

THIS PRINT COVERS CALENDAR ITEM NO. : 10.4

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Authorizing the San Francisco Municipal Transportation Agency (SFMTA), through its Director of Transportation or his designee, to accept and expend \$4,656,260 in FY 2015 Transit Performance Initiative Incentive Grant Program funds from the Metropolitan Transportation Commission (MTC) for the Light Rail Vehicle overhaul program; and adopting a Resolution of Local Support for the project.

SUMMARY:

- On February 20, 2015, the MTC issued a Call for Projects for \$15 million of Surface Transportation Program (STP) and Congestion Mitigation and Air Quality (CMAQ) federal funds for its Transit Performance Initiative (TPI) Incentive Grant Program.
- The funds can be used by transit agencies to fund projects focused on increasing ridership and/or productivity.
- For FY 2015, SFMTA will receive \$4,656,260 under the Program for the Light Rail Vehicle (LRV) overhaul program that will enhance reliability and increase the number of LRVs available for service.
- MTC requires that the grantee adopt a Resolution of Local Support.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR _____

4/24/15

SECRETARY _____

4/24/15

ASSIGNED SFMTAB CALENDAR DATE: May 5, 2015

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PURPOSE

The purpose of this calendar item is to authorize the SFMTA, through its Director of Transportation or his designee, to accept and expend \$4,656,260 in FY 2015 Transit Performance Initiative (TPI) Incentive Grant Program funding from the MTC; and to adopt a Resolution of Local Support. The \$4,656,260 is proposed to fund the Light Rail Vehicle (LRV) overhaul program.

GOAL

This action supports the following SFMTA Strategic Plan Goal and Objectives:

Goal 3 Improve the environment and quality of life in San Francisco

Objective 3.3: Allocate capital resources effectively

Objective 3.5: Reduce capital and operating structural deficits

DESCRIPTION

In May 2012, MTC adopted its Transit Sustainability Project recommendations, including the Transit Performance Initiative (TPI), which is composed of two programs: (1) a capital investment program focused on regional investment in supportive infrastructure to improve performance in major transit corridors; and (2) an incentive program to reward agencies that improve ridership and service productivity.

On February 20, 2015, the MTC issued a Call for Projects for \$15 million of Surface Transportation Program (STP) and Congestion Mitigation and Air Quality (CMAQ) federal funds for its TPI Incentive Grant Program. The funds can be used by transit operators to fund projects focused on increasing ridership and/or productivity. The SFMTA will receive \$4,656,260 this year. Funds from this program are distributed by formula to eligible transit operators.

Project sponsors are responsible for submitting projects to MTC with their rationale for funding and a monitoring plan to track the project's effectiveness in increasing ridership and/or productivity.

The SFMTA currently has a fleet of 149 Light Rail Vehicles (LRVs) in revenue service. These LRVs were built by AnsaldoBreda between 1996 and 2003. According to the Federal Transportation Authority (FTA), the useful life of LRVs is 25 years. Based on the current age of the fleet, the SFMTA is expected to operate and maintain these vehicles for another 10 years. In order to maintain the vehicles for another 10 years, the maintenance shop will need additional LRV components. SFMTA proposes to use the \$4,656,260 to purchase major vehicle components including: a) 200 tires with hub assemblies; b) 20 gearboxes; c) 8 compressors; d) 30 brake calipers; and e) 30 track brakes. In addition, some of the funds will be used to develop a new design for the LRV door system to improve the reliability of the doors. The availability of these parts will allow maintenance staff to rebuild key LRV systems such as the truck and air systems in a planned manner, thereby reducing the time the LRVs are on hold due to defective systems and parts. This project will bring the LRVs to a

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state of good repair, meet preventive maintenance requirements to provide safe and reliable vehicles, and increase vehicle availability to meet daily service demand.

The funds should be available to the SFMTA by September 2015. The vehicle components are expected to be available 18 months thereafter. The new door design should be completed in one year. The funds could also be used on other aspects of the LRV overhaul program, depending on when the funds are received and program funding needs at that time.

MTC requires that the SFMTA Board of Directors approve a Resolution of Local Support for this project. The Board is requested to approve in the Resolution that:

1. SFMTA will provide the 11.47% local match (\$603,268) in non-federal funds; and
2. Any cost increases must be funded by SFMTA, and SFMTA does not expect any cost increases to be funded with additional regional discretionary funds; and
3. Because the funds originate with the Federal Highway Administration (FHWA), SFMTA understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, as revised); and
4. SFMTA has, and will retain the expertise, knowledge and resources necessary to deliver federally funded transportation projects, and has assigned, and will maintain, a single point of contact for all FHWA-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency, MTC, Caltrans and FHWA on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA-funded transportation projects implemented by SFMTA; and
5. The project will be implemented as described in the submitted application and in the attached resolution and, if approved, for the amount programmed in the MTC federal Transportation Improvement Program (TIP); and
6. SFMTA and the project will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the Program; and
7. SFMTA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, as revised.

PUBLIC OUTREACH

The Light Rail Vehicle overhaul program is included in SFMTA's 2015-2019 Capital Improvement Program (CIP). The SFMTA has conducted various public hearings before the CIP was approved by the SFMTA Board on May 20, 2014.

ALTERNATIVES CONSIDERED

The TPI Incentive Grant Program funds can be used by transit operators to fund projects focused on increasing ridership and/or productivity. The proposal to purchase major LRV components and design a new door system has been determined to be one of the highest priority SFMTA projects that

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meet the criteria of the program. Alternatives to this proposal include considering other uses for these funds, such as Customer First initiatives (e.g., colorization of transit-only lanes, transit signal priority, ticket vending machines).

FUNDING IMPACT

The acceptance and expenditure of the \$4,656,260 in proposed federal funds requires a non-federal match of at least 11.47% (\$603,268) for a total of \$5,259,528. The match will be provided by state infrastructure bonds and/or other non-federal sources, as needed.

ENVIRONMENTAL REVIEW

Under Section 15378(b) (2) of the CEQA Guidelines, the program to overhaul LRVs is not considered a project because there is no direct or indirect physical change in the environment. Further, rail car rehabilitation is categorically excluded under NEPA (23 CFR §771.177(c)).

OTHER APPROVALS RECEIVED OR STILL REQUIRED

MTC approval of the TPI Incentive Grant Program projects is required. According to MTC staff, the SFMTA's proposed FY15 project may be presented to MTC for approval as early as September 2015.

The City Attorney has reviewed this report.

RECOMMENDATION

Staff recommends that the SFMTA Board authorize the SFMTA, through its Director of Transportation or his designee, to accept and expend \$4,656,260 in FY 2015 TPI Incentive Grant Program funding from the MTC to continue the implementation of the LRV overhaul program (including the purchase of major LRV components and to design a new door system required to increase vehicle reliability). Staff also recommends that the SFMTA Board adopt the required Resolution of Local Support.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The Metropolitan Transportation Commission (MTC) has issued a call for projects for \$15 million in funding assigned to MTC for programming discretion, including but not limited to federal funding administered by the Federal Highway Administration (FHWA), such as Surface Transportation Program (STP) funding, Congestion Mitigation and Air Quality Improvement (CMAQ) funding, and/or Transportation Alternatives (TA) funding (herein collectively referred to as Regional Discretionary Funding) for its Transit Performance Initiative-Incentive Grant Program under the Transit Sustainability Project (TSP); and

WHEREAS, For FY 2015, SFMTA will receive \$4,656, 260 of these federal funds; and

WHEREAS, These funds must be used by transit agencies to fund projects focused on increasing ridership and/or productivity; and

WHEREAS, The Moving Ahead for Progress in the 21st Century Act (Public Law 112-141, July 6, 2012), and any extensions or successor legislation for continued funding (collectively, MAP 21), authorize various federal funding programs including, but not limited to, the STP program (23 U.S.C. § 133), the CMAQ program (23 U.S.C. § 149) and the TA Program (23 U.S.C. § 213); and

WHEREAS, State statutes, including California Streets and Highways Code Sections 182.6 and 182.7, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, Pursuant to MAP-21, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal funds for a project shall submit an application first with the appropriate MPO for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

WHEREAS, The Metropolitan Transportation Commission (MTC) is the MPO for the nine counties in the San Francisco Bay Area region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of CMAQ funds; and

WHEREAS, SFMTA is an eligible project sponsor for Regional Discretionary Funding; and

WHEREAS, As part of the application for Regional Discretionary Funding, MTC requires a Resolution of Local Support be adopted stating that the SFMTA Board understands that:

1. the SFMTA commits to provide local matching funds of at least 11.47% (\$603,268); and
2. the Regional Discretionary Funding is fixed at the programmed amount, and any cost increases must be funded by the SFMTA, and the SFMTA does not expect any cost increases to be funded with Regional Discretionary Funding; and
3. the project will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
4. the SFMTA has, and will retain, the expertise, knowledge and resources necessary to deliver federally funded transportation projects, and has assigned, and will maintain, a single point of contact for all FHWA-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency, MTC, Caltrans and FHWA on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA-funded transportation projects implemented by SFMTA; and
5. the SFMTA will complete the project as described in the application, and if approved, as included in MTC's federal TIP; and
6. the project will comply with all project-specific requirements as set forth in the program; and
7. the project will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the SFMTA, through its Director of Transportation or his designee, to accept and expend \$4,656,260 in Transit Performance Initiative Incentive Grant Program funds from the Metropolitan Transportation Commission, to be used for its LRV Overhaul Program project; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors adopts a Resolution of Support for the Project under the STP/CMAQ programs of MAP-21, any extensions of MAP-21, or any successor legislation for continued funding; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors, by adopting this Resolution of Support, states that:

1. SFMTA will provide at least \$603,268 in local, non-federal matching funds; and
2. SFMTA understands that the Regional Discretionary Funding for the project is fixed at the MTC approved programmed amount, that any cost increases must be funded by the SFMTA from other funds, and that the SFMTA does not expect any cost increases to be funded with additional Regional Discretionary Funding; and

3. SFMTA understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
4. SFMTA has, and will retain, the expertise, knowledge and resources necessary to deliver federally funded transportation projects, and has assigned, and will maintain, a single point of contact for all FHWA-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency, MTC, Caltrans and FHWA on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA-funded transportation projects implemented by SFMTA; and
5. The project will be implemented as described in the complete application and in this resolution and, if approved, for the amount approved by MTC and programmed in the federal TIP; and
6. SFMTA and the project will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the Program; and
7. SFMTA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, as revised; and be it

FURTHER RESOLVED, That as stated in the Opinion of Counsel submitted with this resolution, the SFMTA is an eligible sponsor of projects funded through Regional Discretionary Funding; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors authorizes its Director of Transportation to transmit a copy of this resolution to the MTC in conjunction with the filing of the application; and be it

FURTHER RESOLVED, That the SFMTA requests MTC to support the application for the Project and to include the Project, if approved, in MTC's federal TIP.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 21, 2015.

Secretary, Board of Directors
San Francisco Municipal Transportation Agency