



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 25

Date: June 1, 2011

Subject: SANBAG 2011/2012 Proposed Budget

- Recommendation: ***
1. Conduct the Public Hearing for the proposed Fiscal Year 2011/2012 budget; and
 2. Adopt the SANBAG Fiscal Year 2011/2012 budget with the following revisions:
 - A. Revise Estimated Fiscal Year 2011/2012 Revenues (page 32 of the budget document) Grants and Other Revenue Category as follows:
 - i. Increase Congestion Mitigation Air Quality Funds in the amount of \$8,100,000 for a new total of \$32,836,066.
 - ii. Decrease Trade Corridor Improvement Fund in the amount of \$10,000,000 for a new total of \$41,200,000.
 - iii. Increase Surface Transportation Program Funds in the amount of \$9,750,000 for a new total of \$16,436,200.
 - iv. Increase Local Funds/Reimbursements in the amount of \$9,216,962 for a new total of \$56,140,750.
 - B. Revise Task No. 31612000 Barstow-County Transit to increase the task amount by \$141,900 from \$49,710 to \$191,610 funded with Measure I North Desert Senior & Disabled.
 - C. Revise Task No. 31712000 Victor Valley Transit to increase the task amount by \$633,950 from \$107,223 to \$741,173 funded with Measure I Victor Valley Senior & Disabled.

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Staff recommended approval of the proposed budget with the recommended revisions listed in the agenda item, with the exception of human resources issues on pages 66 through 68 of the budget document which is scheduled for discussion and separate action in Agenda Item 37. Following the staff presentation President Mitzelfelt opened the public hearing. No public comments were received and the public hearing was closed.

Approved
 Board of Directors

Date: June 1, 2011

Moved: Yates Second: Harris

In Favor: 26 Opposed: 0 Abstained: 0

Witnessed:

COG	X	CTC	X	CTA	X	SAFE	X	CMA	X
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Check all that apply.

- D. Revise Task No. 32012000 Needles Transit to increase the task amount by \$12,450 from \$21,202 to \$33,652 funded with Measure I Colorado River Senior & Disabled.
- E. Revise Task No. 31812000 Morongo Basin Transit to increase the task amount by \$115,850 from \$52,913 to \$168,763 funded with Measure I Morongo Basin Senior & Disabled.
- F. Revise Task No. 32112000 Mountain Area Transit to increase the task amount by \$88,400 from \$60,727 to \$149,127 funded with Measure I Mountain Senior & Disabled.
- G. Revise Task No. 70112000 SB Valley Coordinated Traffic Signal System to increase the task by \$1,050,000 from \$2,204,486 to \$3,254,486 funded by \$800,000 with Congestion Mitigation Air Quality and \$250,000 with Measure I Valley TMEE (1990).
- H. Revise Task No. 82412000 SR 210 Construction by increasing Measure I Valley Major Projects (1990) funding by \$1,250,000 from \$2,356,958 to \$3,606,958 and decreasing Surface Transportation Program funding by \$1,250,000 from \$4,425,000 to \$3,175,000 with no change in the new budget of \$8,922,958.
- I. Revise Task No. 82612000 I10/Citrus Interchange by decreasing Measure I Valley Freeway Interchange funding by \$3,000,000 from \$9,320,327 to \$6,320,327, decreasing Trade Corridor Improvement funding by \$10,000,000 from \$15,000,000 to \$5,000,000, increasing Surface Transportation Program funding by \$11,000,000 from \$0 to \$11,000,000 and increasing Congestion Mitigation Air Quality funding by \$2,000,000 from \$0 to \$2,000,000 with no change in the new budget of \$42,396,327.
- J. Revise Task No. 87012000 Hunts Lane Grade Separation to increase the task by \$2,049,008 from \$14,143,498 to \$16,192,506 with a decrease in Measure I Valley Major Streets funding of \$401,076 from \$401,076 to \$0, increase in Measure I Valley Major Projects (1990) funding of \$1,450,084 from \$0 to \$1,450,084, and an increase in Congestion Management Air Quality funding by \$1,000,000 from \$2,000,000 to \$3,000,000.
- K. Revise Task No. 87412000 Palm Avenue Grade Separation to increase the task by \$1,000,000 from \$7,000,602 to \$8,000,602 with a decrease in Measure I Valley Major Streets funding by \$3,300,000 from \$6,173,861 to \$2,873,861 and an increase in Congestion Management Air Quality funding by \$4,300,000 from \$0 to \$4,300,000.
- L. Revise Task No. 88812000 I-15 La Mesa/Nisqualli Avenue Interchange to increase the task by \$12,131,247 from \$6,000,000 to \$18,131,247 with an increase in Capital Bond Fund funding by \$2,914,285 from \$6,000,000 to \$8,914,285 and an increase in Local-City of Victorville funding by \$9,216,962 from \$0 to \$9,216,962.

Background:

The development of the 2011/2012 proposed budget has been completed. The proposed budget document was distributed to members of the Board prior to the Budget Workshop. The meeting served as an opportunity for a final Board of Director's Workshop review of the proposed budget prior to the scheduled adoption on June 1, 2011 Board meeting.

Task level budget development has been completed relative to all of the activities included in the Fiscal Year 2011/2012 budget. SANBAG's budget process is structured to provide for the maximum level of input from all SANBAG policy committees. Each policy committee has reviewed the tasks that relate to the functional areas of committee oversight and each task has been reviewed by at least one of the policy committees.

SANBAG's budget process includes a review of the Board of Director's direction as it relates to short term goals and how it integrates with the agency's long term goals and objectives. As part of this review, staff analyzes the resources available to help meet the short term goals set forth in the fiscal year budget.

SANBAG develops a program based budget which is adopted with funding source detail. The modified accrual basis (where revenues are recognized when received and available to meet current year obligations) is the basis for the 2011/2012 budget. The budget Summary shows the anticipated revenues and expenditures for the new activity for the upcoming fiscal year.

Estimated revenues for FY 2011/2012 with amendments are \$480,124,261 (Page 32 of the budget document). Proposed 2011/2012 Budget appropriations for new budget activity with amendments are \$733,264,131 and \$148,351,676 in estimated encumbrances for FY 2010/2011.

Proposed revenue amendment increases of \$17,066,962 for FY 2011/2012 are the result of the following increases and decreases: 1) an increase of Congestion Mitigation Air Quality funds from \$24,736,066 to \$32,836,066, (2) a decrease of Trade Corridor Improvement Fund revenue from \$51,200,000 to \$41,200,000, (3) an increase in Surface Transportation Program funds from \$6,686,200 to \$16,436,200, and (4) an increase in Local Funds/Reimbursements from \$46,923,788 to \$56,140,750. The revenue changes are attributed to the proposed budget amendments.

The proposed budget amendments of \$17,222,805 include the following changes:

Task No. 31612000 Barstow-County Transit		
	Proposed Budget	Amended Budget
Measure I North Desert Senior & Disabled	\$0	\$141,900
Local Transportation Fund-Planning	\$49,710	\$49,710
TOTAL	\$49,710	\$191,610

Task No. 31812000 Morongo Basin Transit		
	Proposed Budget	Amended Budget
Measure I Morongo Basin Senior & Disabled	\$0	\$115,850
Local Transportation Fund-Planning	\$52,913	\$52,913
TOTAL	\$52,913	\$168,763

Task No. 31712000 Victor Valley Transit		
	Proposed Budget	Amended Budget
Measure I Victor Valley Senior & Disabled	\$0	\$633,950
Local Transportation Fund-Planning	\$107,223	\$107,223
TOTAL	\$107,223	\$741,173

Task No. 32112000 Mountain Area Transit		
	Proposed Budget	Amended Budget
Measure I Mountain Senior & Disabled	\$0	\$88,400
Local Transportation Fund-Planning	\$60,727	\$60,727
TOTAL	\$60,727	\$149,127

Task No. 32012000 Needles Transit		
	Proposed Budget	Amended Budget
Measure I Colorado River Senior & Disabled	\$0	\$12,450
Local Transportation Fund-Planning	\$21,202	\$21,202
TOTAL	\$21,202	\$33,652

During the preparation of the original budget figures, staff did not include the S&D funding for the rural transit operators. These funds have historically been administered by local jurisdictions as part of Measure I 1990-2010; however, with Measure I 2010-2040, SANBAG is now responsible for their administration. Staff is still working through the mechanics of administering the funds, and as such, did not have the figures available at the time the original budget numbers were adopted.

Task No. 7011200 SB Valley Coordinated Traffic Signal System		
	Proposed Budget	Amended Budget
Congestion Mitigation Air Quality Measure I Valley TMEE (1990)	\$1,510,681	\$2,310,681
Proposition 1B Traffic Light Synchronization	\$489,092	\$739,092
	\$204,713	\$204,713
TOTAL	\$2,204,486	\$3,254,486

SANBAG Board will consider the approval of principles regarding maintenance responsibilities at the May Board meeting. Additional TMEE funds are to provide Tier 1 & 2 system support to address major system issues that cannot be resolved by the local jurisdictions. The CMAQ fund is to provide full maintenance for Tier 3 & 4 upon project completion in December 2011.

Task No. 82412000 SR 210 Construction		
	Proposed Budget	Amended Budget
Measure I Valley Major Projects (1990)	\$2,356,958	\$3,606,958
Surface Transportation Program	\$4,425,000	\$3,175,000
Transportation Enhancement Activities	\$2,141,000	\$2,141,000
TOTAL	\$8,922,958	\$8,922,958

SANBAG programmed \$2.2 million in TEA funds in the 2010/2011 Fiscal Year for the State Route 210 Segment 9 Landscaping Project, but the 95% Engineer's Estimate showed only \$1.4 million in eligible TEA costs. In order to save the remaining \$800k in TEA funds, Segment 10 Landscaping Project is being expedited so the funds are allocated in the current 10/11 Fiscal Year and staff will swap \$1.25 million in STP funds for the Segment 10 project with \$1.25 million in Measure I funding for the Segment 11 project in SANBAG's Fiscal Year 2011/2012 budget to help expedite delivery of Segment 10. The reprogramming of the TEA funds will be brought forward for the Board's consideration at a future meeting.

Task No. 82612000 I-10/Citrus Interchange		
	Proposed Budget	Amended Budget
Demonstration High Priority Program	\$500,000	\$500,000
Local-City of Fontana	\$11,500,000	\$11,500,000
Local-San Bernardino County	\$6,076,000	\$6,076,000
Measure I Valley Freeway Interchange	\$9,320,327	\$6,320,327
Trade Corridor Improvement	\$15,000,000	\$5,000,000
Surface Transportation Program	\$0	\$11,000,000
Congestion Mitigation Air Quality	\$0	\$2,000,000
TOTAL	\$42,396,327	\$42,396,327

Since the draft budget was prepared, staff has been informed that the TCIF funds programmed on this project would most likely not be available to allow this project to proceed to construction on schedule. To allow this project to move forward, it is proposed that SANBAG front the TCIF funds with CMAQ and STP funds, with the understanding that SANBAG will be reimbursed once the TCIF funds become available. The SANBAG Board will consider an amendment to the project's construction cooperatives agreements that includes this funding change at the May 4, 2011 meeting. In addition, the Board will consider approving the submittal of a Letter of No Prejudice (LONP) for this project to the California Transportation Commission,

Task No. 87012000 Hunts Lane Grade Separation		
	Proposed Budget	Amended Budget
Measure I Valley Major Streets	\$401,076	\$0
Measure I Valley Major Projects (1990)	\$0	\$1,450,084
Congestion Management Air Quality	\$2,000,000	\$3,000,000
Demonstration High Priority Program	\$3,111,818	\$3,111,818
Project National Regional Significance	\$5,807,500	\$5,807,500
Traffic Congestion Relief Program	\$2,823,104	\$2,823,104
TOTAL	\$14,143,498	\$16,192,506

The final construction cost estimate and anticipated right of way settlement costs have increased since the draft budget was prepared. Additional CMAQ funding (approved at the May, 2011 Board meeting) was added to the project to help address the construction funding shortfall and is reflected in this budget revision for 11/12. 2010-2040 Measure I Valley Major Streets Projects funds were mistakenly included in the draft budget. The additional Measure I funding is required for anticipated additional right of way costs as well as to provide the match for the federal funds. The construction cooperative agreement that defines the parties funding responsibilities will be brought forward to the Board for their consideration at a future meeting

Task No. 87412000 Palm Avenue Grade Separation		
	Proposed Budget	Amended Budget
Measure I Valley Major Streets	\$6,173,861	\$2,873,861
Congestion Management Air Quality	\$0	\$4,300,000
Local-City of San Bernardino	\$826,741	\$826,741
TOTAL	\$7,000,602	\$8,000,602

Funds for right-of-way were mistakenly identified as Measure I funds, instead of CMAQ funds. In addition, the estimated right of way expenditures for the fiscal year have increased since the draft budget was prepared. CMAQ funding was approved for use on this project at the April, 2010 Board meeting.

Task No. 88812000 I-15 La Mesa/Nisqualli Avenue Interchange		
	Proposed Budget	Amended Budget
Capital Bond Fund	\$6,000,00	\$8,914,285
Local-City of Victorville	\$0	\$9,216,962
TOTAL	\$6,000,000	\$18,131,247

In May 2011, the SANBAG Board of Directors will consider a cooperative agreement with the City of Victorville that has SANBAG responsible for the management and administration of the construction. When the draft budget was prepared, the City was responsible for the construction phase.

Financial Impact: The 2011/2012 proposed budget, with amendments, totals \$733,264,131 and \$148,351,676 in estimated encumbrances. The budget will establish the work program and financial approvals to guide the organization throughout the coming fiscal year.

Reviewed By: This item was reviewed by the Administrative Committee on May 11, 2011 and recommended for approval.

Responsible Staff: William Stawarski, Chief Financial Officer