



## **CDTA COMMITTEE AGENDA**

### **Strategic and Operational Planning Committee**

**Thursday, December 15, 2022 | 12:00 PM | Microsoft Teams & 110 Watervliet Ave**

#### **Committee Item**

#### **Responsibility**

Call to Order

Mike Criscione

Approve Minutes of Thursday, October 20, 2022

Mike Criscione

#### **Consent Agenda Items**

- FY2024 Preliminary Budget Approval

Mike Collins

Next Meeting: Thursday, January 19, 2023 at 12:00 pm via Microsoft Teams and 110 Watervliet Ave.

Adjourn

Mike Criscione

*\*Additional Materials will be attached separately and/or emailed before the meeting.*

## **Capital District Transportation Authority**

### **Strategic and Operational Planning Committee**

**Meeting Minutes – October 20, 2022 at 12:01 pm; via Microsoft Teams and 110 Watervliet Ave.**

In Attendance: Mike Criscione, Jayme Lahut, Peter Wohl, Pat Lance, Dan Lynch, Carm Basile, Amanda Avery, Mike Collins, Chris Desany, Lance Zarcone, Jaime Kazlo, Vanessa Fox, Ross Farrell, Dave Williams, Jeremy Smith, Trish Cooper, Megan Quirk, Jon Scherzer

#### **Meeting Purpose**

Regular monthly meeting of the Strategic and Operational Planning Committee. Committee Member Jayme Lahut noted that a quorum was present. Minutes from the September 22, 2022 meeting were reviewed and approved.

#### **Administrative Discussion Items**

*Washington/Western BRT Gardenway Update -*

- Jeremy Smith gave an update on the Washington/Western BRT Gardenway (busway) we are constructing on the University at Albany Campus. The Gardenway consists of one mile of gated, semi-dedicated bus lane directed between the science library and the track. Through a close partnership with the University, we are building a new road and porous multi-use path, relocating utilities, and taking significant stormwater mitigation measures.
- There will be a new station located directly adjacent to the campus center, a vast “campus green”, new decorative/security LED lighting, signage, and landscaping enhancements. The project is valued at \$10M and the contractor is New Castle Paving. It is set to be complete next construction season.
- Jeremy provided photos illustrating the progress of the work, and discussed the connections between this location, ETEC, and the Brevator WWBRT stops. The project is on time and on budget.

#### **Next Meeting**

Thursday, December 15, 2022, at 12:00 pm via Microsoft Teams and at 110 Watervliet Ave.

# Memorandum

December 14, 2022

**To:** Strategic & Operational Planning Committee

**From:** Mike Collins, Vice President of Finance & Administration

**Subject:** Discussion & Approval of FY2024 Preliminary Budgets

## Background

Attached is the preliminary operating and capital budget for Fiscal Year 2024. This is a first look at our budget, and it contains a number of estimates including revenue sources to balance the budget. The Board is required to approve a preliminary budget, which must be submitted to New York State by December 31, 2022. As we move towards a final budget on April 1, 2023, we will have several meetings, discussions and opportunities for input.

This preliminary budget includes significant increases in expenses based on the start of our next BRT line, and anticipation of a new labor contract (expires in June 2023). It also includes expanded mobility options like electric cars, bikes and Flex Services.

## Operating Budget

The preliminary operating budget is projected to be \$128.3 million, a \$12 million increase from this year's plan (10.4%). There are three main drivers - wages, health care, and fuel. In the current economic environment, competition for bus operators and technicians is very strong and we are budgeting a higher-than-normal wage increase to stay competitive. We also need to negotiate a new labor contract with the Amalgamated Transit Union who is well aware of the significant wage increases in the transit industry.

We expect to begin service on the new Washington/Western BRT line, which will add about 20 new bus operator positions. Last month we received notice of a 15% increase from our main health care provider increases the health insurance line by about \$1.8 million. Fuel expenses are projected to increase by about \$3.6 million based on current pricing. We currently pay \$1.76 per gallon and our contract expires in June 2023. We purchase fuel on the futures market one to two years in advance. Since the market has been volatile for the past year, pricing has just about doubled to about \$3.50 per gallon. We hope to get a better price over the next couple of months. All told, we are expecting a \$12 million increase in expenses.

Mortgage Recording Tax receipts have been terrific, although we are somewhat worried about rising interest rates. Customer revenue and Rail Station revenue continue to improve, and we project about a \$3 million increase for these two lines. Our Universal Access program has been very successful and is driving increases in Customer revenue. However, operating assistance is a concern. We budgeted the same federal assistance for next year, with a combination of federal 5307 funds and American Rescue Plan funds. We initially budgeted the same State Operating Assistance (STOA) for next year, but because we want to balance the budget, we show an anticipated \$9 million increase. This is not likely to happen.

## **Capital Plan**

The five-year capital plan is attached. It is the first draft of a detailed summary of projects for the next five years, most of which are not funded. We concentrate efforts on year one and prioritize funding for projects to be completed within the first year (FY2024). Certain components are reoccurring projects such as our annual fleet replacement program; shelter program; and providing for normal replacement efforts. FY2024 also includes the start of the LO/NO federal grant that we were awarded to provide electric buses and electric infrastructure for our Albany facility.

Looking forward, and to build off the board retreat, this plan provides a blueprint to develop new facilities and to replace our aging infrastructure. The plan also includes piloting new technology for zero emission vehicles like hydrogen, or other power sources not yet developed. Many of these projects are grant dependent and will take several years to complete. We anticipate continued state capital funding that could cover five years. The level of funding will determine how we go about moving some of our capital projects.

## **Summary**

Although we have funding sources to help balance our budget, it is not enough. We are active in advocacy efforts to find sustained operating assistance and we continue to work with our lobbyist and the New York Public Transit Association to encourage increased state funding. The Strategic and Operational Planning Committee will be provided options to discuss as we move through the budget development process.

## **Recommendation**

We recommend that the preliminary FY2024 operating budget of \$128,321,806 and a five-year capital plan of \$302,104,000 be approved to meet our New York State statutory requirement.

Copy: Chief Executive Officer  
Senior Staff  
Director of Finance

**Capital District Transportation Authority**  
**FY2024 Draft Operating Budget**  
**December 6, 2022**

Revenue Item	FY2023 Budget	Budget to Budget Change	FY2024 Budget	% change
Mortgage Tax	\$12,550,000	\$0	\$12,550,000	0.0%
Customer Revenue	\$14,569,000	\$2,356,380	\$16,925,380	16.2%
Advertising	\$1,392,500	\$50,000	\$1,442,500	3.6%
RRS and Facilities Income	\$1,912,908	\$700,000	\$2,612,908	36.6%
Other	\$158,500	\$0	\$158,500	0.0%
Federal Assistance	\$29,905,923	\$0	\$29,905,923	0.0%
State Operating Assistance	\$51,636,600	\$8,967,209	\$60,603,809	17.4%
State Operating Assistance - NX	\$400,000	\$0	\$400,000	0.0%
County Assistance	\$1,917,000	\$0	\$1,917,000	0.0%
Grants	\$1,805,786	\$0	\$1,805,786	0.0%
<b>Total Revenue</b>	<b>\$116,248,217</b>	<b>\$12,073,589</b>	<b>\$128,321,806</b>	<b>10.4%</b>
Expense Item	FY2023 Budget	Budget to Budget Change	FY2023 Budget	% change
Wages	\$57,546,254	\$5,179,162	\$62,725,416	9.0%
FICA	\$3,962,750	\$356,647	\$4,319,397	9.0%
Health Benefits	\$12,050,871	\$1,807,631	\$13,858,501	15.0%
Workers' Comp	\$2,986,718	\$0	\$2,986,718	0.0%
Other Benefits	\$4,865,487	\$100,000	\$4,965,487	2.1%
Professional Services	\$4,709,745	\$0	\$4,709,745	0.0%
Materials and Supplies	\$1,994,023	\$0	\$1,994,023	0.0%
Miscellaneous	\$786,853	\$0	\$786,853	0.0%
Maintenance Services	\$3,365,258	\$0	\$3,365,258	0.0%
Purchased Transportation	\$9,343,094	\$560,586	\$9,903,679	6.0%
Utilities	\$1,430,220	\$0	\$1,430,220	0.0%
Fuel	\$5,847,249	\$3,600,000	\$9,447,249	61.6%
Parts Tires Oil	\$5,968,775	\$298,439	\$6,267,214	5.0%
General Insurance	\$1,012,046	\$150,000	\$1,162,046	14.8%
Claims	\$378,875	\$21,125	\$400,000	5.6%
<b>Total Expenses</b>	<b>\$116,248,217</b>	<b>\$12,073,589</b>	<b>\$128,321,806</b>	<b>10.4%</b>
<b>Revenue over Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Capital District Transportation Authority  
FY2024 DRAFT Capital Plan  
December 7, 2022**

Project Name	Purpose	Type	2024	2025	2026	2027	2028	Total
LO/NO electrification	System Improvement	Facilities	\$12,000,000					\$12,000,000
LO/NO electric buses	System Improvement	Maint	\$12,000,000					\$12,000,000
Mid-Sized Infrastructure	System Improvement	Facilities	\$400,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,800,000
Street Amenities (Shelter Program)	State of Good Repair	Facilities	\$250,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,050,000
Facilities Maintenance and Engineering	State of Good Repair	Facilities	\$400,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,200,000
85W Renovations	System Improvement	Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Engineering - Facilities	State of Good Repair	Facilities	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
West Facility Design	System Improvement	Facilities	\$1,000,000	\$10,000,000	\$0	\$0	\$0	\$11,000,000
Lift Replacement	State of Good Repair	Facilities	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Park & Ride Lots	State of Good Repair	Facilities	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
RRS Enhancements	State of Good Repair	Facilities	\$400,000	\$60,000	\$60,000	\$60,000	\$60,000	\$640,000
Schenectady Driver's Locker/Bathroom	State of Good Repair	Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Schenectady Mechanic's Locker/Bathroom	State of Good Repair	Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Schenectady Gas Tanks	System Improvement	Facilities	\$100,000	\$0	\$0	\$0	\$0	\$100,000
RRS Garage Repairs/Maintenance	State of Good Repair	Facilities	\$692,000	\$400,000	\$300,000	\$300,000	\$300,000	\$1,992,000
RRS Parking Upgrades	System Improvement	Facilities	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Maintenance Training Room	System Improvement	Facilities	\$400,000	\$0	\$0	\$0	\$0	\$400,000
Fuel Management System	System Improvement	Facilities	\$970,000	\$0	\$0	\$0	\$0	\$970,000
West Facility	System Improvement	Facilities	\$0	\$0	\$100,000,000	\$0	\$0	\$100,000,000
TTC Design	System Improvement	Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Downtown Albany Intermodal	System Improvement	Facilities	\$0	\$50,000,000	\$0	\$0	\$0	\$50,000,000
Information Technology	Normal Replacement	Information Technology	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
MaaS	System Improvement	Information Technology	\$0	\$0	\$0	\$0	\$0	\$0
Montgomery Co Radio	System Improvement	Information Technology	\$350,000	\$0	\$0	\$0	\$0	\$350,000
VanPool	System Improvement	Operating	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Car Share	System Improvement	Operating	\$120,000	\$130,000	\$130,000	\$130,000	\$130,000	\$640,000
Marketing	System Improvement	Operating	\$250,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,050,000
E-Bike Program	System Improvement	Operating	\$250,000	\$0	\$0	\$0	\$0	\$250,000
CDPHP Cycle!	System Improvement	Operating	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Mid-Sized Infrastructure	System Improvement	Planning	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000
Bus Lane Feasibility Study	System Improvement	Planning	\$0	\$0	\$0	\$0	\$0	\$0
BRT Expansion study(Yellow/Green/Orange Lines)	System Improvement	Planning	\$0	\$0	\$0	\$0	\$0	\$0
Red Line Upgrade	System Improvement	Planning	\$4,912,000	\$0	\$0	\$0	\$0	\$4,912,000
Downtown Amsterdam Mobility Hub Planning & Design	System Improvement	Planning	\$0	\$0	\$0	\$0	\$0	\$0
Advance Design of Downtown Albany Bus Lanes	System Improvement	Planning	\$0	\$0	\$0	\$0	\$0	\$0
Red Line Vehicle Replacement	Normal Replacement	Rolling Stock	\$0	\$0	\$0	\$0	\$0	\$0
Bus Replacement Program - Rolling Stock	Normal Replacement	Rolling Stock	\$11,000,000	\$11,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$37,000,000
NX Commuter Bus Replacement	Normal Replacement	Rolling Stock	\$1,100,000	\$1,100,000	\$1,200,000	\$1,200,000	\$1,200,000	\$5,800,000
Fleet Financing 2014	Normal Replacement	Rolling Stock	\$780,000	\$780,000	\$0	\$0	\$0	\$1,560,000
Fleet Financing 2022	Normal Replacement	Rolling Stock	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$8,000,000
Flex Vehicles	System Improvement	Rolling Stock	\$300,000	\$0	\$0	\$0	\$0	\$300,000
STAR Buses	Normal Replacement	Rolling Stock	\$570,000	\$570,000	\$600,000	\$600,000	\$600,000	\$2,940,000
Non-Revenue Vehicles	Normal Replacement	Rolling Stock	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Trolleys	System Improvement	Rolling Stock	\$0	\$0	\$0	\$250,000	\$250,000	\$500,000
Mid-Life Hybrid Replacement	State of Good Repair	Rolling Stock	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Zero emmission Bus / Replacement Program	System Improvement	Rolling Stock		\$4,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$34,000,000
Vehicle Overhaul	State of Good Repair	Rolling Stock	\$200,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,400,000
<b>Total Expense</b>			<b>\$52,494,000</b>	<b>\$82,840,000</b>	<b>\$122,090,000</b>	<b>\$22,340,000</b>	<b>\$22,340,000</b>	<b>\$302,104,000</b>