

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
13	11/09/09	Open	Action	10/19/09

Subject: Approve the Five Year Capital Improvement Plan for FY 2010 through 2014 and Amend the FY 2010 Capital Budget

ISSUE

Whether to approve the Five-Year Capital Improvement Plan for FY 2010 - 2014 and amend the FY 2010 Capital Budget.

RECOMMENDED ACTION

- A. Approve Resolution No. 09-11-_____, Adopting the Five-Year Capital Improvement Plan for FY 2010 - FY 2014.; and
- B. Approve Resolution No. 09-11-_____, Amending the FY 2010 Capital Budget.

FISCAL IMPACT

The FY 2010 Capital Budget funding decreased by \$1,918,982 or 1.66% due to changes in the availability of funds for various capital projects.

DISCUSSION

The proposed Five-Year Capital Improvement Plan (CIP) provides an overall framework for the District's near-term capital program plan development for the period FY 2010 - 2014. The proposed plan places an emphasis on ensuring safety, regulatory compliance, a "state of good repair" for the District's current assets, completing transit projects identified in Measure A Renewal, and providing for system enhancement/improvement projects – particularly projects that significantly enhance customer service or provide opportunities for greater system efficiency/revenue generation. Exhibit A is the proposed CIP for Board consideration and/or adoption.

The projects recommended in the proposed CIP are consistent with RT's adopted Vision and Strategic Plan, as well as with the region's currently approved Metropolitan Transportation Plan (MTP). The CIP also provides critical input for development of RT's TransitAction Plan (TAP) and its Short Range Transit Plan (SRTP). The proposed CIP was also developed taking into consideration the unmet transit needs identified by the public as part of the annual community outreach process conducted by the Sacramento Area Council of Governments.

The CIP is intended to be a "living document" that identifies and prioritizes projects within a rolling five-year time frame. Once approved, the District's goal is for the CIP to be annually updated as a part of the annual operating and capital budget development/approval process. During the update process, current year projects will move from the CIP into the annual program of projects, for which specific noticing requirements are applicable under the Federal Transit Act. The first year of the CIP will mirror the expenditure plan for the current year's capital budget. While the CIP

Approved:


General Manager/CEO

Presented:


Director, Office of Management and Budget

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focuses specifically on capital needs for the next five years, it also provides project information and expenditure projections beyond these years to serve as a planning tool.

TransitAction Plan (TAP)

On August 10, 2009, the RT Board approved the TAP which is now RT's long range transit plan. The TAP sets the RT transit vision for the next 25 years for the Sacramento region. RT worked in partnership with the County of Sacramento, cities within or located in the region, and transportation management associations and community groups to deliver a TAP that supports the Regional Blueprint's smart growth land-use principles by providing a modern, efficient and sustainable transit system that attracts and services riders. The TAP includes a list of bus, light rail and other projects that are the infrastructure needed to successfully implement the plan. See Attachment 1 for a list of projects that were added to this update of the CIP, as a result of the recent adoption of the TAP. Many projects are in the 2015 and after time frame, and are dependent on available funding, as are all projects.

Economic Conditions

As previously reported, RT's overall revenue environment continued to shift during FY 2008 and FY 2009 and continues to do so in FY 2010. While Federal funding is currently expected to remain constant in the near term, Local and State Transportation Funds (LTF) and Measure A revenue have significantly declined due to the worsening economy and a corresponding reduction in sales tax revenues. These funding sources are critical to the District in that they are considered to be "flexible dollars", which can be used at the discretion of the Board to fund the operating budget, capital budget, or both.

While Federal funding for transportation is expected to remain stable, the State sources of support for transit are unlikely to be significant in the near term. State Traffic Congestion Relief Program (TCRP) funding has been reduced and new funding is questionable for projects that are not already in a Tier 1 status until the FY 2015 - 2016 time period. Proposition 1B (PTMISEA) is on hold until the State sells bonds to fund this program. The timing of this funding source over the near term is uncertain. Although the California Supreme Court recently rejected the State's appeal of a favorable Appellate Court decision related to State diversion of transit funds, the practical effect of this decision has not been finalized.

Local funding sources have also been impacted by the struggling economy, specifically the Measure A Plan of Finance funding. Funding levels were reduced dramatically in the most recent round of bond financing of the program due to the economy. The overall available funding from this source is projected to be lower than was previously anticipated.

These and other State funding source shortfalls and delays in available funding has had an impact on RT and the ability to fund and complete projects timely within its CIP. Projects that are not high priority have been moved back one or more years due to the lack of grant funding available at the State and Local level.

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Capital Program Committee (CPC)

The process to determine which projects will be added or removed from the CIP is administered by the Capital Program Committee (CPC). The CPC was established in 2003 to administer the CIP through a committee that is comprised of members responsible for representing the diverse needs of various RT departments. The CPC is comprised of six voting members. The Chief of Facilities Management is the Chair. The AGM for Engineering & Construction is the Vice-Chair. The other voting members are the Chief Financial Officer, Chief Operating Officer, AGM of Planning and Transit System Development and the AGM of Marketing and Communications.

Meetings are regularly scheduled to provide management oversight in the development and maintenance of the five-year CIP, and provide direction on Federal, State, and Local project funding opportunities. Decisions made by the CPC are presented to the General Manager/CEO for review and approval. Relevant changes are incorporated into the CIP, which is then amended by the Board from time to time.

Since the last CIP update in October 2008, the CPC combined projects that were similar in nature and removed those projects that were deemed no longer necessary or relevant to the current direction of the District as defined by the current economic conditions and/or the TAP.

CIP DOCUMENT

Organization of Data

The CIP is divided into five sections:

I. Introduction:

This section provides an overview of the document; information on the CIP development process; a description of how the data is organized as well as information on the District, its funding sources and the guiding documents that form the foundation for the CIP and the projects therein.

II. Master List of All Projects: This section provides a summary listing of all projects in the CIP.

III. Fiscal Year Budget:

This section lists the projects within the master list of all projects that have been identified by the CPC and General Manager/CEO as those representing high priority for RT in terms of allocation of resources and potential funding capabilities.

IV. List of Projects and Project Descriptions:

This section provides a numeric list of each project contained in the CIP and the associated project title. The list is followed by a data sheet for each project containing project specific information including the full project description, internal staff assigned to each project, and the expenditure and funding plan, if known.

V. FY 2010 and FY 2011 Funding and Expenditure summary:

This section provides a two year snapshot of planned funding and expenditures.

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Project Classifications

Projects throughout the CIP are sorted using the following program categories:

System Expansion Programs: projects that will extend current bus and light rail service capabilities;

Fleet Programs: projects related to vehicle additions, replacements and overhaul;

Infrastructure Programs: projects associated with the development enhancement and improvement of the road and rail network;

Transit Oriented Development Programs: projects associated with the goal to intensify and diversify land uses and enhance pedestrian circulation and transit access at appropriate locations around transit stations;

Facilities Programs: projects for bus, light rail, maintenance and administration facilities;

Equipment Programs: projects encompassing the acquisition, upgrade, and replacement of communications, operations, and maintenance equipment;

Transit Technologies Programs: projects that deal with operational technology, software applications, implementation and enhancement;

Transit Security & Safety Programs: projects required for compliance with various requirements;

Planning/Studies: projects used for general planning or to identify project feasibility, scope, estimated costs, and other significant issues; and

Other Programs: projects related to the general administration of the District such as software upgrades and data warehousing.

Tier Classifications

Another important project classification with the CIP is the funding tier. The assigned tier quickly identifies the funding status of the project. The proposed CIP identifies the following five funding tiers based on prioritization by need and funding availability:

- Tier 0 projects are fully funded
- Tier I high priority projects established by the RT Board that are not fully funded
- Tier II projects are contingent upon revenue being available
- Tier III projects are identified as opportunity-based and are unfunded based upon current revenue projections, but there is potential for State and other funding sources to promote these projects
- Tier IV projects are longer term future projects, planned for completion from 2015 to 2040, contingent upon adequate future revenues becoming available

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MAJOR PROJECTS

The proposed CIP includes committed, budgeted, and planned funding through 2014 for the following major RT capital projects, including an assumption that the District will receive a full Funding Grant Agreement (New Starts) providing 50% of the budget for the South Line Phase 2 project.

- | | <u>FY</u> |
|--|-----------|
| • South Line Phase 2 Light Rail Extension | 2013 |
| • Bus Maintenance Facility 2 (Phase 1) | 2012 |
| • Green Line to the River District (GL-1) Light Rail Extension | 2011 |
| • Light Rail Video Surveillance & Recording System | 2010 |

PROJECT CONFORMITY WITH GENERAL PLANS:

Public agencies whose functions include "recommending, preparing plans for, or constructing, major public works" are required to submit a listing of those proposed public works projects recommended for planning, initiation, or construction during the following fiscal year to the city or county where each project is located. (Government Code §65401) The city or county then makes a conformity review finding in accordance with the city's/county's adopted plan. The city or county planning agency is required to annually review the local public works projects of other local agencies for their consistency with the general plan. (Gov. Code §65103, §65401) Failure of the planning agency to report its findings within 40 days after receipt of a CIP (or a revision) is conclusively deemed to constitute a finding that the CIP or CIP revision is consistent with the adopted plan. It should also be noted that planning agency disapproval is subject to override by a district's governing board. (Gov. Code §65402(c))

Accordingly, upon adoption of the CIP, RT staff will provide project listings to the planning agency of the various jurisdictions within which projects are located to achieve any and all necessary conformity approvals.

PAST AND PLANNED ACTION FOR THE FIVE-YEAR CIP FOR FY 2010-2014:

The Five-Year CIP for FY 2010-2014 presented for Board consideration has been carefully reviewed and approved by the CPC after review of several draft iterations. Discussion was held on various projects contained within the document and recommendations for improvements to the document have been incorporated into the final draft.

On November 9, 2009, staff will present the CIP to the full RT Board, provide opportunity for questions and answers on the various elements of the document, and seek adoption of the CIP for FY 2010-2014.

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FY 2010 CAPITAL BUDGET AMENDMENTS

Since the Capital Budget was adopted on August 24, 2009, changes in the expected project funding have occurred. These changes result from updated information regarding some projects with new grant funding and also reductions in some project funding for grants that were not awarded. These changes are reflected in these amendments. Other amendments reflect sources of funding now deferred from FY 2010 to future years. The revised Capital Budget for Fiscal Year 2010 is \$113,481,969. This action will bring the FY 2010 Capital Budget into conformance with the funding plan in the CIP document. A summary of all project amendments is provided as Exhibit B.

Staff recommends adoption of the Five Year CIP for FY 2010 – FY 2014, and approval of the amendments to the FY2010 Capital Budget.

TransitAction Plan Projects

Project ID	Program Classification / Project Name
B115	65th Street Hi-Bus Corridor
B116	Antelope Hi-Bus Corridor
B117	Bradshaw Hi-Bus Corridor
B118	Del Paso Boulevard Hi-Bus Corridor
B119	Easton Valley Parkway Hi-Bus Corridor
B120	El Camino Avenue Hi-Bus Route
B121	Elkhorn Boulevard Hi-Bus Corridor
B122	Fair Oaks Boulevard Hi-Bus Corridor
B123	Freeport Boulevard Hi-Bus Corridor
B124	Greenback Hi-Bus Corridor
B125	Hazel Avenue Hi-Bus Corridor
B126	Howe Avenue Hi-Bus Corridor
B127	Jackson Highway Hi-Bus Corridor
B128	Madison Hi-Bus Corridor
B129	Marconi Avenue Hi-Bus Corridor
B130	Northgate Hi-Bus Corridor
B131	Riverside Hi-Bus Corridor
R311	Gold Line LRT Extension to El Dorado County
R312	Blue Line Extension to Roseville
S010	South Loop Streetcar Phase I & II
S015	North Loop Streetcar Phase III
S016	North Loop Streetcar Phase IV
S020	Rancho Cordova Streetcar Phase I & II
S022	Rancho Cordova Streetcar Phases III, IV & V
S023	Citrus Heights to Rancho Cordova European Street Tram

RESOLUTION NO. 09-11-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 9, 2009

**ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR
FY 2010 THROUGH FY 2014**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Five-Year Capital Improvement Plan, as set out in Exhibit A, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to transmit a copy of said Plan to the appropriate planning agencies.

STEVE COHN, Chair

ATTEST:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 09-11-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 9, 2009

AMENDING THE FY 2010 CAPITAL BUDGET

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the fiscal year 2010 Capital Budget is amended as outlined in Exhibit B.

STEVE COHN, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Changes to the 2010 Funding Additions

Program	Project Name	Changes to FY 2010 Funding	Description of Change
System Expansion Programs			
410	South Sacramento Phase 2 Light Rail Extension	\$ 9,550,886	Add: PTA and Traffic Congestion Relief Program funds
F	Amtrak/Folsom Light Rail Extension	161,074	Add: Various reimbursements
230	Northeast Corridor Enhancements (Phase 1)	(2,429,000)	Reduce: MSA Plan of Finance
402	Green Line Light Rail Extension	(36,694,183)	Reduce: MSA Plan of Finance and Proposition 1B funds
404	Green Line to the River District (GL-1)	32,481,522	Add: MSA Plan of Finance and Proposition 1B funds
	System Expansion Total	3,070,299	
Fleet Programs			
4027	UTDC Light Rail Vehicle Acquisition & Retrofit	35,002	Add: Section 5307 funds
	Fleet Program Total	35,002	
Infrastructure Programs			
G236	West Citrus Overcrossing OCS Pole Relocation Phase 1	450,000	Add: CalTrans reimbursement
	Infrastructure Program Total	450,000	
Transit Oriented Development			
TD02	University/65th Street Station Reconfiguration	700,000	Add: Developer Fees
TD05	TOD LaValentina	(4,000,000)	Reduce: no Proposition 1C funds
	Transit Oriented Development Total	(3,300,000)	
Facilities Programs			
4011	Facilities Maintenance & Improvements	200,000	Add: Section 5307 funds
F010	Parking Lot Pilot Program	45,000	Add: Local transit funds
TE09	Transit Enhancements	130,832	Add: Section 09-5307 TE funds
	Facilities Program Total	375,832	
Transit Technologies Programs			
G155	Farebox Collection / Smart Media Implementation	(4,583,253)	Reduce: SACOG is the lead on this project, not RT.
G240	Additional Fare Vending Machines/Spares	50,000	Add: Public Transportation Account funds
H015	Completing the Video Surveillance System	467,300	Add: Homeland Security funds
H020	VICE II (Video Infrastructure & Communications)	696,933	Add: Homeland Security funds
	Transit Technologies Program Total	(3,369,020)	
Planning / Studies			
0580	TMP Downtown Network Implementation Study	249,130	Add: Service Transportation Program funds
PD09	Professional Development for RT Planning Staff	38,133	Add: Service Transportation Program funds
	Planning / Studies Total	287,263	
Other Programs			
OPE6	Green Jobs Initiative	531,642	Add: American Recovery and Reinvestment Act funds
	Other Program Total	531,642	
Total		\$ (1,918,982)	