

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 9/14/2022

Staff Report No. 22-405a

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Board Policy 324 - Revenue and Grants

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider approving amendments to Board Policy 324 - Revenue and Grants. [Continued from the July 27, 2022, Board of Directors Meeting]

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

Having clear and concise financial policies helps District staff maximize the use of existing and new revenues.

BUDGETARY/FISCAL IMPACT:

There is no direct fiscal impact from any changes to this policy.

BACKGROUND/RATIONALE:

Board Policy 324 was last amended in June 2020. More recently, staff proposed amendments that the Board considered on July 27, 2022, and the attached draft policy includes the changes suggested by the Board during that meeting.

The amendments proposed in Sections IV.D. and V.A permit staff to expeditiously pursue grant opportunities for projects already approved by the Board. These projects would be those listed in the current five-year Capital Improvement Plan (CIP) and/or the current annual Capital Budget. The Board has already approved these projects for further development and/or implementation, so it seems implicit that staff can pursue funding for the projects. This change will reduce the burden on staff in the grant process, particularly when the District wants to pursue grant opportunities that have very short application periods. On a quarterly basis, staff will inform the Board of all grants the District applied for and received. Grant applications that require specific Board action, such as those that require a Resolution, will be brought to the Board for approval.

The amendment to Section IV.I. provides minor changes to clarify the policy regarding pass-through agreements, and to emphasize the District's consideration for State and Local funding mainly, instead of

Federal Transit Administration funds. Pass-through funding can require significant resources and responsibility for grant management, reporting and auditing, with little gain for the District.

Other changes not discussed are minor edits to add clarity and do not change the policy in any significant way.

ADVANTAGES/DISADVANTAGES:

The advantage of approving the amendments to Board Policy 324 is that it allows the District to apply for grant funds more efficiently and expeditiously while staying compliant with the policy. This is especially pertinent for grant opportunities that have very short application periods. Staff cannot identify any disadvantages to the policy amendments.

ALTERNATIVES ANALYSIS:

There are no practical alternatives to the course of action recommended in this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 22-405 Board Policy 324 - Revenues and Grants

Staff Report 20-206 Board Policy 324 - Revenues and Grants

ATTACHMENTS:

1. Board Policy 324 with Proposed Amendments

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In Collaboration with:

Richard Oslund, Director of Management & Budget

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel

Linda A. Nemeroff, District Secretary