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SACRAMENTO REGIONAL TRANSIT

STAFF REPORT

DATE:	October 27, 2025
TO:	Sacramento Regional Transit Board of Directors
FROM:	Jason Johnson, VP, Finance/CFO
SUBJ:	FIRST AMENDMENT TO THE FY26 CAPITAL BUDGET

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the First Amendment increasing the FY26 Capital Budget by $12,929,541 for new capital project requests, bringing the total of the amended FY26 Capital Budget to $2,037,238,498.

FISCAL IMPACT

The original FY26 Capital Budget is $2,024,308,957. This First Amendment will increase the Capital Budget by $12,929,541, bringing the total of the amended FY26 Capital Budget to $2,037,238,498.

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 in funding sources, funding amounts, or SacRT's priorities require revisions to the budget. Staff have identified necessary revisions to the Capital Budget as described below.

- **Connect Card Version 2 – a reduction of $1,300,000 in budget:** Connect Card Version 2 is an upgrade to the original Connect Card smart fare system used throughout the Sacramento region. It introduces enhanced digital features and mobile compatibility to streamline transit payments. The initial budget of $7,500,000 for SacRT's Connect Card Version 2 was a preliminary estimate carried forward into the FY26 Capital Budget, originating from FY21 Capital Budget Amendment #3. This amount reflected a broad and inclusive scope for implementing the upgraded fare system. Staff now recommend reallocating $1,300,000 from the overall Connect Card Version 2 budget to support sub-components related to the implementation of Cal-ITP platform validators and the integration of smart fare vending machines (FVMs) at SacRT light rail stations. As

a result of this amendment, the total budget for the Connect Card Version 2 project is revised from $7,500,000 to $6,200,000.

- **Cal-ITP Platform Validators and Smart FVM Integration – $1,300,000:** The project is a key component of the California Integrated Travel Project (Cal-ITP), which aims to enable contactless payments across rail and bus transit systems. The project will enhance the experience by streamlining ticket purchasing and validation, while improving accessibility and operational efficiency. The project is fully funded through Cycle 7 of the Transit and Intercity Rail Capital Program (TIRCP) grant. Scope of work includes:

    - Procurement and installation of contactless EMV readers, along with integration of QR code reading software at 54 SacRT light rail stations to improve fare validation and passenger convenience.

    - Closed-loop software integration fees and acquisition of physical card stock to support the deployment of contactless EMV readers at these stations.

    - Software integration with Scheidt & Bachmann smart fare vending machines (FVMs), enabling Smartcards to be dispensed directly at light rail platforms.

- **Railigent Platform Initial Setup, Configuration and Equipment – $350,000:** This budget allocation covers the initial setup, configuration, and procurement of equipment required to implement Siemens digital platform – Railigent Fleet Monitoring 5: Action View with Rule Engine. The platform is designed to support near real-time remote diagnostics and condition monitoring of SacRT's S700 light rail vehicles. Funding for this phase will be provided through SacRT's State Transportation Assistance (STA) funds. The ongoing annual operational cost of $883,624 will be charged to IT operations. Scope of work includes:

    - Configuration of the on-board diagnostics system (SXS) to collect and process vehicle data and transmit it to the Railigent wayside.

    - Establishment of secure communication protocols between the SXS and Siemens Railigent wayside.

    - Deployment of remote condition monitoring capabilities and efficient incident management.

    - Provision of technical support and basic training for Fleet Monitoring.

- **Safety and Security Capital Improvement – $2,000,000:** This budget supports safety and security projects to be funded through competitive grants from the Federal Emergency Management Agency (FEMA) and the Governor's Office of Emergency Services (Cal OES). Project activities include emergency drills, anti-terrorism patrols, installation of security cameras, enhancements to physical access controls at SacRT facilities, cybersecurity upgrades, and similar projects.

- **Sustainable Access and Charging Hubs for Urban Benefits (SACHUB) – $7,000,000:** This project will create three e-mobility hubs within disadvantaged communities in Sacramento, co-located with light rail stations Alkali Flat, Globe, and Marconi/Arcade, and study their ability to serve as a base for EV carshare, community charging, and access to on-demand shuttle services. These hubs will include the deployment of EV chargers and support the testing and evaluation of EV mobility services, leading to a business model for effective and sustainable microtransit services and strategies for improving transportation accessibility to jobs and workforce training.

    - SacRT has been awarded $4,000,000 in incentive funds from the Sacramento Metropolitan Air Quality Management District (SMAQMD) for the project. SacRT is actively pursuing additional state and federal funding to cover the remaining costs.

    - The budget amount of $7,000,000 was approved in FY25 Capital Budget Amendment #1 but was inadvertently not carried forward into the FY26 Capital Budget.

- **Sustainable Transit Connections to Health Service Planning and Feasibility Study – $73,149:** The project has been awarded FY25 Caltrans Sustainable Transportation Planning Grant funds. The City of Folsom is the grantee, and SacRT serves as the sub-grantee. The project aims to proactively plan for sustainable transit connections supporting Folsom's rapid growth. This project will help reduce greenhouse gas emissions, alleviate traffic congestion, provide alternative regional transportation modes, and improve access to jobs, services, and healthcare facilities. The study will include route design, ridership forecasts, station area planning, public engagement, and a unique multi-party sponsorship agreement.

    - The total FY25 Caltrans Sustainable Transportation Grant award is $218,472, of which $67,429 is allocated to SacRT. Additionally, SacRT will contribute $5,720 in in-kind labor match funds from operations.

    - Although an original budget amount of $250,000 was approved for this project in FY25 Capital Budget Amendment #1, it was inadvertently not carried forward into FY26 Capital Budget.

- **TNC Access for All Program – Local Access Fund Administrator (LAFA) – $3,241,253:** This project is funded through the Transportation Network Company (TNC) Access for All Program to support local Access Providers in expanding on-demand wheelchair-accessible vehicle (WAV) transportation services throughout Sacramento County. SacRT has been designated by the California Public Utilities Commission (CPUC) to serve as the Local Access Fund Administrator (LAFA) for Sacramento County and has been awarded $3,241,253 in Access Fund allocations for Funding Year 2025–2026.

    - As the designated LAFA, SacRT will develop local WAV programs using these funds. Of the total allocation, 85% ($2,755,065) will be made available

to Access Providers to deliver on-demand WAV transportation services, while the remaining 15% ($486,188) will be allocated to cover SacRT's administrative costs for managing the program.

- **El Dorado Transit FFY25 5307/5339(a) – $265,139:** This budget represents a suballocation of the FFY25 Federal Transit Administration Sections 5307 and 5339(a) formula funds, based on El Dorado Transit's earned share. The allocation amount of $265,139 for El Dorado Transit was approved by the Sacramento Area Council of Governments Board of Directors on August 21, 2025.

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RESOLUTION NO. 2025-10-109

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

October 27, 2025

FIRST AMENDMENT TO THE FY26 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 2026 Capital Budget as set out in Exhibit A, increasing the total Capital Budget to $2,037,238,498.

DocuSigned by:
Rick Jennings
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RICK JENNINGS, Chair

A T T E S T:

HENRY LI, Secretary

By: DocuSigned by:
Tabetha Smith
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Tabetha Smith, Assistant Secretary

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Exhibit A

First Amendment to FY26 Capital Budget

Project Number	Project Name	FY26 Capital Budget First Amendment Amount	Amendment Justification
T067	Connect Card Version 2	($1,300,000)	A reduction of $1,300,000 from the adopted $7,500,000 in FY26 Capital Budget brings the amended budget for this project to $6,200,000.
T078; T079; T080	Cal-ITP Platform Validators and Smart FVM Integration	$1,300,000	$1,300,000 not included in FY26 Capital Budget
TBD	Railigent Platform Initial Setup, Configuration, and Equipment	$350,000	$350,000 not included in FY26 Capital Budget
TBD	Safety and Security Capital Improvements	$2,000,000	$2,000,000 not included in FY26 Capital Budget
B190	Sustainable Access and Charging Hubs for Urban Benefits (SACHUB)	$7,000,000	$7,000,000 previously approved in FY25 Capital Budget Amendment #1; not carried forward into FY26 Capital Budget
TBD	Sustainable Transit Connections to Health Service Planning and Feasibility Study	$73,149	$250,000 originally approved in FY25 Capital Budget Amendment #1; not carried forward into FY26 Capital Budget.
TBD	TNC Access for All: On-demand Wheelchair Accessible Vehicle (WAV) Service	$3,241,253	$3,241,253 not included in FY26 Capital Budget
TBD	El Dorado Transit FFY25 5307/5339(a)	$265,139	$265,139 not included in FY26 Capital Budget
	TOTAL	**$12,929,541**	

Adopted FY26 Capital Budget	$2,024,308,957
Amendment #1 - FY26 Capital Budget	$12,929,541
Amended FY26 Capital Budget	$2,037,238,498