

SFMTA Bond Oversight Committee

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December 1, 2021

SFMTA Board of Directors

Gwyneth Borden, Chair
Amanda Eaken, Vice Chair
Steve Heminger, Director
Fiona Hinze, Director
Sharon Lai, Director
Manny Yekutieli, Director

Dear SFMTA Board of Directors:

On behalf of the San Francisco Municipal Transportation Agency (SFMTA) Bond Oversight Committee (BOC), we are pleased to present the Fiscal Year 2020 - 2021 Annual Report.

The BOC was created by the SFMTA Board of Directors by Resolution #11-154 on December 6, 2011. The purpose of the BOC is to provide independent oversight with respect to the expenditure of SFMTA revenue bond proceeds.

Pursuant to its Bylaws, the BOC is required to provide its annual report to the SFMTA Board of Directors by January 31st of each year. The attached report describes BOC activities during Fiscal Year 2020 - 2021, and a description of any notable BOC actions since the end of the fiscal year.

We would be pleased to respond to any questions that you may have.

Sincerely,

Chair, Tajel Shah

cc: Jeffrey Tumlin, Director of Transportation
Benjamin Rosenfield, Controller

Attachment: Fiscal Year 2020 - 2021 Annual Report

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SFMTA Bond Oversight Committee FY 2020-21 Annual Report

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Section 1. Introduction

The San Francisco Municipal Transportation Agency (SFMTA) or “Agency” Bond Oversight Committee (BOC) was created by the SFMTA Board of Directors. Under its Bylaws, the BOC is required to provide an annual report to the SFMTA Board of Directors by January 31 of each year for the previous fiscal year. This report covers activities for Fiscal Year 2020 - 2021 and includes a brief description of events occurring since the end of the fiscal year.

Section 2. Background

The Board of Directors of the SFMTA created the BOC on December 6, 2011 by Resolution #11-154. The Resolution creating the BOC is available on the SFMTA website under Policies at the following link: <https://www.sfmta.com/investor-relations>.

The BOC was established to provide independent public oversight regarding the expenditure of bond proceeds for projects funded by the SFMTA’s revenue bonds and other forms of indebtedness to ensure that bond proceeds are being spent for authorized purposes in accordance with law. The purpose of the BOC is to ensure accountability and transparency for SFMTA debt financed projects, and to ensure that prudent internal controls and practices are established and implemented by the SFMTA. The BOC also informs the SFMTA Board of Directors and the public on the status of the projects funded by debt.

The BOC’s authority does not include the approval of projects included in any financing or the selection process of any vendor hired by the SFMTA to execute bond-funded projects or issue debt.

The BOC consists of seven members as follows: (1) three members recommended by the SFMTA Board Chairman and approved by the SFMTA Board of Directors; (2) two members of the Citizens’ Advisory Council; (3) one member appointed by the SFMTA’s Director of Transportation; and (4) one member appointed by the Controller.

The three current members appointed by the SFMTA Board are Leona Bridges, Steve Heminger, and Tajel Shah, Chair. The two current members appointed by the Citizens’ Advisory Council are John Lisovsky, Vice Chair and one open seat. Charles Perl was appointed by the Director of Transportation. The current member appointed by the Controller is Luke Brewer. BOC members do not receive compensation for their service on the Committee.

SFMTA Bond Oversight Committee Fiscal Year 2020 - 2021 Annual Report

In Fiscal Year 2020 - 2021, the BOC convened four times: on September 2, 2020; December 2, 2020; March 3, 2021; and June 2, 2021.

All Committee proceedings are subject to the California Public Records Act (Section 6254, et seq., of the Government Code of the State of California) and the City's Sunshine Ordinance (Chapter 67 of the Government Code of the State of California). Minutes of the proceedings of the Committee and all documents received and reports issued are a matter of public record and are available on the SFMTA's website at:

<http://sfmta.com/about-sfmta/organization/committees/bond-oversight-committee-boc>.

Section 3. Auditor Review

The final report from the auditor review is included in Appendix 2 of this report. For more information, see Policies and Procedures (Section 9). Additionally, the Policies and Procedures can be found at the following link:

https://www.sfmta.com/system/files/finance/revenue_bond_policies_and_procedures_9.18.18.pdf.

Section 4. Bond Oversight Committee Bylaws

BOC meetings are conducted in accordance with its Bylaws. A copy of the current BOC Bylaws is available on the SFMTA website: <https://www.sfmta.com/committees/sfmta-bond-oversight-committee-boc>.

Section 5. Revenue Bonds

The SFMTA Board of Directors has authorized the issuance of a total of \$483.7 million in Revenue Bonds for projects. \$118 million of 2021C bonds were issued during Fiscal Year 2021 and are used to fund mostly Green Capital Improvement Projects.

The SFMTA has also issued an additional \$213 million of Revenue Bonds that were used to refund previously issued debt and will reduce SFMTA interest costs. \$38 million of the bond refunding was completed in July of 2012. The remaining \$175 million of bond refunding was done during Fiscal Year 2021 with Revenue Bond Series 2021A and 2021B.

Revenue Bond proceeds are invested in the City Treasury and interest earned on these funds is credited to the bond account to be available for bond-funded projects. Information related to SFMTA indebtedness and detailed information on issuances is available at the following link: <http://www.sfmta.com/about-sfmta/investor-relations>.

SFMTA Bond Oversight Committee Fiscal Year 2020 - 2021 Annual Report

The table below displays the bond principal amounts available for projects for each bond series.

Bond Series	Bond Amount for Projects
2012B Bond	\$25,700,000
2013 Bond	75,000,000
2014 Bond	75,000,000
2017 Bond	190,000,000
2021C Bond	118,000,000
Total	\$483,700,000

A. [Series 2012A and 2012B Revenue Bonds](#)

In July 2012, SFMTA issued \$63.7 million of its Revenue Bonds, comprised of two series of bonds: (1) Series 2012A and (2) Series 2012B.

The Series 2012A allocated \$38.0 million for the purpose of refunding bonds previously issued by San Francisco Parking Authority and three non-profit parking corporations. The refunding transaction resulted in net present value savings of \$6.7 million, representing 15.8 percent debt service savings.

The Series 2012B allocated \$25.7 million to finance a portion of the costs of various capital projects for the SFMTA. The SFMTA Board of Directors and the Parking Authority Commission approved the issuance of these bonds on December 6, 2011 and May 1, 2012 (Resolution Numbers 11-150, 11-151, 12-065). The San Francisco Board of Supervisors concurred with the issuance on April 10, 2012 (Resolution Number 120-12).

B. [Series 2013 Revenue Bonds](#)

In December 2013, the SFMTA issued \$75.0 million of its Revenue Bonds, Series 2013 (2013 Bonds). The SFMTA Board of Directors approved the issuance of the 2013 Bonds on September 3, 2013 and October 15, 2013 (Resolution Numbers 13-206, 13-234) and the San Francisco Board of Supervisors concurred with the issuance on September 24, 2013 (Resolution Number 337-13). The 2013 Bonds were issued to finance various transportation capital projects.

C. [Series 2014 Revenue Bonds](#)

In December 2014, the SFMTA issued \$75.0 million of its Revenue Bonds, Series 2014 (2014 Bonds), to finance various transportation capital projects. The SFMTA Board of Directors approved issuing the 2014 Bonds on September 3, 2013 and October 21, 2014 (Resolution Numbers 13-206, 14-154) and the San Francisco Board of Supervisors concurred with the issuance on September 24, 2013 (Resolution Number 337-13).

D. Series 2017 Revenue Bonds

In June 2017, the SFMTA issued \$190.0 million of its Revenue Bonds, Series 2017 (2017 Bonds) to finance Mission Bay Transportation Capital Improvements, procurement of new Muni vehicles, and the Van Ness Transit Improvement Project. The SFMTA Board of Directors approved issuing the 2017 Bonds on April 5, 2016 (Resolution Number 16-044) and the San Francisco Board of Supervisors concurred with the issuance on June 7, 2016 (Resolution 231-16).

Mission Bay Transportation Capital Improvements, procurement of new Muni vehicles, and the Van Ness Transit Improvement Project. The SFMTA Board of Directors approved issuing the 2017 Bonds on April 5, 2016 (Resolution Number 16-044) and the San Francisco Board of Supervisors concurred with the issuance on June 7, 2016 (Resolution 231-16).

E. Series 2021C Revenue Bonds

In June 2021, the SFMTA issued \$118 million of its Revenue Bonds, Series 2021C (2021 Bonds) to finance several Green Projects ("Green" in this context is a designation of Green Transaction Evaluation by S&P Global Ratings) totaling \$96 million as well as a \$22 million Parking Meter Replacement Project.

F. Bond Expenditures

As of June 30, 2021, the remaining bond funds (including encumbered funds) for each series and percentage spent are as follows: Series 2012B - \$0 (100.0 percent spent), Series 2013 - \$408,853 (94.5 percent spent), Series 2014 - \$3,459,254 (95.2 percent spent), Series 2017 - \$1,797,638 (99.0 percent spent), and Series 2021C - \$118,000,000 (0 percent spent). Series 2012B was fully expended by October 2016.

Section 6. Commercial Paper Program

The SFMTA established a \$100.0 million Commercial Paper (CP) Program on September 10, 2013. The CP Program was approved by the SFMTA Board of Directors on June 4, 2013 (Resolution Number 13-071) and the San Francisco Board of Supervisors concurred on June 10, 2013 (Resolution Number 246-13). The CP Program was intended to finance, on a short-term basis, the costs of transportation capital projects in advance of the issuance of Revenue Bonds. Commercial paper can also be issued in anticipation of the receipt of grants. By providing continuous flows of funds to SFMTA capital projects, the CP Program can lower project costs by limiting schedule slippage.

At its November 6, 2013 meeting, the BOC reviewed the SFMTA's Commercial Paper Policies and Procedures to guide the use of CP. The procedures were jointly developed by the SFMTA and the Controller's Office of Public Finance. The Policies and Procedures were intended to define the steps to issue Commercial Paper and the related procedures and accounting to ensure appropriate internal controls and accountability. The BOC has no oversight responsibility for the use of CP on a day-to-day basis. As of November 2020, one CP note for \$41.0 million was issued on January 18, 2017 and repaid in 90 days. Therefore, no CP notes are outstanding. Detailed information is available at the following link: <http://www.sfmta.com/about-sfmta/investor-relations>.

The SFMTA decided to terminate the Commercial Paper Program in July of 2020 at the discretion of the SFMTA Chief Financial Officer. The annual cost of maintaining the program exclusive of borrowing costs was approximately \$500,000 per year. There were no outstanding Commercial Paper issuances at the time of termination.

Section 7. Project Delivery

A. Series 2012B Revenue Bond Funded Programs

The Series 2012B Bonds were authorized in July 2012 for a total of \$25.7 million. Of the \$20.7 million, \$5.0 million was designated for parking garage projects and \$20.7 million for state-of-good-repair improvements to existing assets as well as accessibility and reliability of the transportation system including transit, bicycle, pedestrian and signal improvements. The Series 2012B bond funds were fully expended by October 2016 and funded a total of 15 projects.

The following section summarizes the programs included in the 2012B Revenue Bonds.

<u>Program Title</u>	<u>Program Description</u>
Muni Metro Sunset Tunnel Rail Rehabilitation	The Muni Metro Sunset Tunnel Rail Rehabilitation upgrades and reconstructs aging N-Line railway infrastructure in the Sunset Tunnel, which includes replacing track work, overhead catenary system components, feeder cables, the curve signal system, and firefighting standpipe components; cleaning drain lines; and adding conduit for a future emergency blue light telephone system.

Muni Metro Turnback Rehabilitation	The Muni Metro Turnback (“MMT”) extends the Muni Metro Light Rail Transit Line underground approximately one mile from Embarcadero Station to a tunnel portal connecting to the Mission Bay surface line. The MMT includes 800 feet of bored tunnel, cut-and-cover structure, and an extensive underground turnback complex with two pocket tracks. The MMT was designed to improve turnback operations, reduce headways, and provide underground train storage to increase system capacity. The turnback and pocket track just east of Embarcadero Station have been damaged over time by water intrusion from the San Francisco Bay. The worn track has in the past caused service delays. The MMT Rehabilitation is designed to improve service reliability by reducing train and control failures and to improve safety. It is also expected to reduce on-going maintenance costs.
Muni Green Light Rail Facility Rehabilitation	The Muni Green Light Rail Facility Rehabilitation project will enhance system reliability while reducing the need for excess maintenance. The project calls for the replacement of approximately 11,200 track-feet of worn rails and track switches at the SFMTA’s Green Light Rail Facility, where in excess of 89 Breda LRVs are regularly stored, and possibly improvements to the facility.
Muni System Radio Replacement Project	This project will replace and modernize SFMTA’s radio communication system using 700 MHz voice and 800 MHz data channels as the basis for the communication network. The new system will utilize four base station sites and will meet the regional Intelligent Transportation Standard and the P25 interoperability criteria.
Muni Metro System Public Announcement and Public Display System Replacement	The Muni Metro System Public Announcement and Public Display System Replacement project would improve customer experience within the Muni Metro system by replacing existing 28-year-old subway Public Address System & Platform Display systems with new devices. Specific improvements include the installation of LED passenger information displays at nine stations, for a total of 108 signs. Station improvements will also include speakers, microphones, ambient noise sensors and a digital voice announcement system.
Parking Garage Projects	This program includes funds for assessing the condition of 18 garages and provides partial funding for waterproofing and ventilation projects.

B. Series 2013 Revenue Bond Funded Programs

On December 4, 2013, the SFMTA issued \$75.0 million in Revenue Bonds, Series 2013 (2013 Bonds). Of the \$75.0 million, \$1.0 million was programmed for garage projects and \$74.0 million for asset renewals, accessibility and reliability of the transit system (Safe Routes to Transit including bicycle, pedestrian and signal improvements). As of June 30, 2021, the 2013 Bonds has funded 38 projects. A total of \$ 74.6 million of bond funds was expended leaving an unexpended balance of \$0.4 million.

The following section summarizes the programs included in the Series 2013 Bonds.

<u>Program Title</u>	<u>Program Description</u>
Pedestrian Safety & Traffic Signal Improvements	This program is meant to promote walking and improve the safety and usability of City streets by providing the funds required to plan, design and construct pedestrian and traffic signal infrastructure. The program includes the installation of red-light photo enforcement equipment; pedestrian islands in the medians of major thoroughfares; sidewalk bulb-outs and sidewalk widening; installation of traffic and pedestrian signals which include countdown and accessible pedestrian signal equipment; and targeted traffic calming projects.
Transit System Safety and Other Improvements	The Transit System Safety and Other Transit Improvements program is designed to improve the safety of the Muni transit system. It includes project development and capital costs for: (i) the replacement of the communication and dispatching system to provide interoperable digital voice communications for SFMTA staff and the Public Works Emergency Radio System; (ii) new vehicle on-board and fixed route components that will provide information for core operational capabilities including Computer Aided Dispatch and Automatic Vehicle Location, vehicle health monitoring, on-board ADA-compliant traveler information, transit signal priority, and automated fare collection; (iii) training equipment and simulators for Muni operators; (iv) replacement of fire-safety mandated emergency telephones including phone switches, phone stations, blue-light units, raceways, communication cables, uninterrupted power supply units, networking system, operator consoles and management servers; and (v) transit improvements including signal changes, bus bulbs, striping changes and other localized uses of the transit priority toolkit.

Street Capital Improvements

The Street Capital Improvements program focuses on the development of safe and complete streets through integrated major corridor capital projects. It includes project development and capital costs for: the construction of bicycle facilities and improvements to the existing bicycle network; bicycle sharing, new bicycle lanes and paths, bicycle parking facilities, bicycle boxes, bicycle boulevards, buffered bicycle lanes, cycle tracks, bicycle signals, and “green wave” traffic signal coordination; curb extensions, storm water management features, traffic signal timing changes, signs, installation of pedestrian signals, including countdown and accessible pedestrian signal equipment, sidewalk extensions, medians, refuge islands, and bulb outs.

Facility Improvements

The Facility Improvements program includes safety and seismic upgrades to SFMTA parking garages and expansion of Muni operations and maintenance facilities, including projects intended to maintain the state of good repair of certain existing garages and SFMTA operations facilities, to improve working conditions for staff and to otherwise expand existing facilities.

Transit Fixed Guideway Improvements

Transit Fixed Guideway Improvements is a capital program intended to address certain transit operational issues and maintenance needs, and to increase system reliability. It includes project development and costs relating to: replacement of overhead wires and related poles and traction power systems serving light rail and trolley coach lines; improvement to the transportation central control facility and systems; replacement of the trackway and related systems serving the light rail and cable car lines to mitigate excessive noise and/or vibration.

Muni Fleet

Under the Light Rail Vehicle Procurement program, SFMTA will purchase replacement light rail vehicles along with new vehicles to provide for growth in transit service.

C. Series 2014 Revenue Bond Funded Programs

On December 10, 2014, \$75.0 million of Revenue Bonds, Series 2014 (2014 Bonds) were issued to fund various transportation system, safety, traffic signal, and street and facility improvements. As of June 30, 2021, the 2014 Bonds has funded 38 projects. A total of \$ 71.5 million of bond funds was expended leaving an unexpended balance of \$3.5 million.

The following section summarizes the programs included in the Series 2014 Revenue Bonds.

Program Title

Program Description

Pedestrian Safety & Traffic Signal Improvements

This program is meant to promote walking and improve the safety and usability of City streets by providing the funds required to plan, design and construct pedestrian and traffic signal infrastructure. The program includes the installation of red-light photo enforcement equipment; pedestrian islands in the medians of major thoroughfares; sidewalk bulb-outs and sidewalk widening; installation of traffic and pedestrian signals which include countdown and accessible pedestrian signal equipment; and targeted traffic calming projects.

Transit System Safety and Other Improvements

The Transit System Safety and Other Transit Improvements program is designed to improve the safety of the Muni transit system. It includes: project development and capital costs for: (i) the replacement of the communication and dispatching system to provide interoperable digital voice communications for SFMTA staff and the Public Works Emergency Radio System; (ii) new vehicle on-board and fixed route components that will provide information for core operational capabilities including Computer Aided Dispatch and Automatic Vehicle Location, vehicle health monitoring, on-board ADA-compliant traveler information, transit signal priority, and automated fare collection; (iii) training equipment and simulators for Muni operators; (iv) replacement of the fire-safety mandated emergency telephones including phone switches, phone stations, blue-light units, raceways, communication cables, uninterrupted power supply units, networking system, operator consoles and management servers; and (v) transit improvements including signal changes, bus bulbs, striping changes and other localized uses of the transit priority toolkit.

**Complete Street
Capital
Improvements**

The Street Capital Improvements program focuses on the development of safe and complete streets through integrated major corridor capital projects. It includes project development and capital costs for the construction of bicycle facilities and improvements to the existing bicycle network; bicycle sharing, new bicycle lanes and paths, bicycle parking facilities, bicycle boxes, bicycle boulevards, buffered bicycle lanes, cycle tracks, bicycle signals, and “green wave” traffic signal coordination; curb extensions, storm water management features, traffic signal timing changes, signs, installation of pedestrian signals, including countdown and accessible pedestrian signal equipment, sidewalk extensions, medians, refuge islands, and bulb-outs.

**Facility
Improvements**

SFMTA’s Facility Improvements program includes safety and seismic upgrades to SFMTA parking garages and expansion of Muni operations and maintenance facilities, including projects intended to maintain the state of good repair of certain existing garages and SFMTA operations facilities, to improve working conditions for staff and to otherwise expand existing facilities.

Muni Fleet

Under the Light Rail Vehicle Procurement program, SFMTA will purchase replacement light rail vehicles along with new vehicles to provide for growth in transit service.

Fiscal Year 2020 - 2021 Project Delivery Milestones for the 2014 Revenue Bonds include:

1 California: Laurel Village Transit Priority Project: As part of Muni Forward, and in conjunction with the San Francisco Department of Public Works (SFDPW) California Laurel Village Streetscape Project, a proposal has been developed to improve transit safety and reliability, as well as reduce travel time on the 1 California Muni line from Spruce Street to Laurel Street. The proposal includes four (4) bus bulbs, three (3) stop optimizations and two (2) traffic signal upgrades. By implementing this proposal, transit riders will benefit from faster and more reliable trips and experience enhanced transit safety and overall effectiveness. Project was substantially complete at the beginning of July and change order work has been in progress throughout the fiscal year. Work took longer than normal due pandemic related protocols. Project will be closed out in the next fiscal year. Total Revenue Bond funding is \$186,000 with costs for this year at \$80,925 with remaining bond funds of \$85,020.

Contract 64 Signals: The scope of Contract 64 is to design and construct new traffic signals at nine locations. New traffic signals will be installed at 7th Street/Minna Street, 15th Street/Dolores Street, Alemany Boulevard & Foote Avenue, Bryant Street & Sterling Street, Campus Way & Owens Street, Ellis Street & Webster Street, Highland Avenue & Mission Street, Leavenworth Street & Washington Street, and Mariposa Street & Pennsylvania Avenue. Revenue bonds funded the intersections of Alemany & Foote and Ellis & Webster. All 9 new traffic signal locations were substantially complete at the start of the year including the 2 funded by Revenue Bond proceeds. Punch List work continued throughout the year but took longer than normal due to pandemic related protocols. The project will be closed out during the next fiscal year. Total Revenue Bond funding is \$573,487 with costs for this year at \$80,925 with remaining bond funds of \$0.

Lombard Street Safety Project: Design and construct traffic calming and pedestrian safety treatments at all intersections between Richardson Avenue/Francisco Street and Lombard Street/Franklin Street. Proposed treatments include: daylighting, leading pedestrian bulbs, advanced stop bars, continental crosswalks, upgrading signal conduit, bulb-outs, pedestrian islands, transit bulbs, and/or removal of actuated pedestrian buttons. This work is being coordinated with the San Francisco Public Utilities Commission (SFPUC) and the California Department of Transportation (Caltrans). Work was substantially complete at the beginning of the fiscal year. Project closeout was expected during the year but Punch List work took longer than expected and Caltrans also asked for a redesign and rebuild of a curb ramp. Closeout is now planned for the upcoming year. Total Revenue Bond funding is \$1,326,666 with costs for this year at \$628 with remaining bond funds of \$739.

PARCS Replacement Project: The project entails a complete replacement of the Parking Access and Revenue Control System (PARCS) components at 21 parking facilities. The work includes new system servicers, cashier stations, ticket dispensers, barrier gates, payment machines, etc. and the installation of new utility infrastructure required to support the new equipment. 19 garages were substantially completed at the beginning of the fiscal year with the remaining 2 completed during the current reporting period. Project Closeout work will be completed during the next year. Total Revenue Bond funding is \$7,438,574 with costs for this year at -\$199 with remaining bond funds of \$173,327.

D. Series 2017 Revenue Bond Funded Programs

On June 7, 2017, \$190.0 million of Revenue Bonds, Series 2017 (2017 Bonds) were allocated to various transportation system, safety, traffic signal, and street and facility improvements. As of June 30, 2021, the 2017 Bonds were allocated to four projects. A total of \$188.2 million were expended leaving \$1.8 million remaining.

The following section summarizes the projects included in the Series 2017 Revenue Bonds.

<u>Project Title</u>	<u>Project Description</u>
Mission Bay Transportation Capital Improvements	Construct a single-track transit loop for the Third Street Light Rail Line (T Line), including adjacent roadway surface improvements on Illinois Street, between 18 th and 19 th Streets. The addition of this short line to SFMTA's T Line is designed to double the frequency of light rail transit service to Mission Bay and provide enhanced connections between Mission Bay and downtown San Francisco.
Van Ness Bus Rapid Transit Project	Construct a package of transit, streetscape, and pedestrian safety improvements along a two-mile corridor of Van Ness Avenue between Mission and Lombard Streets. Key features include conversion of two mixed-flow traffic lanes into dedicated bus lanes, consolidated transit stops, high quality stations, transit signal priority, all-door low floor boarding, elimination of most left turn opportunities for mixed traffic, and pedestrian safety enhancements.
Muni Fleet: LRV Procurement	Under the Light Rail Vehicle Procurement program, SFMTA will purchase replacement light rail vehicles along with new vehicles to provide for growth in transit service.

Fiscal Year 2020 - 2021 Project Delivery Milestones for the 2017 Revenue Bonds include:

King Street Substation Upgrade: Install upgrades and additional power capacity at the King Street Power Substation to provide capacity to support light rail vehicles along the Embarcadero. Additional capacity is needed to accommodate planned system growth as well as to support special event service associated with Oracle Park and the Chase Center. During the fiscal year, work continued on the new substation. Substantial Completion is expected in the Fall of 2021. This is later than originally planned and is a result of ongoing issues accessing the work site related to delays in the Central Subway Project construction. Project work was also delayed due to failure of the Surge Arrester during the 3rd Quarter. Total Revenue Bond funding is \$6,555,000 with costs for this year at \$0 with remaining bond funds of \$284,777.

Procurement of New Light Rail Vehicles (LRVs): This procurement includes the purchase of 151 LRVs to replace the existing fleet, 24 LRVs to start new revenue service on Central Subway Extension and to handle current demand, and 85 LRVs to accommodate projected ridership increase in the coming ten years. The LRV procurement is underway and 68 expansion vehicles were purchased before replacing 151 Breda cars that were in operation. Procurement of the 68 expansion cars was completed in the 2nd Quarter ahead of schedule. Total Revenue Bond funding is \$145,050,650 with costs for this year at \$433,658 with remaining bond funds of \$1,642,905.

Van Ness BRT Project: The project entails the construction of a package of transit, streetscape and pedestrian safety improvements along a two-mile corridor of Van Ness Avenue between Mission and Lombard Streets. Key features include conversion of two mixed-flow traffic lanes into dedicated bus lanes, consolidated transit stops, high quality stations, transit signal priority, all-door low floor boarding, elimination of most left turn opportunities for mixed traffic, and pedestrian safety enhancements. Water and sewer work was completed during FY20/21 and construction of the red BRT Lanes started at the beginning of the fiscal year. A variety of work also continued throughout the year including construction of Median Islands, Landscaping, Bus Shelters, Bulb-Outs, Overhead Lines, and Road Paving. Substantial Completion is expected in Fall 2021. Total Revenue Bond funding is \$50,374,879 with costs for this year at \$1,910,383 with remaining bond funds of \$0.

E. Series 2021C Revenue Bond Funded Programs

On February 23, 2021, \$118.0 million of Revenue Bonds, Series 2021C (2021 Bonds) were allocated to several transportation system and facility improvements. As of June 30, 2021, the 2021C Bonds were allocated to four projects. A total of \$0 was expended leaving \$118 million remaining.

The following section summarizes the projects included in the Series 2021C Revenue Bonds.

<u>Project Title</u>	<u>Project Description</u>
Parking Meter Replacement	Replacement of over 29,000 Parking Meters in the City with updated equipment. These meters have reached the end of their useful lives and also need to be updated to current wireless technology to improve parking services.
1200-15th Street Renovation	This project rebuilds the existing structure at 1200-15th Street as a mixed-use development, consolidating Enforcement Operations on the first two floors and adding a mix of affordable and market rate housing on the upper floors. Enforcement space will include work areas, office space, locker rooms, and storage areas with vehicle storage provided next door at the upper floors of the existing Scott Facility.
Train Control System Upgrade	Plan, design, procure and install the next-generation communications-based train control (CBTC) system for the rail network, including surface and subway alignments. Investing in a new CBTC system will bring the train control system into a state of good repair and will result in a more efficient, reliable, and safe way to manage LRV traffic. The CBTC system will improve transit service by reducing congestion-related delays, providing more consistent travel times, reducing headways and improve overall system safety for all Muni Metro LRV lines.
Transit Optimization	Construct a package of transit, streetscape and pedestrian safety improvements along a two-mile corridor of Van Ness Avenue between Mission and Lombard Streets. Key features include conversion of two mixed-flow traffic lanes into dedicated bus lanes, consolidated transit stops, high quality stations, transit signal priority, all-door low floor boarding, elimination of most left turn opportunities for mixed traffic, and pedestrian safety enhancements.

Section 8. Reallocation of Proceeds

The SFMTA Board of Directors and BOC are both notified when reallocations are made between authorized programs and/or projects. In Fiscal Year 2020 - 2021 there were two bond reallocations and are described below. Reallocations are numbered sequentially by bond issue irrespective of timing.

Series 2014 Bonds

In a Memorandum dated December 21, 2020 (Reallocation 4), the SFMTA Board was advised that \$0.2 million was redirected in project savings from the Masonic Avenue Streetscape Project in the Streets Capital Improvements Category to the Geary BRT Phase I Project. This helped the Geary BRT Project replace other local funds that were not available as originally budgeted.

In a Memorandum dated March 31, 2021 (Reallocation 5), the SFMTA Board was advised that a total of \$645,506 in project cost savings from the Street Capital Improvements Category was transferred to the Facility Improvements and Pedestrian Safety & Traffic Signal Improvements Categories. This helped pay for increased costs for 2 Facility Improvement Projects as well as 6 Pedestrian Safety & Traffic Signal Improvement Projects.

Section 9. Policies & Procedures

There were no changes to existing policies and procedures during Fiscal Year 2020-2021.

Appendix 1: Fiscal Year 2020 - 2021 Meeting Schedule

All meetings were held as a web-based video conference and conference call due to the pandemic. Meeting agendas and minutes of the SFMTA BOC meetings are posted at the following link: <http://sfmta.com/about-sfmta/organization/committees/bond-oversight-committee-boc>. Audio recordings are on file with the Committee Coordinator and can be made available upon request. Scheduled meetings are open to the public and the BOC encourages the participation of the public.

Fiscal Year 2020 - 2021 Bond Oversight Committee Meeting Dates

- September 2, 2020
- December 2, 2020
- March 3, 2021
- June 2, 2021

Appendix 2: Fiscal Year 2020-21 Audit

To be included in Final Report when complete.