

**STAFF REPORT FOR CALENDAR ITEM NO.: 10
FOR THE MEETING OF: September 12, 2019**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approval of Fiscal Year (FY) 2018-19 Capital Budget Amendment No. 4 to transfer \$4,107,832 between various expenditure lines.

EXPLANATION:

The TJPA Board of Directors approved the FY 2018-19 Capital Budget in June 2018. The annual capital budget is a single fiscal year view of expenditures and revenues and represents a portion of the overall capital program budget. Expenditures are within the overall multi-year capital budget amounts.

There have been three amendments to the fiscal year capital budget approved by the Executive Director under TJPA's Policy No. 003, Budget Policy. This fourth amendment would exceed the Executive Director's annual authorization limit for budget reallocations.

At adoption of the FY 2018-19 Capital Budget, we anticipated that the Salesforce Transit Center would be open for operations, and certain costs were not anticipated. However, the building was closed between September 25, 2018, and June 30, 2019, for repairs to two structural steel girders. The previous amendments to the FY 2018-19 Capital Budget approved by the Executive Director created a budget of \$3.5M to cover costs related to the closure, including design for the girder repair, peer review, construction oversight and inspections, and legal costs. Staff separately tracked expenses related to the closure, and the TJPA expects to be reimbursed for these costs through a dispute resolution process.

As a result of the closure, budgetary savings were realized as well as additional expenses, and the budgetary savings in this year are sufficient to cover the additional expenses. The action recommended is administrative in nature and transfers budgetary savings totaling \$4,107,832 from the budget categories of Transit Center and Ramp Construction and Office Expenses to the following budget categories: Outside Legal, Transit Center Temporary Closure, Other Consulting, Bus Storage, Traffic Signals, Rent, Construction Management Oversight, Board Expenses, and Benefits Administration.

While the report attached shows several line items with overdrawn amounts, should the Board approve the proposed amendment today, those line items would no longer be overdrawn.

RECOMMENDATION:

Approve the FY 2018-19 Capital Budget Amendment No. 4.

ENCLOSURES:

1. Resolution
2. FY 2018-19 Capital Budget Amendment No. 4

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, The Transbay Joint Powers Authority (TJPA) is a joint powers agency responsible for the planning, design, construction, operation and management of the Transbay Program; and

WHEREAS, Pursuant to the Joint Powers Agreement creating the TJPA, dated April 4, 2001, the TJPA Board of Directors has the authority to adopt an annual or multi-year budget; and

WHEREAS, The TJPA Board of Directors approved the Fiscal Year (FY) 2018-19 Capital Budget in June 2018; and

WHEREAS, The TJPA Board of Directors has reviewed and considered the FY 2018-19 Capital Budget Amendment No. 4; now, therefore, be it

RESOLVED, That the TJPA Board of Directors hereby approves the FY 2018-19 Capital Budget Amendment No. 4 attached hereto to transfer \$4,107,832 between various expenditure lines.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of September 12, 2019.

Secretary, Transbay Joint Powers Authority

Transbay Joint Powers Authority
Fiscal Year 2018-19 Capital Budget Amendment 4 ¹

CAPITAL EXPENDITURES ¹	FY 2018-19 Budget Amendment 3	FY 2018-19 Budget Amendment 4	Change
Salaries & Benefits			
Salaries	1,510,000	1,510,000	-
Benefits	488,400	488,400	-
Subtotal, Salaries & Benefits	\$ 1,998,400	\$ 1,998,400	\$ -
Administration			
Rent	615,320	767,621	152,301
Insurance	77,700	77,700	-
Office Expenses	142,700	142,700	-
Office Moving Expenses & Other One-Time Costs	500,000	342,765	(157,235)
Communications	47,700	47,700	-
Information Technology Support	201,100	201,100	-
Travel/Conferences	22,700	22,700	-
Professional Development	11,800	11,800	-
Board Expenses	12,000	12,657	657
Meeting Expenses	2,700	2,700	-
Benefits Administration/Payroll Services	15,000	19,277	4,277
Miscellaneous	40,400	40,400	-
Subtotal, Administration	\$ 1,689,120	\$ 1,689,120	\$ -
Professional & Specialized Services			
Engineering & Design Services			
Program Management / Program Controls	5,260,000	5,260,000	-
Downtown Extension Preliminary Engineering & Design	8,024,700	8,024,700	-
Downtown Extension Interagency Coordination	300,000	300,000	-
Transit Center & Ramps Engineering & Design	4,085,000	4,085,000	-
Transit Center Traffic Signals	100,000	139,560	39,560
Transit Center Overhead Lines	200,000	200,000	-
Transit Center Commissioning Agent	347,300	347,300	-
Bus Ramps Design Reviews	86,000	86,000	-
Bus Storage Engineering & Design	240,000	240,000	-
Environmental Consultant / Building and Soil Haz. Mat.	1,000	1,000	-
Public Art Program	1,000,000	1,000,000	-
Other Engineering & Design Services	535,500	535,500	-
Permits and Fees			
Transit Center Building & Ramps Permits & Fees	370,000	370,000	-
Bus Storage Permits & Fees	44,000	44,000	-
DTX Permits & Fees	4,000	4,000	-
Real Estate Services			
Property Management	12,300	12,300	-
ALTA / Design Surveys	17,800	17,800	-
Miscellaneous Real Estate Services	120,000	120,000	-
Construction Management			
Construction Management Oversight for Transit Center	3,800,000	3,927,630	127,630
Construction Management for Bus Storage	170,100	177,548	7,448
Construction Dispute Resolution Services	100,000	100,000	-
Construction			
Transit Center Building & Ramps Construction	94,537,860	90,587,263	(3,950,597)
Base Building Improvements / Tenant Improvements	26,888,720	26,888,720	-
Labor Standards Enforcement	-	-	-
Bus Storage Construction	3,000,000	3,000,000	-
Planning & Environmental Analysis			
Economic and Real Estate Analysis	13,100	13,100	-
Environmental Review	3,800,000	3,800,000	-
Other Planning Studies	-	-	-
Administration			
Outside Legal Counsel & City Attorney	8,300,000	9,411,520	1,111,520
Financial & Grant Management	748,000	748,000	-

Transbay Joint Powers Authority
Fiscal Year 2018-19 Capital Budget Amendment 4 ¹

	FY 2018-19 Budget Amendment 3	FY 2018-19 Budget Amendment 4	Change
Accounting Software, Installation, and Maintenance	30,350	30,350	-
Audit Services	28,000	28,000	-
Credit Rating Analysis	27,500	27,500	-
Loan Servicing Fees and Interest	400	400	-
CBD Special Tax Assessment	-	-	-
Trustee Account Services	1,100	1,100	-
Community & Public Relations	111,220	111,220	-
Legislative Services	261,250	261,250	-
Disadvantaged and Small Business Program	-	-	-
Other Intergovernmental Agreements / Other Consulting Assistance	80,000	88,779	8,779
Transit Center Temporary Closure			
Transit Center Temporary Closure	3,500,000	6,155,660	2,655,660
Subtotal, Professional & Specialized Services	\$ 166,145,200	\$ 166,145,200	\$ 0
TOTAL EXPENDITURES + OTHER	\$ 169,832,720	\$ 169,832,720	\$ 0

CAPITAL FUNDING SOURCES

Committed Funds

Federal Bus Facility, Alternatives Analysis and PNRS Grants (FTA)	1,135,510	1,135,510	-
Regional Measure 2	556,960	556,960	-
AB1171 Bridge Tolls	214,000	214,000	-
Proposition K San Francisco Sales Tax	1,801,300	1,801,300	-
AC Transit Capital Contribution	143,090	143,090	-
Land Sales Proceeds	5,150,000	5,150,000	-
Bridge Loan Proceeds	524,380	524,380	-
TIFIA Proceeds	17,414,960	17,414,960	-
City Financing Proceeds	39,923,000	39,923,000	-
Transit Center District Impact Fees	774,950	774,950	-
Mello-Roos CFD Bond Proceeds	62,725,980	62,725,980	-
Early Naming Rights Payment	3,918,300	3,918,300	-
Net Tax Increment Revenue	1,288,230	1,288,230	-
Lease Income	95,000	95,000	-
Interest Income	443,750	443,750	-
Reimbursements by Others (Private Utilities, Adjacent Prop. Developers)	1,500,000	1,500,000	-
Subtotal, Committed Funds	\$ 137,609,410	\$ 137,609,410	\$ -

Planned Funds

Proposition K San Francisco Sales Tax	9,678,630	9,678,630	-
Transit Center District Impact Fees	22,544,680	22,544,680	-
Subtotal, Planned Funds	\$ 32,223,310	\$ 32,223,310	\$ -
TOTAL FUNDING SOURCES	\$ 169,832,720	\$ 169,832,720	\$ -

¹Budget Amendment 3 approved by Executive Director pursuant to the TJPA Board Policy 003: Budget Policy, "Once an annual budget has been adopted, the Executive Director may augment an existing line-item appropriation by re-allocating funding within and among expenditure categories without further Board action, so long as the aggregate amount reallocated during the fiscal year does not exceed 10 percent of the original appropriation for the category, and the total amount of spending does not vary from the total amount of the approved annual budget." (TJPA Board Policy 003, Section III.C.1.)

Prepared by:

Approved by:

	TJPA Board of Directors
	9/12/2019 Date

Compliance With Budget Policy check	
Transferred between line items Amendment 4:	\$ 4,107,832
Plus Amendment 3	\$ 8,830,840
Plus Amendment 2	3,575,300
Plus Amendment 1	1,029,580
	17,543,552
10% of Professional & Specialized Services:	16,614,520

(929,032)