

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	07/24/17	Open	Action	07/18/17

Subject: Approving the First Amendment to the FY 2018 Operating and Capital Budgets

ISSUE

Whether or not to approve the First Amendment to the Fiscal Year 2018 Capital and Operating Budgets.

RECOMMENDED ACTION

Adopt Resolution No. 17-07-_____, Approving the First Amendment to the Fiscal Year 2018 Capital and Operating Budgets.

FISCAL IMPACT

Fiscal Year 2018 Capital Budget Impact. Net increase = \$950,161

Total increase of \$950,161 of unassigned Developer Fees for a new project to repair the UTDC Light Rail Vehicles “UTDC LRV Fleet Improvements project.”

Fiscal Year 2018 Operating Budget Impact. Net impact = \$24,052

Increase Revenues of \$24,052 to Operating Budget for Job Access/Reverse Commute.
Increase of Expenses of \$24,052 to Operating Budget for Budget Stabilization.

DISCUSSION

2018 Capital Budget

On June 12, 2017, the SacRT Board approved the Fiscal Year 2018 Capital Budget. Per Article VI of the Administrative Code, the SacRT Board must approve a change to the Capital Budget that results in the addition or deletion of a project. This issue paper proposes to create a new capital project titled “UTDC LRV Fleet Improvements.” The purpose of this project is to ensure that SacRT’s UTDC fleet of Light Rail Vehicles (LRV) become fully operational and provide a safe and comfortable experience for our customers and our operators.

Over the past six months, SacRT has received numerous customer complaints of overcrowding on particular LRV routes due to an insufficient number of LRVs to run full consists. In addition, the extreme heat experienced in June has revealed that SacRT’s older LRVs are unable to keep up with the proper cooling of the cabin and LRV Operator control area. Therefore, it is imperative that SacRT focus on ensuring that all UTDC LRVs become operational as quickly as possible.

Unfortunately, the UTDC fleet improvement work has not been completed because our existing technicians are fully involved with the repair of our Siemens and CAF fleets and we have not had

Approved:

Presented:

Final 07/19/17

General Manager/CEO

Director, Office of Management & Budget

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the necessary time to finish the commissioning of the UTDC fleet. This problem has been exacerbated by the recent high temperatures and an increase in heat related failures. Staff, on an emergency basis, has contracted with Siemens to assist in the troubleshooting and commissioning activities in order to place the UTDC vehicles into reliable service.

Staff recommends the Board approve the First Amendment to the FY 2018 Capital Budget.

2018 Operating Budget

On June 12, 2017, SacRT’s Board approved the Fiscal Year 2018 Operating Budget. The Fiscal Year 2018 approved operating budget included \$1,029,819 in FY17 Federal Jobs Access/Reverse Commute (JARC) funds for FY18 JARC costs. The final FY17 JARC allocation amount was published on July 7, 2017 and is \$24,052 higher than the SacRT Board approved amount; therefore, it is proposed that the operating budget be increased by that amount. Since these unanticipated funds are able to replace other revenues used for operations, a corresponding amount of other revenues will be assigned to the Budget Stabilization line item to help build SacRT reserves.

Staff recommends the Board approve the First Amendment to the FY 2018 Operating Budget.

RESOLUTION NO. 17-07-_____

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

July 24, 2017

**APPROVING THE FIRST AMENDMENT TO THE FISCAL YEAR 2018 OPERATING
AND CAPITAL BUDGETS**

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

THAT, the First Amendment to the Fiscal Year 2018 Capital Budget to increase the
Capital Budget in the amount of \$950,161, is hereby approved.

THAT, the First Amendment to the Fiscal Year 2018 Operating Budget to increase
the Operating Budget by \$24,052, is hereby approved.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary