

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

January 25, 2007

TO: BOARD OF DIRECTORS
THRU: Larry Rubio^{Jr}, Chief Executive Officer
FROM: Craig Fajnor^{off}, Chief Financial Officer
SUBJECT: Fiscal Year 2007 Capital Budget Update and Request for Short Range Transit Plan (SRTP) and Budget Amendment

Summary: In June 2006, the Agency Board of Directors adopted the fiscal year 2007 operating budget, capital budget, and SRTP. The approved Capital budget was \$7,742,116 and covered, among other items, acquisition of revenue and non-revenue vehicles, additional funding for transit centers, and debt service on the Agency's Compressed Natural Gas (CNG) fleet.

In November, the Board approved an additional \$2,500,000 of funding to cover anticipated land acquisition for the Riverside Transit Center. Those additional funds will be provided by the Transportation Mitigation Uniform Fee (TUMF) Program. The approval raised the current Board-approved FY2007 Capital budget to \$10,242,116.

Since the November Board of Directors Meeting, staff has identified three additional capital funding items. Staff is asking for Board consideration and approval of the following items:

- Local matching funds for a Federal Section 5310 grant from FY2006 and amendment of the FY2007 SRTP to include full value of this 5310 grant and local match
- Local matching funds for a Federal Section 5311(f) grant from FY2006 and amendment of the FY2007 SRTP to include the current value of this 5311(f) grant and local match
- Reprogram residual Bus Rapid Transit (BRT) Feasibility Study funding to replace operating funds used for the CNG Fueling Facility in Riverside

An expanded explanation of and rationale for these items follows:

In February 2005, the Board approved Agency staff to submit a Federal 5310 grant application for ten (10) accessible mini-vans. The grant application was submitted in March 2005 for \$328,000 in federal funds with expected local match of \$82,000 (20 percent) for a total of \$410,000 and grant approval was subsequently received. On August 8, 2006, the Agency requested a modification of the grant request from ten (10) accessible vehicles to seven (7) Type II vehicles due to a change in logistical requirements of Dial-A-Ride (DAR) service delivery. On August 15, 2006, the Agency received an approved revision to the Federal Section 5310 grant for the procurement of seven (7) Type II medium-sized buses. The grant and matching funds must be included in current SRTP submitted to the Riverside County Transportation Commission (RCTC). As part of the overall modified capital request, these funds would be requested of and programmed by RCTC.

In mid-September of FY2007, the Agency received an award for a Federal Section 5311(f) grant in the amount of \$31,595 for the purchase and installation of two (2) bus shelters at two (2) bus stops along Route 22 in the Meadowbrook area of rural Riverside County. The actual cost for the 2 bus shelters will be \$13,450 (\$10,760 for the 80 percent Federal portion and \$2,690 for the 20 percent local match) based on the accepted quote from LNI Custom Manufacturing. The balance of the Federal 5311(f) grant of \$20,835 will be returned to the program and be made available in a later grant cycle as no reprogramming opportunity exists for this type of funds. Since the notification of award occurred after the start of the current fiscal year, these figures were not included in the current FY2007 budget and SRTP.

In September 2002, the Agency commenced a CNG Methane Detection capital project budgeted at \$500,000 in State Transit Assistance (STA) funds. This project completed in May 2003 with a residual funds balance of \$334,249. These residual funds were reprogrammed into two projects: \$91,000 for support of the CNG Fueling Station at the Riverside site and \$243,249 for a BRT Feasibility Study. The BRT Study was completed in December 2003 with a residual funding balance of \$25,672. In January 2006, the Agency completed the construction and final acceptance of the new CNG fueling facility at the Riverside site. Funding for the CNG fueling facility project included residual funds left over from various previously completed capital projects including the \$91,000 identified above. However, capital grant and local match funds were inadequate to cover the total project cost and \$28,088 was

provided by Agency operating funds to complete the required funding. The residual \$25,672 of BRT Study funds is requested to be reprogrammed to the CNG fueling station to offset a large portion of the \$28,088 of operating funds utilized for the CNG station. As a matter of practice, the Agency always attempts to maximize the use of capital grants to fund capital projects as to avoid using operating funds for capital expenditures. The benefits of this requested reprogramming are to exhaust the residual grant funds, close the capital grant, and recognize the revenue.

Fiscal Impact:

The fiscal year 2007 impact of these items is as follows:

An increase of \$410,000 to the Agency's FY2007 Capital budget for the Section 5310 grant and match brings the revised total to \$10,652,116

An increase of \$13,450 to the Agency's FY2007 Capital budget for the Section 5311(f) grant and match brings the revised total to \$10,665,566

No cash impact for the requested reprogramming of the BRT Study STA funding of \$25,672 to replace operating funds used for the CNG Fueling Station at the Riverside site. \$25,672 of revenue will be recognized with the requested reprogramming.

Committee Recommendation:

This item was discussed at the Board Budget and Administration Committee meeting of January 10, 2007. The Committee members unanimously approved recommending this item to the full Board of Directors for their consideration.

Recommendation:

- Direct staff to prepare the necessary documentation for an SRTP amendment to reflect the additions of the 5310 and 5311(f) grants and local match funds for the purchase of seven Type II vehicles and two bus shelters
- Direct staff to work with RCTC to reprogram the remaining \$25,672 of STA BRT Study funding to offset Agency operating funds used to complete the CNG Fueling Station at the Riverside site.