

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	07/24/17	Open	Action	07/18/17

Subject: Approving the First Amendment to the FY 2018 Operating and Capital Budgets

ISSUE

Whether or not to approve the First Amendment to the Fiscal Year 2018 Capital and Operating Budgets.

RECOMMENDED ACTION

Adopt Resolution No. 17-07-____, Approving the First Amendment to the Fiscal Year 2018 Capital and Operating Budgets.

FISCAL IMPACT

Fiscal Year 2018 Capital Budget Impact. Net increase = \$950,161

Total increase of \$950,161 of unassigned Developer Fees for a new project to repair the UTDC Light Rail Vehicles "UTDC LRV Fleet Improvements project."

Fiscal Year 2018 Operating Budget Impact. Net impact = \$24,052

Increase Revenues of \$24,052 to Operating Budget for Job Access/Reverse Commute.
Increase of Expenses of \$24,052 to Operating Budget for Budget Stabilization.

DISCUSSION

2018 Capital Budget

On June 12, 2017, the SacRT Board approved the Fiscal Year 2018 Capital Budget. Per Article VI of the Administrative Code, the SacRT Board must approve a change to the Capital Budget that results in the addition or deletion of a project. This issue paper proposes to create a new capital project titled "UTDC LRV Fleet Improvements." The purpose of this project is to ensure that SacRT's UTDC fleet of Light Rail Vehicles (LRV) become fully operational and provide a safe and comfortable experience for our customers and our operators.


Over the past six months, SacRT has received numerous customer complaints of overcrowding on particular LRV routes due to an insufficient number of LRVs to run full consists. In addition, the extreme heat experienced in June has revealed that SacRT's older LRVs are unable to keep up with the proper cooling of the cabin and LRV Operator control area. Therefore, it is imperative that SacRT focus on ensuring that all UTDC LRVs become operational as quickly as possible.

Unfortunately, the UTDC fleet improvement work has not been completed because our existing technicians are fully involved with the repair of our Siemens and CAF fleets and we have not had

Approved:


General Manager/CEO

Presented:


Director, Office of Management & Budget

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Subject: Approving the First Amendment to the FY 2018 Operating and Capital Budgets

the necessary time to finish the commissioning of the UTDC fleet. This problem has been exacerbated by the recent high temperatures and an increase in heat related failures. Staff, on an emergency basis, has contracted with Siemens to assist in the troubleshooting and commissioning activities in order to place the UTDC vehicles into reliable service.

Staff recommends the Board approve the First Amendment to the FY 2018 Capital Budget.

2018 Operating Budget

On June 12, 2017, SacRT's Board approved the Fiscal Year 2018 Operating Budget. The Fiscal Year 2018 approved operating budget included \$1,029,819 in FY17 Federal Jobs Access/Reverse Commute (JARC) funds for FY18 JARC costs. The final FY17 JARC allocation amount was published on July 7, 2017 and is \$24,052 higher than the SacRT Board approved amount; therefore, it is proposed that the operating budget be increased by that amount. Since these unanticipated funds are able to replace other revenues used for operations, a corresponding amount of other revenues will be assigned to the Budget Stabilization line item to help build SacRT reserves.

Staff recommends the Board approve the First Amendment to the FY 2018 Operating Budget.

RESOLUTION NO. 17-07- 0097

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

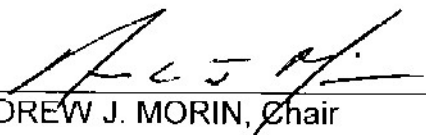
July 24, 2017

**APPROVING THE FIRST AMENDMENT TO THE FISCAL YEAR 2018 OPERATING
AND CAPITAL BUDGETS**

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

THAT, the First Amendment to the Fiscal Year 2018 Capital Budget to increase the
Capital Budget in the amount of \$950,161, is hereby approved.

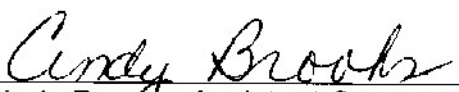
THAT, the First Amendment to the Fiscal Year 2018 Operating Budget to increase
the Operating Budget by \$24,052, is hereby approved.



ANDREW J. MORIN, Chair

ATTEST:

HENRY LI, Secretary

By: 

Cindy Brooks, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	01/22/18	Open	Action	01/10/18

Subject: Approving the Second Amendment to the FY 2018 Operating Budget

ISSUE

Whether or not to approve the Second Amendment to the Fiscal Year 2018 Operating Budget to reflect changes in the LTF Apportionment forecast.

RECOMMENDED ACTION

Adopt Resolution No. 18-01-____, Approving the Second Amendment to the Fiscal Year 2018 Operating Budget.

FISCAL IMPACT

This amendment will result in no change to the FY 2018 Operating Budget total. The changes to the operating budget are as follows:

1. Increase in the State and Local Revenue category by \$614,131 due to increase in Local Transportation Funds (LTF).
2. Decrease in the Fare Revenue category by \$808,330 due to current trend.
3. Increase in the Contracted Services category by \$194,199 due to a change in billing methodology.

DISCUSSION

On June 12, 2017, SacRT's Board approved the Fiscal Year 2018 Operating Budget. The FY 2018 approved operating budget included \$39,755,998 in LTF operating revenues. This amount was based on the Sacramento Area Council of Governments (SACOG) FY 2018 Findings of Apportionment, published during February 2017. After reviewing the Apportionment, SacRT staff discovered a calculation error in the February Apportionment schedule which if not caught, would have resulted in less revenue for SacRT. The correction was made and approved by the SACOG Board of Directors in December 2017. As a result of the SACOG Board's corrective action, SacRT proposes a revision to the FY 2018 Operating Budget to include additional LTF revenue in the amount of \$614,131 in the State and Local Revenue category.

In addition, the FY 2018 Operating Budget assumed a net billing methodology for the Folsom operating and maintenance agreement to commence at the beginning of the fiscal year. After working with Folsom staff, the switch to net billing will take place effective January 1, 2018 instead. As a result of this, the Contracted Services category will need to be increased by \$194,199 for the first six months of FY 2018. Thereafter, SacRT will net the fare revenues collected against the operating and maintenance costs. There is no additional net cost to either the City of Folsom and SacRT as a result of this action. Making this change is anticipated to simplify and streamline the billing process.

Approved:


General Manager/CEO

Presented:


Director, Office of Management and Budget

REGIONAL TRANSIT ISSUE PAPER

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7	01/22/18	Open	Action	01/10/18

Subject: Approving the Second Amendment to the FY 2018 Operating Budget

The two changes noted above would increase the operating budget. However, since Fare Revenues have been trending under budget almost every month since the beginning of this fiscal year and SacRT has been seeing a decrease in ridership (national trend), it would be prudent to decrease fare revenues accordingly. Therefore, staff recommends a corresponding total decrease in the fare revenue budget of \$808,330, see Table 1 below.

Table 1 - FY 2018 Adopted Budget with Amendments

Categories	FY 2018 Adopted Budget with First Amendment	FY 2018 Second Amendment	\$ Change	% Change
Operating Revenues				
Fare Revenue	\$ 30,571,633	\$ 29,763,303	\$ (808,330)	-2.6%
Contracted Services	5,605,112	5,799,311	194,199	3.5%
Other	3,578,000	3,578,000	-	0.0%
State & Local	90,515,934	91,130,065	614,131	0.7%
Federal	31,057,159	31,057,159	-	0.0%
Total Operating Revenue	\$ 161,327,838	\$ 161,327,838	\$ -	0.0%

Staff recommends the Board approve the Second Amendment to the FY 2018 Operating Budget.

RESOLUTION NO. 18-01- 0006

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

January 22, 2018

**APPROVING THE SECOND AMENDMENT TO THE
FISCAL YEAR 2018 OPERATING BUDGET**

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

THAT, the Second Amendment to the Fiscal Year 2018 Operating Budget to increase the Local Transportation Fund account by \$614,131, increase the Contracted Services account by \$194,199, and to decrease the Fare Revenue account by \$808,330, for a net zero change to the total Operating Revenue budget, is hereby approved.


ANDREW J. MORIN, Chair

ATTEST:

HENRY LI, Secretary

By: Cindy Brooks
Cindy Brooks, Assistant Secretary

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	06/11/18	Open	Action	05/31/18

Subject: Approving the Third Amendment to the FY 2018 Operating Budget and the Eighth Amendment to the FY 2018 Capital Budget in Order to Claim Federal Section 5307 and 5337 Funding.

ISSUE

Whether or not to approve the Third Amendment to the Fiscal Year 2018 Operating Budget and the Eighth Amendment to the Fiscal Year 2018 Capital Budget in order to claim Federal Section 5307 and 5337 funding.

RECOMMENDED ACTION

Adopt Resolution No. 18-06-____, Approving the Third Amendment to the Fiscal Year 2018 Operating Budget and the Eighth Amendment to the Fiscal Year 2018 Capital Budget in Order to Claim Federal Section 5307 and 5337 Funding.

FISCAL IMPACT

Fiscal Year (FY) 2018 Operating Budget Impact. Net impact = \$0

This amendment will result in no change to the total FY 2018 Operating Budget. The changes to the operating budget are as follows:

- Increase the Federal Transit Administration (FTA) Section 5307 Urbanized Area revenues by \$848,030;
- Increase the FTA Section 5337 State of Good Repair revenues by \$558,126; and
- Decrease the Fare Revenue account by \$1,406,156 to reflect current trends.

Fiscal Year 2018 Capital Budget Impact. Net increase = \$1,348,395

Adjust the funding on the Siemens 1st Series Light Rail Vehicle (LRV) Replacement project (R115) as follows:

- Add \$1,869,880 of Section 5307 Urbanized Area Formula funds;
- Add \$2,274,057 of Section 5337 State of Good Repair funds; and
- Reduce state funding from \$3,800,000 to \$237,009 based on actual funds made available by the State and allocated by formula by the Sacramento Area Council of Governments (SACOG) and transfers to other projects.

Add the following subrecipient projects and associated federal funding to the FY 2018 Capital Budget:

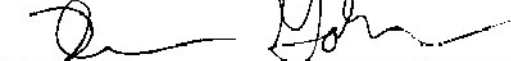
- Add \$321,196 of FTA Section 5307 funds for Folsom's Preventive Maintenance project;
- Add \$250,000 of FTA Section 5307 funds El Dorado Transit's Urban Commuter Preventive Maintenance project; and
- Add \$196,253 of FTA Section 5307 funds for El Dorado Transit's Urban Bus Replacement project.

Approved:



General Manager/CEO

Presented:



Director, Office of Management & Budget

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	06/11/18	Open	Action	05/31/18

Subject: Approving the Third Amendment to the FY 2018 Operating Budget and the Eighth Amendment to the FY 2018 Capital Budget in Order to Claim Federal Section 5307 and 5337 Funding.

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 or amounts require revisions to the project budget. Staff has identified necessary revisions due to recent appropriations activity at the federal level and project developments for SacRT and subrecipients.

On June 12, 2017, SacRT's Board approved the FY 2018 Capital and Operating Budgets, which included the following Operating Budget revenues:

- \$18,182,822 in FTA Section 5307 Urbanized Area; and
- \$11,022,179 in FTA Section 5337 State of Good Repair funds

These revenue estimates were based on historical federal funding levels. On May 8, 2018, FTA released the full year FY 2018 apportionments, which reflected a significant increase in funding for Section 5307 and 5337 formula funding programs as a result of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act of 2018 (the 2018 Omnibus Spending Bill).

In order to claim these funds, staff recommends allocating \$1,406,156 million of the higher than anticipated FY 2018 FTA Section 5307 and 5337 revenues toward the operating budget to compensate for lower than anticipated fare revenues, resulting in no net impact on the operating budget. See table below.

Categories	Current FY 2018 Budget	FY 2018 Budget with Amendment	\$ Change	% Change
Operating Revenues				
Fare Revenue	\$ 29,763,303	\$ 28,357,147	\$(1,406,156)	-4.7%
Contracted Services	5,799,311	5,799,311	-	0.0%
Other	3,578,000	3,578,000	-	0.0%
State & Local	91,130,065	91,130,065	-	0.0%
Federal	31,057,159	32,463,315	1,406,156	4.5%
JARC	1,053,871	1,053,871	-	
5337 SGR	11,022,176	11,580,302	558,126	
5307 PM	18,182,822	19,030,852	848,030	
CMAQ for South Line	798,290	798,290	-	
Total Operating Revenue	\$161,327,838	\$161,327,838	\$ -	0.0%

Staff further recommends that the remaining balance of FY 2018 FTA Section 5307 and 5337 revenues (\$4,143,947) be added to the FY 2018 Capital Budget for the Siemens 1st Series Light Rail Vehicle (LRV) Replacement project (R115). These funds will be a source of match funding for the recently awarded state Transit and Intercity Rail Capital Program (TIRCP) grant for Light Rail Vehicle replacements. After this addition, Project R115 will have a budget of \$4,380,946.

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	06/11/18	Open	Action	05/31/18

Subject: Approving the Third Amendment to the FY 2018 Operating Budget and the Eighth Amendment to the FY 2018 Capital Budget in Order to Claim Federal Section 5307 and 5337 Funding.

Staff recommends the Board approve the Third Amendment to the FY 2018 Operating Budget and the Eighth Amendment to the FY 2018 Capital Budget.

RESOLUTION NO. 18-06- 0055

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

June 11, 2018

APPROVING THE THIRD AMENDMENT TO THE FISCAL YEAR 2018 OPERATING BUDGET AND THE EIGHTH AMENDMENT TO THE FISCAL YEAR 2018 CAPITAL BUDGET IN ORDER TO CLAIM FEDERAL SECTION 5307 AND 5337 FUNDING

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

THAT, the Third Amendment to the Fiscal Year 2018 Operating Budget to increase the federal funds by \$1,406,156, and decrease the Fare Revenue account by \$1,406,156, for a net zero change to the total Operating Revenue budget, is hereby approved.


THAT, the Eighth Amendment to the Fiscal Year 2018 Capital Budget to increase the Capital Budget in the amount of \$1,517,395, is hereby approved.



PATRICK KENNEDY, Chair

ATTEST:

HENRY LI, Secretary

By: 
Cindy Brooks, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	10/22/18	Open	Action	10/09/18

Subject: Approving the Fourth Amendment to the FY18 Operating Budget and the First Amendment to the FY19 Capital Budget

ISSUE

Whether or not to approve the Fourth Amendment to the Fiscal Year (FY)18 Operating Budget and the First Amendment to the FY19 Capital Budget.

RECOMMENDED ACTION

Adopt Resolution No. 18-10-____, Approving the Fourth Amendment to the FY18 Operating Budget and the First Amendment to the FY19 Capital Budget.

FISCAL IMPACT

Fiscal Year (FY) 2018 Operating Budget Impact: Increase of \$3,914,959

Revenues

- Increase Federal Transit Administration (FTA) Section 5307 Urbanized Area revenues by \$1,690,902.
- Increase FTA Section 5337 State of Good Repair revenues by \$2,224,057.

Expenses

- Increase Budget Stabilization account by \$3,914,959 for budget balancing purposes.

Fiscal Year (FY) 2019 Capital Budget Impact: Increase of \$828,022

- Transfer \$690,000 in State Senate Bill 1 (SB1) –State Transit Assistance (STA) funds from the Light Rail Vehicle Fleet Repair and Replacement Project (R115) to the Expansion Services Startup Costs Project.
- Add \$67,199 in Federal Transit Security Grant Program funds for the Emergency Preparedness Exercises Project.
- Add \$70,823 in Federal Transit Security Grant Program funds for the Anti-Terrorism Directed Surge Patrols 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 District priorities require revisions to the budget. Staff has identified necessary revisions due to increased preventive maintenance requirements and award of federal funding for two SacRT transit security projects.

Approved:


General Manager/CEO

Presented:


Director, Office of Management and Budget

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	10/22/18	Open	Action	10/09/18

Subject: Approving the Fourth Amendment to the FY18 Operating Budget and the First Amendment to the FY19 Capital Budget

Fiscal Year (FY) 2018 Operating Budget Amendment:

As a result of the Federal Fiscal Year (FFY) 2018 appropriation budget cycle (April), SacRT was pleased to learn that Federal preventative maintenance funds would be increased by 13.5% (\$4,143,937 Million) over budget. This increase was welcomed, but unusual and not anticipated. Therefore, to claim these dollars for this purpose, SacRT must amend the operating budget.

These funds were initially set aside in the capital project titled Light Rail Vehicle Fleet Repair and Replacement Project (R115), as it was initially undetermined what amount of these funds could be applied to preventative maintenance operating costs. Now that year-end expenses have been finalized, the amount available to fund preventative maintenance operating costs is \$3,914,959. Therefore, staff recommends the transfer of \$3,914,959 of federal funds from the Light Rail Vehicle Fleet Repair and Replacement Project to the FY 2018 Operating Budget to fund the additional preventive maintenance costs. The Light Rail Vehicle Fleet Repair and Replacement Project budget will remain unchanged but the funding will now be left open for future funding sources.

Fiscal Year (FY) 2019 Capital Budget Amendment:

SacRT needs to be able to capture startup costs related to expansion of service. Staff recommends a new capital project be created, Expansion Service Startup Costs, with a budget of \$690,000 funded by the transfer of \$690,000 of STA funds available through SB1 from the Light Rail Vehicle Fleet Repair and Replacement Project (R115). This would result in a \$690,000 increase to the Capital Budget since the Light Rail Vehicle Fleet Repair and Replacement Project (R115) budget remains unchanged and will be funded by future funding sources.

In addition, SacRT was awarded \$138,022 from the Federal 2018 Transit Security Grant Program. The award included \$67,199 to conduct Emergency Preparedness Exercises, and \$70,823 for Anti-Terrorism Directed Surge Patrols (Overtime Patrols).

Per Article VI of the Administrative Code, the SacRT Board must approve a change to the Capital Budget that results in the addition or deletion of a project.

CONCLUSION

Staff recommends the Board approve the Fourth Amendment to the FY18 Operating Budget to add \$3,914,959 in federal funds to the Operating budget and increase the Budget Stabilization account by the same amount; and the First Amendment to the FY19 Capital Budget to add the Expansion Service Startup Costs Project (\$690,000), the Emergency Preparedness Exercises Project (\$67,199), and Anti-Terrorism Directed Surge Patrols Project (\$70,823).

RESOLUTION NO. 18-10- 0109

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

October 22, 2018

**APPROVING THE FOURTH AMENDMENT TO THE FY18 OPERATING BUDGET
AND THE FIRST AMENDMENT TO THE FY19 CAPITAL BUDGET**

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

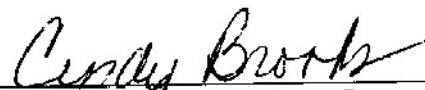
THAT, the Fourth Amendment to the Fiscal Year 2018 Operating Budget to increase the federal funds by \$3,914,959 to be balanced by the Budget Stabilization account, is hereby approved.

THAT, the First Amendment to the Fiscal Year 2019 Capital Budget to add the Expansion Service Startup Costs Project in the amount of \$690,000, add the Emergency Preparedness Exercises Project in the amount of \$67,199 and add the Anti-Terrorism Directed Surge Patrols Project in the amount of \$70,823, increasing the Capital Budget by \$828,022, is hereby approved.


PATRICK KENNEDY, Chair

ATTEST:

HENRY LI, Secretary

By: 
Cindy Brooks, Assistant Secretary