



900 East Gwinnett Street · Savannah, GA 31401

AGENDA NO:2026-08-20-005

BOARD MEETING DATE: August 26, 2025

PROJECT NAME: Proposed FY 2026 Capital Budget & Five (5) Year Capital Plan

DEPARTMENT: Finance

EXECUTIVE SUMMARY & RECOMMENDATION

Approval and adoption of the proposed FY 2026 Capital Budget & Five (5) – Year Capital Plan as presented. The capital budget is balanced, with a total amount of \$22,173,208.

DATE AND IDENTIFICATION OF PRIOR BRIEFING OR AUTHORIZING ACTION:

Budget Workshop #1 on April 29, 2025, and Budget Workshop # 2 on June 3, 2025, provided an overview and discussion of the FY 2026 Proposed Operating Budget & 5-Year Capital Plan. The Board Agenda on July 29, 2025, included a recommendation for approval of the FY 2026 Capital Budget.

Issue:

The presentation of a balanced operating and capital budget is required by State Law. The FY 2026 Operating Budget & 5-Year Capital Plan was presented to the Board of Directors for approval at the July 2025 Board meeting.

The Operating Budget was approved and adopted at the meeting. There was a request to defer the approval of the Capital Budget by the Board until the Agency’s Board meeting on August 26, 2025, due to the awareness of a decrease in the millage rate, reducing transit tax revenue for FY 2026. The delay in approving the budget has allowed staff additional time to review and confirm revenue sources that will support the projects outlined in the capital budget before the Board’s approval.

DISCUSSION:

There were challenges to address in developing a balanced operating and capital budget for the FY 2026. Due to uncertainties of funding sources.

Staff is presenting a reduction in projected FY 2026 capital fund revenue and expenses totaling \$4,859,176 each as a result of the millage reduction equating to a projected \$1.9 million. The transit tax revenue supports both capital and operating expenses. The proposed revenue and expenditure are equivalent and result in a balanced Capital Budget for FY 2026, \$22,173,208.

CAT’s Revenue

FY 2026 revenues are projected based on the following assumptions:

- Decrease in millage rate from 1.056 to 0.940 (projected loss of revenue for FY2026 is \$1.9 million).
- Conservative fare-based and other revenue projections are primarily due to the unknowns of the economy and the availability of funds from revenue sources.
- Stronger community partnerships that are committed to excellence in public transportation as the Authority meets community public transportation needs.

CAT’s Capital Budget

A detailed 5-Year Capital Plan, inclusive of the FY 2026 proposed capital projects and projected revenues, is provided for Board review and consideration. The Capital Plan has been revised to provide more precise projections primarily due to a millage decrease and uncertainties at the federal level. As staff continue to be financially diligent in managing financial resources and monitoring expenditures, we recognize that, as FY 2026 moves forward, additional recommendations for budget amendments may be needed. The need for budget amendments will be primarily driven by actual revenue collection. The FY 2026 Proposed Capital Budget is balanced at \$22,173,208 with revenues equaling expenses.

PROCUREMENT | COMPLIANCE:

N/A

FINANCIAL IMPACT:

The Chatham County Commissioners approved a 0.940 millage rate for the Special Services Transit District. The new millage rate is .116 less than the FY 2025 millage rate. The projected loss of revenue for FY 2026 is \$1.9 million. The loss of revenue will impact local funding for both operating expenses and capital projects. With the anticipated reduction in the Special Service District Transit tax projections, the Capital budget was edited to reflect the impact of the millage rate reduction.

The budget was revised to incorporate all known federal funds available and funding to be awarded during FY 2026 for Capital Projects.

Staff is requesting Board approval of the FY 2026 Proposed Capital Budget and 5-Year Capital Plan with approved budget revisions.

Project Scope Number	FTA/Grant Number	CAT Budget Line	Budget Line-Item Description	Federal Funding Request	State Funding Request	Local Funding	Total Funding Amount
				0.00	0.00	\$0.00	\$0.00
TOTAL SECTION FUNDS:							\$0.00

NEXT STEPS:

The CAT Board of Directors approves and adopts the FY2026 Capital Budget & 5-Year Plan as presented or recommends changes before adoption as deemed appropriate.

ATTACHMENTS:

Supporting documentation and sources attached.

COMMITTEE ASSIGNMENT:

N/A

PROPOSED MOTION: (to be read into the minutes)

Move to: Approve and Adopt the proposed FY2026 Capital Budget & Five (5) – Year Plan as the agency balanced capital budget in the amount of \$22,173.208.

REQUIRED SIGNATURES

Department Item Preparer – Prepared by: Victor Colon, Procurement Manager

Department Chief – Reviewed by: Gloria Royal, Interim CFO

Procurement | Compliance – Procurement and Compliance Reviewed by: Victor Colon, Procurement Manager

Chief Financial Officer – Financial Impact and Budget Reviewed by: Gloria Royal, Interim CFO

Executive Director/CEO - Final Reviewer, Stephanie S Cutter, Interim CEO

Board of Directors – Final Approval

This section is completed by the Board Administrator

Passed and approved this [insert date] of [insert Month and Year]

Motioned by:

Seconded by:

AGENCY BOARD DESIGNEE:

Board Approval (signed by Board Chair or Board Administrator)



MEMORANDUM

TO: CAT Board of Directors

FROM: Stephanie S. Cutter, ICEO
Gloria Royal, Interim CFO

DATE: August 15, 2025

RE: FY 2026 – FY 2030 5-Year Capital Plan

A re-examination of the proposed 5-year Capital Plan has been completed and is attached for your review and consideration. This examination was required for the following reasons:

1. An amendment requesting approval of eighteen (18) clean energy diesel buses was approved at the July 2025 Board meeting after FTA notification of approval to allow grant flexibility. Last week CAT was provided a second update by the Federal Transit Administration (FTA), Region IV Administrator of a change in FTA's decision to allow clean energy diesel buses for 5339c LoNo grant funding. The update from FTA was a decision to exclude the approval of clean energy diesel buses from 5339c Lo/No grant funding previously submitted by CAT and currently under review. CAT was given the opportunity for resubmittal to amend its grant application to only allow hybrid electric buses (10) with no loss of projected grant revenue instead of the clean energy diesel buses. An action item is forthcoming ratifying the grant application amendment as a one (1) day turnaround was required for resubmittal.
2. A proposed reduction in projected FY 2026 capital fund revenue and expenses totaling \$4,859,176 each as a result of the calendar year millage reduction equating to a projected revenue reduction of \$1.9 million and impacting revenue needed to fund capital and operating expenses.
3. Updates that reflect the impact of CAT's exclusion from SPLOST VIII. Formatting changes that highlight this impact.

4. A shift of some expenses from FY 2026 capital revenue and expenses to future years to allow more precise projections of when revenue will be needed to cover the cost of new buses currently in the grants review process and/or scheduled for delivery in FY 2026.

5. Elimination or addition of FY 2026 capital costs as outlined below.
 - a. Slight decrease in FY 2026 Capital Contingency funding.
 - b. Reduction in bus stop improvement funding.
 - c. Reduction in Paratransit Maintenance Facility costs for FY 2026 that were moved to FY 2028.
 - d. Local match for Paratransit vans arriving in September 2025 have been added. The original grant application for these vans listed SPLOST funds as the local match. All SPLOST funds, I – VII, have been obligated. A request for a report detailing all CAT SPLOST 1 – VII capital local match requests have been submitted to Chatham County. The report will allow staff to verify total remaining SPLOST funds available to support CAT’s capital funding needs.

Please let me know if you have questions or concerns.

SSC

File: FY 2026 – 2030 Capital Plan

**CHATHAM AREA TRANSIT AUTHORITY - 5-YEAR CAPITAL PLAN
FY 2026 - FY 2030**

	FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
REVENUE										
General Fund Contribution to Capital Fund										
Plant Riverside Dock, \$125,000, (FY 2023 5307), 1103-2025-7-P1	\$ -	\$ 1,581,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000		
E-signage, \$125,000 (FY 2024 5307)										
Shop Overhead Lighting, \$100,000, (General Fund Contribution)										
Farebox, \$600,000 (FY 2026 Capital Contribution)										
Passenger Amenities Support Vehicles, \$150,000, (General Fund Contribution)										
Paratransit Vehicles (4), 125,066, General Fund Contribution										
Paratransit Vehicles (3), \$91,526, General Fund Contribution										
Paratransit Vehicles (3), \$114,945, General Fund Contribution										
Portable Pressure Washers (2), \$100,000										
Stationary Pressure Washers (1), \$50,000										
FY 2025 Operating Savings										
ZEB Bus Transition Plan, \$2,165,529		\$ 2,796,896								
HVAC 2025 Allocation, \$400,000										
Bus Stop Improvements FY 2025 Allocation, \$231,367										
Other Revenue										
FTA 2023-019-02, Plant Riverside Dock Construction	\$ 1,030,577	\$ 888,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FTA 1103-2025-7, FY 2023 5307 Apportionment, Plant Riverside Dock	500,000	511,944	-	-	-	-	-	-	-	-
FTA 1103-2025-7, FY 2024 5307 Apportionment, Farebox	2,400,000	-	-	-	-	-	-	-	-	-
FTA GA-2023-019-01, Ferry Maintenance Facility & Dock	-	-	1,040,000	18,056	-	-	-	-	-	-
FTA GA-2020-033-01, Paratransit Vehicles (3)	358,618	-	-	-	-	-	-	-	-	-
FTA, 1103-2025-9, FY 2023 5339, Paratransit Vehicles (3)	418,145	-	-	-	-	-	-	-	-	-
FTA 1103-2025-10, FY 2024 5339, Paratransit Vehicles (3)	407,737	-	-	-	-	-	-	-	-	-
Congressional Directed Spending	-	-	6,000,000	-	-	-	-	-	8,000,000	1,600,000
(COS) Paratransit Maintenance Facility (Land Donation)	-	-	-	-	-	-	-	-	-	-
Federal Transit Administration (FTA)	2,912,567	728,142	3,203,823	-	2,400,000	480,000	6,000,000	-	6,000,000	1,200,000
GDOT Trust Fund - Ferry Vessel & Supporting Equipment Replacement	3,000,000	-	-	-	-	-	-	-	-	-
T-HUD - Ferry Vessel & Supporting Equipment (Replacement)	1,800,000	-	-	-	-	-	-	-	-	-
Federal Highway (FHWA) Flex Funding - Rolling Stock	-	-	5,000,000	-	2,000,000	-	2,000,000	-	2,000,000	-
T-HUD - Paratransit Maintenance Facility	443,274	443,274	1,806,726	1,806,726	-	-	-	-	2,000,000	400,000
GDOT - Ferry Electric Infrastructure, Digital Signage & Other Capital	-	-	400,000	-	-	-	-	-	-	-
GA-2021-028-00, FHWA Flex to 5307	1,127,328	281,832	-	-	-	-	-	-	-	-
FTA Competitive Grants	543,281	-	10,000,000	-	5,000,000	-	-	-	-	-
SPLOST VII	-	-	-	720,864	-	-	-	-	-	-
SPLOST VIII Replacement Funding	-	-	-	8,033,333	-	8,033,333	-	8,033,333	-	8,033,333
Funding to Be Determined	-	-	1,139,701	4,249,488	-	6,585,000	10,800,000	4,445,000	3,950,000	4,400,000
Sub-total Other Revenue	\$ 14,941,527	\$ 2,853,248	\$ 28,590,250	\$ 14,828,467	\$ 9,400,000	\$ 15,098,333	\$ 18,800,000	\$ 12,478,333	\$ 21,950,000	\$ 15,633,333
Total Projected Revenue	\$ 14,941,527	\$ 7,231,681	\$ 28,590,250	\$ 14,828,467	\$ 9,400,000	\$ 15,098,333	\$ 18,800,000	\$ 15,478,333	\$ 21,950,000	\$ 15,633,333

EXPENDITURES

	FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
Vehicle Replacement / Facility / Dock Rehab										
Farebox Equipment	2,400,000	600,000	-	-	-	-	-	-	-	-
FHWA 1103-2025-2, Ferry Boat 3	1,800,000	-	-	-	-	-	-	-	-	-
Ferry Boat 3 - GDOT	1,598,745	-	-	-	-	-	-	-	-	-
FHWA 1103-2025-12, Ferry Boat 3	1,118,583	-	-	-	-	-	-	-	-	-
Passenger Amenities Support Vehicles	-	150,000	-	-	-	-	-	-	150,000	-
FY 2023 & FY 2024 Ferry Landing & Hutchinson Island Intermodal - State of										
Good Repair 5337	437,127	109,282	-	-	-	-	-	-	500,000	100,000
Plant Riverside Dock (Local Match - Land Donation/Local Funding)	1,030,577	1,400,000	-	-	-	-	-	-	200,000	40,000
Plant Riverside Dock (Local Match - Land Donation) & FY 2023 5307	-	-	-	-	-	-	-	-	-	-
FTA 1103-2025-9, Ferry Dock Rehab (Waving Girl and City Hall Landing)	-	-	721,600	144,320	-	-	-	-	-	-
Ferry Vessel Rehab / Preventive Maintenance - FFY 2022	-	-	800,000	200,000	-	-	-	-	-	-
Ferry Vessel Rehab / Preventive Maintenance - FFY 2023	-	-	-	-	800,000	200,000	-	-	-	-
Ferry Vessel Rehab / Preventive Maintenance - FFY 2024	-	-	-	-	-	-	800,000	200,000	-	-
Ferry Boat - SPLOST VIII Replacement Funding	-	-	-	-	-	-	-	7,000,000	-	7,000,000
Paratransit Van (3) FY 2023 5339c	418,145	91,526	-	-	-	-	-	-	-	-

Paratransit Van (3) FY 2024 5339c
 GA-2020-033-00 Paratransit Vans (4)
 GA-2020-033-00 Paratransit Vans (4)
Paratransit Vans - SPLOST VIII - Replacement Funding
 Paratransit Maintenance Facility - SPLOST VII Local Match/SPLOST VIII
Replacement Funding
 Fixed Route Deisel Bus, (3)
 GA-2021-028-00, FHWA Flex to 5307
 FY 2021, FTA 5339C, GA-2025-011-00, 35*Hybrid Electric Bus (4)
 FY 2024, FTA 5339C, GA-2025-011-00, 35*Hybrid Electric Bus (6)
**Fleet Expansion - Microtransit, Express Bus, Shuttle Service, Van Pools -
 SPLOST VIII Replacement Funding**
 Hydraulic Bus Lifts
 Fixed Route Bus 35' Diesel / Electric/Hybrid - SPLOST VIII Replacement
Funding

407,737	114,945	-	-	-	-	-	-	-	-	-	-
358,618	89,654	-	-	-	-	-	-	-	-	-	-
-	35,412	-	-	-	-	-	-	-	-	-	-
-	-	-	-	750,000	-	750,000	-	750,000	-	-	750,000
443,274	88,655	1,806,726	-	-	-	2,200,000	-	-	-	-	-
-	2,550,000	-	-	-	-	-	-	-	-	-	-
1,127,328	281,832	-	-	-	-	-	-	-	-	-	-
-	-	5,451,844	1,362,963	-	-	-	-	-	-	-	-
-	-	7,889,840	1,814,960	-	-	-	-	-	-	-	-
-	-	-	1,166,667	-	-	1,166,667	-	1,166,667	-	-	1,166,667
-	-	-	83,333	-	-	83,333	-	83,333	-	-	83,333
2,912,567	728,142	-	3,333,333	-	-	3,333,333	6,000,000	3,333,333	6,000,000	-	3,333,333
SUBTOTAL	\$ 14,052,701	\$ 6,239,448	\$ 16,670,010	\$ 8,855,576	\$ 800,000	\$ 7,733,333	\$ 6,800,000	\$ 12,533,333	\$ 6,850,000	\$ 12,473,333	

PLANNING
 COA, TDP, Marine Services
 Transit Expansion & Mobility Study - Local Match Requirement

FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
400,000	44,444	-	-	-	-	-	-	-	-
\$ 400,000	\$ 44,444	\$ -							

HYBRID ELECTRIC / ZEB
 FHWA 1103-2021-1, 35' Hybrid Electric Bus (1) - FHWA Flex Funds (P2) -
 Local Match Requirement
 FY 2021 FHWA 1103-2025-1, 35' Hybrid Electric Bus (2) - FHWA Flex Funds
 to 5307 Vehicle Replacement - Local Match Requirement

FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
-	-	\$ 1,336,000	\$ 1,536,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	2,298,240	574,560	-	-	10,000,000	2,000,000	10,000,000	2,000,000
\$ -	\$ -	\$ 3,634,240	\$ 2,111,360	\$ -	\$ -	\$ 10,000,000	\$ 2,000,000	\$ 10,000,000	\$ 2,000,000

ELECTRIC BUS INFRASTRUCTURE
 Electric Bus Infrastructure Engineering Design
 Electric Bus Infrastructure & Fast Charger at ITC
 GA-2025-003-01, Ferry Vessel Electric Infrastructure
 Electric Bus Infrastructure Replacement

FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,200,000	240,000	1,200,000	240,000	2,000,000	400,000
-	-	691,000	206,531	**	-	-	-	2,000,000	400,000
-	-	2,000,000	1,000,000	-	-	-	-	-	-
\$ -	\$ -	\$ 2,691,000	\$ 1,206,531	\$ 1,200,000	\$ 240,000	\$ 1,200,000	\$ 240,000	\$ 4,000,000.00	\$ 800,000.00

PROPERTY ACQUISITION / BUILDING / BUS STOP IMPROVEMENTS
 CAT Central Ventilation System
 CAT Central Improvements - Exterior
 CAT Central Improvements - Interior
 ITC Improvements
Inground Bus Lifts (2) - SPLOST VIII - Replacement Funding
 Overhead Shop Lighting
 Portable Pressure Washer (2) - General fund Reserves
 Stationary Pressure - CAT Central - General Fund Reserves
 Bus Stop Improvements

FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
-	400,000	-	-	-	-	-	-	-	-
-	-	-	500,000	-	-	400,000	80,000	-	-
-	-	-	500,000	-	-	-	-	1,000,000	200,000
-	-	-	-	-	-	-	-	-	-
-	-	-	500,000	-	-	-	-	-	-
-	100,000	-	-	-	-	-	-	-	-
-	100,000	-	-	-	-	-	-	-	-
-	50,000	-	-	-	-	-	-	-	-
-	231,367	400,000	100,000	400,000	100,000	400,000	100,000	-	-
\$ -	\$ 881,367	\$ 400,000	\$ 1,600,000	\$ 400,000	\$ 100,000	\$ 800,000	\$ 180,000	\$ 1,000,000	\$ 200,000

TECHNOLOGY UPGRADES
 Migration from MUNIS to Cloud
 MUNIS Upgrades - Safety Module
 Cameras - Vehicles
 Operations Dashboard
 Automated Passenger Count (APC) Software
 New & Replacement/Laptop/Tablets
 Redundant Firewalls & SDWAN Premier
 Software - IT Upgrades to Support Clever Devices
 Hardware - IT Upgrades to Support - Operations

FY 2026		FY 2027		FY 2028		FY 2029		FY 2030	
GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL	GRANT	LOCAL
\$ -	\$ -	\$ 105,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	90,000	10,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	25,000	-	25,000	-	25,000	-	25,000
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
488,826	-	-	-	-	-	-	-	-	-
\$ 488,826	\$ -	\$ 195,000	\$ 55,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000

