

Date: December 20, 2023
W.I.: 1255
Referred by: PAC
Revised: 1/24/24-C

ABSTRACT

Resolution No. 4615, Revised

This resolution approves the allocation of Regional Measure 3 funds for Muni Fleet Expansion & Facilities Program, sponsored by San Francisco Municipal Transportation Agency.

This Resolution includes the following attachments:

- Attachment A – Allocation Summary and Conditions of Allocation
- Attachment B – Project and Subproject Details
- Attachment C – Project Funding Plan and Schedule
- Attachment D – RM3 Deliverable Segment/Product Cash Flow Plan

This resolution allocates \$3.5 million in RM3 funds to the San Francisco Municipal Transportation Agency (SFMTA) for the construction phase of the Potrero Modernization Project.

This resolution was revised on January 24, 2024, to allocate \$33.5 million in RM3 funds to the San Francisco Municipal Transportation Authority for the construction phase of the Light Rail Vehicle (LRV) Procurement project (\$6.5 million) and 40’/60’ hybrid buses project (\$27 million).

Further discussion of this action is contained in the Programming and Allocations Summary Sheet dated December 13, 2023 and January 10, 2024.

Date: December 20, 2023
W.I.: 1255
Referred by: PAC

RE: Approval of Allocation of Regional Measure 3 Funds for Muni Fleet Expansion & Facilities Program.

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4615

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on June 5, 2018, a special election was held in the City and County of San Francisco, and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma (individually, each a “County” and, collectively, the “Counties”) to approve a toll increase of three dollars (\$3.00) phased in over time, including a one dollar (\$1.00) toll increase on January 1, 2019, a one dollar (\$1.00) toll increase on January 1, 2022, and a one dollar (\$1.00) toll increase on January 1, 2025, for vehicles traveling on the state-owned bridges located in the San Francisco Bay Area (“Regional Measure 3”); and

WHEREAS, on September 26, 2018, BATA adopted Resolution No. 126 accepting certified statements from the Registrar of Voters of the City and County of San Francisco and each of the Counties and observing that a majority of all voters voting on Regional Measure 3 (“RM3”) at such special election voted affirmatively for RM3; and

WHEREAS, RM3 establishes the RM3 Expenditure Plan and identifies specific capital projects and programs and operating programs eligible to receive RM3 funding as identified in Sections 30914.7(a) and (c) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the RM3 Expenditure Plan by bonding or transfers to MTC; and

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MTC Resolution No. 4615

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WHEREAS, MTC adopted RM3 Policies and Procedures for the implementation of the RM3 Expenditure Plan, specifying the allocation criteria and project compliance requirements for RM3 funding (MTC Resolution No. 4404, Revised); and

WHEREAS, the Muni Fleet Expansion & Facilities Program is identified as capital project number 5 under the RM3 expenditure plan and is eligible to receive RM3 funding as identified in Streets and Highways Code Sections 30914.7(a); and

WHEREAS, the San Francisco Municipal Transportation Agency (SFMTA) is the project sponsors for the Program; and

WHEREAS, SFMTA has submitted a request for the allocation of RM3 funds for the Potrero Modernization Project; and

WHEREAS, SFMTA has submitted an initial Project Report (IPR), as required pursuant to Streets and Highways Code Section 30914.7(d); and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the project and phase for which the SFMTA is requesting RM3 funding and the amount recommended for allocation by MTC staff; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, lists the required project specific conditions which must be met prior to execution of the allocation and any reimbursement of RM3 funds; and

WHEREAS, Attachment C to this resolution, attached hereto and incorporated herein as though set forth at length, includes MTC staff's review of SFMTA's IPR for each project; and

WHEREAS, Attachment D attached hereto and incorporated herein as though set forth at length, lists the cash flow of RM3 funds and complementary funding for the deliverable RM3 project segment or product; and

WHEREAS, the claimants to which funds are allocated under this resolution have certified that the projects and purposes listed and recorded in Attachment A are in compliance

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with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.); now, therefore, be it

RESOLVED, that MTC approves MTC staff's review of SFMTA's IPR for each project as set forth in Attachment C; and, be it further

RESOLVED, that MTC approves the allocation and reimbursement of RM3 funds in accordance with the amount, reimbursement schedule, and allocation expiration dates for the phases and activities as set forth in Attachment A; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon SFMTA complying with the provisions of the RM3 Policies and Procedures as set forth at length in MTC Resolution No. 4404, Revised; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds are further conditioned upon the project specific conditions set forth in attachment B; and, be it further

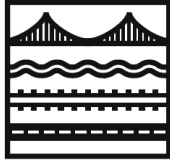
RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon the availability and expenditure of any complementary funding as set forth in Attachment D; and, be it further

RESOLVED, that a certified copy of this resolution shall be forwarded to the project sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on December 20, 2023.



Regional Measure 3 Allocation of Funds Allocation Summary

RM3 Project Number	10.2
Project Title	Light Rail Vehicle (LRV) Procurement
Project Sponsor	San Francisco Municipal Transportation Authority

Activities to be funded with Allocation #1:

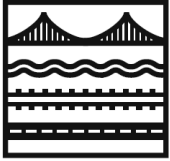
Procure 151 replacement LRVs and 68 additional LRVs to expand the fleet to 219 trains to replace LRV2 & LRV3 trains manufactured by Breda and are nearing the end of their useful lives. The expanded fleet of LRV4s is manufactured in California by Siemens. These new trains will support transit service to Central Subway, Mission Bay and expand service citywide. These new state-of-the-art trains improve transit reliability, safety, and passenger comfort.

Funding Information:

Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
24461502	24-Jan-24	CON	FY 2023-24	30-Dec-24	\$ 6,495,096

Cumulative Total - Allocation 1	\$ 6,495,096
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Cumulative Total - Project 10.2	\$ 6,495,096
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Regional Measure 3

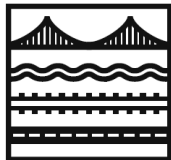
Allocation of Funds

Conditions of Allocation

RM3 Project Number	10.2
Project Title	Light Rail Vehicle (LRV) Procurement
Project Sponsor	San Francisco Municipal Transportation Authority

The allocation and reimbursement of RM3 funds for the above project are conditioned upon the following:

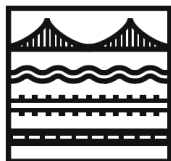
Conditions of Allocation #1	
This allocation is contingent upon completion of the following:	
1	none



Regional Measure 3 Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	10.2	
Project Title	Light Rail Vehicle (LRV) Procurement	
Lead Sponsor(s)	Other Sponsor(s)	Implementing Agency
San Francisco Municipal Transportation Authority		San Francisco Municipal Transportation Authority
Legislated Project Description	RM3 Legislated Funding (in \$1,000s)	
(10) MUNI Fleet Expansion and Facilities. Fund replacement and expansion of the San Francisco Municipal Transportation Agency’s MUNI vehicle fleet and associated facilities. The project sponsor is the San Francisco Municipal Transportation Agency. One hundred forty million dollars (\$140,000,000).	\$140,000	
Sponsor Programming and Allocation Request Action		
None		
Detailed Project/Subproject Description		
Procure 151 replacement LRVs and 68 additional Light Rail Vehicles (“LRVs”) to expand the fleet to 219 trains to replace LRV2 & LRV3 trains manufactured by Breda that are nearing the end of their useful lives. The expanded fleet of LRV4s is manufactured in California by Siemens. These new trains will support transit service to Central Subway, Mission Bay and expand service citywide. These new state-of-the-art trains improve transit reliability, safety, and passenger comfort.		



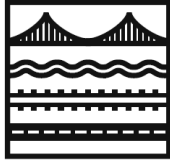
Regional Measure 3

Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	10.2
Project Title	Light Rail Vehicle (LRV) Procurement
Project Sponsor	San Francisco Municipal Transportation Authority

Project Funding Plan			Project Schedule		
Phase	Funding Source	Committed? (Yes/No)	Total Amount (\$1,000s)	Start	End
ENV					
			\$ -		7/15/2014
PSE	FTA 5307	Yes	\$ 10,967	10/1/2014	10/1/2015
	Operating	Yes	\$ 8,224		
	Revenue Bond	Yes	\$ 69,591		
			\$ 88,782		
ROW			\$ -	N/A	N/A
CON	RM 3	Yes	\$ 6,495	11/13/2017	2/24/2026
	TIRCP	Yes	\$ 113,140		
	AB664	Yes	\$ 14,728		
	Mission Rock Dev Fees	Yes	\$ 16,365		
	City General Funds	Yes	\$ 19,248		
	Revenue Bond	Yes	\$ 77,913		
	BATA Project Cost Savings	Yes	\$ 70,111		
	Prop K	Yes	\$ 176,986		
	FTA 5307/5337/TCP	Yes	\$ 511,648		
	IPIC Market Octavia Dev Fees	Yes	\$ 1,714		
	Potrero Power Dev Agreement	Yes	\$ 1,880		
	Pier 70 Dev Agreement	Yes	\$ 1,052		
	OBAG	Yes	\$ 14,899		
	Central Subway Contribution	Yes	\$ 11,970		
			\$ 1,038,149		
Capital Funding Total			\$ 1,126,931		



Regional Measure 3 Allocation of Funds Allocation Summary

RM3 Project Number	10.3
Project Title	40' / 60' hybrid buses
Project Sponsor	San Francisco Municipal Transportation Authority

Activities to be funded with Allocation #1:

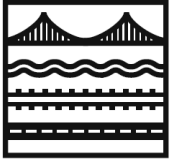
This project is to replace the hybrid 40' vehicles that were procured in 2013 and have reached the end of their useful lives. The original scope of work was to replace these vehicles with zero emission vehicles but due to impacts from COVID, facility upgrade progress is delayed. Thus, the SFMTA has to purchase a last batch of hybrid vehicles. The intention of this procurement is to purchase 94 hybrid vehicles and conditionally accept these vehicles in two years, which will help to lower the average age of the bus fleet.

Funding Information:

Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
24461503	24-Jan-24	CON	FY 2023-24	30-Jun-25	27,013,000

Cumulative Total - Allocation 1	\$ 27,013,000
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Cumulative Total - Project 10.3	\$ 27,013,000
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Regional Measure 3

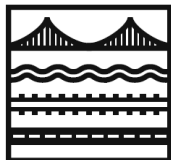
Allocation of Funds

Conditions of Allocation

RM3 Project Number	10.3
Project Title	40' / 60' hybrid buses
Project Sponsor	San Francisco Municipal Transportation Authority

The allocation and reimbursement of RM3 funds for the above project are conditioned upon the following:

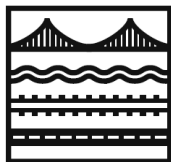
Conditions of Allocation #1	
This allocation is contingent upon completion of the following:	
1	Approval of the Initial Project Report and Allocation Request by the SFMTA Board of Directors on January 16th, 2024.



Regional Measure 3 Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	10.3	
Project Title	40' / 60' hybrid buses	
Lead Sponsor(s)	Other Sponsor(s)	Implementing Agency
San Francisco Municipal Transportation Authority		San Francisco Municipal Transportation Authority
Legislated Project Description		RM3 Legislated Funding (in \$1,000s)
(10) MUNI Fleet Expansion and Facilities. Fund replacement and expansion of the San Francisco Municipal Transportation Agency's MUNI vehicle fleet and associated facilities. The project sponsor is the San Francisco Municipal Transportation Agency. One hundred forty million dollars (\$140,000,000).		\$140,000
Sponsor Programming and Allocation Request Action		
None		
Detailed Project/Subproject Description		
This project is to replace the hybrid 40' vehicles that were procured in 2013 and have reached the end of their useful lives. The original scope of work was to replace these vehicles with zero emission vehicles but due to impacts from COVID, SFMTA facility upgrade progress is delayed. Thus, the SFMTA has to purchase a last batch of hybrid vehicles. The intention of this procurement is to purchase 94 hybrid vehicles and conditionally accept these vehicles in 2 years. Doing so lowers the average age of the bus fleet and will increase reliability by decreasing down time.		



Regional Measure 3

Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	10.3
Project Title	40' / 60' hybrid buses
Project Sponsor	San Francisco Municipal Transportation Authority

Project Funding Plan

Project Schedule

Phase	Funding Source	Committed? (Yes/No)	Amount (\$1,000s)	Start	End
ENV				7/1/2023	12/31/2023
PSE	RM 3	Yes	\$ -	9/1/2023	6/30/2024
	General Fund Prop B	Yes	\$ 273		
	Mission Rock Dev Fees	Yes	\$ 1,918		
			\$ 2,191		
ROW				N/A	N/A
CON	RM3	Yes	\$ 27,013	7/21/2024	9/30/2026
	Prop L	Yes	\$ 32,300		
	Mission Rock Dev Fees	Yes	\$ 1,383		
	FTA - TCP	Yes	\$ 73,451		
	Pier 70 Dev Fees	Yes	\$ 11,000		
			\$ 145,147		
Capital Funding Total			\$ 147,338		