

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 11/9/2022

**Staff Report No. 22-596**

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager/Chief Executive Officer  
**SUBJECT:** Board Policy 314 Capital Plan and Projects Policy

### ACTION ITEM

**AGENDA PLANNING REQUEST:**

**RECOMMENDED ACTION(S):**

Consider approving minor amendments to Board Policy 314 Capital Plan and Projects Policy.

Staff Contact:  
Chris Andrichak, Chief Financial Officer

**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 are no direct fiscal impacts from the amendments to this policy.

**BACKGROUND/RATIONALE:**

Board Policy 314 establishes a process for submission of capital projects and a Capital Improvement Plan (CIP) to the General Manager and then to the Board for approval.

The only substantive edit staff proposes is adjusting the definition of a “Capital Project” to increase the value of the expense from \$5,000 to \$7,500 and the life expectancy from one year to two years or more. This adjustment aligns with inflation of equipment and materials the District and state have encountered since the policy was last updated. These adjustments continue to be in alignment with recommended best practice from the Government Finance Officers Association.

Other changes to the policy include an update to the title for the “Director of Project Controls and Systems Analysis” to “Director of Business Sciences” and minor grammatical errors.

**ADVANTAGES/DISADVANTAGES:**

The advantage of approving these amendments is to ensure the policy reflects current information and practice. There are no disadvantages.

**ALTERNATIVES ANALYSIS:**

The Board may choose to keep the definition of a capital project as it is stated in the current policy.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

None

**ATTACHMENTS:**

1. Board Policy 314 Capital Plan and Projects Policy with amendments

**Prepared by:**

Eve Ng, Capital Planning and Grants Manager

**In Collaboration with:**

Kenneth Myers, Controller

**Approved/Reviewed by:**

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel/Chief Legal Officer

Linda A. Nemeroff, Board Administrative Officer/District Secretary