

THIS PRINT COVERS CALENDAR ITEM NO.: 10.2

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Adopting a resolution of local support for the programming of \$7,174,000 in State Transportation Improvement Program funds for the New Flyer Midlife Overhaul Phase III Project in Fiscal Year 2024/25; and providing assurances to comply with Metropolitan Transportation Commission policies.

SUMMARY:

- To receive State Transportation Improvement Program (STIP) funds, the Metropolitan Transportation Commission (MTC) requires that the grantee adopt a resolution of local support for all projects to be funded, and provide assurances that the SFMTA will comply with MTC's implementation policies.
- The \$7,174,000 of STIP funds will be programmed to the New Flyer Midlife Overhaul Phase III Project in Fiscal Year 2024/25 to overhaul 13 SFMTA New Flyer trolley coaches.
- The Project will reduce breakdowns, increase service reliability, and reduce the risk of costly repairs for these trolley coaches.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR



October 30, 2019

SECRETARY



October 28, 2019

ASSIGNED SFMTAB CALENDAR DATE: November 5, 2019

PURPOSE

The purpose of this Calendar Item is for the SFMTA Board to adopt a resolution of local support for the programming of \$7,174,000 in STIP funds for the New Flyer Midlife Overhaul Phase III Project in Fiscal Year 2024/25; and to provide assurances to comply with the MTC's implementation policies.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

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

Goal 2: Make transit and other sustainable modes of transportation the most attractive and preferred means of travel.

Objective 2.1: Improve transit service.

Objective 2.2: Enhance and expand the use of the city's sustainable modes of transportation.

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

Objective 3.1: Use agency programs and policies to advance San Francisco's commitment to equity.

Objective 3.4: Provide environmental stewardship to improve air quality, enhance resource efficiency, and address climate change.

Objective 3.5: Achieve financial stability for the agency.

TRANSIT FIRST POLICY PRINCIPLES

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
8. New transportation investment should be allocated to meet the demand for public transit generated by new public and private commercial and residential developments.

DESCRIPTION

Every two years, the San Francisco County Transportation Authority (SFCTA) is responsible for programming San Francisco's share of STIP funds. For the Bay Area, the Metropolitan Transportation Commission (MTC) aggregates and submits a nine-county Regional Transportation Improvement Program to the California Transportation Commission (CTC) for inclusion in the STIP.

New STIP funding in the amount of \$7,174,000 will be programmed to the SFMTA in Fiscal Year 2024/25. The CTC allows the SFCTA broad discretion in how it programs STIP funds. However, MTC and the SFCTA are both requiring that the funds be spent on state of good repair transit projects. After collaborative discussions with the Transit Division, SFCTA, and MTC, SFMTA staff recommends that the funds be programmed to Transit's New Flyer Midlife Overhaul Phase III Project. The respective staffs of SFCTA and MTC have already confirmed with CTC staff that the New Flyer Midlife Overhaul Phase III Project would be eligible for STIP

funding. The CTC is anticipated to approve STIP programming for the New Flyer Midlife Overhaul Phase III Project at its March 2020 meeting.

The benefits of the New Flyer Midlife Overhaul Phase III Project are to reduce breakdowns, increase service reliability, and reduce the risk of costly repairs for 13 New Flyer trolley coaches.

MTC requires that the SFMTA Board of Directors approves a Resolution providing local support for the New Flyer Midlife Overhaul Phase III Project, acknowledging the following conditions:

1. That any cost increases must be funded by the SFMTA, in accordance with agreements between the SFMTA and the SFCTA, and that the SFMTA does not expect any cost increases to be funded with additional regional discretionary funds, including STIP funds;
2. That the SFMTA will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised);
3. That the SFMTA will implement the New Flyer Midlife Overhaul Phase III Project, as described in the application submitted for the funds and in this resolution, subject to environmental clearance, and if approved, for the amount programmed in the State Transportation Improvement Program (STIP) and MTC's federal Transportation Improvement Program (TIP);
4. That the SFMTA will have adequate staffing resources to deliver and complete the projects within the schedule submitted with the projects' applications;
5. That the SFMTA will comply with all project-specific requirements as set forth in the STIP;
6. That the SFMTA will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of the MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
7. That State law requires the project to be included in a local congestion agency management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency.

STAKEHOLDER ENGAGEMENT

The SFMTA has closely worked with MTC and the SFCTA to ensure that the proposed funding changes are endorsed by the two agencies.

ALTERNATIVES CONSIDERED

The alternatives are not to pursue the STIP funding, which would leave the SFMTA's capital program in deficit, or to find alternative funds from other capital programs to fund the proposed project.

FUNDING IMPACT

The STIP's \$7,174,000 are new funds and are expected to be allocated to the SFMTA in Fiscal Year 2024/25 for the New Flyer Midlife Overhaul Phase III Project. Upon completion, the project should have positive benefits for the operating budget because the 13 trolleys will be in

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state of the art condition and will be less likely to be removed from service because of breakdowns.

ENVIRONMENTAL REVIEW

On October 17, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the STIP Programming for the New Flyer Midlife Overhaul Phase III is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b) because the action would not result in a direct or reasonably foreseeable indirect physical change to the environment.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The SFCTA is scheduled to approve its STIP submittal in November 2019. The MTC will act on its nine-county STIP submittal in December 2019 and then will submit it to the CTC. The CTC is scheduled to adopt the STIP at its March 2020 meeting.

The City Attorney has reviewed this report.

RECOMMENDATION

Staff recommends that the SFMTA Board adopt a resolution of local support for programming of \$7,174,000 in STIP funding for the New Flyer Midlife Overhaul Phase III Project in Fiscal Year 2024/25; and provide assurances of compliance with MTC policies.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The Fixing America's Surface Transportation Act (Public Law 114-94), and any extensions or successor legislation for continued funding (collectively, FAST), authorize various federal funding programs administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) including, but not limited to, Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ), and/or Transportation Alternatives (TA) set-aside/Active Transportation Program (ATP), Regional Transportation Improvement Program (RTIP), and State Transportation Improvement Program (STIP) funding, which contain State discretionary STP and other funds, herein collectively referred to as Regional Discretionary Funds; and

WHEREAS, State statutes, including California Streets and Highways Code Sections 182.6 and 182.7 and 2381(a)(1), and California Government Code 14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO); and

WHEREAS, Pursuant to FAST, 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 of the San Francisco Bay 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 RTIP and STIP funds; and

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is an eligible sponsor for STIP funding, and STP federal funds and other funds programmed within the STIP; and

WHEREAS, The SFMTA will be submitting an application to the MTC for \$7,174,000 in STIP funding, which will include STP federal and other funds, for the New Flyer Midlife Overhaul Phase III Project (Project); and

WHEREAS, On October 17, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the STIP Programming for the New Flyer Midlife Overhaul Phase III is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b) because the action would not result in a direct or reasonably foreseeable indirect physical change to the environment; and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; and

WHEREAS, MTC requires a resolution of local support adopted by the responsible implementing agency stating that: (1) the SFMTA will provide any required matching funds; (2) any cost increases must be funded by the SFMTA, in accordance with agreements between the SFMTA and the San Francisco County Transportation Authority, and that the SFMTA does not expect any cost increases to be funded with additional regional discretionary funds; (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); (4) the SFMTA agrees to complete the Project as described in the application, subject to CEQA compliance, and if approved, as included in MTC's federal Transportation Improvement Program; (5) the SFMTA will provide adequate staffing resources to deliver and complete the Project within the agreed schedule; (6) the SFMTA will comply with all Project-specific requirements as set forth in the STIP; (7) the SFMTA will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of the MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and (8) State law requires the Project be included in a local congestion agency management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and now, therefore, be it

RESOLVED, That the SFMTA Board of Directors adopts a Resolution of Support for the New Flyer Midlife Overhaul Phase III Project, to expend \$7,174,000 of anticipated federal funds programmed within the State Transportation Improvement Program (STIP), from the Fixing America's Surface Transportation Act (Public Law 114-94), any extensions of FAST, or any successor legislation for continued funding; and be it further

RESOLVED, That the SFMTA Board of Directors, by adopting this Resolution, states that (1) the SFMTA will provide any required matching funds; (2) any cost increases must be funded by the SFMTA, in accordance with agreements between the SFMTA and the San Francisco County Transportation Authority, and that the SFMTA does not expect any cost increases to be funded with additional regional discretionary funds; (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); (4) subject to compliance with CEQA, the SFMTA agrees to complete the Project as described in the application, and if approved, as included in MTC's federal Transportation Improvement Program; (5) the SFMTA will provide adequate staffing resources to deliver and complete the Project within the agreed schedule; (6) the SFMTA will comply with all Project-specific requirements as set forth in the STIP; (7) the SFMTA will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of the MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and (8) State law requires the Project to be included in a local congestion agency management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and be it further

RESOLVED, That a copy of this resolution will be transmitted to the MTC in support of the Project; and be it further

RESOLVED, That the SFMTA Board supports, and requests the MTC to support, programming of \$7,174,000 of State Transportation Improvement Program funds for the New Flyer Midlife Overhaul Phase III Project in Fiscal Year 2024/25.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of November 5, 2019.

Secretary, Board of Directors
San Francisco Municipal Transportation Agency