REVISED
7.27.2026

Agenda Item 2.4

STAFF REPORT

DATE:	July 27, 2026
TO:	Sacramento Regional Transit Board of Directors
FROM:	Jason Johnson, VP, Finance/CFO
SUBJ:	FIRST AMENDMENT TO THE FISCAL YEAR 2027 CAPITAL BUDGET

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the First Amendment increases the Fiscal Year (FY) 2027 Capital Budget by $35,201,659 for new capital project requests, bringing the total of the amended FY 2027 Capital Budget to ~~$1,971,122,673~~ **$1,975,122,673**.

FISCAL IMPACT

The original FY 2027 Capital Budget is $1,939,921,014. This First Amendment will increase the Capital Budget by $35,201,659, bringing the total of the amended FY 2027 Capital Budget to $1,975,122,673.

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.

- **Zero-Emission Buses (ZEBs), Fueling, and Workforce Development (Project Number B188) — reduction of $76,847,678 in budget:** The original $139,000,000 budget for Project B188 included $76,847,678 from the Federal Fiscal Year (FFY) 2024 Federal Transit Administration (FTA) Low or No Emission (Low-No) Grant Award. The original Low-No scope included replacing twenty-nine 40-foot compressed natural gas (CNG) buses with fuel cell electric buses (FCEBs), converting the McClellan Bus Maintenance Facility (BMF-2) into a zero-emission maintenance facility, and implementing extensive workforce development and training initiatives.

  FTA has since approved SacRT's request to remove all EV infrastructure and zero-emission elements from the original Low-No scope. As a result, SacRT will redirect

the Low-No funds to CNG buses and BMF-2 rehabilitation. Staff therefore recommend reallocating $76,847,678 from Project B188 to align with the revised FFY 2024 Low-No scope per FTA guidance.

- **29 Replacement CNG Buses and BMF-2 Rehabilitation — $96,059,598:** Under the revised FFY 2024 Low-No scope, SacRT will replace twenty-nine 40-foot aged CNG buses with new CNG buses, rehabilitate BMF-2, and support associated workforce development activities, at a total cost of $96,059,598. The updated budget includes $76,847,678 in FFY 2024 Low-No funds and $19,211,920 in State Transit Assistance (STA) funds, reflecting an 80/20 cost share.

- **Railroad Tie Replacement (Project Number R391) — $10,000,000:** An increase of $10,000,000 from the adopted $5,000,000 in the FY 2027 Capital Budget brings the amended budget to $15,000,000. This project replaces worn track ties exceeding their useful life on SacRT's Gold and Blue lines and maintains a state of good repair.

- **Railyards Boulevard Station (Project Number A026) — $101,000:** An increase of $101,000 from the adopted $149,000 in the FY 2027 Capital Budget brings the amended budget to $250,000, reflecting SacRT's labor costs for overseeing DRV's 7th Street Widening Project. Downtown Railyard Venture, LLC will realign and embed existing ballasted track and construct a new light-rail station at 7th & Railyards, and will fully reimburse SacRT for all oversight labor.

- **Mobility Zones – Florin Bus Stop Bundle — $1,300,000:** This project improves thirteen bus stops along Bruceville Road near Kaiser South Sacramento and along Florin Road between Franklin and Stockon, at a total cost of $1,300,000. These improvements include adding shelters or benches and improving sidewalk access at priority stops identified in SacRT's Bus Stop Improvement Plan. The project was selected by Sacramento Area Council of Governments (SACOG) as part of the Mobility Zones Early Action Projects, and the full $1,300,000 cost will be funded by the Carbon Reduction Program (CRP).

- **Green Line BRT to Sacramento International Airport — $200,000:** This project delivers a feasibility study and conceptual design for a Green Line Bus Rapid Transit (BRT) service connecting Downtown Sacramento to Sacramento International Airport. An increase of $200,000 over the adopted $500,000 in the FY 2027 Capital Budget brings the amended project budget to $700,000, with $500,000 funded by the California Department of Transportation's (Caltrans) 2026-27 Sustainable Transportation Planning Grant Program and $200,000 funded by the Sacramento Transportation Authority's (STA) Measure A Smart Growth funds.

- **El Dorado Transit's FFY 2024 Section 5307 and 5339(a) Suballocations — reduction of $59,311 in budget:** A reduction of $59,311 from the adopted $450,000 in the FY 2027 Capital Budget brings the amended budget to $390,689. This adjustment aligns the budget with El Dorado Transit's FFY 2024 FTA Section 5307 and 5339(a) funding suballocations—$271,760 in earned share and $118,929 in discretionary share—consistent with the SACOG Board of Directors Meeting, May 21, 2026, Agenda Item No.6 on Reprogramming of Fiscal Year 2025

Earned Share and Programming Fiscal Year 2024 and 2025 Discretionary Share Federal Transit Funding.

- **El Dorado Transit's FFY 2025 Section 5307 and 5339(a) Suballocations — $448,050:** This budget reflects El Dorado Transit's FFY25 FTA Section 5307 and 5339(a) funding suballocations—$262,571 in earned share and $185,479 in discretionary share—consistent with the SACOG Board of Directors Meeting, May 21, 2026, Agenda Item No.6 on Reprogramming of Fiscal Year 2025 Earned Share and Programming Fiscal Year 2024 and 2025 Discretionary Share Federal Transit Funding.

- **Sustainable Access and Charging Hubs for Urban Benefits (SACHUB)** This project will create two e-mobility hubs within disadvantaged communities in Sacramento, co-located with light rail stations Alkali Flat 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 strategies for improving transportation accessibility to jobs and workforce training. SacRT anticipates a $4,000,000 award of Sacramento Metropolitan Air Quality Management District (SMAQMD) incentive funds for this project, with no matching funds from SacRT required.

  The budget for the project was originally approved in the FY25 Capital Budget Amendment #1 and carried forward into the FY26 Capital Budget. The FY25 approved budget of $7,000,000 included an additional e-mobility hub at the Globe light rail station. In FY26 the U.S. Department of Energy rescinded funds previously awarded to the project, the electric vehicle on call vendor terminated its contract with SacRT, and the project stopped. The budget was not carried over into the FY27 budget. The project scope has since been revised to reflect the reduced anticipated funding. A reduced project budget is being added back into the capital budget in this amendment.

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RESOLUTION NO. 2026-07-089

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

July 27, 2026

FIRST AMENDMENT TO THE FISCAL YEAR 2027 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 2027 Capital Budget as set out in Exhibit A, increasing the total Capital Budget to $1,975,122,673.

Signed by:
Bobbie Singh-Allen
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BOBBIE SINGH-ALLEN, 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 FY 2027 Capital Budget

Project Number	Project Name/Description	FY27 Capital Budget First Amendment Amount	Amendment Justification
B188	Zero-Emission Buses (ZEBs), Fueling, and Workforce Development	($76,847,678)	A reduction of $76,847,678 from the adopted $139,000,000 in the FY27 Capital Budget brings the amended project budget to $62,152,322
TBD	29 Replacement CNG Buses and BMF-2 Rehabilitation	$96,059,598	$96,059,598 not included in the FY27 Capital Budget
R391	Railroad Tie Replacement	$10,000,000	An increase of $10,000,000 over the adopted $5,000,000 in the FY27 Capital Budget brings the amended project budget to $15,000,000
A026	Railyards Boulevard Station	$101,000	An increase of $101,000 over the adopted $149,000 in the FY27 Capital Budget brings the amended project budget to $250,000
TBD	Mobility Zones - Florin Bus Stop Bundle	$1,300,000	$1,300,000 not included in the FY27 Capital Budget
TBD	Green Line BRT to Sacramento International Airport	$200,000	An increase of $200,000 over the adopted $500,000 in the FY27 Capital Budget brings the amended project budget to $700,000
TBD	El Dorado Transit's FFY 2024 Section 5307 and 5339(a) Suballocations	($59,311)	A reduction of $59,311 from the adopted $450,000 in the FY27 Capital Budget brings the amended project budget to $390,689
TBD	El Dorado Transit's FFY 2025 Section 5307 and 5339(a) Suballocations	$448,050	$448,050 not included in the FY27 Capital Budget
TBD	Sustainable Access and Charging Hubs for Urban Benefits (SACHUB)	$4,000,000	$4,000,000 not included in the FY27 Capital Budget
	TOTAL	**$35,201,659**	

Adopted FY27 Capital Budget	$1,939,921,014
Amendment #1 - FY27 Capital Budget	$35,201,659
Amended FY27 Capital Budget	$1,975,122,673