


AGENDA ITEM 5 C
Consent Item

MEMORANDUM

DATE: May 7, 2009
TO: El Dorado County Transit Authority
FROM:  Julie Petersen, Fiscal Administration Manager
SUBJECT: Fiscal Year 2009/10 Capital Improvement Plan and 2009/10 Capital Budget

REQUESTED ACTION:
BY MOTION,

1. Approve Capital Improvement Plan for fiscal year 2009/10
2. Approve Capital Budget for fiscal year 2009/10

BACKGROUND

The Bylaws of the El Dorado County Transit Authority (El Dorado Transit) require a preliminary capital budget to be submitted by the Executive Director to the board on or before March 1 each year. After considering the proposed preliminary budget, the Board shall adopt a preliminary capital budget by April 15 of each year. Final budget is to be submitted to the Board on or before June 15 of each year.

DISCUSSION

The El Dorado County Transit Authority Capital Improvement Plan Fiscal Year 2009/10 (CIP 2009/10) recommends capital projects and identifies funding for vehicle replacement projects. El Dorado Transit adopted a preliminary Capital Improvement Plan and Budget for fiscal year 2009/10 on March 19, 2009.

Staff recommendation is to approve the final CIP 2009/10 and budget as presented.

FISCAL IMPACT

Adoption of the CIP 2009/10 and budget allow transit staff to proceed with projects to ensure timely completion. Individual projects will be presented to the Board for final approval.

EL DORADO COUNTY TRANSIT AUTHORITY
CAPITAL IMPROVEMENT PLAN
FISCAL YEAR 2009/2010

EL DORADO COUNTY TRANSIT AUTHORITY

CAPITAL IMPROVEMENT PLAN

The El Dorado County Transit Authority (El Dorado Transit) maintains a fleet of large, medium and small buses, minivans and sedans. Fleet vehicles are utilized in the delivery of public transportation; for administrative support travel; staff development training; ongoing public outreach travel and maintenance of transit facilities such as bus stops and park-and-ride lots. The Capital Improvement Plan is designed to address the financial investment required to maintain the fleet and facilities owned or leased by El Dorado Transit. Continuing the current level of service and managing the potential expansion of service will succeed only if adequate consideration is given to capital needs.

The Capital Improvement Plan is a planning document setting goals with realistic revenue projections. Vehicle replacement is a component of the Capital Improvement Plan. This annual planning process maximizes available funding for capital investments necessary to provide public transportation at the current level of service and efficient management of the expansion of public services.

As a financial management tool, the Capital Improvement Plan is prepared to take full advantage of capital funding programs, avoid large annual claims against local transportation funds for capital expenditures and to assure capital reserves are available in case annual capital revenue sources diminish or are not consistent. Capital Improvement Plan funding is available for full replacement cost and provides local match funding required for capital grant programs.

California public transit operators have several sources of capital funding available. Each funding source has differing criteria for eligible projects. Bus replacement funding is the most challenging capital funding for public transit operators.

The Capital Improvement Plan and Preliminary Capital Budget for 2009/10 identify funding transit capital projects with; Federal Transit Administration (FTA) Section 5307, Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funds and Economic Recovery Act bill – The American Recovery and Reinvestment Act of 2009 (ARRA) funds.

Bus and shelter advertising revenues are designated as capital reserves. Those revenues are included as a component of the contingency in each capital budget. If not expended, these funds are retained as unrestricted capital reserves.

The Capital Improvement Plan includes a summary of projects and funding sources; the preliminary budget and project descriptions.

Vehicle Replacement

Services: Commuter Routes

Project No. 10-01

The El Dorado County Transit Authority (El Dorado Transit) uses Federal Transit Administration (FTA) Section 5307 funds for bus replacement and preventive maintenance. The Sacramento Area Council of Governments (SACOG) holds the responsibility for programming the FTA 5307 funding. SACOG programming for fiscal year 2007/08 included funding to replace one (1) commuter bus.

The project is included in an FTA grant submitted by Sacramento Regional Transit (RT) in October 2007. RT is designated as the regional recipient for FTA 5307 funds therefore; El Dorado Transit is a sub-recipient to RT.

Fleet vehicles are scheduled for replacement when they are beyond useful life per El Dorado Transit; Caltrans and FTA policies. The vehicle below does not meet the “beyond useful life” criteria however, early replacement will allow for purchase of a vehicle from a current open contract for a vehicle to meet specifications of replacement buses.

This project replaces:

EDCTA #	Vehicle Type	Mileage As of 02/11/09
0101	ThomasBuilt 40' Bus	317,918

A local match is required for FTA 5307 grants. The local match funding is Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funds for fiscal year 2008/09.

<i>COST SUMMARY</i>	Budgeted
One (1) 45' commuter buses	\$519,000.

FUNDING SOURCES

FTA Section 5307	\$425,000.
PTMISEA	<u>\$ 94,000.</u>
Total Revenue	\$519,000.

Vehicle Replacement

Services: Commuter Routes

Project No. 10-02

The El Dorado County Transit Authority (El Dorado Transit) uses many sources of funding in order to fund the replacement of fleet vehicles.

The draft Economic Recovery Act bill – The American Recovery and Reinvestment Act of 2009 (ARRA) was released on January 15, 2009 and has since been revised and signed into law.

El Dorado County Transit Authority (El Dorado Transit) is eligible for two of the developed ECREC programs – Urban and Non-urban transit. To participate in the urban program El Dorado Transit competes regionally through the Sacramento Area Council of Government (SACOG). The SACOG Government Relations & Public Affairs Committee January 29, 2009 Agenda Item #09-2-2 states that, “The “Transit” funds would be allocated using three existing funds mechanisms. Transit Capital Assistance funds would use the Federal Transit Administration (FTA) Section 5307 formula....Capital Investment Grant funds would be subject to discretionary allocation. The authorization deadline for all transit funds is 120 days.”

Fleet vehicles are scheduled for replacement when they are beyond useful life per El Dorado Transit; Caltrans and FTA policies. The vehicle below does not meet the “beyond useful life” criteria however, early replacement will allow for purchase of a vehicle from a current open contract for a vehicle to meet specifications of replacement buses.

This project replaces:

EDCTA #	Vehicle Type	Mileage As of 02/11/09
0601	BlueBird 40' Bus	134,703

<i>COST SUMMARY</i>	Budgeted
One (1) 45' commuter buses	\$519,000.

FUNDING SOURCES

Federal Economic Recovery funds	<u>\$519,000.</u>
Total Revenue	\$519,000.

Vehicle Replacement

Services: Commuter Routes

Project No. 10-03

The El Dorado County Transit Authority (El Dorado Transit) uses many sources of funding in order to replace fleet vehicles. Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds are eligible to be used for;

- a. Rehabilitation, safety, or modernization improvements.
- b. Capital service enhancements or expansion.
- c. New capital projects.
- d. Bus rapid transit improvements.
- e. Rolling stock procurement, rehabilitation, expansion or replacement.

The California State Controller identified eligible “project sponsors” and the amount each is eligible to receive. Based on calculations in Senate Bill 88, Statues of 2007 the State Controller’s office identified El Dorado Transit as an eligible transit operator allocated \$703,173 for PTMISEA projects.

The PTMISEA program will provide the full funding to acquire one replacement 57-passenger commuter bus. The remaining amount of \$184,173 will be used as matching funds for rolling stock projects 10-01 and prior year project 08-08.

Fleet vehicles are scheduled for replacement when they are beyond useful life per El Dorado Transit; Caltrans and FTA policies. The vehicle below does not meet the “beyond useful life” criteria however, early replacement will allow for purchase of a vehicle from a current open contract for a vehicle to meet specifications of replacement buses.

This project replaces:

EDCTA #	Vehicle Type	Mileage As of 02/11/09
0602	BlueBird 40’ Bus	144,073

<i>COST SUMMARY</i>	Budgeted
One (1) 45’ commuter buses	\$519,000.

FUNDING SOURCES

PTMISEA	<u>\$519,000.</u>
Total Revenue	\$519,000.

El Dorado County Transit Authority
Approved Preliminary Capital Budget Fiscal Year 2009/10

Project Number		FY 2009/10 Preliminary Approved 03/19/09	FY 2009/10 Final Presented 05/07/09
REVENUE ACCOUNTS			
	PTMISEA (Prop 1B) (FY 2009/10)	\$94,000	\$94,000
10-01	Vehicle Replacement 1-Commuter Bus (FTA 5307) CA-90-Y633, ELD19198	\$425,000	\$425,000
10-02	Vehicle Replacement 1-Commuter Bus Federal Economic Stimulus Recovery, ELD19278	\$519,000	\$519,000
10-03	Vehicle Replacement 1-Commuter Bus PTMISEA (Prop 1B) (FY 2009/10)	\$519,000	\$519,000
TOTAL CAPITAL REVENUE		\$1,557,000	\$1,557,000

EXPENSE ACCOUNTS			
10-01	Vehicle Replacement 1-Commuter Bus (FTA 5307) CA-90-Y633, ELD19198	\$519,000	\$519,000
10-02	Vehicle Replacement 1-Commuter Bus Federal Economic Stimulus Recovery, ELD19278	\$519,000	\$519,000
10-03	Vehicle Replacement 1-Commuter Bus PTMISEA (Prop 1B) (FY 2009/10)	\$519,000	\$519,000