

# KINGS COUNTY AREA PUBLIC TRANSIT AGENCY

## Board of Directors

### Special Meeting Agenda

210 E. 7<sup>th</sup> Street Suite 201- Hanford, California 93230 (559) 852-2692 [www.kartbus.org](http://www.kartbus.org)

**Meeting Date:** Wednesday, April 29, 2026

**Time:** 1:00 p.m.

**In Person:** **KCAPTA Board Chambers**  
210 E. 7th Street  
Hanford, CA 93230

Avenal City Hall, Conference Room  
919 Skyline Blvd.  
Avenal, CA 93204

**Join Zoom Meeting:** <https://us06web.zoom.us/j/81322071599?pwd=Jveh79X0zCmoCpfbPN1p8WzZYLsldo.1>  
Meeting ID: 813 2207 1599  
Passcode: Kart0429

Link to our Website: [www.kartbus.org](http://www.kartbus.org)

*If you need special assistance to participate in this meeting or language assistance, please contact the Clerk of the Board at (559) 852-4623 by 4:00 p.m. on the Monday before this meeting. The Agenda backup information and any public records provided to the Board after the posting of the agenda for this meeting will be available for public review at 210 E 7<sup>th</sup> Street, Hanford, CA 93230.*

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## BOARD HYBRID MEETING AGENDA

### KINGS COUNTY AREA PUBLIC MEETING PROTOCOL

KCAPTA hereby provides notice that effective March 1, 2022, it will return to in-person and public meetings.

Members of the public who wish to participate in this meeting can do so in one of the following three ways: **(1) by attending the meeting in person, (2) via Zoom Meeting, or (3) by submitting written comments** on any matter within the KCAPTA Board's subject matter jurisdiction, regardless of whether it is on the agenda for KCAPTA's consideration or action and those written comments will be entered into the administrative record of the meeting.

To submit written comments by US Mail or email for inclusion in the meeting record, they must be received by the KCAPTA Office no later than 11:00 a.m. on the day of the noticed meeting. To submit written comments by email, please forward them to [info@kartbus.org](mailto:info@kartbus.org). To submit such comments by US mail, please forward them to the Clerk of the Board, KCAPTA at 210 E 7<sup>th</sup> Street, Hanford, CA 93230.



## **STAFF REPORT**

### **3. CONSENT ITEM:**

#### **A. Summary Minutes of Board Meeting March 25, 2026**

#### **B. Budget Transfer:**

During the transition to the new transit center, the department incurred additional insurance-related expenses. To ensure that all liabilities remain adequately covered, the department requests approval to transfer \$35,735.19 from the Outreach and Advertising Expense Account (92045) to the Insurance Account (92014) to fund these increased costs.

#### **C. Resolution 26-04-Approval of FY 26 TIRCP Grant Application**

KCAPTA staff request authorization to submit a grant application to the California State Transportation Agency's (CalSTA) Transit and Intercity Rail Capital Program (TIRCP).

The TIRCP was created to fund transformative capital improvements that will modernize California's intercity, commuter, urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestions, Taken as a whole, the increases in transit system ridership and integrations as well as the reduction in vehicle miles traveled, congestion and greenhouse gas emissions, will help deliver a healthier and safer transportation system for communities.

Working with our Project Partners, we are submitting projects with the approximate value of \$57,000,000 (TIRCP - \$ 50,000,000, Local Match - 7,000,000).

KCAPTA is proposing two projects totaling \$37,800,000: the purchase of zero-emission buses and the reconstruction of the Maintenance Facility. We are proposing a 10% matching funds, provided by KCAPTA SB125 (\$892,000) funds and our Federal 5307 funds (\$2,908,000).

The City of Hanford is proposing one project with an approximate value of 12,908,702 and the City will provide 15% matching funds.

The City of Lemoore is proposing two projects with an approximate value of \$ 6,600,000, and the City will provide 10% matching funds.

### **4. APPROVE AGREEMENT WITH CLEAN ENERGY TO SUPPLY RNG & LCFS CREDIT MANAGEMENT (Angie Dow):**

#### **Background:**

In 2021, KCAPTA entered into a five-year agreement with Clean Energy to supply Renewable Natural Gas and to manage the Low Carbon Fuel Standard (LCFS) credit generated from its use. This agreement is set to expire in June 2026.

RNG is a pipeline-quality gas produced from organic waste materials, such as landfills, wastewater treatment plants, and livestock manure. It is refined from raw biogas (methane and CO<sub>2</sub>) to over 90% methane, making it interchangeable with fossil-based natural gas. RNG is a carbon-neutral fuel used to reduce methane emissions, fuel vehicles, and provide renewable energy.

Under the LCFS program, RNG is recognized as a high-value, low-carbon fuel and is often assigned very low, or even negative, carbon intensity (CI) scores, particularly with delivered from dairy manure. Dairy-based RNG generates higher-value LCFS credits compared to landfill-based RNG.

The Renewable Identification Number (RIN) is the federal counterpart to LCFS. While RIN credits are based on the volume of renewable fuel used, LCFS credits are based on the carbon intensity of the fuel.

Under the current agreement, Clean Energy supplies KCAPTA landfill-based RNG and manages LCFS credits. KCAPTA receives 15% of LCFS credit revenue and 8% of RIN credit revenue.

Under the proposed new agreement, Clean Energy will supply KCAPTA with RNG derived from livestock manure, resulting in higher-value LCFS credits. Clean energy will continue to manage LCFS credits on KCAPTA's behalf. KCAPTA will receive 15% of LCFS credit revenue and 15% of RIN credit revenue under the new agreement.

**Fiscal Impact:**

The estimated annual revenue under the proposed agreement is approximately \$180,000 compared to the current annual revenue of approximately \$80,000. The increase in revenue is primarily due to the transition from landfill-based RNG to dairy-based RNG and the increased share of RIN credit revenue.

**Recommendation:**

Staff recommends that the Board authorize the Board Chairman to execute the five-year agreement with Clean Energy, along with all other required documents, for the supply of RNG and management of KCAPTA's LCFS credits.

**Action Required:**

A motion to authorize the Board Chairman to execute all required documents for the purchase of RNG from Clean Energy and for the continued management of KCAPTA's LCFS credits.

**5. ADOPT THE FISCAL YEAR 2026/2027 SALARY RESOLUTION 26-03 AND SALARY INCREASES (Heather Corder):**

**Background:**

As part of the annual Fiscal Year budget process, staff reviews employee salaries and presents a recommended cost-of-living adjustment (COLA) to the Board. For this fiscal year, a 2% COLA is proposed, as outlined in Resolution 26-03. This adjustment has been incorporated into the proposed KCAPTA FY 2026–2027 budget.

**Fiscal Impact:**

The total fiscal impact of the proposed increase is \$20,841 in salaries and benefits.

**Recommendation:**

Approve Resolution 26-03, authorizing a 2% salary increase.

**Action Required:**

A motion to adopt Resolution 26-03, authorizing a 2% salary increase.

**6. APPROVE KCAPTA'S FY 2026/2027 OPERATING AND CAPITAL BUDGET (Jimmy Macias):**

**Fiscal Year 2026–2027 Budget Proposal**

The attached budget (Attachment E) is submitted for approval. The total proposed budget for fiscal year (FY) 2026–2027 is **\$10,917,916**, and it is balanced. This represents a **net increase of \$281,570** from the previous fiscal year. The increase is the result of various adjustments—both increases and decreases—across several budget line items.

A detailed breakdown of the budget changes compared to FY 2026–2027 is provided below. The budget is categorized into four sections: **Salaries and Benefits, Services and Supplies, Capital Assets, and Revenues.**

**Salaries and Benefits**

Salary and benefits have increased from the prior fiscal year due to two main factors:

1. **Staff Salary Adjustment** – A **2% salary increase** has been included for all staff.

2. A projected increase in Health Insurance – At the time of the budget creation, no information was available on the Health Insurance costs for FY 26/27, so a **10% increase** has been included in the budget.

### Services and Supplies

The total budget for Services and Supplies in FY 2026–2027 is **\$9,373,890**, an **increase of \$198,340** or **2.16%** from the previous fiscal year. Notable line-item variances (greater than 5% and over \$5,000) are discussed below:

- **Insurance:** Increased from \$100,000 to \$148,500 (**+49%**) due to anticipated higher coverage costs for the new Transit Center and associated properties.
- **Maintenance – Equipment:** Decreased from \$121,000 to \$90,000 (**-25.5%**) due to the CNG Rehab project that was completed. This reduced the amount budgeted for CNG repairs in FY 2027.
- **Maintenance – S.I.&G:** Increased from 19,000 to \$67,300 (254%). Maintenance SI&G has increased significantly due to additional costs associated with the new transit center. The expanded facility requires additional upkeep, including HVAC systems, sprinkler system maintenance, backflow testing, and pest control services, which now cover a larger area.
- **Fuel and Oil:** This amount will stay the same at \$475,000.00. The projected expenditure for FY 2025/2026 is approximately \$335,000, which is \$140,000 below the adopted budget. Given the ongoing volatility in fuel prices and current geopolitical and economic uncertainties, staff recommends maintaining the FY 2026/2027 budget at its current level.
- **Outreach:** decreased by \$71,150 (**-93%**). One-time expenses associated with the Transit Center ribbon-cutting event were fully expended in FY 2025/2026 and are not anticipated to continue in the upcoming fiscal year.
- **Rents and Leases – Computer Software:** Increased by \$10,350 (8.6%). The annual contract with Connexionz and UTA has increased this FY
- **Concessions:** Decreased by \$9,000 (100%). KCAPTA has vending machines operated by an outside vendor, so there are no concession-related expenses.
- **Travel and Training:** Decreased by \$15,000 (**38%**). Due to budget constraints, funding has been reduced to support only essential training and required travel.
- **Utilities:** Increased from \$75,000 to \$100,000 (**+33%**) to reflect higher utility costs associated with operations at the new Transit Center.

### Capital Assets

The total capital assets budget for FY 2026 is **\$377,296**. There was a difference of \$316,385(**-46%**) from the prior year. Planned investments include:

- \$177,296 allocated for the purchase of a zero-emissions bus
- \$100,000 designated for engine rebuilds on CNG buses, as needed.
- \$100,000 is allocated for the purchase of a fully electric administrative vehicle.

### Revenues

The FY 2027 budget is balanced. Although expenditure increased, revenue growth offset the change. Total projected revenue is **\$10.9 million**, sourced as follows:

- **Federal Funds:** 36%
- **State and Local Funds:** 50%
- **Passenger Fares:** 14.44%

### Detailed Revenue Sources:

- **Sales and Use Tax (LTF):** \$3,000,000 – Generated from a ¼-cent statewide general sales tax. An increase of \$1,000,000 in FY 27, compared to \$2,000,000 from FY 26
- **Rents and Concessions:** \$155,160 – Includes rent from KCAG and Kings View for the entire fiscal year.
- **Federal Assistance 5311:** \$500,000 – Supports transit services in non-urbanized areas.
- **State Transit Assistance (STA):** \$1,251,546 – Funds day-to-day operations.
- **Federal Assistance 5307:** \$3,458,000 – Provides resources for urbanized transit operations and planning.
- **State of Good Repair (SGR):** \$245,762 – For asset maintenance and replacement (e.g., CNG rebuilds and equipment upgrades).
- **Low Carbon Transit Operations Program (LCTOP):** \$231,534 – Supports operations that reduce greenhouse gas emissions.
- **Other Governmental Funds:** \$904,000 – Funding from various government partners.
- **Passenger Fares:**
  - **Van Pools:** \$438,000 – Offsets Professional and Special Services.
  - **Fixed Route & Passes:** \$553,914 – Revenue from daily passengers and monthly pass sales.
- **Advertising Revenue:** \$55,000 – From bus and shelter advertisements.
- **Miscellaneous Income:** \$75,000 – Includes LCFS credits and replacement ID fees.

### **Capital Improvement Plan (CIP)**

The FY 2027 budget typically includes KCAPTA’s **Capital Improvement Plan (CIP)**, a strategic document outlining the agency’s long-term capital projects. The CIP serves as a critical link between planning and budgeting, supporting proactive investment in infrastructure and equipment. However, for this budget cycle, the CIP will be presented separately and will be brought forward at the next Board meeting.

### **Fiscal Impact:**

The total proposed budget for fiscal year (FY) 2026–2027 is **\$10,917,916**. It is a balanced budget.

### **Recommendation:**

Staff recommends the Board approve the fiscal year 2026-2027 budget.

### **Action Required:**

A motion to approve and approve the fiscal year 2026-2027 budget

## **7. ADOPT RESOLUTION 26-05 APPROVING THE FILING OF A NOTICE OF EXEMPTION RELATED TO THE PURCHASE OF ELECTRIC BUSES (Angie Dow):**

### **Background:**

At its March 2026 meeting, the Board approved the purchase of four (4) 35-foot battery-electric buses from Gillig. This project is partially funded through the Cycle 5 Transit and Intercity Rail Capital Program (TIRCP) grant.

Staff has since prepared and submitted the required funding package to the California State Transportation Agency (CalSTA) for consideration at its June 2026 meeting. As part of the TIRCP requirements, the Agency must file a Notice of Exemption (NOE) under the California Environmental Quality Act (CEQA) for this purchase.

Per guidance received from CalSTA, staff initially filed the NOE with the Kings County Clerk of the Board and requested the required 30-day posting period. However, subsequent review determined that formal Board action is required to make the CEQA determination and authorize the filing of the NOE.

Resolution 26-05 has been prepared for the Board's consideration. This resolution approves the CEQA Notice of Exemption and authorizes the Executive Director to execute and file all related documents.

**Fiscal Impact:**

The purchase of the buses was previously approved by the Board in March 2026. The total cost for the four (4) 35-foot battery-electric buses is \$5,464,152, funded through the Cycle 5 TIRCP grant and SB 125 funds.

**Action Required:**

Adopt Resolution 26-05 approving the filing of a Notice of Exemption (NOE) for the purchase of battery-electric buses and authorizing the Executive Director to execute all necessary documents in accordance with CEQA Guidelines.

**9. MISCELLANEOUS COMMENTS FROM STAFF**