

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 15-019

WHEREAS, On July 15, 2014, the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors authorized the Director of Transportation to execute Contract #2013-19 with Siemens Industry, Inc. (Siemens) to provide up to 260 light rail vehicles (LRVs), including two options for expansion LRVs; and

WHEREAS, On September 3, 2014, the San Francisco Board of Supervisors authorized the SFMTA to enter into Contract #2013-19, to procure up to 260 LRVs in an amount not to exceed \$1.19 billion, subject to the condition that the contract provide for two separate options, Option 1 for 40 LRVs and Option 2 for 45 LRVs, and that the SFMTA obtain approval from the Board of Supervisors prior to exercising Option 2; and

WHEREAS, On January 6th, 2015, the SFMTA Board of Directors declared its intention to exercise the Option 1 under Contract #2013-19 as soon as practicable once funding is secured, subject to further Board approval at that time; and

WHEREAS, The contractual cost for Option 1 is estimated not to exceed \$176 million; with an additional \$34 million in sales tax, engineering and other project costs, the total cost to exercise Option 1 will not exceed \$210 million; and

WHEREAS, The SFMTA will seek up to \$210 million in funding from the Transit and Intercity Rail Capital Program (TIRC), a new State competitive program funded by cap-and-trade dollars, to pay for Option 1; and

WHEREAS, As a back-up plan should the State not approve cap-and-trade dollars for the project, the Metropolitan Transportation Commission (MTC), at its January 28, 2015 meeting, is expected to approve redirecting \$153 million in bridge tolls and federal funds, which are currently programmed for SFMTA vehicle replacements and fixed guideway improvements, to pay for Option 1, so that the SFMTA can demonstrate a funding commitment to exercise Option 1; and

WHEREAS, MTC requires that SFMTA commit to repayment of the \$153 million in the event that cap-and-trade funds are not successfully secured for Option 1; and

WHEREAS, The SFMTA will program \$57 million from various sources, which could include SFMTA Revenue Bonds, development impact fees and other non-federal sources to bridge the gap between \$153 million and the estimated cost of Option 1 should the state not approve cap-and-trade dollars for the project; and

WHEREAS, Based on the funding plan described above, the SFMTA wishes to exercise Option 1; now, therefore be it

RESOLVED, That the SFMTA Board of Directors approves programming of up to \$210 million in various sources including \$25 million in federal funds, \$44 million in AB664 bridge tolls, \$84 million in BATA project savings funds and \$57 million in SFMTA funds in order to exercise the first option for 40 additional light rail vehicles under Contract #2013-19 with Siemens Industry, Inc.; and be it

FURTHER RESOLVED, That the SFMTA Board authorizes the Director of Transportation to negotiate and enter into an agreement with the Metropolitan Transportation Commission to repay up to \$153 million if the SFMTA is unable to secure cap-and-trade funds to finance Option 1; and be it

FURTHER RESOLVED, That the SFMTA Board authorizes the Director of Transportation to execute an amendment to Contract #2013-19 with Siemens Industry Inc. to exercise Option 1 to procure an additional 40 light rail vehicles for an amount not to exceed \$176 million.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of January 20, 2015.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency