STAFF REPORT

MEETING DATE:	**April 26, 2016**
SUBJECT:	**Approve Fiscal Year 2016/17 Overall Work Program Budget and Corresponding SRTA Comprehensive FY 2016/17 Budget**
AGENDA ITEM:	**9**
STAFF CONTACT:	**Sean Tiedgen, AICP, Senior Transportation Planner**

SUMMARY:

The Fiscal Year (FY) 2016/17 Overall Work Program (OWP) in the amount of $2,968,868 has been prepared in consultation with federal, state and local agency partners. Adoption by the board of directors and certification of compliance with applicable laws and regulations are necessary to receive federal and state transportation planning funds. Adoption of a comprehensive agency budget accounts for activities not part of the OWP process, such as capital and transit operations.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Approve the Human Resources Committee recommendation and adopt Resolution 16-07 which approves salary increases of 3% in FY 2016/17; 3% in FY 2017/18; and 3% in FY 2018/19 to non-management salary classifications;
2. Consider and approve the Human Resources Committee's recommendation to hire one additional full-time assistant or associate planner;
3. Adopt the FY 2016/17 OWP pursuant to Resolution 16-06 (attached);
4. Authorize the chair and executive director to sign the Indirect Cost Allocation Plan Submission Certificate;
5. Authorize the executive director to sign the Overall Work Program Agreement and certifications and assurances that all OWP requirements have been met; and
6. Approve the corresponding FY 2016/17 comprehensive agency budget of $#,###,###.

DISCUSSION:

Background – The OWP is the agency's annual program of planning activities and corresponding budget. The OWP addresses: 1) core metropolitan planning organization responsibilities; 2) regional planning priorities approved by the board of directors each December; as well as 3) Federal Planning Factors and California Planning Emphasis Areas provided by the Federal Highway Administration.

The draft FY 2016/17 OWP was presented for discussion in February. The following changes have been made for the final OWP:

- Added Local Agency Planning Projects – The board of directors approved five projects, totaling $292,000. A new '900' series was created in the OWP to keep track of each individual local agency project.
- Revised Indirect Cost Allocation Plan – A higher indirect cost rate of 105.27% is being used due to Caltrans assigning more of the executive director, chief fiscal officer and executive

assistant's time to indirect expenses (Attachment B). The indirect cost rate for FY 2015/16 was 63.33%.

- Added budget overview charts – Agency revenue and expenditure summary charts were added to the narrative section of the OWP.

Regional Traffic Count Program – At the February board of directors meeting there was some discussion regarding the new regional traffic data collection program (Work Element 701.11). The following clarifications are provided in response to board member queries:

- **Federal/state requirements** – SRTA is required to develop, track and report the region's progress towards meeting federal and state performance measures in the Regional Transportation Plan (RTP) and Transportation Improvement Program (TIP). Data collection is necessary to support these activities and a regional approach would bring consistency and on-time reporting. All data collected will be made publicly available via an online map.
- **Regional and local traffic counts** – Caltrans provided SRTA a list of 245 locations across the region that require traffic counting at least once every three years. Many of these locations double as local count locations as well. It may be possible to add other local count locations to the regional program if a clear nexus to meeting regional and state/federal needs can be made. Staff is looking into this further.
- **Local agency support** – Staff prepared a more detailed scope of work and met with city and county staff to discuss the program and any concerns. City and county staff have approved of the scope of work with some revisions and agreed to provide guidance through the procurement process.
- **Potential cost savings** – Based on similar projects in similar-sized regions, it is estimated that a regional program would cost $60,000 over a three-year period. By comparison, SRTA has paid over $200,000 over three years to local agencies for individual traffic count studies.

FY 2016/17 OWP Budget – The FY 2016/17 OWP budget totals $2,968,868, which includes SRTA's costs (i.e. personnel ($961,139), services and supplies ($52,700) and consultants ($645,000)); RABA and CTSA transit operations ($554,000); and the five local agency planning projects ($292,000). This budget is approximately $602,110 greater than the final FY 2015/16 OWP budget approved on April 26, 2016, which includes:

- New grant funds (Safe Routes to Schools, Caltrans ATP) awarded to SRTA, including increased consultant work;
- Local agency planning project awards; and
- Human Resources Committee recommendations to increase salary classifications by three percent (3%) for non-management positions for FY 2016/17, 2017/18 and 2018/19, and adding an additional full-time assistant or associate planner position.

Note to TAC: Details on Human Resources Committee recommendations and supporting information will be available in final staff report to SRTA Board of Directors.

SRTA's Comprehensive Budget – The agency's comprehensive budget summarizes all of SRTA activities, including those not part of the OWP, such as road capital projects, transit operations, non-motorized program projects (2% TDA and Rural BLAST), and building ownership. Caltrans requires that SRTA submit a comprehensive budget document that reconciles to the OWP for that fiscal year. SRTA's comprehensive agency budget for FY 2016/17 totals $##,###,###.

ALTERNATIVES:
The board of directors may modify the FY 2016/17 OWP and the comprehensive budget, provided that such changes are consistent with the terms of applicable funding agreements.

OTHER AGENCY INVOLVEMENT:
The FY 2016/17 OWP was reviewed by Caltrans, the Federal Highway Administration, and the Federal Transit Administration and comments were provided to SRTA on April 4, 2016. The Fiscal Committee received an update on the FY 2016/17 OWP. The Human Resources Committee considered information related to SRTA's increased workload and recommends that the board of directors hire an additional assistant or associate planner and provide salary increases of three percent (3%) across non-management salary classifications for FY 2016/17, 2017/18 and 2018/19. The Technical Advisory Committee (TAC) has reviewed items in the OWP that affect their respective agencies and concurs with the staff recommendation.

FINANCING:
The agency's transportation planning and administration budget for FY 2016/17 is $2,968,868. SRTA's comprehensive agency budget for FY 2016/17 is $#,###,###.

Daniel S. Little, AICP, Executive Director

Attachments:
A: Resolution Number 16-07: Authorizing Changes to Salaries (not available at TAC)
B: Resolution Number 16-06: Adoption of the FY 2016/17 Overall Work Program (not available at TAC)
C: Indirect Cost Allocation Plan (not available at TAC)
D: FY 2016/17 Revenues and Expenditures Summary Charts (not available at TAC)
E: FY 2016/17 Overall Work Program (available at TAC)
F: Fiscal Year 2016/17 Budget Overview (not available at TAC)