

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 3 | 01/28/19 | Open | Action | 01/23/19 |

Subject: Approve the Third Amendment to the FY 2019 Capital Budget

ISSUE

Whether or not to approve the Third Amendment to the Fiscal Year (FY) 2019 Capital Budget

RECOMMENDED ACTION

Adopt Resolution No. 19-01-____, Approving the Third Amendment to the FY 2019 Capital Budget

FISCAL IMPACT

\$25,610,713 for various capital projects as outlined in Exhibit A, including:

- \$20,188,893 for capital projects that have been awarded competitive grant funds
- \$5,211,820 in budget authority to allow SacRT staff to pursue grant funding for capital projects
- \$210,000 in STA funds for a critical path capital project

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 sources, funding amounts or SacRT’s priorities require revisions to the budget.

Staff has identified necessary revisions to the Capital Budget due to the following:

Competitive grant funding awarded for specific projects (\$20,188,893)

- Dos Rios Light Rail Station (R055) - \$17.5 million in Transformative Climate Communities (TCC) grant funds.
- Franklin Blvd Microtransit 3 Zero Emission Bus (ZEB) Procurement (B157) - \$713,893 in Electrify America (EA) funds. Initially, we had planned for EA to procure the vehicles. The new plan is for EA funds to flow through SacRT and for SacRT to conduct the procurement.
- ZEB and charging infrastructure (B159 & B160) - \$1,975,000 in combined SECAT grant funds and CARB/HVIP Vouchers that, when combined with the \$1,311,820 in TBD funds described below, will increase the budget for ZEBs from 10 vehicles and associated infrastructure to 20 vehicles and associated infrastructure.

Approved:

Presented:

Final 01/23/19

General Manager/CEO

Director, OMB

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Need for Budget authority increase to allow SacRT staff to pursue additional funding (\$5,211,820)

- ZEB and charging infrastructure (B159 & B160) - \$1,311,820 in TBD funds that, when combined with the \$1,975,000 in new grant funds described above, will increase the budget for ZEBs from 10 vehicles and associated infrastructure to 20 vehicles and associated infrastructure.
- Light Rail Wheel Truing Machine (R362) - \$3,400,000 Budget Authority for TBD funds. SacRT staff will be seeking permission from the state to use prior year Traffic Congestion Relief Program (TCRP) funds that have not yet been used and can only be used for limited purposes. This new lathe-type wheel truing machine would be compatible with both low and high-floor LRVs. Unlike the current machine, which can only cut one wheel profile and cannot be used on UTDC or low-floor vehicles, this new machine will be able to be used on all vehicle types and will be able to perform wheel truing more quickly and efficiently. This will increase light rail reliability, reduce the length of time that light rail vehicles are out of service, and reduce noise.
- Light Rail Vehicle Specification Development (R025) - \$500,000 in TBD funds. Seeking budget authority only at this time so that funds can be assigned to this project quickly if needed.

Need for additional funding for critical path items (\$210,000)

- Automatic Passenger Counters (APCs) for LRT (R355) - \$210,000 in STA funds to procure additional APCs for installation into Siemens light rail fleet

The FY 2019 Capital Budget was adopted by the Board on June 11, 2018. This will be the third amendment to the Capital Budget, with the first amendment adopted by the Board on October 22, 2018 and the second amendment adopted by the Board on December 10, 2018. A summary of the FY 2019 Capital Budget Amendments is in the table on the next page.

Details of the Amendment 3 project changes are included in Exhibit A.

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FY 2019 Capital Budget Summary

| Action | Total FY19 Budget Request | Amendment Amount | Detail |
|--|---------------------------|------------------|---|
| Adopted FY 2019 Capital Budget – June 11 | \$186,100,320 | | |
| Amendment 1 – October 22 | \$186,928,342 | \$828,022 | Added two new grant-funded security projects, and one new project for expansion services startup costs. |
| Amendment 2 – December 10 | \$207,248,324 | \$20,319,982 | Added new grant-funded projects and critical maintenance and state of good repair projects that are now possible due to increased stability of Senate Bill 1 (SB1) funds. |
| Amendment 3 – January 28 | \$232,859,037 | \$25,610,713 | See Exhibit A for details |

Staff recommends approving the Third Amendment to the FY 2019 Capital Budget.

RESOLUTION NO. 19-01-_____

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

January 28, 2019

APPROVING THE THIRD AMENDMENT TO THE FY 2019 CAPITAL BUDGET

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

THAT, the Board approves the Third Amendment to the Fiscal Year 2019 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 3 changes to FY19 Capital Budget

| ID | Project Name | FY19 Budget - Through Amendment 2 | FY19 Budget - with Amendment 3 | FY19 Capital Budget Change | | | | | Fund Source | |
|-------------------------------|--|-----------------------------------|--------------------------------|----------------------------|--------------|---------------|------------|--------------------|--------------|--|
| | | | | FY19 Capital Budget Change | Federal | State | Local | CARB/ HVIP Voucher | | TBD |
| Increased FY19 Budget Request | | | | | | | | | | |
| B157 | Franklin Blvd Microtransit: 3 ZEB Procurements | 16,500 | 730,393 | 713,893 | | | 713,893 | | | Electrify America funds |
| B159 | 20 Zero Emission Vehicles & Chargers | 2,759,600 | 5,519,200 | 2,759,600 | 1,000,000 | | | 975,000 | 784,600 | - \$1,975,000 in combined SECAT grant funds and CARB/HVIP Vouchers - Will be seeking competitive grant funds for \$784,600 in TBD funding |
| B160 | Infrastructure for 20 charging stations | 527,220 | 1,054,440 | 527,220 | | | | | 527,220 | Will be seeking competitive grant funds for \$527,220 in TBD funding |
| R025 | Light Rail Vehicle Specification Development | 1,000,000 | 1,500,000 | 500,000 | | | | | 500,000 | Seeking budget authority only at this time |
| R055 | Dos Rios Light Rail Station | 2,100,000 | 19,600,000 | 17,500,000 | | 17,500,000 | | | | Transformative Climate Communities (TCC) grant funds |
| R355 | Automatic Passenger Counters for LRT | 1,100,000 | 1,310,000 | 210,000 | | 210,000 | | | | STA funds |
| R362 | Light Rail Wheel Truing Machine | 0 | 3,400,000 | 3,400,000 | | | | | 3,400,000 | Seeking budget authority. Will be asking permission from state to use prior year Traffic Congestion Relief Program (TCRP) funds |
| | | \$ 7,503,320 | \$ 33,114,033 | \$ 25,610,713 | \$ 1,000,000 | \$ 17,710,000 | \$ 713,893 | \$ 975,000 | \$ 5,211,820 | |