

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.4**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation or his designee to execute an amendment to Master Agreement 64A0091 with the California Department of Transportation, to extend the Agreement for 10 years, and to execute future Program Supplements for State-funded transit projects.

**SUMMARY:**

- Caltrans requires that the San Francisco Municipal Transportation (SFMTA) execute a Master Agreement so that the SFMTA can receive State funds from various funding sources managed by the California Department of Transportation (Caltrans) specifically for transit projects.
- The SFMTA already has two similar Master Agreements in place with Caltrans for its street-related projects.
- The original Master Agreement between Caltrans and the SFMTA was for a 10-year period from January 7, 2003 to January 7, 2013. This amended agreement will extend the existing agreement for another 10 years to January 7, 2023.

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_ 9/10/13

SECRETARY \_\_\_\_\_ 9/10/13

**ASSIGNED SFMTAB CALENDAR DATE:** September 17, 2013

**PURPOSE**

Authorizing the Director of Transportation or his designee to execute an amendment to Master Agreement 64A0091 with the California Department of Transportation, to extend the Agreement for 10 years, and to execute future Program Supplements for State funded transit projects.

**GOAL**

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

Goal 2: Make transit, walking, bicycling, taxi, ridesharing & carsharing the preferred means of travel.

Objective 2.1: Improve customer service and communications.

Objective 2.3: Improve use of all non-private auto modes.

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

Objective 3.2: Increase the transportation system's positive impact on the economy.

Objective 3.3: Allocate capital resources effectively.

Objective 3.5: Reduce capital and operating structural deficits.

**DESCRIPTION**

In 1997, substantial revisions were made to the programming and funding processes for the transportation projects programmed in the State Transportation Improvement Program (STIP). The statutes related to State funded transit projects require a local agency to execute an agreement with Caltrans before it can be reimbursed for project expenditures.

Caltrans uses Master Agreements for State funded transit projects, along with associated Program Supplements, for the purpose of administering and reimbursing State transit funds to local agencies

Master Agreement No. 64A0091 between Caltrans and the SFMTA was for a 10-year period from January 7, 2003 to January 7, 2013. This amendment will extend the agreement for another 10 years to January 7, 2023. No project funds have been at risk since the original Master Agreement lapsed on January 7, 2013.

Under the amended Master Agreement, the SFMTA can receive funding through STIP and other funding sources managed by Caltrans for transit projects. The SFMTA plans to receive \$88 million in STIP funding for the Central Subway project through this Agreement.

Generally, these funds are limited to transit capital projects for rehabilitation (not maintenance) or replacement of assets, including fleet and facilities, capacity expansion or upgrades, or service extensions, such as the Central Subway Project.

While many of the SFMTA's projects are eligible to receive funds through Caltrans Division of Mass Transportation (DMT) grants, the SFMTA has recently chosen to use DMT grant monies to fund the Central Subway Project. In 2012, the Central Subway Project received \$61.3 million of High Speed Rail-Connectivity funds and will ultimately receive an additional \$88.0 million of STIP funds through DMT. During the term of the Master Agreement, the SFMTA would likely receive funds through the Master Agreement for a variety of transit projects.

Specific State funding sources under the Master Agreement include:

1. General Fund
2. State Highway Account
3. Public Transportation Account
4. Future State infrastructure or high speed rail bonds
5. Other future State funding sources

The SFMTA has two other Master Agreements with Caltrans:

1. Administering Agency-State Master Agreement No. 00043S – for State Transportation Improvement Program and other State funds for street-related projects (non-transit), dated December 4, 2007. Examples of projects funded by this Master Agreement in the past include: Continental Crosswalks, Bicycle Pavement Markings (Sharrows), and Church and Duboce Bicycle and Pedestrian Enhancements.
2. Administering Agency-State Agreement for Federal-Aid Projects (No. 04-6328R), dated May 2, 2007 – for federal funding obtained through Caltrans. Examples of projects funded by this Master Agreement in the past include the Outer Sunset Safe Routes to School and San Francisco Bicycle Route Improvements projects.

## **ALTERNATIVES CONSIDERED**

The two alternatives are not to pursue the Caltrans funding for transit projects, which will leave the SFMTA's capital program in deficit, or to find alternative funds from other capital programs to fund transit projects.

## **FUNDING IMPACT**

There is no funding associated with the Master Agreement. When a project gets approved for State funding, Caltrans issues a Program Supplement Agreement in the amount of the funding for the particular project. Grant funds will be obtained for specific projects through these individual Program Supplements.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney has reviewed this report.

**RECOMMENDATION**

Staff recommends that the SFMTA Board authorize the Director of Transportation or his designee to execute an amendment to Master Agreement 64A0091, and future Program Supplements, with Caltrans for State funded transit projects.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) may receive State funding from the California Department of Transportation (Caltrans) now or sometime in the future for transit projects; and

WHEREAS, Substantial revisions were made to the programming and funding processes for the transportation projects programmed in the State Transportation Improvement Program, by Chapter 622 (SB45) of the Statutes of 1997; and

WHEREAS, The statutes related to State funded transit projects require a local agency to execute an agreement with Caltrans before it can be reimbursed for project expenditures; and

WHEREAS, Caltrans uses Master Agreements for State funded transit projects, along with associated Program Supplements, for the purpose of administering and reimbursing State transit funds to local agencies; and

WHEREAS, The San Francisco Municipal Transportation Agency Board wishes to delegate authorization to execute these agreements to the Director of Transportation or his designee; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation or his designee to execute an amendment to Master Agreement 64A0091 with the California Department of Transportation to extend the Agreement for 10 years; and to execute future Program Supplements for State-funded transit projects; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency agrees to comply with all conditions and requirements set forth in the Master Agreement and applicable statutes, regulations, and guidelines for all State funded transit projects

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of September 17, 2013.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency