

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	7/24/17	Open	Action	07/19/17

Subject: Revisions to the FY 2016 Operating Budget and Revisions to the FY 2017 Capital and Operating Budgets

ISSUE

Whether or not to approve necessary amendments to the FY 2017 Capital Budget, the FY 2017 Operating Budget, and the FY 2016 Operating Budget to comply with the budget procedures required by Title VI of the RT Administrative Code.

RECOMMENDED ACTION

Adopt Resolution 17-07- _____, Approving Amendments to the FY 2017 Capital Budget, the FY 2017 Operating Budget, and the FY 2016 Operating Budget.

FISCAL IMPACT

The proposed changes decrease the FY 2017 Capital Budget revenues by \$29,849,325, increase the FY 2017 Operating Budget revenues by \$263,839, and increase the FY 2016 Operating Budget revenues by \$2,999.

DISCUSSION

SacRT's annual budgeting process includes Board adoption of budgets that reflect SacRT's expected funding at the time of preparation. Periodically, changes to funding require revisions to the project budgets after the Capital Budget is adopted. Staff has identified such necessary revisions due to recent funding authorizations, grant awards, or developments on various projects for either SacRT or SacRT subrecipients. Board approval is required to amend the changes to both the FY 2017 Operating and Capital Budgets and the FY 2016 Operating Budget. Per Title VI, Chapter 2, Article 1, § 6.2.1.03 of the Administrative Code changes to the total amount of capital project budgets above certain percentages must be approved by the Board and per § 6.2.1.4 the addition or deletion of a capital project must be approved by the Board. In addition, grant applications with the Federal Transit Administration require a Resolution approving specific project budget amounts. The complete list of proposed changes is detailed on Exhibit A to the Resolution.

Capital Changes:

The purpose of this issue paper is to obtain Board approval to revise the capital project budgets to correct amounts for capital revenues for the following:

- Funding requested on Federal and State grant applications.
- Assignment of FY 2012 Revenue Bonds to capital projects.
- Assignment of developer fees to capital projects.
- Revenue transfers between capital projects.
- Transfer of revenues to the FY 2018 Capital Budget.

Approved:

Presented:

Final 07/19/17

General Manager/CEO

Director, Office of Management and Budget

J:\Board Meeting Documents\2017\10 July 24, 2017\Revisions to FY16 Operating Budget and FY17 Capital and Operating Budget Rev 2.doc

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The revenue transfers between capital projects included in Exhibit A result from either completion of projects with excess revenue being available for other projects, separation of one project into multiple projects, or assignment of a new project number that had not been determined at the time the FY 2017 budget was approved.

Summary of Capital changes:

- \$32.1M in additional revenues added to the FY 2017 budget. The revenues include \$13.0M in Traffic Congestion Relief Program (TCRP) funds.
- \$30M decrease in Transit and Intercity Rail Capital Program (TIRCP) funds. Those funds were budgeted for the Streetcar project in FY 2017 but were deducted and included in the Adopted FY18 budget instead. This was necessary due to the TIRCP funds being contingent upon execution of a Federal Small Starts Agreement which is expected in FY 2018.
- \$28M decrease in TIRCP funds in FY 2017 for the Sacramento Valley Station project. Staff anticipated that SacRT would apply for the \$28M in FY 2017. This application was not made due to the need to complete the project design which is anticipated to occur in FY 2018.
- \$1.8M decrease for the Dos Rios and Horn Light Rail Stations. Those funds were originally budgeted in FY 2017 but are now included in the FY 2018 Adopted budget.
- \$2.4M decrease in revenue for 11 additional projects.

Operating Changes:

Board approval is also needed for revisions to the FY 2017 and FY 2016 operating budgets. The additional revenue for the operating budget is due to: 1) Actual Federal Section 5307 allocations being higher than forecasted resulting in an increase in revenue for FY 2017 of \$86,688; and 2) Federal Congestion Mitigation and Air Quality (CMAQ) funds available due to a capital project being completed under budget and the revenue balance being transferred to fund Blue Line operating costs of \$177,151 for FY 2017 and costs of \$2,999 for FY 2016.

Subrecipient Changes:

The previously approved budget amounts for subrecipient capital projects for the City of Folsom and El Dorado Transit need to be increased due to allocations from the Federal Transit Administration being higher than originally budgeted.

The results of this action do not impact audited financial results. These revisions are only budget changes that are required per the Board approved Administrative Code. Staff recommends Board approval for the proposed capital and operating program changes as provided in Exhibit A.

RESOLUTION NO. 17-07-_____

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

July 24, 2017

**APPROVING AMENDMENTS TO THE FY 2017 CAPITAL BUDGET, THE FY 2017
OPERATING BUDGET, AND THE FY 2016 OPERATING BUDGET**

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

THAT, the FY 2017 Capital Budget is amended as detailed in Exhibit A.

THAT, the FY 2017 Operating Budget is amended as detailed in Exhibit A.

THAT, the FY 2016 Operating Budget is amended as detailed in Exhibit A.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

EXHIBIT A

REVISIONS TO THE FY 2016 OPERATING BUDGET AND REVISIONS TO THE FY 2017 CAPITAL AND OPERATING BUDGET

SacRT Capital Project Amendments

Project	Project Name	Changes Increase / (Decrease)	Description of Changes
<u>Facilities</u>			
715	Bus Maintenance Facility #2 (Phase 1&2)	\$ (21,864)	Deducted FY12 Revenue Bonds
F014	Bike Racks	\$ (190,938)	Deducted \$10,788 Revenue Bonds; Transferred \$180,150 Fed CMAQ to Blue Line operating budget
F015	Facilities New Freedom Tasks-Add Mini-Hi's to Light Rail Stations	\$ 125,000	Added \$25K FY12 Revenue Bonds; \$100K Fed Sec 5317 New Freedom funds transferred from Audio Info Message Signs project T017
F021	General Facilities Improvements	\$ 59,415	Added FY12 Revenue Bonds
F024	Chiller Control Replacement	\$ 235,000	Added FY12 Revenue Bonds
F025	Metro Roof Replacement	\$ 300,000	Added FY12 Revenue Bonds
F026	Mold Remediation--Engineering Bldg.	\$ 97,500	Added FY12 Revenue Bonds
F027	Metro Roof Replacement	\$ 350,000	Added FY12 Revenue Bonds
R323	Retrofit Light Rail Vehicle (LRV) Hoist	\$ (28,073)	Transferred Prop 1B funds to project R085 (UTDC Retrofit)
R340	LRV Train Wash Replacement	\$ 785,000	Added FY12 Revenue Bonds
<u>Fleet</u>			
B139	40' CNG Bus Procurement	\$ (532,545)	Deducted Revenue Bonds
B142	Neighborhood Ride Vehicle Replacement	\$ 695,376	Added \$695,088 Fed Sec 5339 funds and \$288 Interest
B143	Fare Box Replacements	\$ 145,785	Transferred \$69,553 from CNG Bus Replacement Project B139; Added \$76,232 Federal Sec 5339(a)
B144	BMF CNG Fueling Facility Upgrades	\$ 503,927	Added \$336,504 Fed Sec 5339(a); Added \$167,423 FY12 Revenue Bonds
B145	Major Accident Repair for Bus 1517	\$ 56,000	Added FY12 Revenue Bonds
B146	Update Design Guidelines for Bus	\$ 6,214	Added FY12 Revenue Bonds
B147	Bus Maintenance Management Program	\$ 102,000	Added FY12 Revenue Bonds
G225	Non-Revenue Vehicle Replacement	\$ 57,281	Added FY12 Revenue Bonds
R085	UTDC Light Rail Vehicle Retrofit and Mid Life Refurbishment	\$ 1,505,926	Added \$1,440,679 District 4 Developer Fees; and \$65,247 District 5 Developer Fees; Transfer \$28,073 from R323

Equipment

F024	Chiller Control Replacement	\$	235,000	Added FY12 Revenue Bonds
M009	Radio Communications System Upgrade	\$	1,117,017	Added Prop 1B funds
R341	Fare Vending Machines	\$	41,500	Added FY12 Revenue Bonds
R342	Tire Lease Disposal	\$	105,000	Added FY12 Revenue Bonds
R343	Whiting In-Floor Hoist Inspection and Repair	\$	94,817	Added FY12 Revenue Bonds

Infrastructure

A001	Watt Ave/Highway 50 Project Support	\$	40,000	Added County of Sacramento funds
A005	City College Pedestrian/Bicycle Crossing	\$	3,000	Added City of Sacramento funds
A006	Natoma Overhead Widening Project	\$	(127,930)	Deducted Department of Transportation - Cal Trans DOT
A011	12th Street Corridor Safety Improvements	\$	(14,448)	Deducted FY12 Revenue Bonds
A013	7th & G OCS Pole Relocation	\$	10,000	Added Developer Fees - Downtown Railyard Venture
A017	SCI Folsom Blvd Rehab Proj	\$	5,000	Added City of Sacramento funds
M002	University/65th Street Transit Center Relocation	\$	175,000	Added FY12 Revenue Bonds
R334	Rail Capital Maintenance-State of Good Repair	\$	135,000	Added FY12 Revenue Bonds

Other

M011	Cemo Circle Environmental	\$	30,500	Added FY12 Revenue Bonds
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Planning

M012	Route Optimization	\$	223,567	Added State Transit Assistance funds
M013	Campus Master Plan	\$	53,540	Added FY12 Revenue Bonds

System Expension

403	Green Line Airport Advanced LR Conceptual Design	TBD		Deducted County of Sacramento funds
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System Development

R055	Light Rail Station at Dos Rios	\$	(800,000)	Deducted \$(300K) SHRA and \$(500K) Fed CMAQ moved to FY18 Budget
R135	Light Rail Station at Horn	\$	(1,000,000)	Deducted \$(500K) Fed CMAQ, \$(250K) Developer Fees and (\$250K) City of Rancho Cordova local funds. Move to FY18 budget.
R321	Green Line Intermodal EIS/EIR (SVS)	\$	(35,136)	Deducted (\$24,483) Prop 1A, Added \$215 Fed STP Transfer (\$10,686) Measure A to Project R322 (Green Line Draft EIS/EIR)
R322	Green Line Draft EIS/EIR and Project Development	\$	351,761	Transferred from R321 (Green Line Intermodal EIS/EIR \$399,785 Fed STP funds; Deducted (\$48,024) Measure A funds
R327	Green Line SVS Loop & K St.- to H St. Imp. (Final Design & Construction)	\$	(29,152,000)	Deducted \$1.152M Prop 1A and \$28M TIRCP
R345	CPID - Station Planning	\$	350,000	Added Fed STP funds
R350	So. Corridor - Station Impro & TPSS Relocation	\$	7,900,000	TCRP funds
R351	NEC - Station Improvements	\$	5,126,000	TCRP funds
S010	Sacramento-West Sacramento Streetcar Starter Line	\$	(24,825,115)	Added \$5,174,885 Fed CMAQ and Xfer \$30M TIRCP to S030 in FY18
S030	Downtown/Riverfront Streetcar Project (Small Starts)	\$	5,998,690	Added \$2,999,345 from City of Sac and \$2,999,345 from City of West Sac

Transit Security & Safety

H021	Enhancement of Emergency Power Generation	\$	1,114	Added Prop 1B interest
R352	Track Worker Warning System	\$	870,000	Added Fed Sec 5312 funds
T009	Data Center Redundancy & Reliability	\$	(945)	Transferred Prop 1B funds and Prop 1B interest to project T006
T048	Anti-Terrorism Directed Patrols	\$	36,347	Added Homeland Security funds
T045	Securities Operations Center	\$	65,000	Added FY12 Revenue Bonds

Transit Technology

T004	Connect Card Light Rail Platform Preparations	\$	70,000	Added FY15 Prop 1B funds
T014	Connect Card Data & Communications Systems	\$	32,719	Added FY12 Revenue Bonds
T017	Audio Light Rail Passenger Information Signs	\$	(125,000)	Transferred (\$100K) Fed Sec 5317 New Freedom funds and (\$25K) FY12 Revenue Bonds to project F015 (Mini-Hi's to LRS)
T030	Revenue Center Security Camera Upgrade	\$	25,000	Added FY12 Revenue Bonds
T041	Upgrade for Connect Card	\$	35,000	Added FY15 Prop 1B funds
T050	Upgrades to Transit Security Systems	\$	15,480	Added Prop 1B funds
T051	Telephone System Replacement	\$	305,250	Added Prop 1B funds
T052	Track Warrant Controlled Access System	\$	187,450	Added Prop 1B funds
T053	Connect Card Startup	\$	175,000	Add Fed 5307, LCTP and/or CMAQ

TBD

TBD11-2016	CPID - Station Planning	\$	(395,346)	Assigned to WBS R345 and reduced to \$350,000
TBD1-2016	Phone System Replacement	\$	(305,250)	Assigned WBS number T051
TBD2-2016	Track Warrant Controlled Access System	\$	(187,450)	Assigned WBS number T052
TBD3-2016	Radio Communications System Upgrade	\$	(1,117,017)	Assigned WBS number M009
TBD4-2016	Upgrades to Transit Security Systems	\$	(15,480)	Assigned WBS number T050
TBD5-2016	Anti-Terrorism Directed Patrols	\$	(181,735)	Not funded
TBD6-2016	License Plate Reader Camera Packages (3)	\$	(33,120)	Not funded
TBD7-2016	Hand Held Portable Radios	\$	(106,509)	Not funded
TBD8-2016	Security Awareness Training	\$	(12,091)	Not funded
TBD	Thermal Imaging Optics	\$	23,338	Potential Homeland Security funds
TBD	Antiterrorism Patrols	\$	191,414	Potential Homeland Security funds
Net SacRT Capital Budget Change		\$	<u>(30,155,064)</u>	

Operating Amendments

Year	Project Name		Changes Increase / (Decrease)	Description of Changes
			2,999	CMAQ transfer from Bike Racks budget completed under budget
FY 2016	Blue Line			5307 Urbanized Area Actual allocation higher the approved budgeted amt
FY 2017	RT Preventative Maintenance/ADA OPS	\$	62,636	5307 for FY18 JARC Actual allocation higher the approved budgeted amt
FY 2017	Job Access Reverse Commute (JARC)	\$	24,052	CMAQ transfer from Bike Racks budget completed under budget
FY 2017	Blue Line		177,151	
Net Operating Budget Change		\$	<u>266,838</u>	

Subrecipient Capital Project Amendments

Project	Project Name		Changes Increase / (Decrease)	Description of Changes
Q051	City of Folsom Operating Assistance/Pre	\$	125,526	Actual allocation higher the approved budgeted amt
Q049	El Dorado Transit- Bus Replacement	\$	152,140	Actual allocation higher the approved budgeted amt
Net Subrecipient Capital Budget Change		\$	<u>277,666</u>	