



Memorandum

RE: Board, September 24, 2019
DATE: September 24, 2019
TO: Transportation Authority Board: Commissioners Peskin (Chair), Brown, Fewer, Haney, Mandelman, Mar, Ronen, Safai, Stefani, Walton and Yee
FROM: Tilly Chang - Executive Director
SUBJECT: Executive Director's Report – **INFORMATION**

REGIONAL, STATE AND FEDERAL ISSUES

Executive Director Chang Testifies at U.S. House Transportation and Infrastructure Subcommittee Hearing on Revenue and Pricing: I was honored to testify at the House Highways and Transit Subcommittee on the topic of "Pricing and Technology Strategies to Address Congestion on and Financing of America's Roads." The Subcommittee discussed raising the federal gas tax (which has been flat since 1993), exploring a per-mile fee, expanding tolling, & piloting congestion pricing. My testimony emphasized the need for more long-term federal funding to continue to maintain our infrastructure and build out our transit systems. I also advocated for increased federal funding for congestion relief programs and maintaining federal pricing programs.

Federal Fuel Economy Standards - Environmental Protection Agency (EPA) Revokes California's Authority to Set its Own Car Emission Standards: The US EPA and the Department of Transportation announced new nationwide standards for fuel economy and pollution that are more lax than California's. It also revoked the federal waiver that has allowed California to set stricter standards for the last sixty years (though several manufacturers are voluntarily meeting those standards). California, along with nearly twenty other states, has filed a lawsuit to overturn the new rule. The change in fuel standards has the secondary effect of changing how air quality conformity is measured. Adjusting state and local travel models could take two or three years, which could prevent projects from gaining environmental approval or accessing federal funds starting next year. Just yesterday, in a new development, the Trump administration threatened to withhold Federal Highway funds from California, pending updates by the CA Air Resources Board for over 100 air pollution control plans.

Plan Bay Area 2050 Official Kick-Off - Region Embarks on Major Update to the Regional Transportation Plan and Sustainable Communities Strategy: The Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) have officially kicked-off the next update to the region's transportation and land use plan, known as



Plan Bay Area 2050. The agencies will be seeking public feedback at a series of pop-up events around the region this fall. MTC and ABAG expect to have a draft plan completed by mid-2020 and will be seeking adoption of the plan and final Environmental Impact Report in mid-2021. As San Francisco's Congestion Management Agency, one of our key roles is coordinating San Francisco's input into Plan Bay Area, building off our local priorities established in the San Francisco Transportation Plan - our long-range countywide transportation plan. Transportation Authority staff are involved in this planning process through MTC's working groups and are coordinating with other San Francisco agencies and project sponsors to provide comprehensive feedback to MTC and ABAG on all aspects of the plan. We will be bringing regular updates to the Board including requesting approval for a fiscally-constrained transportation investment package early next year.

Salesforce Transit Center Re-Opens and Downtown Rail Extension (DTX) Governance, Oversight, and Project Delivery Study- Final Recommendations to be Presented October

8: With the resumption of A/C Transit bus service in August, the Transit Center is now fully re-opened and once again being enjoyed by the public. We are also glad to report that our DTX Peer Review Study is nearing completion. On October 8, we will bring to the Transportation Authority Board the expert panel's final recommendations including in the areas of Governance and Oversight. We greatly appreciate the thoughtful interaction of experts and stakeholder agency staff, and the input of TJPA Board and CAC members who we briefed in August and September. We recently also held workshops with partner agencies to discuss potential ways to implement the panel's recommendations in the near term, should they be accepted by TA and TJPA policymakers in October.

LOCAL ISSUES

Congestion Pricing Study Receives Regional Funds, Holds Kick-off - The Metropolitan Transportation Commission has approved \$400,000 in regional funds to support our Congestion Pricing Study update. We appreciate the region's support and involvement in the study, which will benefit from policy and technical input from MTC, Caltrans and other regional stakeholders. With initial study funds from the Transportation Authority and MTC secured, and consultant procurements completed, the Study team has kicked off and is developing community engagement plans and equity analysis methods. We are also appreciative to Commissioners Haney and Walton who will be traveling to London and Stockholm, along with representatives from the Mayor's office and SF Chamber of Commerce, to learn about the successful experiences of pricing programs in those cities, as part of a 5-city delegation funded by the Bloomberg foundation.

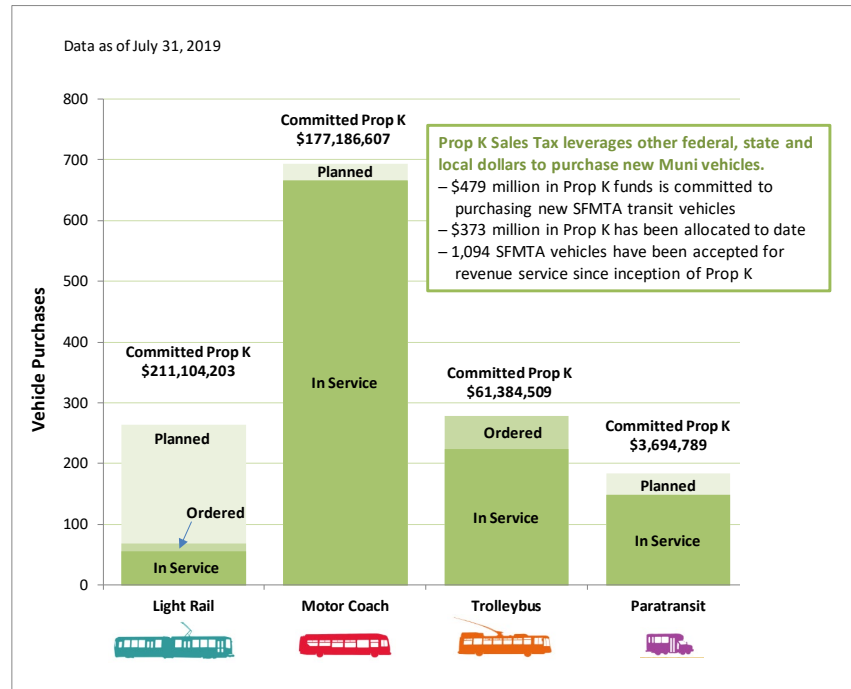
Treasure Island Business Outreach - Collaborative Workshops Planned in October: We are preparing for another round of outreach on Treasure Island as part of our continuing work on



the Treasure Island Transportation Program. The focus of this round is for-profit and non-profit businesses and their employees. We'll hold two collaborative workshops in October, during which we'll ask participants to share ideas that will help staff finalize policies pertaining to the Treasure Island transportation program, including the proposed toll which will fund new and expanded transit services and mobility improvements. We are planning another round of outreach to Treasure Island residents to be conducted later this year. More information and updates can be found at sfcta.org/treasure-island.

SFMTA Board Approves Central Subway Schedule Extension and Cost Increase - The SFMTA board recently approved an extension of the project's construction contract with Tuto Perini Corp., and payment of \$31 million to settle delay claims. With construction now slated to end in mid-2020, the new project opening date is mid-2021, following a period of testing and commissioning. Total project expenditures may increase by up to \$70 million, according to staff, which exceeds the project's remaining contingency funds by \$55 million. Staff reported that potential sources of funding are being evaluated and may include surplus funds from the SFMTA's budget, financing from revenue bonds or re-prioritization of other capital projects.

SFMTA Fleet Replacement and Expansion Update - SFMTA Completes Replacement of its Motor Coach Fleet and Nears Total Replacement of its Trolleybus Fleet: In the 4th quarter of Fiscal Year 2018/19 ending June 30, SFMTA placed into service the final 6 motor coaches of the 424 total motor coaches to be procured through the 2014 contract with New Flyer Inc. SFMTA also placed into service 40 new 40-foot electric trolleybuses, bringing the total number of new trolleybuses to 223 of the 278 planned under the New Flyer contract. The remaining trolleys are expected to be in service by the end of 2019. Prop K support for replacement of SFMTA's rubber tire fleets totaled nearly \$240 million. Finally, in the 4th quarter SFMTA progressed on its Prop K supported purchase of 35 new paratransit vans as it worked with stakeholders to finalize specifications for the new vehicles. The new paratransit vans are expected to be in service by Fall 2020. The chart below summarizes all SFMTA transit vehicle procurements planned, ordered or completed since the inception of the Prop K program. The chart also summarizes the Prop K commitment to SFMTA transit vehicle purchases. The SFMTA will provide an update on the replacement of the Breda light rail vehicles under a separate agenda item on today's agenda.



MANAGEMENT AND ADMINISTRATION

Business Outreach Committee - Participation in Meet the Buyers Networking Event: As a member of the Business Outreach Committee (BOC), Transportation Authority staff joined with numerous local, regional and state agencies to participate in the annual BOC 'Meet the Buyers' networking event on August 9. The event was held at the San Francisco Public Library in the Civic Center area and brought public agencies together with vendors to showcase their companies' goods, products, and services while learning about upcoming contracting opportunities and other resources for Disadvantaged Business Enterprises and Small Business Enterprises. The BOC meets on a monthly basis to discuss outreach practices and plan for regional networking events and buyers' forums.

Welcome Aboard Hugh Louch - New Deputy Director of Planning, and Yana Waldman - Assistant Deputy Director for Capital Projects: Please join me in welcoming our new Deputy Director of Planning, Hugh Louch and Assistant Deputy Director for Capital Projects, Yana Waldman to the Transportation Authority. Hugh comes to us from Alta Planning + Design. As the Principal/Vice President, Hugh oversaw a group of 25 planners, designers, analysts, and engineers to deliver transportation plans and designs for public sector clients across the Bay Area. Yana has been working in transportation project delivery for the past twelve years. Most recently she was part of Arup's innovative project funding and risk management team, where she led Public Private Partnership structuring and city resilience planning.