



April 4, 2018

Item #7

TO: GCTD Board of Directors

FROM: Steve L. Rosenberg *SLR*
Director of Finance and Administration

RE: Consider Adoption of Resolution 2018-04 to Extend Authorization of the Bus Facility/Equipment Capital Reserve through June 2021

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 GCT Board of Directors on October 8, 2003, and was again re-authorized by the Board of Directors on July 3, 2006, June 3, 2009 and May 2, 2012. Most recently the Board adopted Resolution 2016-04 on July 6, 2016, reauthorizing the Capital Reserve through June 30, 2018.

This resolution provides for the reserve fund to be extended for an additional three years, from July 1, 2018 through June 30, 2021. This action will assure that GCTD can continue to maintain its mission-critical Capital Reserve account while remaining in compliance with TDA regulations.

IT IS RECOMMENDED that the Board of Directors adopt Resolution No. 2018-04, reauthorizing the Bus Facility/Equipment Capital Reserve through June 30, 2021.

II. BACKGROUND

Capital projects at GCTD are most typically 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

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and other variables. At GCTD, local matching monies are held in our Bus Facility/Equipment Capital Reserve account. As of February 28, 2018, the balance of the account was \$8,045,686.26.

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...”

At its October 8, 2003 meeting, the Board of GCTD’s predecessor agency SCAT 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, June 3, 2009, May 2, 2012 and July 6, 2016. 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.

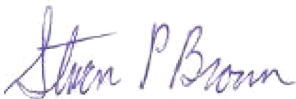
The issue of reserving the capital reserve fund is summarized as follows:

1. The Bus Facility/Equipment Capital Reserve fund can technically only be reserved for a maximum of three years. At the end of that time, the funds could revert to the Transportation Planning Fund unless the Board takes action to reserve the funds for an additional three years.
2. The most recent resolution will expire June 30, 2018. The adoption of the proposed resolution will 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. 2018-04, extending the authorization for the Bus Facility/Equipment Capital Reserve from July 1, 2018 through June 30, 2021.

Concurrence:



Steven P. Brown
General Manager

RESOLUTION NO. 2018-04

A RESOLUTION OF THE GOLD COAST TRANSIT DISTRICT BOARD OF DIRECTORS AUTHORIZING THE FILING OF A CLAIM WITH THE VENTURA COUNTY TRANSPORTATION COMMISSION FOR THE GCTD BUS FACILITY/EQUIPMENT CAPITAL RESERVE FOR FISCAL YEARS 2018-19 THROUGH 2020-21

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 District 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 GCTD Capital Reserve Fund;

BE IT FURTHER RESOLVED THAT the authorized claim is for a Bus Facility/Equipment Capital Reserve with a current balance of \$8,045,686.26 as of February 28, 2018;

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 4th day of April, 2018.

John Zaragoza, 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 4th day of April, 2018.

Steven P. Brown
Secretary of the Board