

REGIONAL TRANSIT ISSUE PAPER

Page 1 of 2

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	08/26/19	Open	Action	08/19/19

Subject: First Amendment to the Fiscal Year (FY) 2020 Capital Budget

ISSUE

Whether or not to approve the First Amendment to the Fiscal Year (FY) 2020 Capital Budget.

RECOMMENDED ACTION

Adopt Resolution 19-08-____, Approving the First Amendment to the FY20 Capital Budget.

FISCAL IMPACT

Approval of this would increase the FY20 Capital Budget by \$2,050,455 for various capital projects as outlined in Exhibit A. This action does not imply that funding is available for all projects; this decision is based upon available funding. See notes below.

DISCUSSION

SacRT's annual budgeting process includes Board adoption of a budget that reflects SacRT's expected funding at the time of preparation. Periodically, changes to funding sources, funding amounts or District priorities require revisions to the budget. Staff has identified necessary revisions as described below:

- **City of Folsom Preventive Maintenance (Q060)** – Add \$160,575 in budget authority for Folsom preventive maintenance activities that took place in FY19 and were paid for by the City of Folsom when the City was still operating the Folsom Stage Line service. This budget authority will allow the City to be reimbursed for those expenses using Federal Transit Administration (FTA) Section 5307 funds. SacRT will be the FTA Grantee for those funds and will pass them through to the City, which is why they are being added to SacRT's capital budget. An equivalent amount of FTA Section 5307 funds have already been included in SacRT's FY20 Operating Budget for Preventive Maintenance activities that took place after SacRT began operating Folsom bus service. There is available funding for this project.
- **Capital Improvements for Real Estate Development (M018)** - Add \$250,000 in budget authority to allow SacRT to spend up to this amount for capital expenditures or other real estate costs that may help staff in providing opportunities to increase development and/or attract current or future riders to existing transit sites. The funding sources could include proceeds from the sale of surplus property. As of now, no available funding has been set aside.
- **Tamper Refurbishment (R363)** – Add \$89,880 in budget authority to perform major maintenance on the track tamping alignment machine, including replacing the failed alignment computer. Out-dated computer hardware and software is hindering the proper functioning of this equipment. There is available funding for this project.

Approved:

Presented:

Final 8/20/19

General Manager/CEO

VP, Finance/CFO

J:\Board Meeting Documents\2019\12 August 26, 2019\IP FY20 Capital Budget Amend 1.doc

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- **Farebox-Fare Vending Machine (FVM)-Zip Pass Integration (T059)** – Add \$650,000 in budget authority to purchase and install software that will allow QR Codes to be read by the existing fareboxes on SacRT's bus fleet, and to pay the additional fee required for SacRT's mobile fare payment app, ZipPass, to use QR Code technology. By doing this, tickets purchased at SacRT's new Fare Vending Machines (FVMs), which will only issue tickets with QR codes and not magnetic stripes, will be able to be read by fareboxes on the bus. Further, when passengers purchase a ticket using the ZipPass mobile fare payment app, the fare payment can be validated by the farebox on the bus, rather than relying on visual inspection by Transit Ambassadors and Bus Operators. There is available funding for \$612K of the \$650K needed for this project.
- **Bidwell Instrument House (R364)** - Add \$500,000 in budget authority to procure and install a new instrument house at the current intersection of Folsom Boulevard and Bidwell Street to replace the non-repairable instrument house which was damaged in June 2019 when it was hit by a car. SacRT will be seeking insurance proceeds from the driver of the car that damaged the instrument house. Supplemental funding will be identified as needed.
- **Citrus Heights Bus Stop Improvements (B171) and Folsom Bus Stop Improvements (B172)** – Add budget authority to spend up to \$200,000 in Citrus Heights and \$200,000 in Folsom on bus stop improvements. With SacRT's new initiatives such as SacRT Forward and student pass discounts, there may be instances where bus stops are nonexistent or in need of enhancements. This budget authority would allow SacRT staff to spend up to this maximum amount on these types of activities as needed. Potential revenue sources for Citrus Heights could be additional TDA funds or new grants opportunities. For Folsom, the revenue resources could be prior reserves generated by the City of Folsom's Transit fund or new grant opportunities.

Staff hereby recommends that the Board approve the First Amendment to the FY20 Capital Budget, making the changes described above and in Exhibit A.

RESOLUTION NO. 19-08-_____

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

August 26, 2019

APPROVING THE FIRST AMENDMENT TO THE FY20 CAPITAL BUDGET

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

THAT, the Board approves the First Amendment to the Fiscal Year 2020 Capital Budget, as set out in Exhibit A.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Exhibit A: Summary of Amendment 1 changes to FY20 Capital Budget

				FY20 Capital Budget Change					Fund Source
ID	Project Name	FY20 Budget	FY20 Budget - with Amend 1	FY19 Capital Budget Change	Federal	State	Local	TBD	
Increased FY20 Budget Request									
Q060	City of Folsom Preventive Maintenance	0	160,575	160,575	160,575				FY19 Federal Transit Administration (FTA) Section 5307 funds.
M018	Capital Improvements for Real Estate Development	0	250,000	250,000				250,000	Seeking budget authority only at this time. Funding sources could include proceeds from the sale of surplus property.
R363	Tamper Refurbishment	0	89,880	89,880		89,880			State Transit Assistance (STA) funds.
T059	Farebox-FVM-Zip Pass Integration	0	650,000	650,000		200,000	416,000	34,000	STA funds and proceeds that SacRT recently received from a bus accident settlement.
R364	Bidwell Instrument House	0	500,000	500,000				500,000	Funding source is TBD at this time; SacRT will be seeking insurance proceeds from the car accident that damaged the existing instrument house. Supplemental funding will be identified as needed.
B171	Citrus Heights Bus Stop Improvements	0	200,000	200,000				200,000	Seeking budget authority only at this time. Funding sources could include additional TDA funds or new grants opportunities.
B172	Folsom Bus Stop Improvements	0	200,000	200,000			200,000		Funding sources could be prior reserves generated by the City of Folsom's Transit fund or new grant opportunities.
		\$ -	\$ 2,050,455	\$ 2,050,455	\$ 160,575	\$ 289,880	\$ 616,000	\$ 984,000	