



September 23, 2018

Regional Transit Board of Directors  
Henry Li, General Manager/CEO  
1400 29th Street  
Sacramento, CA 95816

**Re: SacTRU Opposes Use of Prop 1A Funds**

Dear Board of Directors and Mr. Li:

The Sacramento Transit Riders Union (SacTRU) urges the Board not to approve the allocation of any Proposition 1A High Speed Rail Funding for the Downtown Riverfront Streetcar Project in advance of a Small Starts Grant Agreement (SSGA). If the SacRT Board decided to proceed with this action, we urge you to delay your action until 2019 when further guarantees of the reimbursement and more equitable representation on the JPA Board are received.

The project is funded through the end of 2018, and staff's analysis demonstrates that the additional allocation of the requested funding can be delayed until January 2019. Our members urge you not to approve the requested appropriation, even with the restriction on the immediate expenditure of the funds, until written agreements of the staff recommended actions are taken. We do not believe verbal agreements and guarantees are acceptable for a problem facing so many financial challenges.

1. That the Cities and JPA enter into an agreement to reimburse SacRT if the use of any or all of the Proposition 1A funding is deemed ineligible by Caltrans or the CTC, requiring repayment to the State for the ineligible portion and for any other actions the CTC or Caltrans might take related to use of the funds, including actions that might be taken if the Project is ultimately abandoned.
2. That the JPA Board approve the request for direct representation of SacRT on the JPA Board.
3. That, construction bids for the Project are received and either: (a) the bids will allow the Project to be completed within the budgeted amount; or (b) the Cities and the JPA enter into amendments to the governance documents that will fully fund the Project with a revised budget.

As SacRT staff explained to the Board last June, there are other eligible uses for these funds. Expending them to continue advancing the struggling Streetcar Project prior to the SSGA creates the obvious risk that they will be unavailable for those other projects if the Streetcar Project is not ultimately granted an SSGA. Our members find this item especially problematic when staff has been working so hard to secure grants and monies for projects to improve core services that could benefit from matching Prop 1A funds.

Additionally, SacTRU does not support using staff resource to continue to work on this uncertain project as SacRT is approaching a time where support will be needed for SacRT specific capital projects. The success of these projects that will improve the core service of SacRT should be the agency's priority in allocating resources.

**We urge the Board not to approve the allocation requests of Prop 1A funds until the sensible request for reimbursement, representation, and revised budgets are guaranteed.** Please include this letter in the public record.

Sincerely,

SacTRU