

STAFF REPORT

DATE: August 28, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Jason Johnson, VP, Finance/CFO
SUBJ: FIRST AMENDMENT TO THE FY24 CAPITAL BUDGET

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the First Amendment increasing the FY24 Capital Budget by \$86,939,144 for new capital project requests approved by the Capital Program Committee.

FISCAL IMPACT

The original FY24 Capital Budget is \$1,901,817,520. This First Amendment would increase the Capital Budget by \$86,939,144, bringing the total of the amended FY24 Capital Budget to \$1,988,756,664.

DISCUSSION

Sacramento Regional Transit District's (SacRT) 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 SacRT's priorities require revisions to the budget. Staff has identified necessary revisions to the Capital Budget as described below. Inclusion of the new projects in the Capital Budget allows Staff to apply for grant funding in support of the identified projects. The specified amounts for overall project costs will not necessarily be obtained or expended in FY24.

- **Watt I-80 Transit Center Improvements- Add \$11,164,144 to Existing Budget.** Project constructs improvements to the Watt/I80 Transit Center including improvements to Watt Avenue and bus stop plazas to enhance pedestrian, bicycle, and drop-off access at the transit center. Improvements also include redesigned stairwell structures to be more open and accessible, and additional lighting for better station visibility and elimination of hiding places. As design progressed, the cost of existing project improvements has escalated. In addition, design changes have been made to include upgrades to the existing operator restroom and breakroom, a new east stairwell, removal of old stairwells, additional tail track lighting, bus signage, and increased Watt Avenue roadway resurfacing depth.

Based on the updated Engineer's Estimate, with contingency, these changes add \$11,164,144 to the existing project budget.

- Following opening of Bids, any potential funding shortfall will be programmed from reserved "Cost overrun/contingency funds" from FY23 State Transit Assistance.
- **Stockton Blvd. Bus Rapid Transit Project- \$72,000,000.** Project is a collaboration between the City of Sacramento, County of Sacramento, the Sacramento Area Council of Governments (SACOG), Sacramento Transportation Authority (STA), and SacRT to construct Bus Rapid Transit (BRT) along the bus Route 51 alignment, SacRT's highest-performing bus route, which runs through disadvantaged communities along Stockton Blvd, Broadway, and segments of 7th, 8th, and 9th Streets. The project budget includes environmental (\$6 million), design (\$6 million), and construction (\$60 million) phases. The project was recently awarded \$5.2 million in funding from SACOG, which includes funding for alternatives analysis/environmental phase for the BRT Project. SacRT will seek additional grant funding for design and construction once the environmental phase is complete.
 - Subsequent funding for design and construction will be applied for through competitive grants. Identified grants are Transit & Intercity Rail Capital, Areas of Persistent Poverty, RAISE Grant, SB1 Programs, and SACOG regional funding round.
- **Mobility Hub Implementation Plan- \$500,000.** This project will develop a plan that strategizes how transportation services, amenities, and supporting technologies can work together to make it easier and more attractive for communities to access transit and other shared mobility choices. The project will address the implementation of mobility hub sites at existing SacRT park-and-ride (PNR) lots. Facilitating mobility hubs will include the installation of charging infrastructure at PNR lots, installation of LED lighting, safety improvements, as well as other features to improve sustainability, encourage less use of private vehicles, and promote efficient land use. Mobility hub features will provide greater customer convenience and will attract new riders to transit by providing a safe, comfortable, accessible space to transfer from one type of transportation to another. The mobility hub plan is necessary to seek funding for implementation of mobility hubs.
 - SacRT will seek funding for this effort by partnering with the Sacramento Air Quality Management District and applying for Sustainable Transportation Equity Program (STEP), Transit and Intercity Rail Capital Program, and Carbon Reduction Program.
- **Safe Routes to Transit Plan- \$500,000.** Planning project to improve access to SacRT bus stops and light rail stations by enhancing existing infrastructure conditions. The project will develop recommendations for addressing existing mobility and connectivity barriers to accessing bus and light rail service. The project will cover a broad range of access issues to enhance connectivity and grow ridership and prioritize pedestrian safety and accessibility improvements for wayfinding to and from transit stops and stations.

- This effort will be funded by applying for competitive grant funds through the Carbon Reduction Program, Active Transportation Program, and SACOG regional funding round.
- **Non-Revenue Vehicle Replacement and Expansion- \$2,175,000.** The project replaces 33 older high mileage non-revenue vehicles that are beyond their useful service life and adds 7 expansion vehicles. Replacement vehicles include 2 sedans, 26 pickup trucks, and 5 SUVs. The current price estimates range from \$27,000-\$30,000 for hybrid sedans, \$45,000-\$60,000 for one-half ton to one-ton pickup trucks, and \$37,000-\$44,000 for SUVs. Expansion vehicles include 1 revenue center van, 3 facilities trucks, 1 safety dept. SUV, 1 customer service SUV, and 1 carpool vehicle for SacRT's 1102 Q Street office. Expansion vehicles are required to address increased staffing and coverage due to the annexation of three cities into the SacRT service area. Cost of replacement and expansion vehicles is estimated to be \$2,125,000, including installed equipment and graphics. Internal labor costs are estimated to be \$50,000 for a total project cost of \$2,175,000.
 - Funding for this effort will be a mix of FY24 State Transit Assistance funds and up to a 30% reimbursement from the Sacramento Metropolitan Air Quality Management District (SMAQMD).
- **Non-Revenue Electric Vehicle (EV) Charging Infrastructure- \$600,000.** Project designs (\$50,000) and constructs (\$550,000) EV charging facilities for non-revenue service vehicles. There are approximately 160 non-revenue vehicles in use at SacRT, with plans for expansion vehicles. Assuming a 2 vehicles to 1 charger protocol, this equates to a total need for 80+ chargers. Project scope includes trenching, purchase, and installation of charging equipment, and upgrading transformers or electrical panels. Project locations are throughout SacRT's service area, including BMF2, light rail operations, SacRT's administration building, bus dispatch, etc. SacRT will work with SMAQMD to identify incentives, which are estimated to offset cost by 30%. State of California mandates conversion of all passenger vehicles and even medium-duty vehicles to zero-emission by 2035. SacRT does not currently have any zero emission non-revenue vehicles, as it lacks on-site infrastructure to charge them and charging non-revenue vehicles at public charging facilities is infeasible due to the time involved. The conversion of the non-revenue fleet to ZEV will take several years. SacRT must invest in the infrastructure before it can transition the non-revenue fleet to ZEV.
 - Funding for this effort will be a mix of FY24 State Transit Assistance funds and 30% up to a reimbursement from SMAQMD.

RESOLUTION NO. 2023-08-076

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

August 28, 2023

FIRST AMENDMENT TO THE FY24 CAPITAL BUDGET

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

THAT, the Board hereby approves the First Amendment to the Fiscal Year 2024 Capital Budget as set out in Exhibit A, increasing the total Capital Budget to \$1,988,756,664.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary

Exhibit A

1st Amendment to FY24 Capital Budget

Project Name	FY 24 Capital Budget Amendment 1 Amount	Amendment Justification
Watt I-80 Transit Center Improvements	\$11,164,144	\$11,164,144 not included in FY24 Capital Budget
Stockton Blvd. Rapid Transit Project	\$72,000,000	Project not included in FY24 Capital Budget
Mobility Hub Implementation Plan	\$500,000	Project not included in FY24 Capital Budget
Safe Routes to Transit Plan	\$500,000	Project not included in FY24 Capital Budget
Non-Revenue Vehicle Replacement and Expansion	\$2,175,000	Project not included in FY24 Capital Budget
Non-Revenue Electric Vehicle Charging Infrastructure	\$600,000	Project not included in FY24 Capital Budget
FY 24 Capital Budget Amendment 1	\$86,939,144	