

AGENDA: June 2, 2005

TO: Regional Transportation Commission (RTC)

FROM: Luis Pavel Mendez, Acting Deputy Director

RE: Amendment to the FY04-05 Budget to Incorporate the Approved Rail Acquisition Project Financial Plan, and Add Funds for Freeway Service Patrol Towing Services

RECOMMENDATIONS

The Budget and Administration/Personnel Committee (B&A/P) and staff recommend that the Regional Transportation Commission approve the attached resolution (Attachment 1) amending the FY04-05 Budget to:

1. Incorporate the approved Rail Acquisition Project Financial Plan into the budget; and
 2. Add \$1,500 to the Towing line item for the Freeway Service Patrol (FSP) program.
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BACKGROUND

At its April 7, 2005 meeting the Regional Transportation Commission (RTC) approved the attached Rail Acquisition Project Financial Plan (Attachment 2), which must be amended into the RTC budget. The Freeway Service Patrol (FSP) program requires additional funds to cover the towing services for this fiscal year.

DISCUSSION

Rail Acquisition Project Approved Financial Plan

The Financial Plan (Attachment 2) for the Rail Acquisition Project approved by the RTC in April is consistent with the Uniform Transit Application for Proposition 116 funds to purchase the rail line for corridor preservation (included in a separate agenda item). The financial plan includes the purchase price of \$19 million from the letter of intent to purchase the rail line and rail improvements which are described in the draft Proposition 116 application as including, but not limited to; drainage improvements, joint bar replacement, track replacement and improvement, at-grade crossing improvements, bridge and trestle improvements, and safety improvements. In addition, the various pre-acquisition costs are fully listed and the estimates for those costs are updated.

Pages 8 and 9 of the proposed budget amendment (Attachment 1) show the changes needed to make the Rail/Trail Authority budget consistent with the approved Rail Acquisition Financial Plan. These changes were reviewed and approved by the B&A/P Committee at its May 12, 2005 meeting.

Freeway Service Patrol (FSP) Towing Contract

The current amount currently budgeted for the FSP Towing line item is not expected to be sufficient to cover the full cost of the towing service contracts for this fiscal year. The FSP towing service contracts include a provision for overtime as determined to be needed by the California Highway Patrol (CHP). If an FSP assist begins near the end of an FSP shift, the CHP determines whether overtime is needed to complete the assist and approves overtime in 15 minute increments. The FSP towing service contract also includes a provision to adjust the hourly rate based on reductions and increases in the price of fuel.

The budget includes a small amount for this overtime. In addition, past reductions in the cost of fuel have offset the overtime costs. Fuel has been more expensive over the past year and there have not been any fuel reductions to offset the overtime costs. Staff recommends a \$1,500 increase to the Towing line item for the FSP program. There are sufficient funds in the Service Authority for Freeway Emergencies (SAFE) reserves to cover this budget increase.

Based on the FSP program in the San Francisco Bay Area a prudent contingency for overtime and other potential additional costs for towing services is 5% of the contract amount. Staff will recommend the 5% contingency for future budget years.

Budget Amendment

The proposed changes to the FY 04-05 budget are shown on Exhibit A of Attachment 1. The Budget and Administration/Personnel Committee and staff recommend that the Regional Transportation Commission approve the attached resolution (Attachment 1) amending the FY04-05 Budget to incorporate the approved Rail Acquisition Project Financial Plan into the budget and add \$1,500 to the Towing line item for the Freeway Service Patrol (FSP) program. At the end of the current fiscal year, the amounts remaining in the revenue and expenditure line items for the Rail/Trail Authority will roll over into the next fiscal year.

SUMMARY

The Budget and Administration/Personnel Committee and staff recommend that the RTC incorporate the approved Rail Acquisition Project Financial Plan into the FY 04-05 budget and add \$1,500 to the Towing line item for the Freeway Service Patrol (FSP) program.

Attachment 1: Resolution Amending the FY 04/05 RTC Budget

Attachment 2: Approved Rail Acquisition Project Financial Plan