

STAFF REPORT

DATE: August 26, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Jason Johnson, VP, Finance/CFO
SUBJ: FIRST AMENDMENT TO THE FY25 CAPITAL BUDGET

RECOMMENDATION

Adopt the Attached Resolution

RESULT OF RECOMMENDED ACTION

Approval of the First Amendment increasing the FY25 Capital Budget by \$157,888,287 for new capital project requests, bringing the total of the amended FY25 Capital Budget to \$2,014,611,749.

FISCAL IMPACT

The original FY25 Capital Budget is \$1,856,723,462. This First Amendment will increase the Capital Budget by \$157,888,287, bringing the total of the amended FY25 Capital Budget to \$2,014,611,749.

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 has identified necessary revisions to the Capital Budget as described below.

- **SB 434 Transit Safety Study Project - \$250,000:** This project is mandated by SB 434 for SacRT and nine of the other ten California transit operators with the highest ridership in 2019. SB 434 adds Section 99718 to the State of California Public Utilities Code (PUC), requiring SacRT to collect and publish survey data pertaining to transit users' experience with safety at transit stops and while riding public transit. SacRT is required to conduct outreach activities with subpopulations of riders who are underrepresented in surveys and impacted by street harassment. In addition, SacRT must collect survey data in multiple languages to reach limited English-proficient riders impacted by street harassment. SB 434 provides funding to conduct the surveys and publish the results. The maximum funding made available to SacRT is \$250,000. Work must be completed by December 31, 2024. Amending the FY25 Capital budget now to include this project will allow staff to

proceed with the project immediately to meet the December 31, 2024, completion deadline.

- **Zero-Emission Buses (ZEBs), Fueling, and Workforce Development - \$139,000,000:** This project replaces 29 compressed natural gas (CNG) buses with hydrogen fuel cell electric buses (FCEBs), transforms the McClellan Garage (BMF2) into a state-of-the-art zero emission maintenance facility, constructs a permanent hydrogen fueling station, and implements a workforce development program. The project will jumpstart SacRT's transition to a zero-emission fleet, as required by the state of California. The project aims to convert all buses in the McClellan service area to ZEBs by 2028, advancing SacRT's commitment to disadvantaged communities. Upon completion, 32% of SacRT's routes will operate FCEBs, serving 36% of its ridership. Additionally, the project will eliminate 23,532 metric tons of CO₂ over the 12-year lifespan of the 29 FCEBs.
 - SacRT has been awarded \$76,847,678 in FY24 FTA Low or No Emission Grant funds for this project, supplemented with \$10,000,000 in California Senate Bill 125 (SB125) funds and \$7,482,000 from the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program (HVIP); and will be pursuing Volkswagen Mitigation, Sacramento Emergency Clean Air Transportation (SECAT), SB1 Local Partnership Program (LPP), Sacramento Metropolitan Air Quality Management District (SMAQMD) Infrastructure Incentive, Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles (EnergIIZE Commercial Vehicles), and federal earmark funds for the balance of the funding.
- **Emergency Preparedness Exercises - Active Shooter Scenario - \$404,962:** Under this project, SacRT will conduct multiple training exercises to enhance SacRT's preparedness and response capabilities in an active shooter scenario. Exercises involve collaboration between contract law enforcement, transit security, and both bus and rail operations personnel, to simulate a real-world active shooter event in a busy transit environment. The primary objective is to test and improve coordination, communication, and response strategies, ultimately increasing the resilience of SacRT's critical transportation infrastructure and ensuring the safety of the traveling public. The project budget covers the cost of 38 emergency preparedness exercises conducted over 3 years.
 - SacRT has applied for FY24 FEMA Transit Security Grant Program funds to cover the full cost of the project.
- **FEMA - Bus Operator Protective Barriers - \$1,979,091:** This project is for the purchase and installation of protective barriers in 204 buses to safeguard bus operators. Assaults on bus operators have increased locally as well as nationwide. The barriers will provide a physical shield between operators and passengers, reducing the risk of physical assaults and enhancing overall transit security.
 - SacRT has applied for FY24 FEMA Transit Security Grant Program funds to cover the full cost of the project.

- **FEMA - Rekey SacRT Critical Infrastructure Buildings - \$51,820:** The project is to rekey doors at 10 SacRT buildings and 20 restrooms. This project will enhance the security of critical infrastructure by replacing existing locks, issuing new keys to authorized personnel, and ensuring tighter key control going forward. The purpose of this project is to mitigate unauthorized access risks, improve key control, and enhance overall security of property and personnel.
 - SacRT has applied for FY24 FEMA Transit Security Grant Program funds to cover the full cost of the project.

- **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 \$540,432 CalStart/US Dept of Energy funds for the project. SacRT is pursuing Sacramento Metropolitan Air Quality Management District (SMAQMD) and SMUD incentive funds, and other state and federal funds, for the balance of the costs.

- **Bridge Asset Rehabilitation - Increase to \$2,000,000:** This project addresses the required maintenance and rehabilitation of light rail bridges. SacRT's light rail bridge sites were inspected during the 2021 Biennial Bridge inspection, and 12 of the bridges were identified with corrective action items requiring design, environmental, and construction services. SacRT previously budgeted \$137,333 on the project for engineering service. Staff now estimate an additional \$1,862,667 is needed for the construction phase. The amended budget of \$2,000,000 will fund engineering, design, environmental, construction services, and SacRT staff labor.
 - Funding for this effort comes from a mix of federal and state funds.

- **Watt/I-80 Elevator & HVAC – Increase to \$610,086:** Under this project, SacRT will upgrade the HVAC/cooling system in the West and East elevator control rooms at the Watt/I-80 Transit Center. Excessive heat in these rooms caused a motor to overheat and fail, rendering the East elevator inoperable. The project requires elevator consulting, design, and construction to install HVAC/cooling equipment, ensuring the control rooms maintain optimal temperatures to prevent motor failure and extend equipment life. SacRT initially budgeted \$363,859 for this project. Staff now estimate an additional \$246,227 is needed for construction. The amended budget of \$610,086 will fund engineering, design, construction, and SacRT staff labor.
 - Funding for this effort comes from State Transit Assistance funds.

- **Arden Armory Affordable Housing Project - \$100,000:** SacRT and Arden Armory Affordable, LP (“Developer”) entered into a Project Agreement on July 2, 2024, related to the BRIDGE Housing affordable housing project to be constructed at 440 Arden Way, which includes improvements within and adjacent to the Arden/Del Paso station and park and ride lot. Under the Project Agreement, the Developer will compensate SacRT for all support costs associated with the Project, including the costs of design and construction inspection.

- **AHSC Round 7 - Arden Way Bus Stops and Transit Signal Priority - \$4,000,000:** **Bus stop improvements** include right of way (ROW), design, construction, and construction management at eight locations: Arden & Cantalier, Arden & Beaumont, Arden & Harvard, Arden & Colfax (WB & EB), Colfax & El Camino, El Camino & Edgewater, and El Camino & Grove. Project includes improvements and additions to concrete pads, sidewalks, repairs, curbs, gutters, repaving asphalt, stripping, shelters, traffic control, inspections, and passenger amenities. **Transit signal priority upgrades** include ROW, design, construction, and construction management at five intersections: Arden & Del Paso, Arden & Oxford, Arden & Beaumont, Arden & Evergreen, and Arden & Harvard. Project includes Automatic Vehicle Location (AVL) support and software, intersection upgrades, and SacRT Implementation.
 - Funding for this effort comes from a mix of the Affordable Housing and Sustainable Communities (AHSC) Program Round 7 Grant and federal/state funds.

- **AHSC Round 8 - 16th Street Bus Stops and Transit Signal Priority - \$2,500,000:** **Bus stop improvements** include ROW, design, construction, and construction management at five locations: 15th Street & V Street, 16th Street & V Street, 15th Street & T Street, Broadway & 15th Street, and Broadway & 16th Street. Project includes improvements/additions to concrete pads, sidewalks, repairs, curbs, gutters, repaving asphalt, stripping, shelters, traffic control, inspections and passenger amenities. **Transit signal priority upgrades** include ROW, design, construction, and construction management at six intersections: Broadway & 15th Street, Broadway & 21st Street, Broadway & 24th Street, Broadway & 26th Street, Broadway & Land Park, and Broadway & Riverside. Project includes AVL support and software, intersection upgrades, and SacRT Implementation.
 - Funding for this effort comes from the Affordable Housing and Sustainable Communities (AHSC) Program Round 8 Grant and federal/state funds.

- **Reimagining Roseville Road Light Rail Station for Equitable Access - \$200,000:** This project has been awarded FY25 Caltrans Sustainable Transportation Planning Grant funds. The project develops a plan to reopen and enhance access to the Roseville Road Light Rail Station via the Grand Avenue bridge, which has been closed due to safety risks. This project aims to redefine the bridge as a community asset through community engagement and by identifying access improvements which foster a safer, more accessible environment.

- The FY25 Caltrans Sustainable Transportation Grant funds are \$177,060. SacRT provides in kind labor match funds of \$22,940 funded by operating funds.
- **Sustainable Transit Connections to Health Service Planning and Feasibility Study - \$250,000:** The project has been awarded FY25 Caltrans Sustainable Transportation Planning Grant funds. The City of Folsom is the grantee and SacRT is 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 FY25 Caltrans Sustainable Transportation Grant funds are \$218,472. A portion of this amount is allocated to SacRT. In addition, SacRT provides in kind labor match funds of \$5,720 funded from operations.
- **El Dorado Transit FY21 Preventive Maintenance - \$43,520:** The project was inadvertently not carried over to the FY25 capital budget. Funding is provided by FY21 FTA Section 5307 funds.

RESOLUTION NO. 2024-08-080

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

August 26, 2024

FIRST AMENDMENT TO THE FY25 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 2025 Capital Budget as set out in Exhibit A, increasing the total Capital Budget to \$2,014,611,749.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary

Exhibit A

First Amendment to FY25 Capital Budget

Project Name	FY25 Capital Budget First Amendment Amount	Amendment Justification
SB 434 Transit Safety Study Project	\$250,000	\$250,000 not included in FY25 Capital Budget
Zero-Emission Buses (ZEBs), Fueling, and Workforce Development	\$139,000,000	\$139,000,000 not included in FY25 Capital Budget
Active Shooter Full Scale Exercises	\$404,962	\$404,962 not included in FY25 Capital Budget
Bus Operator Protective Barriers	\$1,979,091	\$1,979,091 not included in FY25 Capital Budget
Rekey SacRT Critical Infrastructure Buildings	\$51,820	\$51,820 not included in FY25 Capital Budget
Sustainable Access and Charging Hubs for Urban Benefits (SACHUB)	\$7,000,000	\$7,000,000 not included in FY25 Capital Budget
Bridge Asset Rehabilitation	\$1,862,667	An increase of \$1,862,667 to the adopted \$137,333 in FY25 Capital Budget, bringing the amended budget for this project to \$2,000,000
Watt/I-80 Elevator & HVAC	\$246,227	An increase of \$246,277 to the adopted \$363,859 in FY25 Capital Budget, bringing the amended budget for this project to \$610,086
Arden Armory Affordable Housing Project	\$100,000	\$100,000 not included in FY25 Capital Budget
Arden Way Bus Stops and Transit Signal Priority	\$4,000,000	\$4,000,000 not included in FY25 Capital Budget
16th Street Bus Stops and Transit Signal Priority	\$2,500,000	\$2,500,000 not included in FY25 Capital Budget
Reimaging Roseville Road Light Rail Station for Equitable Access	\$200,000	\$200,000 not included in FY25 Capital Budget
Sustainable Transit Connections to Health Service Planning and Feasibility Study	\$250,000	not included in FY25 Capital Budget
El Dorado Transit FY21 Preventive Maintenance	\$43,520	not included in FY25 Capital Budget
TOTAL	\$157,888,287	