

**STAFF REPORT FOR CALENDAR ITEM NO.: 12
FOR THE MEETING OF: July 13, 2017**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approval of FY 2016-17 Operating Budget Amendment No. 1 to transfer \$760,590 from various line items to Transit Center Facility Management.

SUMMARY:

The TJPA Board approved the FY 2016-17 Operating Budget, in the amount of \$5,187,168, on June 9, 2016. The budget included the following expenses:

- Temporary terminal facility management, security and utilities (\$1.28 million)
- Police Services as necessary (\$10,000)
- Additional Operating Support for AC Transit's increased operating costs at the temporary terminal (\$2.6 million)
- Parking Control Officers to manage traffic operations in the vicinity of the temporary terminal (\$159,000)
- Insurance (\$53,900)
- Operating contingency (\$587,968)
- Operating reserve fund (\$495,300)

The operating contingency has not been utilized this fiscal year, nor have police services. AC Transit operations have cost less than anticipated for the year, as did the insurance premium. AC Transit staff has advised TJPA staff that at least \$160,000 of the budgeted \$2.6 million will not be required. At the same time, the Transit Center asset manager has begun work in earnest. TJPA staff is proposing an amendment to the operating budget that would transfer the full amount of the operating contingency, the full amount of police services, and the AC Transit operating savings, to Transit Center facility management. The total amount proposed for transfer at this time is \$760,590. This will allow TJPA to cover a significant amount of asset manager costs with RM-2 operating funding, versus contributions from transit operators.

Staff also recommends that the Board authorize the Executive Director to approve any additional operating budget amendments to transfer savings in any line item to Transit Center facility management. RM-2 invoices for the fiscal year are due by July 31, before the next TJPA Board meeting. Staff would like to maximize the amount of the asset manager's costs that can be covered with the FY 2016-17 RM-2 funding. Unlike RM-2 capital funding, unused RM-2 operating funds do not rollover to the next fiscal year. Unused funds are retained by MTC.

RECOMMENDATION:

Approve the FY 2016-17 Operating Budget Amendment No. 1.

ENCLOSURES:

1. Resolution
2. FY 2016-17 Operating Budget Amendment

**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 new Transbay Transit Center Program; and

WHEREAS, Pursuant to the Joint Powers Agreement creating the TJPA, dated April 4, 2001 (Agreement), 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 FY 2016-17 operating budget in June 2016; and

WHEREAS, The TJPA Board of Directors has reviewed and considered the FY 2016-17 Operating Budget Amendment No. 1; now, therefore, be it

RESOLVED, That the TJPA Board of Directors hereby approves the FY 2016-17 Operating Budget Amendment No. 1 attached hereto to transfer \$760,590 from Operating Contingency, AC Transit Additional Operating Support, Police Services, and Insurance to Transit Center Facility Management; and be it further

RESOLVED, That the TJPA Board of Directors hereby authorizes the Executive Director to transfer any additional savings in FY 2016-17 operating budget line items to Transit Center facility management to maximize the amount of asset manager costs funded with FY 2016-17 RM-2 funds.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of July 13, 2017.

Secretary, Transbay Joint Powers Authority

Transbay Joint Powers Authority
Fiscal Year 2016-17 Operating Budget
 June 26, 2017

	FY 2016-17 Annual Operating Budget	FY 2016-17 Budget Amendment 1	Change	Notes
OPERATING EXPENDITURES				
Professional & Specialized Services				
Temporary Terminal Facility Management & Security	1,281,000	1,281,000	-	
Police Services as Needed	10,000	-	(10,000)	
AC Transit Additional Operating Support	2,600,000	2,440,000	(160,000)	
Parking Control Officers	159,000	159,000	-	
Insurance	53,900	51,278	(2,622)	
Transit Center Facility Management	-	760,590	760,590	
Operating Contingency	587,968	-	(587,968)	
Subtotal, Professional & Specialized Services	\$ 4,691,868	\$ 4,691,868	\$ -	
Reserves				
Operating Reserve	495,300	495,300	-	
Subtotal, Reserves	\$ 495,300	\$ 495,300	\$ -	
TOTAL OPERATING EXPENDITURES	\$ 5,187,168	\$ 5,187,168	\$ -	
OPERATING REVENUE				
Regional Measure 2	4,691,868	4,691,868	-	
Rents	438,300	438,300	-	
Advertising, Interest, Other	57,000	57,000	-	
Subtotal, Operating Revenue	\$ 5,187,168	\$ 5,187,168	\$ -	
TOTAL OPERATING REVENUE	\$ 5,187,168	\$ 5,187,168	\$ -	

Prepared by:

Approved by TJPA Board via Resolution No.:

6/26/2017	
Date	Date
Sara DeBord TJPA Chief Financial Officer	Nila Gonzales TJPA Board Secretary