

STAFF REPORT

DATE: December 11, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Laura Ham, VP, Planning and Engineering
SUBJ: MOTION TO RECONSIDER BOARD VOTE ON ITEM 7.1 DOS
RIOS LIGHT RAIL STATION TAKEN NOVEMBER 13, 2023

RECOMMENDATION

Motion to Approve.

RESULT OF RECOMMENDED ACTION

This item contains two separate motions. If the Motion to Reconsider is approved by the Board, then the Board will be asked to rescind the November 13, 2023 vote and approve a motion to direct staff to fully fund the construction of the Dos Rios Light Rail Station Project and move forward the Project as originally planned.

FISCAL IMPACT

The Project has a current total estimated cost of \$43M which is included in the FY 24 Capital Plan. SacRT has a total of \$33.8M in available funding, which includes the anticipated allocation of \$10M in SB125, leaving an estimated funding shortfall of \$9.2M.

To fill the \$9.2M shortfall, based on information provided by Vice Chair Jennings, Senator Angelique Ashby has agreed to support SacRT's proposal to request TIRCP Cycle 7 funding which will be submitted in March 2024. Additionally, Senator Ashby has agreed to assist SacRT in seeking alternative State funding to the extent such funds are available and are deemed necessary to address cost overruns or shortfalls. SacRT staff has also been evaluating and planning to apply for other grant programs that may provide funding for the project, including the U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program as potential sources for funding the gap. SacRT staff is continuing to perform value engineering to find cost efficiencies that could lower the estimated project costs.

DISCUSSION

At the Board's November 13, 2023 meeting, staff presented information regarding the Dos Rios Light Rail Project and informed the Board of the Project's \$19.2M funding gap, since SacRT has only secured \$23.8M for the Project and the estimated cost of the Project currently stands at \$43M. Staff requested direction from the Board regarding whether to direct capital dollars to fill the gap or to pursue a substitute path forward. The Board was presented with three options:

1. Request an allocation of \$10M in SacRT's SB125 funds and use approximately \$9.2M of SacRT's other funds to fully fund the Dos Rios Light Rail Station Project.
2. Direct SacRT staff to allocate a portion of its SB125 and other funds to fund up to ½ of the shortfall of approximately \$19.2M through SacRT's SB125 allocation and continue to seek partnership on the remaining ½ from other partners.
3. Move forward with the substitute project, which includes the implementation of robust bus service, including augmentation of Route 33 and potentially other routes in the Project Area with zero emission buses, frequent service, while continuing to pursue new grant funding for the station in the future.

After significant discussion and the consideration of input from the public, the Board voted to move forward with the substitute project that includes the implementation of increased bus service, including augmentation of Route 33 and potentially other routes in the Project Area with zero emission buses, while continuing to pursue new grant funding for the station in the future.

Since the Board took action, a number of positive developments have unfolded prompting Vice Chair Rick Jennings to make a formal request to the Board Chair to have the Board reconsider the motion that was approved at the November 13, 2023 Board meeting, and asking the Board to consider an alternative motion that will allow the Light Rail Station Project to proceed at this time. The Board Chair approved the request to place this item on the Board Agenda for this evening.

Motion to Reconsider

Pursuant to Roberts Rule of Order, in order for the Board to reconsider a vote taken at a previous meeting of the board, two factors have to be present. First, the director making the motion must have voted **for** the motion that passed. Second, the motion to reconsider must be prompted because there is new information that, had it been known at the time of the Board meeting, might have affected the vote. In this instance, Director Jennings voted for the motion the Board approved, making him eligible to make a motion to reconsider. Second, there is new information that could influence a different outcome from the vote taken in November.

According to information shared with staff by Director Jennings, the following developments have unfolded since the November 13th vote:

1. SACOG is recommending approval of \$10M in SB125 funds to complete the construction of the Dos Rios Light Rail Station at their December 11, 2023 Board meeting.
2. To fill the \$9.2M shortfall, based on information provided by Vice Chair Jennings, Senator Angelique Ashby has agreed to support SacRT's proposal to request TIRCP Cycle 7 for funding which will be submitted in March 2024, if those funds are available and needed for the completion of the project.
3. Additionally, Senator Ashby has agreed to assist SacRT in seeking alternative State funding (to the extent such funds are available and are deemed necessary to address cost overruns or shortfalls).
4. SHRA recently advised that the TCC project includes over \$100M in leveraged funding that was issued on the understanding that a light rail station would be built at the site.
5. Prior to December 1st, SHRA requested and the SGC granted a two-month extension, and its extension letter states that alternative projects must meet several criteria including permanency, which a bus route does not likely meet.
6. SacRT staff has also been evaluating and planning to apply for other grant programs that may provide funding for the project, including the U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program as potential sources for funding the gap. SacRT staff is continuing to perform value engineering to find cost efficiencies that could reduce the overall cost of the project.

Staff Recommendation

Based on the information listed above, staff recommends that the Board take the following action:

1. Motion to Reconsider – Staff recommends that the Board approve Director Jennings's motion to reconsider the Board's November 13, 2023 vote.
2. If the Board approves the Motion to Reconsider, staff recommends that the Board then rescind the motion approved at the November 13, 2023 Board meeting to move forward with a substitute project, that includes the implementation of robust bus service, including augmentation of Route 33 and potentially other routes in the Project Area with zero emission vehicles, frequent service, while continuing to pursue new grant funding for the station in the future and that the Board motion direct the General Manager/CEO to allocate sufficient funding to fill the budget shortfall and proceed with the construction of the Dos Rios Light Rail Station.