Replacements) – Marin Transit will purchase (10) 40ft diesel hybrid electric vehicles. These vehicles will replace ten (10) – 40ft diesel vehicles that are beyond their useful life and were previously operated by GGBHTD. The total project cost is \$7,710,000, funded 82% with Federal Section 5307 grant funds and 18% with local Measure A sales tax. The majority of these funds will be spent in FY2017/18 upon vehicle delivery.

Purchase Two 35ft Electric Vehicles (Replacements) – Marin Transit, in partnership with Marin Clean Energy, the Transportation Authority of Marin and GGBHTD, is pursuing the purchase of two all-electric vehicles. The range of these vehicles is expected to be around 120 miles per charge. This will allow the vehicles to be deployed on shuttle routes with charging done overnight. These vehicles will replace two-40ft diesel vehicles previously operated by GGBHTD. Staff expects to bring the project proposal to the Board for adoption this summer and depending on the procurement timeline funds may be expended in FY 2016/17. The expenditure of \$1,527,000 is funded with 78% Federal 5307 funds and 22% Measure A and other local sales tax funding. Other local agencies may contribute to the project including funding for electrical upgrades, and vehicle rebates may be available.

### **Bus Stop Improvements & Transit Hubs**

Bus Stop Improvements – In FY2016/17, Marin Transit will review and make improvements to several additional bus stops throughout the county. This is part of an ongoing project to improve and update high priority stop locations. To date this project has replaced all bus stop signs in the County and improved 12 locations with amenities and accessibility improvements throughout the county. The first phase of improvements at 12 locations was completed in FY2015/16 with an original budget of \$2.0 million funded with a \$1.6 million federal discretionary grant and the remaining funded with local Measure A funds. The remaining budget for the next phase of improvements is \$641,000.

Bus Stop Inventory Update –Marin Transit will update the last bus stop inventory completed in 2005 to reflect recent improvements and to better quantify needs and prioritize stop improvements throughout the County. Originally planned for FY2015/16, this project is anticipated to be completed in FY2016/17 dependent on staffing availability.

Downtown Novato Transit Facility – Marin Transit will begin construction for this project in FY 2016/17 in partnership with the City of Novato, GGBHTD, and the County of Marin. Marin Transit was awarded \$1.77 million in PTMISEA funds for the construction phase through the Metropolitan Transportation Commission's and the Transportation Authority of Marin's Lifeline Program. In addition, Marin Transit anticipates using \$1 million in Active Transportation Program (ATP) and Measure A capital funds to complete the \$3.255 million project.

Muir Woods Shuttle Infrastructure – Marin Transit received \$638,000 in Federal Transit in the Parks (Paul S Sarbanes) funding for additional capital improvements related to the Muir Woods Shuttle. Marin Transit is working with the National Park Service to plan and construct improvements at major shuttle stop locations.

## Administrative and Operations Facilities

Operations and Maintenance Facility – The District will continue to evaluate potential opportunities and look for cost effective solutions for purchasing an operations facility for contractors to store and maintain vehicles. Securing a well located, long term site for operations of fixed route, paratransit, and yellow bus services has the potential to improve efficiencies and reduce ongoing operations costs. The project budget includes initial funding. Additional funding will be needed to move forward with the project.

## Technology Projects

AVL Expansion – Marin Transit will expand existing AVL system that provides vehicle tracking and real time arrival data to an additional 30 vehicles.

On Board Security Cameras – Marin Transit will install security cameras on the fixed route fleet. This security project is funded with 76% federal funds.

On Board Equipment – 2016 – This federally funded project includes fareboxes and associated on board equipment for the 2016 vehicle replacements which include 13 large buses and two shuttle vehicles.

On Board Equipment – 2015 – This federally funded project includes the remaining budget for paratransit fareboxes, paratransit mobile data terminals, radios, voice annunciators, and on board equipment associated with 2014 and 2015 vehicle replacements. This project combines the following projects that were listed individually in the FY2015/16 budget – Paratransit Fareboxes (FP), Hybrid Fareboxes (FH) and AVL (AV). Remaining funding may be used for additional equipment including WiFi hardware or passenger counters.

Mobile Data Terminals – This system provides the communication backbone for the Paratransit system. The budget includes annual system costs and equipment expenses.

Mobility Management Technology Backbone – This grant funded technology project adds to Marin Transit's technological capabilities for ride matching, mobility management, and electronic fare payments. Final project specifications will be determined by the District's Mobility Management planning study. The project is funded with \$300,000 in Federal Job Access Reverse Commute (JARC) funding matched with local Measure A funds.

Radio Communication Upgrade – This is a new project to evaluate radio communications on all contract services and to ensure integration and compliance of all systems. The \$348,000 project is expected to be funded with 82% FTA 5307 funding.

## Other Measure A Capital Expenses

Other capital and infrastructure expenses include: the Marin Emergency Radio (MERA) radio capital bond payments, the capital contribution to GGBHTD as required under contract, major vehicle repairs, and bus stop maintenance expenses. Capital planning expenses include contributions to countywide projects that benefit local transit. Expenditures not meeting the District's policy for capitalization will be included as operations expenses on financial statements.

**Table 11: Capital Budget by Project**

		Total Project	Prior Years	FY 2016/17 Budget	Future Years	Measure A / Local Funding	State Funding	Federal Funding
SV	Purchase One Shuttle (replacement)	122,000	0	122,000	0	18%	0%	82%
XH	Purchase Two 29ft XHF Vehicles (replacements)	944,000	0	944,000	0	48%	0%	52%
LZ	Purchase 10 - 40ft Hybrid Vehicles (replacements)	7,710,000	7,000	500,000	7,203,000	18%	0%	82%
EV	Purchase Two Electric Vehicles (replacements)	1,527,000	0	1,527,000	0	22%	0%	78%
<b>Subtotal Vehicles</b>		<b>10,303,000</b>	<b>7,000</b>	<b>3,093,000</b>	<b>7,203,000</b>			
BI	Bus Stop Improvements SGR (BI)	2,000,000	1,358,994	641,006	0	0%	20%	80%
BS	Bus Stop Inventory Update	100,000	0	100,000	0	100%	0%	0%
NC	Downtown Novato Stop (NH) Construction	3,255,000	50,000	3,205,000	0	15%	85%	0%
MW	Muir Woods Infrastructure Improvements	638,000	95,271	542,729	0	0%	0%	100%
<b>Subtotal Bus Stop Improvements</b>		<b>6,132,113</b>	<b>1,504,265</b>	<b>4,488,735</b>	<b>0</b>			
FC	Operations Facility	600,000	28,000	164,292	407,708	80%	0%	20%
<b>Subtotal Admin and Operations Facilities</b>		<b>600,000</b>	<b>28,000</b>	<b>164,292</b>	<b>407,708</b>			
AV	AVL Expansion	150,000	0	150,000	0	100%	0%	0%
SQ	Security Cameras	100,000	0	100,000	0	24%	0%	76%
OA	On Board Equipment-2016	210,000	29,362	180,638	0	18%	0%	82%
OB	On Board Equipment-2015	430,472	242,733	187,739	0	20%	0%	80%
TB	Mobility Management Technology Backbone	375,000	16,750	358,250	0	20%	0%	80%
ME	MERA	28,000	0	28,000	0	100%	0%	0%
RD	Radio Communication Upgrade	348,000	0	348,000	0	18%	0%	82%
YC	Yellow Bus Technology Project	38,400	7,200	31,200	0	100%	0%	0%
<b>Subtotal Technology Projects</b>		<b>1,679,872</b>	<b>296,045</b>	<b>1,383,827</b>	<b>0</b>			
GG	Golden Gate Capital Costs (GG)	150,000	-	150,000	-	100%	0%	0%
BM	Bus Stop Maintenance (BM)	100,000	-	100,000	-	100%	0%	0%
VR	Major Vehicle Repairs (VR)	303,000	-	303,000	-	100%	0%	0%
IF	Infrastructure Support (IF)	250,000	-	250,000	-	100%	0%	0%
CP	Capital Planning	200,000	-	200,000	-	100%	0%	0%
<b>Subtotal Ongoing Capital Expenses</b>		<b>1,003,000</b>	<b>N/A</b>	<b>1,003,000</b>	<b>N/A</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
<b>Total Expenditures</b>		<b>19,578,872</b>	<b>1,828,310</b>	<b>10,132,854</b>	<b>7,610,708</b>			