

Discussion of Proposed FY2020-2022 Capital Funds Blueprint and Policy Direction

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FY20-22 Capital Blueprint

- Sources of Revenue
- Prioritization of Needs
- Next Steps

Sources of Revenue

Sources of Capital Funds

Federal

- 5307 and 5339 Formula Funds (From FTA)
- CMAQ and STBG Funds (From TPO)

Virginia

- Formula, Smart Scale, other Discretionary Grants (From DRPT)

Local

- General Fund, Bonds (Local City/County)

Other

- Farebox/Passes, Advertising (GRTC)

Federal 5307

- Eligible activities include:
 - planning, engineering, design and evaluation of transit projects and other technical transportation-related studies;
 - capital investments in bus and bus-related activities such as replacement of buses, overhaul of buses, rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and
 - capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software.
- All preventive maintenance and some Americans with Disabilities Act complementary paratransit service costs are considered capital costs.

Federal 5307

- Federal Formula Funds based predominantly on ridership
- Annual allocation split 90% GRTC and 10% Petersburg Transit
- Average GRTC allocation around \$11M
- \$9 M in operational budget for Preventative Maintenance (PM) and ADA service costs
- \$2 M remaining matched to State and Local funds = \$7.14M
- Requires 4% Local Match

Every \$1 M transferred to Operations loses \$2.43 State match opportunity for Capital needs

Federal 5339

- Eligible activities include capital projects
 - to replace, rehabilitate and purchase buses, vans, and related equipment, and
 - to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.
- Federal Formula Funds based predominantly on ridership
- Annual allocation split 90% GRTC and 10% Petersburg Transit
- Average GRTC allocation around \$1.5M
- \$1.5 M matched to State and Local funds = \$5.36M
- Requires 4% local match

Federal CMAQ/STBG

Capital funds awarded through TPO prioritization process

- Congestion Mitigation and Air Quality (CMAQ)
 - Eligible activities include Bus Replacements, Park and Rides, and other projects that would result in a reduction of vehicle congestion and an associated improvement of local or regional air quality
- STBG
 - Eligible Activities include a wide range of capital projects, engineering, planning studies, and similar activities

Prioritization of Needs

Funding Strategies

The GRTC proposed capital funding strategy would prioritize needs:

- 1) to maintain assets in a state of good repair;
- 2) to provide improvements to existing service for current riders;
- 3) to reflect and advance the mobility initiatives adopted by the TPO, City of Richmond, and the County of Chesterfield; and
- 4) to support initiatives to expand the usage of mass transit by other public and private funding partners within the region.

Funding Priorities

Identified Projects would be categorized in the following order of priority.

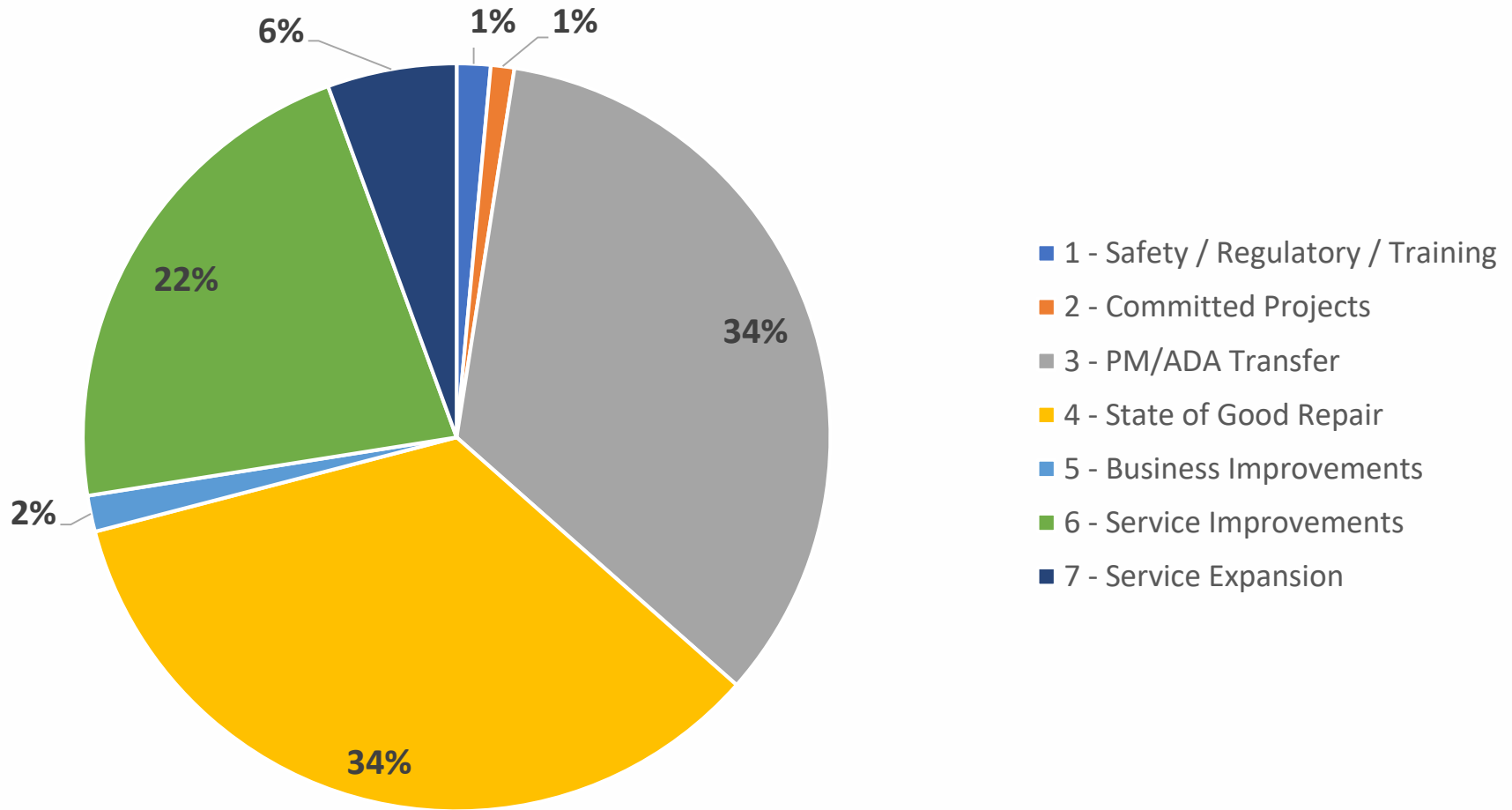
- Safety / Regulatory / Training
- Committed Projects
- Transfer of Federal Capital Funds to Operational Preventative Maintenance and ADA
- State of Good Repair (SGR)
- Business Improvements
- Service Improvements
- System Expansion / High Capacity Transit Development

Project Identification

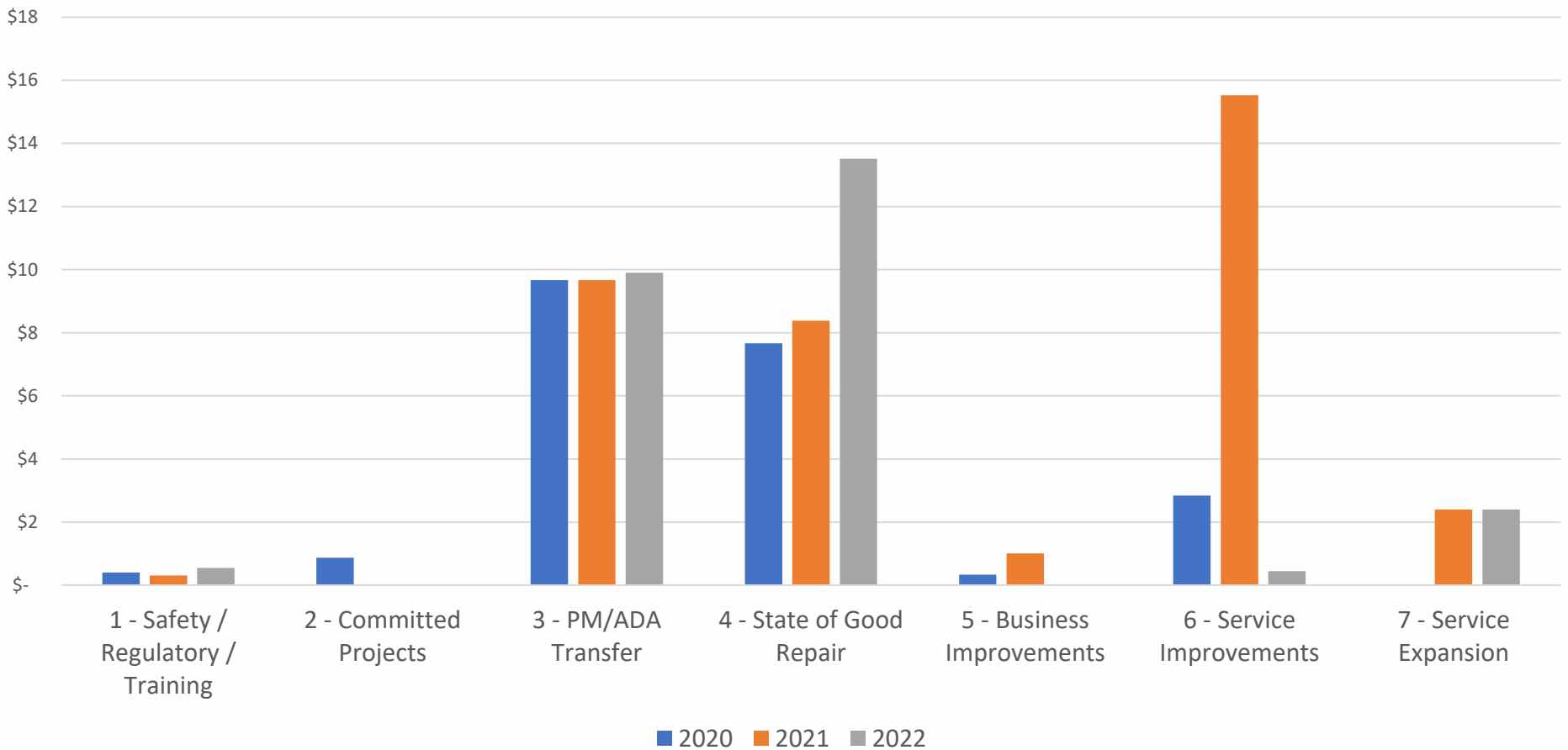
Plans Under Development

- Safety Management Plan
- Annual PM and ADA Transfer
- Fleet Replacement Plan
- Facilities and Asset Management Plan
- Technology Replacement and Maintenance Plan
- Regional Mobility Plan
- Public Comment and Community Partnerships
- Industry Trends and Emerging Technologies

\$85.9 M Identified Needs FY20 – FY22 (in \$ M)



FY20 – 22 Capital Blueprint (in \$ M)



Capital Blueprint

Safety/Regulatory/Training					
Sub Cat	Area	Description	2020	2021	2022
Infrastructure	BRT Platforms	Extend BRT platforms to accommodate 60 foot Articulated buses		\$ 110,000	
Safety/Training	Facility	Construction of enclosed area for receptionist location		\$ 70,000	
Safety/Training	Information Technology	Emergency Alarm system - Radio Equipment - Vehicle Cameras	\$ 289,592		
Safety/Training	Information Technology	Clever Bus Security		\$ 125,000	
Safety/Training	Safety	Training program - OSHA/HAZMAT - Operator Refresher	\$ 115,877		\$ 45,000
Transportation	Training Department	MB2K Upgrade - Bus Simulator			\$ 500,000
		TOTAL	\$ 405,469	\$ 305,000	\$ 545,000
Committed					
Sub Cat	Area	Description	2020	2021	2022
IT Hardware and Software	Hardware	Mobile Command Update	\$ 25,000		
IT Hardware and Software	Hardware	Transit Control Heads	\$ 282,000		
IT Hardware and Software	Hardware	TVM Spare Parts	\$ 255,000		
IT Hardware and Software	Hardware	Specialized Transportation Validators	\$ 310,192		
		TOTAL	\$ 872,192	\$ -	\$ -
PM/ADA/CCC					
Sub Cat	Area	Description	2020	2021	2022
PM/ADA/CCC	ADA	ADA (Avg \$130k/month)	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000
PM/ADA/CCC	CCC	Capital Cost of Contracting	\$ 550,000	\$ 550,000	\$ 550,000
PM/ADA/CCC	PM	PM (Avg \$630k/month)	\$ 7,560,000	\$ 7,560,000	\$ 7,786,800
		TOTAL	\$ 9,670,000	\$ 9,670,000	\$ 9,896,800

Capital Blueprint

State of Good Repair					
Sub Cat	Area	Description	2020	2021	2022
Infrastructure	Annual Facility SGR	Maintenance Area Rehab - Bus Wash- Maint. Ceiling Heaters - Light conversion - Carpet replacement		\$ 262,000	
Infrastructure	Annual Facility SGR	Maintenance Area Rehab - Bus Wash replacement		\$ 590,000	
Infrastructure	Facilities Rehab Renovation Program	Equipment Garage		\$ 15,000	
Infrastructure	Facilities Rehab Renovation Program	Employee/Visitor Parking Lot Project (Clean, Seal & Stripe)	\$ 175,000	\$ 175,000	
Infrastructure	Shelter/Stop Improvements/Replacements	Repair and replacement of old shelters and bringing shelters into ADA compliance	\$ 150,000		
Infrastructure	Shelter/Stop Improvements/Replacements	Annual budget for ongoing replacement of old signage	\$ 623,533	\$ 518,768	
IT Hardware and Software	Replacement	Annual IT Budget for software maintenance contracts	\$ 900,000	\$ 900,000	\$ 900,000
IT Hardware and Software	Replacement	Annual IT Budget for hardware replacement	\$ 140,000	\$ 109,000	\$ 109,000
IT Hardware and Software	Replacement	Annual IT Training & Support		\$ 40,000	
Maintenance	Annual Shop Equipment Needs	Annual budget for "large ticket" shop equipment needed to maintain vehicles.	\$ 261,100		
Nonrevenue Vehicles	Support vehicles (non-revenue)	Annual non revenue car/truck replacement to bring fleet into State of Good Repair according to the fleet management plan.	\$ 826,000		
Planning & Studies	Consultant Services	TAM Update & Inventory with Capital Improvement Plan		\$ 110,000	
Revenue Vehicles	Bus Replacement (139 buses)	Replacement of 27 vehicles	\$ 2,356,561	\$ 2,060,000	\$ 9,055,000
Revenue Vehicles	Paratransit Vehicles Purchase for Replacement (96 vehicles)	Replacement of 65 vehicles	\$ 2,232,000	\$ 3,600,000	\$ 3,450,000
		TOTAL	\$ 7,664,194	\$ 8,379,768	\$ 13,514,000

Capital Blueprint

Business Improvements			2020	2021	2022
Sub Cat	Area	Description	2020	2021	2022
Infrastructure	Rehab/Renovate	Office Redevelopment - Property signs	\$ 30,000		
Infrastructure	Rehab/Renovate	Paratransit CNG fuel station		\$ 154,000	
IT Hardware and Software	IT Expansion	Network Expansion	\$ 101,315		
IT Hardware and Software	IT Expansion	Desktop Imaging	\$ 2,500		
IT Hardware and Software	IT Expansion	Server Enhancements		\$ 153,000	
IT Hardware and Software	IT Expansion	Real Time Locators - Clever Analytics - IVN upgrade		\$ 700,000	
IT Hardware and Software	Study for ERP Software	Consultant - Enterprise ERP/CRM Document Mgmt- Unifying all accounting, procurement, customer service under one integrated system and document management.	\$ 200,000		
			\$ 333,815	\$ 1,007,000	\$ -
Service Improvements			2020	2021	2022
Sub Cat	Area	Description	2020	2021	2022
Infrastructure	Shelters and Stops	Shelter/Stop Improvements			\$ 447,902
IT Hardware and Software	IT Enhancements	BRT FiOS Lines	\$ 80,185		
IT Hardware and Software	IT Enhancements	Mobile App Improvements	\$ 18,000		
IT Hardware and Software	IT Enhancements	Clever Enhancements - Mobile App Improvements		\$ 1,760,000	
Neighborhood Transfer Centers	BRT Park & Ride	Acquisition of land & Pre-engineering		\$ 3,000,000	
Neighborhood Transfer Centers	Downtown Transfer Project	A&E, NEPA & Construction	\$ 2,743,940	\$ 9,126,000	
Neighborhood Transfer Centers	Real Estate Consulting	Real Estate Brokerage & Legal Services		\$ 140,000	
Neighborhood Transfer Centers	Southside Transfer Center	Acquisition of land & Pre-engineering		\$ 1,500,000	
		TOTAL	\$ 2,842,125	\$ 15,526,000	\$ 447,902
Service Expansion			2020	2021	2022
Sub Cat	Area	Description	2020	2021	2022
Revenue Vehicles	Bus Expansion (Fixed Route)	Articulated Buses (3 - 60 foot)		\$2,400,000	\$2,400,000
		TOTAL	\$ -	\$ 2,400,000	\$ 2,400,000

Budget Policy Assumptions for Discussion

Annual Operating Budget

- Maximize use of 5307 for PM needs in operational budget
- Maximize state formula funding for operational budget
- Use Advertising and Farebox and Pass program for operational needs. At end of year, review operational budget with Board and transfer favorable budget to capital and operating reserve
- Develop operational reserve designed to help fund first two years of all new routes

Budget Policy Assumptions for Discussion

Annual Capital Budget

- Use 5339 dollars and remaining 5307 dollars to fund capital blueprint with assumption of 68% State and 4% Local match
- Apply for CMAQ, RSTP, and other discretionary grants to fund annual bus replacement and expansions needs in blueprint. Shift any assigned 5307 or 5339 dollars to FY23-FY26
- Use Local, Advertising, Farebox, and other non-federal dollars to match state capital dollars where possible

Next Steps

Next Steps

Adoption of FY21 Operational and Capital Budgets

- January 2020 - Board approval of Capital Baseline for FY2020 through FY2022
- January 2020 – Staff Advance State and Regional funding process based on blueprint
- February 2020 - Staff presentation of revised FY2021 Operating and Capital Operating Plans (tentative based on local discussions)
- April 2020 - Staff Presentation of revised FY21 Operating and Capital Budgets
- June 2020 - Board Adoption of FY21 Operating and Capital Budgets

Next Steps

Development of 6-year operational and capital strategies FY21-FY26

- Regional Transit and Mobility Governance and Funding
- Dedicated Commuter Bus and BRT Lanes to local and regional mobility networks
- Regional Park and Rides and Mobility-on-Demand connections
- Definition of other Regional Transit and Mobility Connections

Comments and Discussion