



April 25, 2012

TO: Board of Directors

FROM: Steve L. Rosenberg 
Director of Administrative Services

RE: Consider Adoption of Resolution 2012-07 to Extend Authorization of the Bus Facility/Equipment Capital Reserve for an Additional Three Years, Expiring July 1, 2015

I. EXECUTIVE SUMMARY

The Transportation Development Act (TDA) provides that Local Transportation Fund (LTF) funds may be reserved for future payment of specific capital projects. Any monies reserved in the fund and not authorized for payment within three years after being reserved will expire and could be returned to the Transportation Planning Agency (VCTC) unless action is taken to extend authorization of the reserve funds. A Bus Facility/Equipment Capital Reserve fund was authorized by the Board of Directors on October 8, 2003, and was again re-authorized by the Board of Directors on July 3, 2006 and June 3, 2009. This resolution provides for the reserve fund to be established for an additional three years, from July 2012 through June 2015.

IT IS RECOMMENDED that the Board of Directors adopt Resolution No. 2012-07, reauthorizing the Bus Facility/Equipment Capital Reserve through July 1, 2015.

II. BACKGROUND

Capital projects at GCT are normally funded through federal grants, which require local matching funds. The projects can be completed within the year the grant is received or several years later. This time span is dependent on the complexity of the project, technical specification development, manufacturing time and other variables. At GCT, local matching monies are held in our Bus Facility/Equipment Capital Reserve account. As of March 31, 2012, the balance of the account was \$2,222,816.74.

The capital reserve fund is in compliance with *California Code of Regulations, Title 21, Chapter 3, § 6648*, which states “Any moneys allocated and reserved in the local transportation fund and not authorized for payment within three years after the date of allocation shall cease to be allocated or reserved...”

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At its October 8, 2003 meeting, the Board authorized the establishment of a Bus Facility/Equipment Capital Reserve for a three-year period. It was again re-authorized by the Board of Directors for additional three-year periods on July 3, 2006 and June 3, 2009. Reimbursement for expenditure from the Bus Facility/Equipment Capital Reserve fund is completed by receiving authorization from VCTC. This is a simple administrative process to assure proper audit verification.

The issue of reserving the capital reserve fund is summarized as follows:

1. The Bus Facility/Equipment Capital Reserve fund can only be reserved for a maximum of three years. At the end of that time, either (1) the funds revert to the Transportation Planning Fund or (2) the Board can request approval from VCTC to reserve the funds for an additional three years. The current reserve fund was reserved three years ago and action needs to be taken by the Board if the funds are to be re-reserved.
2. The Bus Facility/Equipment Capital Reserve fund is comprised of matching funds for federal grants. If the reserve fund is not available, the member agencies would have to reallocate LTF or other monies or the projects could not be completed.
3. The adoption of the proposed resolution will request VCTC to reauthorize the Bus Facility/Equipment Capital Reserve fund for an additional three years. This action will permit the continued funding of the capital projects.

III. SUMMARY AND RECOMMENDATIONS

IT IS RECOMMENDED that the Board of Directors adopt Resolution No. 2012-07, extending the authorization for the Bus Facility/Equipment Capital Reserve through July 1, 2015.

Concurrence:



Steven P. Brown
General Manager

RESOLUTION NO. 2012-07

**A RESOLUTION OF THE GOLD COAST TRANSIT BOARD OF DIRECTORS
AUTHORIZING THE FILING OF A CLAIM WITH THE VENTURA COUNTY
TRANSPORTATION COMMISSION FOR THE GCT BUS FACILITY/EQUIPMENT
CAPITAL RESERVE FOR FISCAL YEARS 2012-13 THROUGH 2014-15**

WHEREAS, the Transportation Development Act (TDA), as amended (*Public Utilities Code § 99200 et seq.*) provides for the allocation of funds from the Local Transportation Fund and the State Transit Assistance Fund, for use by eligible claimants for various transportation services; and

WHEREAS, pursuant to the provisions of the TDA, as amended, and pursuant to the applicable rules and regulations thereunder (*California Code of Regulations § 6600 et seq.*), a prospective claimant wishing to receive an allocation from the Local Transportation Fund or the State Transit Assistance Fund shall file its claim with the Ventura County Transportation Commission.

NOW, THEREFORE, BE IT RESOLVED, that Gold Coast Transit is authorized to file an appropriate claim pursuant to applicable rules and regulations promulgated thereunder, together with all necessary supporting documents, with the Ventura County Transportation Commission for a Bus Facility/Equipment Capital Reserve held in the GCT Capital Reserve Fund;

BE IT FURTHER RESOLVED THAT the authorized claim is for a Bus Facility/Equipment Capital Reserve with a current balance of \$2,222,816.74 as of March 31, 2012;

BE IT FURTHER RESOLVED THAT a copy of this resolution be transmitted to the Ventura County Transportation Commission in conjunction with the filing of the claim.

PASSED AND ADOPTED THIS 2nd day of May, 2012.

Bryan A. MacDonald, Board Chair

ATTEST:

I HEREBY CERTIFY THAT the foregoing Resolution was duly adopted by the Gold Coast Transit Board of Directors at a continued meeting thereof, held on the 2nd day of May, 2012

Steven P. Brown
Secretary of the Board