



**CDTA COMMITTEE AGENDA**  
**Strategic and Operational Planning Committee**  
**Thursday, March 21, 2024 | 12:00 PM**  
**Microsoft Teams & 110 Watervliet Ave**

**Committee Item**

**Responsibility**

Call to Order

Mike Criscione

Approve Minutes of Thursday, February 22, 2024

Mike Criscione

**Consent Agenda Items**

- Approve FY2025 Budget

Mike Collins

**Administrative Discussion Items**

- West Facility Update

Carm Basile

Next Meeting: Thursday, April 18, 2024 at 12:00 pm via Microsoft Teams and 110 Watervliet Ave.

Adjourn

Mike Criscione

## **Capital District Transportation Authority**

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

**Meeting Minutes – February 22, 2024 at 12:03 pm; via Microsoft Teams and 110 Watervliet Ave.**

In Attendance: Mike Criscione, Pat Lance, Georgie Nugent, Peter Wohl, Jayme Lahut; Carm Basile, Amanda Avery, Mike Collins, Chris Desany, Jaime Kazlo, Emily DeVito, Jon Scherzer, Gary Guy, Patricia Cooper, Kelli Schreivogl, Mike Williams, Thomas Guggisberg, Jeremy Smith, Dave Williams, Jack Grogan, Stacy Sansky, Vanessa Fox

### **Meeting Purpose**

Regular monthly meeting of the Strategic and Operational Planning Committee. Committee Chair Criscione noted that a quorum was present. Minutes from the January 25, 2024 meeting were reviewed and approved.

### **Administrative Discussion Items**

- Mike Collins provided an update on where we are with the development of next year's budget. In December, we submitted a preliminary budget to the State based on a 7% increase in State Operating Assistance. Since then, the Governor's executive budget proposed an 8% increase. With the addition of Warren County, we are projecting a \$1 million increase to MRT.
- We will increase customer fares by \$1 million. We are forecasting an additional \$400,000 in revenue at the Joe Bruno Rail Station. We are reducing the federal assistance line by \$1 million allowing us to lower the reliance on prior COVID funds.
- We have adjusted the wage line to reflect the addition of the Glens Falls operation, a full year of the Purple Line, and wage increases as called for in our collective bargaining agreement. The professional services line shows a 14% increase for IT Security and Telecommunications; Ambassadors; and operational expenses for DRIVE.
- The maintenance service line is projected to increase by 13% based on facility needs including Glens Falls. Manpower issues continue to drive increases in Purchased Transportation. We are projecting a 6% increase but are in the middle of redesigning some service opportunities. The Parts line will increase by 12%.
- We have a balanced budget that requires a few more tweaks. In March, we will bring the final draft to the committee for review and approval.
- Jeremy Smith provided an update on where we are with the development of a west facility. We reviewed the various studies we conducted over the last few years, several of which pointed to the need to construct a new facility. The challenges that feed into this idea include an increase in ridership, recruiting/retention, expanding partnerships, expanding into new counties, and the basic need for more space.

- We have developed a program evaluation to identify the high level requirements for a new location. This included a service plan, program support needs, and sustainability options. An Alternatives Analysis looked seven options, four of which pointed to a new west location. We are looking at the existing Schenectady site as an option for replacement/expansion as well.
- Going forward, we will narrow down site selections, complete and submit a grant for design work, complete an RFP for design, coordinate with additional stakeholders, and discuss financing/ staffing plans.

**Next Meeting**

Thursday, March 21, 2024 at 12:00 pm via Microsoft Teams and at 110 Watervliet Ave.

## Capital District Transportation Authority Agenda Action Sheet

**Subject:** FY2025 Operating Budget and Five-Year Capital Plan  
**Committee:** Strategic and Operational Planning Committee  
**Meeting Date:** March 21, 2024

### **Objective of Purchase or Service:**

Develop a balanced FY2025 Operating Budget and Five-Year Capital Plan

### **Summary of Staff Proposal:**

Over the past few months, we have worked to develop a balanced operating and capital plan for the new fiscal year. We use a bottom-up approach, providing each department with the ability to weigh-in on the plan, to discuss their needs and to explore opportunities to make CDTA better. We also met with board committees to get input and establish a clear direction for the plan and the needs of the company. Two factors have made this work move forward in a beneficial manner – the availability of federal funds, mainly COVID money and flexibility with 5307 funds, and a significant increase in State Operating Assistance (STOA). We are balancing this against the increased cost of doing business (example, significant increases in fleet parts and energy costs) and the impacts of our new collective bargaining agreement, which provides for costly but needed increases in wage rates and benefits.

The proposed operating plan is balanced at \$135.7 million based on revenue and expense assumptions. We also propose to approve a five-year capital plan at \$299.5 million.

Our five-year capital plan is a look forward at improvements and innovations to our system and facilities. We will build more mobility hubs, refurbish our Red Line BRT and invest in Warren County to improve infrastructure as we integrate that system into the CDTA umbrella. We are also beginning the site selection and concept development process for a new facility on the west side of our service network.

### **Revenue Forecast**

We project that revenue will grow by \$6.7 million in FY2025 to \$135.7 million; the major revenue driver is State Operating Assistance (STOA).

- STOA is increasing 8.1% based on two factors; the state proposed increasing STOA for most transit properties by 5.4%; and the state is providing a separate increase of 2.7% (\$1.6 million) for our work in Warren County. This will result in a total increase of \$4.8 million. Note - these assumptions are based on the Governor's Executive Budget Request. One house bills were recently released and the three sides are negotiating the final state budget.
- With the addition of Warren County, we are projecting a \$1 million increase in Mortgage Recording Tax (MRT), bringing our total MRT line to \$12.6 million. We are hopeful for a decrease in interest rates to fuel a rebound in the real-estate market.

- Customer revenue continues to outperform budget forecasts, mainly due to our successful Universal Access Program. We are proposing an 6.3% increase (\$1.2 million) for the year, which is on top of a 30% increase in FY2024. We remain cautiously optimistic about customer fares but anticipate a slow down at some point.
- We are reducing the amount of federal assistance that we will draw on during the year; this includes federal 5307 funding and COVID funding. We will reduce our reliance on COVID funding by \$1 million, reducing the line to \$28.9 million.

### **Expense Forecast**

A major part of our expenses is for wages and benefits of our employees that operate and maintain equipment for our customers. It totals about 70% of the budget and is the principal driver of the budget plan; everything revolves around wage. The remaining expenses include things such as, utilities, energy, and services.

- The wage line reflects increases as called for in our collective bargaining agreement, along with the addition of the Glens Falls operation, a full year of the Purple Line BRT (this is offset by a federal grant that pays for this).
- Professional Services shows a 14% increase for IT Security and Telecommunications; an expansion of our ambassador pilot program; and operational expenses for DRIVE. The maintenance service line is projected to increase by 13%; most of this comes from facility needs including Glens Falls.
- Purchase Transportation is increasing 6.2% as manpower issues remain and continue to drive operational increases. Most of this cost is for providing STAR service and we are redesigning service strategy and execution, which should provide for operational efficiencies.
- The Parts line is increasing 12% due to inflation, lingering supply chain issues, and a larger fleet of buses due to service expansions. Specifically, it includes an additional \$400,000 for parts, \$180,000 for tires, and \$170,000 for oil & lubricants.

### **Capital Plan**

As is traditional, the first year of our capital plan is funded and supported by grants and federal assistance. It contains funding for mobility hubs at Manning Boulevard and at Washington/Allen Street in Albany, and in the Little Italy section of Troy; upgrades to the Red Line BRT between Schenectady and Albany, along with a new Blue Line BRT station on Broadway in Menands. It also includes a continuation of our fleet replacement plan (we will purchase 30 vehicles) and the purchase of a heavy-duty wrecker, to replace a 15-year-old wrecker. We have also incorporated new vehicles for our Glens Falls division.

The five-year capital plan outlines a vision to enhance and diversify our service network and improve mobility for people in the Capital Region. We continue to explore zero emission technology for buses and facilities which is supported by federal and state grants. The plan also includes opportunities for research, design, and construction of a new facility.

The capital plan is a forecast with only the first year fully funded. Years two through five contain some funding for projects, but not all. We continue to pursue funding possibilities for future projects.

**Proposed Action**

I recommend that the committee advance to the board our FY2025 Operating Plan of \$135,695,631 and the Five-Year Capital Plan, which totals \$299,542,516.

**Manager:**

Mike Collins, VP of Finance & Administration

**Note:**

Staff will provide a presentation to support the budget recommendation.

**Capital District Transportation Authority**  
**FY2025 Operating Budget**  
**March 21, 2024**

Revenue Item	2024 Budget	Budget to Budget Change	FY2025 Budget	% change
Mortgage Tax	\$11,650,000	\$1,000,000	\$12,650,000	8.6%
Customer Revenue	\$18,924,456	\$1,193,243	\$20,117,699	6.3%
Advertising	\$1,720,827	\$54,173	\$1,775,000	3.1%
RRS and Facilities Income	\$3,012,908	\$410,000	\$3,422,908	13.6%
Other	\$158,500	\$31,000	\$189,500	19.6%
Federal Assistance	\$29,905,923	(\$1,000,000)	\$28,905,923	-3.3%
State Operating Assistance	\$59,161,500	\$4,833,600	\$63,995,100	8.2%
State Operating Assistance - NX	\$400,000	\$0	\$400,000	0.0%
County Assistance	\$1,917,001	\$0	\$1,917,001	0.0%
Grants	\$2,128,006	\$194,494	\$2,322,500	9.1%
<b>Total Revenue</b>	<b>\$128,979,121</b>	<b>\$6,716,510</b>	<b>\$135,695,631</b>	<b>5.2%</b>

Expense Item	FY2024 Budget	Budget to Budget Change	FY2025 Budget	% change
Wages	\$61,671,462	\$2,466,858	\$64,138,320	4.0%
Payroll Taxes	\$4,203,904	\$210,195	\$4,414,100	5.0%
Health Benefits	\$12,750,871	\$637,544	\$13,388,415	5.0%
Workers' Compensation	\$2,986,718	\$0	\$2,986,718	0.0%
Other Benefits	\$4,865,487	\$149,998	\$5,015,485	3.1%
Professional Services	\$6,125,162	\$850,000	\$6,975,162	13.9%
Materials and Supplies	\$1,994,023	\$61,000	\$2,055,023	3.1%
Miscellaneous	\$974,853	\$125,030	\$1,099,883	12.8%
Maintenance Services	\$4,271,804	\$531,827	\$4,803,631	12.4%
Purchased Transportation	\$12,065,995	\$750,005	\$12,816,000	6.2%
Utilities	\$1,653,210	(\$104,210)	\$1,549,000	-6.3%
Fuel	\$7,635,007	\$100,002	\$7,735,009	1.3%
Parts Tires Oil	\$6,278,025	\$753,000	\$7,031,025	12.0%
General Insurance	\$1,102,600	\$110,260	\$1,212,860	10.0%
Claims	\$400,000	\$75,000	\$475,000	18.8%
<b>Total Expenses</b>	<b>\$128,979,121</b>	<b>\$6,716,510</b>	<b>\$135,695,631</b>	<b>5.2%</b>

<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
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**Capital District Transportation Authority**

**FY2025 Capital Plan**

**3-21-24**

<b>Project Name</b>	<b>Purpose</b>	<b>Type</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Total</b>
LOW/NO electrification and buses	System Improvement	Facilities	\$10,956,941	\$10,980,000	\$0	\$0	\$0	\$21,936,941
Street Amenities (Shelter Program)	State of Good Repair	Facilities	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Facilities Maintenance and Engineering	State of Good Repair	Facilities	\$410,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,810,000
Buildings State of Good Repair	State of Good Repair	Facilities	\$900,000	\$700,000	\$500,000	\$300,000	\$300,000	\$2,700,000
Mobility Hubs	System Improvement	Facilities	\$590,000	\$0	\$0	\$0	\$0	\$590,000
RRS Enhancements	State of Good Repair	Facilities	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Lift Replacements	State of Good Repair	Facilities	\$0	\$660,000	\$0	\$0	\$0	\$660,000
Maintenance Training Room	System Improvement	Facilities	\$0	\$500,000	\$0	\$0	\$0	\$500,000
Downtown Albany Intermodal	System Improvement	Facilities	\$0	\$0	\$10,000,000	\$15,000,000	\$0	\$25,000,000
West Facility Design	System Improvement	Facilities	\$0	\$7,500,000	\$0	\$0	\$0	\$7,500,000
West Facility Construction	System Improvement	Facilities	\$0	\$0	\$25,000,000	\$50,000,000	\$25,000,000	\$100,000,000
Glens Falls Capital Investments	System Improvement	Facilities/IT	\$1,395,000	\$1,250,000	\$500,000	\$200,000	\$200,000	\$3,545,000
Information Technology	Normal Replacement	IT	\$1,080,475	\$600,000	\$600,000	\$600,000	\$600,000	\$3,480,475
Flex Plus Operations	System Improvement	Transportation	\$460,000	\$0	\$0	\$0	\$0	\$460,000
Mid-Sized Infrastructure	System Improvement	Planning	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000
Transit Development Plan/Route Restructuring	System Improvement	Planning	\$150,000	\$250,000	\$0	\$0	\$0	\$400,000
Red Line Upgrade	System Improvement	Planning	\$9,293,600	\$453,500	\$0	\$0	\$0	\$9,747,100
80 Broadway Station	System Improvement	Facilities	\$2,323,000	\$0	\$0	\$0	\$0	\$2,323,000
Fluid Management System	System Improvement	Maintenance	\$0	\$970,000	\$200,000	\$0	\$0	\$1,170,000
Vehicle Predictive Maintenance Software	System Improvement	Maintenance	\$0	\$400,000	\$0	\$0	\$0	\$400,000
Bus Operator Barriers	System Improvement	Maintenance	\$125,000	\$125,000	\$0	\$0	\$0	\$250,000
Fleet Financing 2022	Normal Replacement	Rolling Stock	\$1,555,000	\$1,555,000	\$1,555,000	\$1,555,000	\$1,555,000	\$7,775,000
Bus Replacement Program - Rolling Stock	Normal Replacement	Rolling Stock	\$12,875,000	\$10,000,000	\$13,800,000	\$14,400,000	\$13,800,000	\$64,875,000
NX Commuter Bus Replacement	Normal Replacement	Rolling Stock	\$0	\$0	\$0	\$1,200,000	\$0	\$1,200,000
Flex Vehicles	System Improvement	Rolling Stock	\$540,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,140,000
STAR Buses	Normal Replacement	Rolling Stock	\$590,000	\$600,000	\$600,000	\$600,000	\$600,000	\$2,990,000
Non-Revenue Vehicles	Normal Replacement	Rolling Stock	\$440,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,640,000
Trolleys	System Improvement	Rolling Stock	\$425,000	\$215,000	\$430,000	\$430,000	\$0	\$1,500,000
Heavy Duty Wrecker & Medium Duty Wrecker	Normal Replacement	Rolling Stock	\$1,750,000	\$0	\$0	\$0	\$0	\$1,750,000
Engine Overhaul	State of Good Repair	Rolling Stock	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Alternate Fuel Vehicle Pilot	System Improvement	Rolling Stock	\$0	\$1,500,000	\$2,000,000	\$0	\$0	\$3,500,000
Zero Emission Bus Replacement Program	System Improvement	Rolling Stock	\$0	\$0	\$4,000,000	\$10,000,000	\$10,000,000	\$24,000,000
<b>Total Expense</b>			<b>\$46,959,016</b>	<b>\$40,458,500</b>	<b>\$61,385,000</b>	<b>\$96,485,000</b>	<b>\$54,255,000</b>	<b>\$299,542,516</b>