



AGENDA

Community Advisory Committee Meeting Notice

Date: Wednesday, September 1, 2021; 6:00 p.m.

Location: Watch <https://bit.ly/37Cclns>

PUBLIC COMMENT CALL-IN: 1 (415) 655-0001; Access Code: 146 195 8814 # #

To make public comment on an item, when the item is called, dial '*3' to be added to the queue to speak. Do not press *3 again or you will be removed from the queue. When the system says your line is unmuted, the live operator will advise that you will be allowed 2 minutes to speak. When your 2 minutes are up, we will move on to the next caller. Calls will be taken in the order in which they are received.

Members: John Larson (Chair), David Klein (Vice Chair), Nancy Buffum, Rosa Chen, Robert Gower, Jerry Levine, Stephanie Liu, Kevin Ortiz, Peter Tannen, Danielle Thoe, and Sophia Tupuola

Remote Access to Information and Participation:

In accordance with Governor Gavin Newsom’s statewide order for rolling back certain provisions of the Governor’s COVID-19-related Executive Orders - video conferencing and teleconferencing exceptions to the Brown Act remain in effect until September 30, 2021. Pursuant to the lifted restrictions on video conferencing and teleconferencing, the Transportation Authority Community Advisory Committee Meetings will be convened remotely and allow for remote public comment. Members of the public are encouraged to stream the live meeting using the link above or listen via the public comment call-in line. Written public comment may be submitted prior to the meeting by emailing the Clerk of the Transportation Authority at clerk@sfcta.org or sending written comments to Clerk of the Transportation Authority, 1455 Market Street, 22nd Floor, San Francisco, CA 94103. Written comments received by 8 a.m. on the day of the meeting will be distributed to Committee members before the meeting begins.

- 1. Call to Order
- 2. Chair’s Report - **INFORMATION**

Page

Consent Agenda

- 3. Approve the Minutes of the July 28, 2021 Meeting - **ACTION***
- 4. Adopt a Motion of Support to Adopt a Resolution of Local Support Authorizing the Executive Director to File an Application for Regional Discretionary Funding with the

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Metropolitan Transportation Commission, Committing Any Necessary Matching Funds, and Stating Assurance to Complete the Yerba Buena Island West Side Bridges Project (Project); and Authorize the Executive Director to Execute Funding Agreements with Caltrans for Receipt of Federal Funds for the Project in the Amount of \$5,000,000 from a Safe and Seamless Mobility Quick-Strike Program Grant - **ACTION***

End of Consent Agenda

- | | | |
|----|---|-----------|
| 5. | Adopt a Motion of Support to Allocate \$885,777 in Prop K Funds and \$410,000 in Prop AA Funds, with Conditions, for Four Requests - ACTION* | 21 |
| | Projects: Prop K: (SFMTA) New Signal Contract 66 (\$300,000), Application-Based Traffic Calming Program-FY20/21 Cycle (\$175,777), and Active Communities Plan (\$410,000). Prop AA: (SFPW) Joice Alley Lighting Improvements (\$410,000) | |
| 6. | Adopt a Motion of Support to Authorize the Executive Director and Other Authorized Representatives to Enter Into a Revolving Credit Agreement for \$125 Million with U.S. Bank National Association; to Execute and Deliver Legal Documents Relating Thereto; and To Take All Necessary or Appropriate Related Actions in Connection Therewith - ACTION* | 29 |
| 7. | Adopt a Motion of Support to Accept the Downtown Rail Extension (DTX) Phasing Study Final Report, Support the Phasing Recommendations of the Peninsula Rail Program Executive Steering Committee, and Release \$2,644,557 in Previously Allocated Prop K Sales Tax Funds, with Conditions, for DTX Project Development - ACTION* | 49 |
| 8. | Community Advisory Committee Ethics Training - INFORMATION* | 69 |

Other Items

- | | | |
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| 9. | Introduction of New Business - INFORMATION | |
| | During this segment of the meeting, CAC members may make comments on items not specifically listed above or introduce or request items for future consideration. | |
| 10. | Public Comment | |
| 11. | Adjournment | |

*Additional Materials

Next Meeting: September 22, 2021

The Hearing Room at the Transportation Authority is wheelchair accessible. To request sign language interpreters, readers, large print agendas or other accommodations, please contact the Clerk of the Board at (415) 522-4800. Requests made at least 48 hours in advance of the meeting will help to ensure availability. Attendees at all public meetings are reminded that other attendees may be sensitive to various chemical-based products.



**San Francisco
County Transportation
Authority**

Community Advisory Committee Meeting Agenda

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The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 6, 7, 9, 19, 21, 47, and 49. For more information about MUNI accessible services, call (415) 701-4485.

If any materials related to an item on this agenda have been distributed to the Community Advisory Committee after distribution of the meeting packet, those materials are available for public inspection at the Transportation Authority at 1455 Market Street, Floor 22, San Francisco, CA 94103, during normal office hours.

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DRAFT MINUTES

Community Advisory Committee

Wednesday, July 28, 2021

1. Call to Order

Vice Chair Klein called the meeting to order at 6:26 p.m.

Present at Roll: Robert Gower, David Klein, Jerry Levine, Kevin Ortiz, Stephanie Liu, Peter Tannen, and Danielle Thoe (7)

Absent at Roll: Nancy Buffum (entered during item 10), Rosa Chen, John Larson, Sophia Tupuola (4)

2. Chair's Report - INFORMATION

Vice Chair Klein shared that Community Advisory Committee (CAC) members were provided a link to the agency's website with the Executive Director's Report given at the July 27 Transportation Authority Board meeting. He reported that the outreach round for the Streets and Freeways Strategy was coming to a close, and that the Streets and Freeways Strategy was part of ConnectSF, the multi-agency collaborative process to build an effective, equitable, and sustainable transportation system for San Francisco's future. Vice Chair Klein noted that feedback could be shared at connectsf.org, where there is also information to learn more about ConnectSF. He also shared a link to the survey on the Transportation Authority's home page at www.sfcta.org.

With regard to the San Francisco Municipal Transportation Agency (SFMTA) and BART transit recovery plans, Vice Chair Klein encouraged everyone to look through the presentations for information on upcoming service changes for both agencies. He said the Transportation Authority Board heard from SFMTA at its meeting a day prior and added that the BART presentation was deferred to the September 28 meeting due to the length of the agenda. He shared that the recordings of the presentations would be available at [SFgovTV.org](https://sfgovTV.org).

Lastly, Vice Chair Klein reminded CAC members that they would not be meeting in August, and their next meeting would take place on September 1, where they will weigh in on items headed to the Transportation Authority Board for approval later that month.

There was no public comment.

Consent Agenda

3. **Approve the Minutes of the June 23 Meeting - ACTION**
4. **Adopt a Motion of Support to Authorize Examination of Transaction and Use Tax Records- ACTION**
5. **Investment Report and Debt Expenditure Report for the Quarter Ended June 30, 2021 - INFORMATION**



- 6. **State and Federal Legislation Update - INFORMATION**
- 7. **Capital Project Delivery Review and Best Practices Study - INFORMATION**
- 8. **BART Transit Recovery Plan - INFORMATION**
- 9. **SFMTA Transit Recovery Plans - INFORMATION**

With respect to item 7, Danielle Thoe requested an interim update on the work being done as she thinks capital project delivery is something they've had hiccups on and said it would be great to have a discussion on it.

Maria Lombardo, Chief Deputy Director acknowledged the request and said staff would be happy to do so.

During public comment, Edward Mason recommended in the future that there be more granularity regarding the transit service personnel inventory at the pre, mid and post pandemic levels. He said there should be a visual on the budgeted headcount by classification, available personnel and personnel vacancies, average of employee age for the classification and any anticipated retirement eligibility data to provide a better picture of SFMTA's 6000 employees, and what is needed in order to fully staff the organization.

Vice Chair Klein thanked Mr. Mason for his comment.

Peter Tannen motioned to approve the consent agenda, seconded by Jerry Levine.

The consent agenda was approved by the following vote:

Ayes: Gower, Klein, Levine, Liu, Ortiz, Tannen, Thoe (7)

Absent: Buffum, Chen, Larson, Tupuola (4)

End of Consent Agenda

- 10. **Adopt a Motion of Support to Adopt the District 4 Mobility Study Final Report - ACTION**

Camille Guiriba, Transportation Planner, presented the item per the staff memorandum.

Vice Chair Klein thanked staff for the presentation and asked if there were thoughts around resolving bus capacity issues in specific corridors and how to enable people to use them, including in situations where people need to transport large items such as groceries.

Ms. Guiriba replied, pointing to some of the solutions presented such as increasing the frequency of busses as part of the 5-minute city wide network and the companion services, and the community shuttle as opportunities to reduce crowding on transit and provide more space.

Ms. Thoe inquired if solutions like adding bus priority lanes and removing some private car storage on street would help speed up the existing transit before adding more shuttle services. She also asked if there was any education component to existing transit options and if so, could it be added to the report.

Ms. Guiriba answered that for the transit component, the report recommends providing transit priority lanes for the 28 and the 29 busses.

Hugh Louch, Deputy Director for Planning, added that the report had deferred to the



city-wide transit planning underway at the time, so this study focused on the local trips that might be less captured with such improvements. He added that the timeline sequencing of the study makes it seem like the neighborhood-level planning was an afterthought, but a lot of planning had already happened in the past recent months.

During public comment, Edward Mason asked how San Francisco Chained Activity Model (SF CHAMP) was used to determine travel in the district; for instance, if it were based on cellphone technology that would show here the cell phones were moving from and to District 4.

Mr. Louch explained that the SF CHAMP model uses survey data that it is not based on cellphone sensors, but relies on other data that are commonly used. He added that SF CHAMP is a tool used to predict people's travels patterns.

Robert Gower motioned to approve the item, seconded by Peter Tannen.

The motion was approved by the following vote:

Ayes: Buffum, Gower, Klein, Levine, Liu, Ortiz, Tannen, Thoe (8)

Absent: Chen, Larson, Tupuola (3)

11. Streets and Freeways Strategy and Outreach Update - INFORMATION

Hugh Louch, Deputy Director for Planning presented the item.

Peter Tannen asked for clarification of the map shown on page 154 of the packet. He said the map on the left showed recent and upcoming bicycle improvements, where the map on the right showed future connections, and he asked what were the differences between the two.

Mr. Louch replied that the lighter lines on the left map were meant to indicate places where there were existing routes, and the darker green lines showed the major improvements within the last year through slow streets and various quick-build projects. He continued by stating that though they don't know where the final locations of the future bike facilities may be, they know what work needs to be done. He added that some of the work is upgrading existing network segments, which are currently being built out by SFMTA, and there are other places where they know the general corridor, but there is work yet to be done to identify the proper street and what the specific bike improvements may look like, which is presented in the map on the right.

With regard to the grade separated pedestrian crossings, Mr. Tannen said he was surprised to see it listed as a suggestion. He said in the past during the urban renewal era on Geary Street and upper Market Street, there were grade separated pedestrian crossings, but these eventually grew out of favor as people did not use them as much. He asked Mr. Louch to speak more on what was envisioned and if there were any potential locations.

Mr. Louch said they see the things that have been done including creating the situation on Geary Street that may have encouraged a separated pedestrian crossing to be something that could potentially be remedied, and there is an interest in potentially filling in that part of Geary as a transformative project. With respect to the pedestrian crossings recommendation, he said they are more focused on the freeway system, and places where there are few places to safely cross. He said an example would be around 3rd street where there is a former undercrossing and people didn't feel safe. He said there was a lot of grade change to do it, but they could conceivably design a crossing that would more or less connect Visitacion Valley and the Bayview over the freeway in a



way that felt comfortable. Mr. Louch added that there are quite a few examples of crossings over Caltrans facilities in the Bay Area. He said the project team is looking at a handful of potential locations and are working out which appear to be feasible and can be explored further. He added that they are not talking about city streets grade separations, which tend to destroy the character of the streets.

Kevin Ortiz said he's heard through groups with concerns on freeway removals and said he wanted to learn more about the outreach strategy and what would happen during step three in terms of how it would influence the San Francisco transportation plan, as well as freeway removal. He said if that was the case, what funds would be used.

Mr. Louch said the way they have been approaching it and the way the outreach is designed, they see there is strong interest from both the community and at a federal level in removals or major transformations. He continued by saying that it was not necessarily something that would require a formal removal of a freeway and there were different ways such as undergrounding that could be done, and those opportunities did exist. He said the study was starting to identify where they see those opportunities, and what was critical for them was that a robust process was needed, because they know it is a process that has to be done very carefully with the communities. He added that it's not only about transportation, but also land use so the questions in their outreach are meant to make sure they are hearing from a wide range of folks and are taking the right approach. Mr. Louch said they see an identification of possible opportunities and a further process to then workshop the opportunities citywide and specifically in the communities. He continued by stating that this will not happen overnight, but they see it as an opportunity to leverage federal funding that may come to help move some of the ideas forward. He said they want to be in a position where if they have a transformative idea and there is a strong reception, it could potentially be advanced.

Mr. Ortiz noted that the study would potentially be looking at sites that could be potentially removed for freeways, while identifying the sites moving forward. He asked if the study will be public when available and said he would like to get frequent updates as the study becomes complete. He added that he lives by the Octavia freeway entrance, so he is not only interested as a CAC member, but as a neighbor as well.

Mr. Louch thanked Mr. Ortiz for his comments and said that they welcome any thoughts on how they can best do outreach.

There was no public comment.

12. Vision Zero SF Action Strategy - INFORMATION

Michael Jacobson, Vision Zero Planner, SFMTA, presented the item.

Ms. Thoe said she appreciated SFMTA meeting with the Tenderloin Traffic Safety Task Force and that she would like the Task Force to continue being involved. She referenced presentation slides 22 and 23, which included photos of no turn on red and speed limit 20 signage and said there was a sign on the back of a bus stop where it was not visible to motorists. She said it was frustrating to see signage without other compliance strategies and that, in addition to the quick builds proposed to be built by 2024, she would like to see comprehensive compliance strategies that invest in community advocates and design elements. She said that outside of the funding needed to make capital improvements, this proposed interim piece would help save



lives and hoped it was something SFMTA invested in with this Action Strategy.

Mr. Jacobson responded that SFMTA looked forward to continuing the relationship with the Tenderloin Traffic Safety Task Force. Regarding alternatives to traditional enforcement, he said SFMTA would look forward to the recommendations from the San Francisco Bicycle Coalition (SFBC) work with the community and how they could be incorporated into the program.

Nancy Buffum asked about 20 miles per hour (mph) zones and the level of effort needed to expand that speed limit, with the understanding that it ran into state law.

Mr. Jacobson said it was possible to lower speed limits to 20 mph. He said that fortunately, in the Tenderloin, SFMTA had previously conducted speed surveys and had a neighborhood wide approach to lowering the speeds from 25 mph to 20 mph. He expressed that SFMTA looked forward to Assembly Bill (AB) 43, which, if passed, would provide more of an opportunity for the city to lower speed limits in areas like the Tenderloin that were multimodal and had mixed-use land uses. He said SFMTA was working to maximize lowering speed limits in areas across the city but did not have data for other locations to lower speed limits at the scale seen in the Tenderloin.

During public comment, Edward Mason asked if Vision Zero planned to collect data on the vehicle type involved in a collision. He said fewer trucks were mounted on a higher frame that would restrict the visibility of pedestrians. Additionally, he asked if the city tracked who was at fault for collisions.

Mr. Jacobson said that when the police responded to a crash, they completed a form including the vehicle types involved. He said that the party at fault for a collision was included in the annual fatality report from the San Francisco Department of Public Health. However, he said, while fault is important, SFMTA was making safety improvements to streets regardless of fault. He said that central to Vision Zero was that people made mistakes on our roadways, but the mistakes should not result in serious injuries or death.

13. Major Capital Project Update: Caltrain Modernization Program - INFORMATION

John Funghi, Caltrain Modernization Program Director presented the item per the staff memorandum.

With regard to funding, Jerry Levine asked about the \$280 million gap in the budget in the four-party agreement that says that each is committed to helping seek and secure up to an additional \$50 million a piece for a collective \$200 million. He noted that those numbers are iffy, and he wonders with the big budget gap, what are they going to do if the funds are not available. Mr. Levine also asked if the project was able to proceed at a reduced basis, and how would they deal with a significant short fall in the budget.

Mr. Funghi replied that currently the program is not contemplating a reduced version of infrastructure, and the funding slide that was presented, creates a priority of how they anticipate filling the funding gap. He said they currently believe based on the American Rescue Plan Act (ARPA) funds and the issuance of tax-exempt bonds, they will be covering the current funding shortfall with those two funding vehicles. He said that is what will be submitted to the Federal Transit Administration (FTA) as part of the project completion plan. With regard to the backstop, in terms of the four-party agreement, it is a funding vehicle that exists in the program, and was established above the \$1.98 billion program as a condition of receiving the Full Funding Grant



Agreement from the FTA. He said during the FFGA process it was contemplated that the project would need additional funding at some point in the future, and the four-party agreement was required of them in order to receive the FFGA. He continues saying in terms of the priority in getting additional funding, it will be primarily the ARPA, then the sale of tax exempt bonds.

Mr. Levine said great, adding that's what he wanted to hear.

Mr. Tannen asked for clarification as it pertains to the warning system for at-grade crossings.

Mr. Funghi said the grade crossings currently operate with a constant warning time even though their trains travel at various speeds. He said currently on the alignment they operate at a maximum authorized speed of 79 mph, but they also have a reduced restricted speed. Mr. Funghi said Union Pacific operates freight on their system as well on a different speed, so the challenge is to develop a grade crossing system that supports the various speeds of operation while not extending total gate-down times at the crossings for pedestrians or vehicular cross traffic.

Vice Chair Klein asked for clarification on the carbon credits listed in the financing plan.

Brent Tietjen, Government and Communication Relations Officer with Caltrain said the low carbon fuel credits that are going to be used to pay for electrification financing costs in the future are credits that are paid by the businesses to offset carbon emissions from them. He continued that the businesses would have to pay the money to the state, and then Caltrain would receive that money in the future when Caltrain is electrified. He added they are receiving that money because they are reducing greenhouse gas emissions through the electrification project.

Vice Chair Klein asked if any of the purchases of the trains were adjusted to the ridership. He notes that ridership may be going down since some companies have been relocating their business to other cities, and asked if commuting would go back to the way it was before the pandemic.

Mr. Funghi said the agency is going through a schedule change in order to be responsive to the riding public and in order to attract that ridership back before people change their travel patterns. He said as they return back to the office, Caltrain wants to be the attractive choice. He added that one of the attractive benefits of their trains is that they're comfortable and have all of the various amenities a commuter needs, and will get them to their destination faster than a congested freeway. He said they anticipate that ridership will go back up and the electrification project will provide a very attractive mode choice for people as they begin to make that choice when going back to work.

Vice Chair Klein replied that it sounds like they are not adjusting frequency or purchases, because they are not expecting to have dramatic shifts in ridership.

Mr. Tietjen said that their Board adopted the 2040 business plan in 2019, and they are looking forward to that goal. He said the electrification project is a long-term project and they are hopeful that things will rebound shortly but, even if not, they are trying to diversify their ridership in terms of not just getting commute riders but making it more accessible to riders throughout the day with more service off-peak. He said this will allow the commuters to use Caltrain for other commute modes and not just for going to work. He closed by stating that the benefit of the project is to have more frequency and more service.



Stephani Liu shared that she is really excited about the project and is appreciative for the presentation.

During public comment, with regard to warning times, Roland Lebrun said the time between the lights flashing and the time actually arriving should be consistent regardless of the train approach speed. He said they've known about the problem for over 10 years and noted that testing in San Jose shows that the slow-moving freight trains are giving warning times of 3 minutes instead of 30 seconds. Mr. Lebrun also touched base on the smoothness of the train rides and suggested, per an email he forwarded to the Board, that the new trains operate in diesel until all of the issues are resolved. Mr. Lebrun also requested that any further Prop K allocations are compliant with Caltrain Director Heminger's request that all meetings be held in public instead of behind closed doors.

Edward Mason asked if there were any plans in the Caltrain future for increased ridership to encourage South Bay businesses to utilize Caltrain so they can eliminate the current commuter buses from the neighborhoods. He said they are starting to reappear, and they don't want to go back to the 100 commuter buses at 24th and Church in a four-hour window in the future. He said with the ridership increase, they assume people are going to turn to faster mode of transportation. Mr. Mason shared that he always allocates 40 -50 minutes on MUNI just to get to the Caltrain station, and asked what provisions would be in place for not only ridership but for the first and last mile.

Vice Chair Klein agreed with Mr. Mason in terms of the first and last mile and invited the speakers to respond.

Mr. Funghi said with the first and last mile issue, they worked closely with the SFMTA in coordinating their schedules. He said they also do it with BART at the interconnection facility at Millbrae, and their facilities in San Jose are working with their regional transit partners.

Mr. Tietjen added that they coordinate with their partners in all three counties to ensure that their first and last mile connections are good. He said they have a strong focus on allowing bike commuters to use their trains but also improving their facilities to improve access. With regard to upcoming service changes, he said that their Board received a presentation on restoring service for Caltrain coming out of the pandemic, He said that hopefully means having more ridership by including the return of the baby bullet express, return of local trains making sure people can make connections to more stations, and more express trains throughout the day and not just during the peak. He added he is excited to get this portion of service restoration which will commence on August 30.

14. Major Capital Project Update: Better Market Street - INFORMATION

Cristina Calderón Olea, Project Manager, presented the item per the staff memorandum.

Mr. Tannen asked what the likelihood would be that the 800 feet to be dug up and the utilities replaced would be representative of the entire 2 mile project corridor. He asked if the shifting of transit between side and center lanes for 800 feet would cause confusion.

Ms. Olea replied those 800 feet will be representative of a block over a BART/MUNI station but it will not be representative of the entire 2 miles. She said the utilities



between the stations are older, going back to the 1880's. She said they are trying to chip away at the project and there is a lot that they can learn but it will not be representative of the whole 2 miles.

Britt Tanner with SFMTA responded that moving transit to the center for 800 will not create confusion because they can consolidate transit stops at 7th and 8th streets to one stop at United Nations Plaza. She said it is just transitioning out of the center lane after 7th Street.

Ms. Thoe asked about the enforcement and compliance effort. She asked if there was a debrief on lessons learned on compliance efforts and what worked and didn't work. She said that it's an opportunity for them to learn a lot on compliance on streetscape and for people to exhibit safer behavior and asked if they could get best practices out of it.

Ms. Tanner responded that they have been coordinating monthly with Parking Control Officers (PCO) and San Francisco Police Department (SFPD) and there have been lessons learned. She said that they made a point to have PCO's and the SFPD out on the street the same day so that they can reinforce each other, but they found out that SFPD had less to do because there were less violations, and as a result they staggered their presence.

Vice Chair Klein asked where the quantitative data for the tradeoff was and how were they objectively were making a decision.

Ms. Olea responded that a lot of it was based on their construction management sequencing and the estimate for duration. She said it was broken into different pieces: the construction schedule, the cost, as well as scope of work.

During public comment, Edward Mason said he realized all of the construction would be done on the surface, yet the subway is beneath it. He said he assumed there would be no adverse effect with construction on the surface, and said he is apprehensive of things that will and can go wrong. He said he would like confirmation that the surface level construction will not impact the subway, such as leaking walls from moisture penetration.

Ms. Olea responded that Mr. Mason was correct, and that there is no work that goes down that deep for both of the proposed alternatives and work will be well above the subway with no plan to interrupt the subway below Market Street.

Other Items

15. Introduction of New Business - INFORMATION

Jerry Levine requested a presentation from Muni staff on the Van Ness Corridor. He said he would like to hear the responses to the Grand Jury Report, as well as the concerns on the businesses impacted along the corridor. He said over the course of construction, small businesses along the corridor have not been able to get their questions answered.

Vice Chair Klein revisited his request on receiving a Prop K allocation summary per supervisorial district and asked if there was an estimated date on when it will be available.

Ms. La Forte, said staff had sent out the summary to members via email. She offered to resend it.



Vice Chair Klein said he didn't realize that the summary would be sent in an email format and was looking forward to a presentation. He said he will follow up and reply to the email if he has any further questions.

There was no public comment.

16. Public Comment

During public comment, Roland Lebrun thanked the Transportation Authority for implementing closed captioning into the meetings and suggested that the archived meeting videos be uploaded on a more user friendly platform such as YouTube.

17. Adjournment

The meeting was adjourned at 8:46 p.m.

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Memorandum

AGENDA ITEM 4

DATE: August 26, 2021

TO: Transportation Authority Board

FROM: Eric Cordoba - Deputy Director for Capital Projects

SUBJECT: 09/14/2021 Board Meeting: Adopt a Resolution of Local Support Authorizing the Executive Director to File an Application for Regional Discretionary Funding with the Metropolitan Transportation Commission, Committing Any Necessary Matching Funds, and Stating Assurance to Complete the Yerba Buena Island West Side Bridges Project (Project); and Authorize the Executive Director to Execute Funding Agreements with Caltrans for Receipt of Federal Funds for the Project in the Amount of \$5,000,000 from a Safe and Seamless Mobility Quick-Strike Program Grant

RECOMMENDATION Information Action

- Adopt a Resolution of Local Support authorizing the Executive Director to file an application for regional discretionary funding with the Metropolitan Transportation Commission (MTC) for the Yerba Buena Island (YBI) West Side Bridges Project (Project)
- Authorize the Executive Director to execute funding agreements with Caltrans for receipt of federal funds for the Project in the amount of \$5,000,000 from a Safe and Seamless Mobility Quick-Strike Program grant

SUMMARY

In June 2021, the MTC awarded \$5 million in Safe and Seamless Mobility Quick-Strike Program grant funds to the Transportation Authority for construction of the YBI West Side Bridges project, contingent upon the San Francisco Municipal Transportation Agency's (SFMTA's) Folsom Streetscape Project receiving an additional \$5 million from a one-time \$500 million infusion to the State's Active Transportation Program (ATP). MTC's intent is to help fund the West Side Bridges project while holding the Folsom Streetscape Project harmless. For the Quick-Strike grant, MTC requires the

- Fund Allocation
- Fund Programming
- Policy/Legislation
- Plan/Study
- Capital Project Oversight/Delivery
- Budget/Finance
- Contract/Agreement
- Other:



<p>Transportation Authority to adopt a Resolution of Local Support by September 30, 2021, to file an application for funding, and commit any necessary matching funds. The grant agreement will be administered by the California Department of Transportation (Caltrans). To expedite the grant award process, we are also seeking authorization for the Executive Director to execute funding agreements between the Transportation Authority and Caltrans for receipt of the federal Quick-Strike grant that we anticipate receiving in October 2021 when Folsom Streetscape is anticipated to receive \$5 million in ATP funds.</p>	
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BACKGROUND

We regularly receive federal and state transportation funds under ongoing grant programs. These grant funds are typically administered by MTC or Caltrans, which requires that various types of funding agreements be executed between the project sponsor and Caltrans before the project sponsor can claim (e.g., seek reimbursement) the grant funds.

MTC's Safe and Seamless Mobility Quick-Strike program is a one-time, competitive grant program. Federal funding is available to support local and regional projects that can be implemented quickly to benefit communities responding and adapting to the COVID-19 environment. Available funding includes a mix of Surface Transportation Block Grant Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ), Coronavirus Response and Relief Supplemental Appropriations Act, and Federal Highway Infrastructure Program (FHIP) funds. CMAQ funds will be used for eligible projects that demonstrate air quality benefits and implement Plan Bay Area's climate initiative goals and priorities.

MTC's initial recommendation for the Safe and Seamless Quick-Strike Program was to award \$5,000,000 to the SFMTA's Folsom Streetscape Project. However, the Governor's May Budget Revise proposed a one-time \$500 million infusion for active transportation projects, subject to additional legislative action by October 11, 2021. If no action is taken, the funds will be redirected to the state's General Fund. The California Transportation Commission is proposing to use these funds for high-scoring but unfunded projects in the recent Cycle 5 ATP. The Folsom Streetscape Project was a high-scoring project and received a partial award of \$7,040,000 from Cycle 5 ATP and would be awarded SFMTA's full request of \$12 million if the ATP augmentation is approved. Based on MTC's recommendation (MTC Resolution No. 4202, Revised June 2021), if the Folsom Streetscape Project is awarded additional ATP funding, an equivalent amount of Safe and Seamless Mobility Quick-Strike funds (\$5,000,000) would be redirected to the Transportation Authority's YBI Westside Bridges Seismic Retrofit project. We are preparing for the anticipated award by moving forward with the local resolution of support to meet MTC's September 30 deadline.



MTC requires that local governing boards adopt a Resolution of Local Support by September 30, 2021, to authorize the Executive Director to execute and file an application for regional discretionary funding and submit the project to the Transportation Improvement Program. Although MTC administers the funds on a regional level, we are required to work with Caltrans to receive federal funding. Thus, the proposed Board resolution would also authorize the Executive Director to execute necessary funding agreements with Caltrans.

DISCUSSION

The Project, which we are undertaking on behalf of the Treasure Island Development Authority (TIDA), will demolish eight bridge structures and reconstruct a realigned roadway, six retaining walls, and a new undercrossing structure. Additionally, one structure will be seismically retrofitted and requires a column relocation. This project will be challenging to implement, given its unique location along steep terrain on the western edge of Yerba Buena Island overlooking San Francisco Bay. In addition to the challenging location, the project presents numerous complex structural (bridge/retaining wall foundations) and geotechnical challenges (unstable soils), as well as difficult construction access (very steep terrain) and environmental constraints (construction adjacent to and above San Francisco Bay).

Construction of roadway projects on YBI is very complex, requiring significant coordination among a number of entities and projects. One complicating factor is that the United States Coast Guard (USCG) Station, which is part of the Department of Homeland Security, is located on YBI. In constructing and reconstructing roadways on YBI, the projects need to be well coordinated to ensure there are sufficient roadways available to provide adequate traffic circulation for the USCG, Caltrans, TIDA, Treasure Island Community Development (TICD), and the residents and businesses of Treasure Island.

The Project is one of several roadway construction projects on YBI. The other major roadway construction projects include the Macalla Road Reconstruction Project, the Forest Road Detour Project and the I-80/YBI Ramps Improvement Project, Phase 1 (Westbound Ramps Project - Completed in October 2016 and opened to traffic) and Phase 2 (Southgate Road Realignment Project - Under Construction). TICD is the lead for the Macalla Road Reconstruction Project and the Forest Road Detour Project, while we are the lead for the Westbound Ramps Project and the Southgate Road Realignment Project. All four of these projects need to be essentially completed before construction of the Project can start (with a seven-month overlap of the Southgate Road Project).

We have completed design and right of way certification phases for the Project, which is construction ready pending securing full funding. The Project construction cost is estimated at \$110.11 million. The proposed construction phase funding plan is shown in the table below.

Table 1. YBI West Side Bridges Construction Funding Plan



Funding Source	Status	Amount (M)
Federal Highway Bridge Program	Allocated	\$54.84
Federal Rebuilding American Infrastructure and Sustainability and Equity (RAISE) Grant	Planned	\$25.00
Federal Appropriations Bill	Planned	\$10.00
State Prop 1B	Allocated	\$7.10
BATA	Allocated	\$2.70
MTC (Safe and Seamless Mobility Quick Strike Grant)	Planned	\$5.00
TIDA	Allocated	\$3.48
TIDA	Planned	\$0.89
Local (e.g. Prop K)	Planned	\$1.10
Total		\$110.11

The Project has secured funding of \$54.8 million from the Federal Highway Bridge Program, \$7.1 million from Proposition 1B Local Bridge Seismic Retrofit Account, and \$6.2 million in regional and local funds. There remains about \$42.0 million to secure to fully fund the project, including the \$5 million in Quick-Strike funding that is the subject of this memo. We recently applied for a \$25 million Federal Rebuilding American Infrastructure and Sustainability and Equity (RAISE) grant and have been seeking a federal appropriation of \$10 million. We are grateful that Senator Alex Padilla has included this project on his earmark list. Assuming final construction phase funding is obtained later this year, construction of the project is scheduled to begin in early 2022 and substantial completion is expected by summer 2025.

Over the past year plus, we have been focused on completing the funding plan for the West Side Bridges project, which is one of the final components of the Treasure Island and YBI Circulation Plan. When complete, the YBI and Treasure Island roadway network will be equipped for more frequent and new transit services. The future growth and development of the Treasure Island/YBI development is anchored by transit and infrastructure investments to facilitate dense, walkable, mixed-use development. The entire redevelopment is framed around economic development, with the initial conversion from a prior Naval Station to a new sustainable neighborhood, complete with both market-rate and affordable housing, infrastructure improvements, and an array of new public benefits including parks and open space, neighborhood-serving retail, office space, a new school, and community facilities.



FINANCIAL IMPACT

Approval of the recommended action would facilitate compliance with MTC funding requirement deadlines (avoiding loss of grant revenues) and enable the Transportation Authority to seek reimbursement of federal grant funds administered by MTC and Caltrans for the Project. Preliminary engineering activities for this Project are incorporated into the FY 2021/22 Annual Budget and Work Program. Additional grant funding for construction activities awarded through the Safe and Seamless Mobility Quick-Strike Program will be incorporated into the mid-year budget amendment. We will bring procurements to be funded by these grants, where applicable, to the Board for approval as part of future agenda items.

CAC POSITION

The CAC will consider this item at its September 1, 2021, meeting.

SUPPLEMENTAL MATERIALS

None

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**San Francisco
County Transportation
Authority**

1455 Market Street, 22ND Floor, San Francisco, California 94103 415-522-4800 info@sfcta.org www.sfcta.org

Memorandum

AGENDA ITEM 5

DATE: August 26, 2021
TO: Transportation Authority Board
FROM: Anna LaForte - Deputy Director for Policy and Programming
SUBJECT: 09/14/2021 Board Meeting: Allocate \$885,777 in Prop K Funds and \$410,000 in Prop AA Funds, with Conditions, for Four Requests

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Allocate \$881,000 in Prop K funds, with conditions, to the San Francisco Municipal Transportation Agency (SFMTA) for:</p> <ol style="list-style-type: none"> 1. New Signal Contract 66 (\$300,000) 2. Application-Based Traffic Calming Program - FY20/21 Cycle (\$175,777) 3. Active Communities Plan (\$ 410,000) <p>Allocate \$410,000 in Prop AA funds to San Francisco Public Works (SFPW) for:</p> <ol style="list-style-type: none"> 4. Joice Alley Lighting Improvements <p>SUMMARY</p> <p>Attachment 1 lists the requests, including phase(s) of work and supervisorial district(s). Attachment 2 provides brief descriptions of the projects. Attachment 3 contains the staff recommendations. Project sponsors will attend the meeting to answer any questions the Board may have.</p>	<p><input checked="" type="checkbox"/> Fund Allocation</p> <p><input checked="" type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other: _____</p>
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DISCUSSION

Attachment 1 summarizes the subject allocation requests, including information on proposed leveraging (i.e. stretching Prop K sales tax dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan. Attachment 2 includes brief project descriptions. Attachment 3 summarizes the staff recommendations for each request, highlighting special conditions and other items of interest. An Allocation Request Form for each project is enclosed, with more detailed information on scope, schedule, budget, funding, deliverables and special conditions.



FINANCIAL IMPACT

The recommended action would allocate \$1,295,777 in Prop K and Prop AA funds. The allocations would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows the Prop K and Prop AA Fiscal Year 2021/22 allocations and appropriations approved to date, with associated annual cash flow commitments as well as the recommended allocation and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the Fiscal Year 2021/22 annual budget. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distributions for those respective fiscal years.

CAC POSITION

The CAC will consider this item at its September 1, 2021 meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Summary of Requests
- Attachment 2 - Project Descriptions
- Attachment 3 - Staff Recommendations
- Attachment 4 - Prop K and Prop AA Allocation Summaries - FY 2021/22
- Enclosure - Allocation Request Forms (4)

Source	EP Line No./ Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Current Prop AA Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District(s)
							Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	31	SFMTA	New Signal Contract 66 ⁴	\$ 300,000		⁴ \$ 1,300,000	26%	77%	Design	1, 4, 5, 6, 8, 9, 11
Prop K	38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design ⁴	\$ 175,777		\$ 175,777	51%	0%	Design	1, 2, 4, 5, 6, 7, 8, 9, 10, 11
Prop K	39, 44	SFMTA	Active Communities Plan	\$ 410,000		\$ 1,110,000	NA	63%	Planning	Citywide
Prop AA	Ped	SFPW	Joice Alley Lighting Improvements		\$ 410,000	\$ 410,000	NA	0%	Construction	3
TOTAL				\$ 885,777	\$ 410,000	\$ 2,995,777	14%	57%		

Footnotes

¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2019 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2017 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit) or the Traffic Congestion Mitigation Tax (TNC Tax) category referenced in the Program Guidelines.

² Acronyms: SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works)

³ "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K should cover only 10%.

⁴ "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K or non-Prop AA funds in the funding plan by the total cost for the requested phase or phases. If the percentage in the "Actual Leveraging" column is lower than in the "Expected Leveraging" column, the request (indicated by yellow highlighting) is leveraging fewer non-Prop K dollars than assumed in the Expenditure Plan. A project that is well leveraged overall may have lower-than-expected leveraging for an individual or partial phase.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
31	SFMTA	New Signal Contract 66	\$ 300,000	\$ -	Funds are requested to design new traffic signals at ten intersections and a rectangular rapid flashing beacon (RRFB) at one intersection to improve traffic operations, and pedestrian and bicycle safety. Improvements at all new signal locations include pedestrian countdown signals, accessible (audible) pedestrian signals, controllers, conduit, wiring, poles, and curb ramps. Locations include 4th Avenue and Fulton Street, 4th Street and Long Bridge Street, 4th Street and Mission Rock Street (RRFB), 10th Avenue and Lincoln Way, 28th Street and Guerrero Street, 39th Avenue and Fulton Street, 41st Avenue and Lincoln Way, Alemany Boulevard and Cotter Street, Castro Street/Divisadero Street/Waller Street, Cesar Chavez Street and Florida Street, and Mary Street/Mint Street/Mission Street. SFMTA expects to complete design by December 2022 and have all locations open for use by September 2024.
38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design	\$ 175,777	\$ -	Requested funds will be used to design 116 traffic calming projects (i.e., locations) identified, evaluated and ranked through the SFMTA Application-Based Residential Street Traffic Calming program. The projects will consist of approximately 220 individual traffic calming devices, including speed humps, speed cushions, speed tables, raised crosswalks and traffic islands. Design is anticipated to be done by June 2022 and all locations constructed and open for use by December 2023. See page E5- 21 of the enclosure for the list of locations accepted and submitted to the program for this cycle.
39, 44	SFMTA	Active Communities Plan	\$ 410,000	\$ -	This request will fund the Active Communities Plan, a community-driven, citywide planning process to update the 2005 SFMTA Bicycle Master Plan. The plan will be inclusive of all devices, both human-powered and electric-motor, that can legally operate on bike facilities. Special emphasis will be paid to Equity Priority Communities during the planning process. The plan will update the citywide bike network and design guidelines, develop recommendations for policies and programs related to bicycling, produce implementation plans for Priority (disadvantaged) Communities, and establish a set of criteria for prioritization that directly furthers goals and policies established in the plan, including mode shift, safety, access, and furthering equity. The project will start in the Fall 2021, with adoption by the SFMTA Board in February 2024. Requested funds will provide local match to a Caltrans Planning Grant and strengthen analysis and outreach tasks.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
Ped	SFPW	Joice Alley Lighting Improvements	\$ -	\$ 410,000	This request will fund the construction phase for three new pedestrian-scale street lights, and sidewalk and roadway improvements on Joice Alley between Clay Street and Sacramento Street in the Chinatown neighborhood. The project will make walking more inviting and safe along this important pedestrian path directly across Gordon J. Lau Elementary and close to the Powell cable car line, several Muni bus stops and the new Chinatown subway station. The scope of work includes adjustment of utility vaults, tree protection, sub-sidewalk basement work, restoring brick exteriors of the adjacent buildings and protection/restoration of special historical concrete letter plaques in the sidewalk. SFPW anticipates that the project will be open for use by March 2022.
TOTAL			\$885,777	\$410,000	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	Recommendations
31	SFMTA	New Signal Contract 66	\$ 300,000	\$ -	
38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design	\$ 175,777	\$ -	
39, 44	SFMTA	Active Communities Plan	\$ 410,000		<p>5-Year Prioritization Program (5YPP) Amendments: The recommended allocation is contingent upon amendment of the Bicycle Circulation and Safety 5YPP and Transportation/Land Use Coordination 5YPP. See enclosed allocation request form for details.</p> <p>SFMTA will present draft recommendations to the Board, anticipated September 2023.</p>
Ped	SFPW	Joice Alley Lighting Improvements	\$ -	\$ 410,000	
TOTAL			\$ 885,777	\$ 410,000	

¹ See Attachment 1 for footnotes.

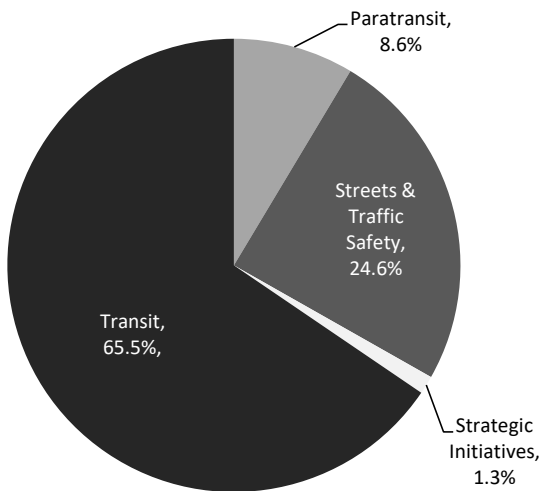
Attachment 4.
Prop K Allocation Summary - FY2021/22

PROP K SALES TAX

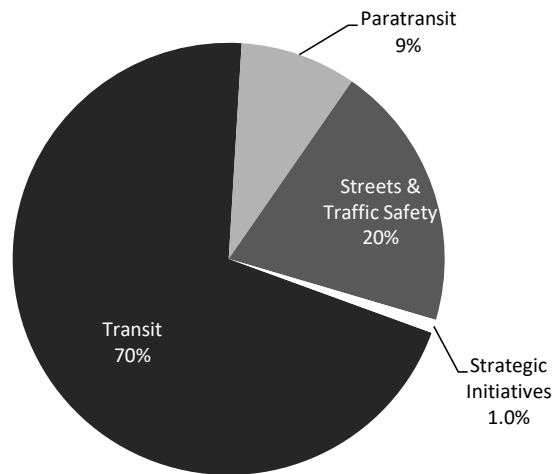
FY2021/22	Total	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Prior Allocations	\$ 26,454,988	\$ 16,441,381	\$ 9,098,607	\$ 915,000	\$ -	\$ -
Current Request(s)	\$ 885,777	\$ 230,000	\$ 494,925	\$ 160,852	\$ -	\$ -
New Total Allocations	\$ 27,340,765	\$ 16,671,381	\$ 9,593,532	\$ 1,075,852	\$ -	\$ -

The above table shows maximum annual cash flow for all FY 2021/22 allocations and appropriations approved to date, along with the current recommended allocation(s) and appropriation.

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date

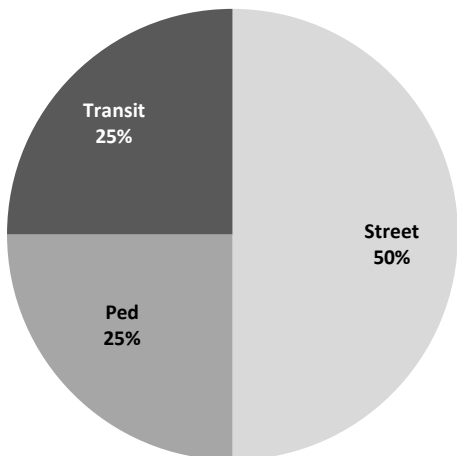


PROP AA VEHICLE REGISTRATION FEE

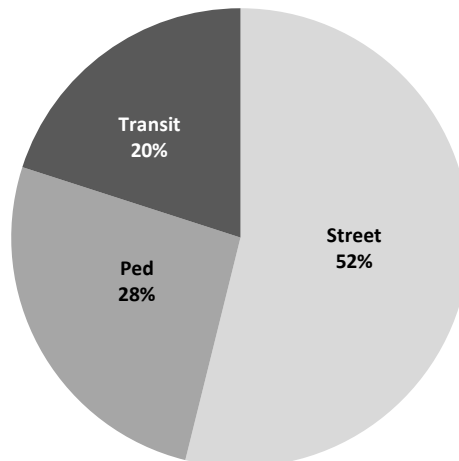
FY2021/22	Total	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Prior Allocations	\$ 926,928	\$ 926,928	\$ -	\$ -	\$ -
Current Request(s)	\$ 410,000	\$ -	\$ 390,500	\$ 19,500	\$ -
New Total Allocations	\$ 1,336,928	\$ 926,928	\$ 390,500	\$ 19,500	\$ -

The above table shows total cash flow for all FY 2021/22 allocations approved to date, along with the current recommended allocation(s).

Investment Commitments, per Prop AA Expenditure Plan



Prop AA Investments To Date





Memorandum

AGENDA ITEM 6

DATE: August 26, 2021
TO: Transportation Authority Board
FROM: Cynthia Fong - Deputy Director for Finance and Administration
SUBJECT: 09/14/21 Board Meeting: Authorize the Executive Director and Other Authorized Representatives to Enter Into a Revolving Credit Agreement for \$125 Million with U.S. Bank National Association; to Execute and Deliver of Legal Documents Relating Thereto; and to Take of All Necessary or Appropriate Related Actions in Connection Therewith

RECOMMENDATION Information Action

- Authorize the Executive Director and other authorized representatives to:
 - Enter into a Revolving Credit Agreement (RCA) with U.S. Bank National Association (U.S. Bank) for \$125 Million
 - Enter into associated legal documents and amend the RCA and associated legal documents
 - Take all necessary related actions
 - Negotiate terms and conditions

- Fund Allocation
- Fund Programming
- Policy/Legislation
- Plan/Study
- Capital Project Oversight/Delivery
- Budget/Finance
- Contract/Agreement
- Other: _____

SUMMARY

In order to ensure we have available funds on hand when needed to support the delivery of the projects and programs in the Prop K sales tax Expenditure Plan, we plan to continue to utilize an interim borrowing program, in the form of an RCA, in combination with pay-go sales tax revenues to address ongoing project expenditure needs. Our prior RCA with State Street and U.S. Bank expired in June 2021. In April 2021, we issued a Request for Proposals (RFP) to replace the prior interim borrowing facility following its expiration. On the proposal due date, we received proposals from five financial institutions summarized in Attachment 1. The review panel, consisting of staff and our financial advisor recommends that the Transportation Authority enter into a new RCA with U.S. Bank. The proposed RCA and supplement indenture are enclosed and U.S. Bank's RFP response (term sheet) is included in Attachment 2. We will seek approval from the Board prior to drawing down any funds from the RCA.

BACKGROUND

We have historically relied on pay-go sales tax revenues and an interim borrowing program - initially through a \$200 million Commercial Paper (CP) Notes program which was converted in 2015 to a \$140 million revolving loan (Revolving Credit Agreement or RCA) with State Street Bank and renewed and extended in 2018 with State Street Bank and U.S. Bank - to fund the capital projects and programs included in the Prop K Expenditure Plan. The proposed RCA is an alternative variable rate financing method to traditional CP Notes and is a loan directly from a commercial bank. From time to time, we have utilized proceeds from prior interim borrowing facilities to fund peak capital expenditures that could not be met with available sales tax revenues. Following the issuance of the Transportation Authority's Senior Lien Bonds in 2017 (our first and only bond issuance to date), which provided approximately \$200 million in bond proceeds for projects, we had minimal interim borrowing needs. At the time of the expiration date of the prior RCA, June 7, 2021, we had no outstanding balances under the facility. Given the expectations for the timing of project expenditure reimbursement requests for existing grant obligations and anticipated future allocations, we desire to maintain an interim borrowing program in an amount not to exceed \$125 million. This is consistent with our Prop K Strategic Plan which reflects advancement of funds and associated financing to support faster project delivery than we could support on a pay-go basis.

Procurement Process. On April 14, 2021, we issued an RFP to banks active in the municipal lending market for up to \$200 million in bank credit commitment in the form of an RCA to support our interim borrowing program. While a pre-proposal conference was not held, proposers were able to submit questions and receive responses by April 26. We advertised the RFP in both the San Francisco Chronicle and San Francisco Examiner.

By the due date of May 14, 2021, we received proposals from five financial institutions in response to the RFP. Of the five proposals, the review panel deemed four proposals to be responsive in terms of proposed terms, commitment amount, and facility type. The remaining proposal could not meet the Transportation Authority's desired terms and conditions. See Attachment 1 for a summary of the five bank proposals received.

A review panel consisting of our staff and KNN Public Finance LLC, evaluated the bank credit facility proposals based on responsiveness to the RFP, as well as qualifications and other criteria identified in the RFP, with an emphasis on proposers' fees, duration of commitment, their credit ratings and various proposed terms. Based on this competitive review and selection, the review panel recommends entering into a new RCA with U.S. Bank. U.S. Bank offered a commitment of up to \$200 million (although we recommend that the RCA be based on a commitment amount of \$125 million) along with the most cost-effective financing solution to us.

U.S. Bank has provided bank credit support to a number of issuers in the San Francisco community, including the Transportation Authority in connection with the prior facility. Given our recent partnership with U.S. Bank, we do not foresee any challenges in the contract negotiations.

Attachment 2 is the RFP response containing the term sheet for the U.S. Bank RCA. Information deemed proprietary and/or a trade secret for a financial institution has been redacted per California Government Code Section 6250, et seq.

California Government Code Section 5852.1

The following information is made available in accordance with recently enacted California Government Code Section 5852.1 to provide certain public disclosures related to the proposed financing. All figures represent good faith estimates based on the U.S. Bank RCA proposal and assume i) a fully drawn facility up to the proposed not-to-exceed amount of \$125 million over the term of the facility, ii) a variable rate of interest based on a three-year historical average of the tax-exempt Securities Industry and Financial Markets Association (SIFMA) interest rate over the RCA term, iii) our current credit ratings, and iv) a 3-year term of the RCA facility.

- 1) **True Interest Cost of the RCA.** Assuming an aggregate principal amount of \$125,000,000 of borrowings under the RCA and based on an assumed three-year historical average variable rate of interest over the RCA term, a good faith estimate of the true interest cost of the RCA, which means the rate necessary to discount the amounts payable on the respective interest payment dates to the proceeds received under the RCA, is 1.230%.
- 2) **Finance Charge of the RCA.** Assuming an aggregate principal amount of \$125,000,000 of borrowings under the RCA and based on market rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the RCA, which means the sum of all fees and charges paid to third parties (or costs associated with the RCA), is \$127,950.
- 3) **Amount of Proceeds to be Received.** Assuming an aggregate principal amount of \$125,000,000 of borrowings under the RCA and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the Transportation Authority for borrowings under the RCA less the finance charge of the RCA described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the RCA, is \$124,872,050.
- 4) **Total Payment Amount.** Assuming an aggregate principal amount of \$125,000,000 of borrowings under the RCA and based on an assumed three-year historical average variable rate of interest over the RCA term, a good faith estimate of the total payment amount, which means the sum total of all payments the Transportation Authority will make to pay debt service on the RCA plus the finance charge of the RCA described in paragraph 2 above not paid with the proceeds of the RCA, calculated to the final maturity of borrowings under the RCA, is \$4,740,450.

FINANCIAL IMPACT

The proposed Fiscal Year 2021/22 budget assumes fees for the RCA. Based on the fees and interest rates proposed for a three-year agreement and assuming the Transportation Authority's full utilization under the RCA, the all-in total cost is estimated to be \$1,665,450 in year one and \$1,537,500 in each of the subsequent two years. Assuming a fully drawn RCA facility at \$125 million over the three-year term, the Transportation Authority's total cost is estimated to be \$4,740,450. We note that these are total estimated costs based on a fully drawn RCA. If the Transportation Authority did not need to utilize the RCA in year one, then the estimated fee in the first year of the facility would be \$250,000. We would seek the approval of the Board prior to drawing down any funds from the RCA.

CAC POSITION

The Community Advisory Committee will consider this item at its September 1, 2021 meeting.

Agenda Item 9

SUPPLEMENTAL MATERIALS

Attachment 1 - Table of RFP Responses

Attachment 2 - U.S. Bank RFP Response (Term Sheet Included)

Enclosure A - Form of Revolving Credit Agreement

Enclosure B - Form of Supplemental Indenture

Attachment 1: Table of RFP Responses

Bank	Type of Facility/ Commitment Amount	Variable Rate Index and Applicable Spread ¹	Unutilized Fee	Bank Credit Ratings (Moody's / Standard & Poor's/Fitch)
<i>Former State Street/US Bank Revolver (Expired June 2021)</i>	<i>RCA \$140M</i>	<i>80% of LIBOR 40.0bp</i>	<i>24.0bp</i>	<i>Aa1/AA-/AA Aa2/AA-/AA-</i>
U.S. Bank (recommended)	RCA/Up to \$200M	SIFMA Index ² 35.0bp	20.0bp	A1 / AA- / AA-
State Street Public Lending Corporation	RCA/Up to \$100M	80% of LIBOR 43.0bp	23.0bp	Aa1 / AA- / AA
Bank of America, National Association	RCA/Up to \$200M	SIFMA Index 42.5bp	30.0bp	Aa2 / A+ / AA-
JPMorgan Chase Bank, National Association	RCA/Up to \$200M	80% of LIBOR 75.0bp	35.0bp	Aa2 / A+ / AA
Sumitomo Mitsui Banking Corporation	LOC/Up to \$200M	n/a	n/a	A1 / A / A

¹ Based on proposed pricing for 3-year term.

² U.S. Bank RFP response used the LIBOR Index, but later converted to SIFMA Index at our request.

San Francisco County Transportation Authority

Proposal to Provide Revolving Credit Agreement

Indicative Terms and Conditions

May 14, 2021

Borrower: San Francisco County Transportation Authority (“SFCTA,” the “Authority” or the “Borrower”).

Debt Issue: A Revolving Credit Agreement between the Borrower and U.S. Bank (the “RCA” or the “Facility”) pursuant to which the Bank will make tax-exempt Loans to the Borrower (the “Loans”).

Security: The Loans and the obligations owed to the Bank under the Facility shall be secured as Parity Debt under the Indenture by Sales Tax Revenues to be received from the collection of a one-half of one percent (1/2%) retail transactions and use tax imposed in the City and County of San Francisco. Parity Debt has a lien upon Sales Tax Revenues that is subordinate to the lien upon Sales Tax Revenues of the Senior Lien Bonds and any future Senior Lien Debt and senior to the lien upon Sales Tax Revenues of any Subordinate Obligations.

Facility: RCA providing interim financing on a tax-exempt basis.

Facility Documents: Documentation will include the Indenture, the RCA and a fee letter, as applicable, and such other documents, instruments, certificates, and agreements executed and/or delivered by the Borrower in connection with the Facility as reasonably determined by the Bank (collectively, the “Facility Documents”).

The Bank and the Authority previously executed documentation for the existing Revolving Credit Agreement (the “Existing Agreement”). For maximum efficiency, we propose working from this Existing Agreement for the proposed Credit Facility. This would result in a smooth documentation process as very little additional negotiation should be required. Please refer to the accompanying term sheet for a detailed listing of the terms and conditions proposed by the Bank.

Bank: U.S. Bank National Association (“U.S. Bank” or “Bank”).

1. Credit Rating

U.S. Bank	Moody's	S&P	Fitch
Ratings:	A1 / P-1	AA- / A-1+	AA- / F1+
	Under Review	Stable Outlook	Stable Outlook
	Negative Watch	Not on Watch	Not on Watch

Please refer to Attachment A; Appendix 1 for the Bank's ratings over the past three years and to the link below for the most recent ratings.

<https://ir.usbank.com/investor-relations/financial-information/credit-ratings>

2. Bank Counsel

Counsel:	Chapman and Cutler LLP [REDACTED] [REDACTED]	David Field, Partner [REDACTED] [REDACTED] dfield@chapman.com
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Legal Fees: As U.S. Bank is one of the existing banks under the Existing Agreement:

- In the event that the Authority determines to extend the existing revolving credit agreement with the existing banks, legal fees are estimated at [REDACTED] and capped at [REDACTED] plus disbursements.
- In the event that U.S. Bank is mandated to provide a separate revolving credit agreement to the Authority, legal fees are estimated at [REDACTED] and capped at [REDACTED] plus disbursements.

3. Fees

Revolving Credit Agreement

Please refer to Attachment A: Appendix 1 for the corresponding pricing matrix in the RFP.

Commitment

Amount: Up to \$200,000,000 of principal.

Term: 3 Years.

Index Rate: Prior to the Maturity Date, the Loans and the Bank Note shall bear interest at a tax-exempt per annum rate of interest equal to the sum of (i) 80% of 1-month LIBOR plus (ii) the Applicable Spread set forth below (collectively, the "Index Rate"), subject to adjustment as provided herein.

The Loans shall bear interest at the Index Rate prior to the Maturity Date, so long as no Event of Taxability or Event of Default exists.

Tenor	Applicable Spread
3 Years	██████████

Commitment Fee:

The undrawn portion of the RCA will be charged the Commitment Fee set forth below, subject to adjustment as provided herein.

Tenor	Commitment Fee
3 Years	██████████

Downgrade Rate/Fee Adjustments:

The Applicable Spread and Commitment Fee shall be adjusted according to the schedules below for any rating downgrade as well as for any rating suspension, withdrawal, or cancellation (“WD/NR”):

Rating Level	Applicable Spread	Commitment Fee
Aa2/AA and above	██████████	██████████
Aa3/AA-	██████████	██████████
A1/A+	██████████	██████████
A2/A	██████████	██████████
A3/A-	██████████	██████████
Baa1/BBB+	██████████	██████████
Baa2/BBB	██████████	██████████
Below Baa2/BBB*	Default	Default
WD/NR*	Default	Default

* Note: Event of Default rate/fee adjustment applies.

The lowest long-term unenhanced rating assigned to SFCTA’s Senior Lien Bonds will determine the Applicable Spread and the Commitment Fee. An Applicable Spread and Commitment Fee adjustment shall become effective on the date a rating action is announced by the applicable rating agency. In the event of the adoption of any new or changed rating system, each of the ratings referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category currently in effect.

Event of Default Rate/Fee Adjustment:

If one or more of the underlying ratings assigned to SFCTA’s Senior Lien Bonds are withdrawn or suspended, or shall fall below “Baa2/BBB”, or upon the occurrence of an Event of Default, the Loans and the Bank Note shall bear interest at the Default Rate and the Commitment Fee shall automatically and without notice to the Borrower increase by ██████████ per annum above the level specified in the above pricing matrix for the “Baa2/BBB” rating category.

Maximum Federal

Maximum Federal Corporate Tax Rate means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time

- Computation of Payments:** Computations of interest and fees shall be calculated on an actual/360 day basis.
- Pro Rata Draws & Repayments:** If there is more than one RCA, all draws and repayments under the RCAs shall be pro rata between the RCAs.
- Term Loan:** 5 Years.

4. Terms and Conditions of Revolving Credit Agreement

For the RCA, the Bank is proposing limited modifications to the Existing Agreement including conditions precedent to purchase and closing, representations and warranties, covenants, events of default, and remedies – shall remain generally consistent with the Existing Agreement.

5. Formal Credit Approval

- Credit Approval:** Any commitment to provide the Facility (including the terms and conditions proposed herein) or to extend credit is subject to the Bank’s internal approvals and due diligence procedures. In obtaining credit approval, the Bank reserves the right to modify and/or supplement any of the terms and conditions stated herein.

US Bank anticipates obtaining final credit approval within 15 business days of receiving the mandate to provide the Facility.

6. Additional Information Relative to the Proposer

U.S. Bank Contacts: U.S. Bank National Association
 [Redacted]
 [Redacted]

Project Manager:
 [Redacted]
 [Redacted]
 [Redacted] | jeffrey.kajisa@usbank.com

Other Team Members:
 [Redacted]
 [Redacted]
 [Redacted] | charline.botelho@usbank.com

Resumes:
 Please refer to Appendix B for the resumes of the project managers and team members.

This proposal is provided for discussion purposes only and does not constitute, and may not be construed as, a commitment to provide financing or other services.

Experience:

U.S. Bank offers the Authority exceptional strength and security. With assets of \$543 billion as of 3/31/21, it is the fifth largest bank in the United States. U.S. Bank is rated among the highest of any domestic financial firm. U.S. Bank is a market leader in tax-exempt and taxable credit origination. Our experience in providing both on and off-balance sheet support to municipal and not-for-profit issuers across the nation will ensure an efficient and cost-effective transaction for the Authority. U.S. Bank's Government Banking Portfolio Management Group manages over \$7 billion in commitments to customers in the municipal and nonprofit sectors.

Please refer to Appendix C for a list of state and local government clients for which the Bank has provided liquidity support, credit enhancement or direct credit in excess of \$100 million since 1/1/2018.

7. Assurances and Miscellaneous Items

U.S. Bank [Redacted]
Reference #1: [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

U.S. Bank [Redacted]
Reference #2: [Redacted]
[Redacted]
[Redacted]
[Redacted] anna.vandegna@sfgov.org

[Redacted]
[Redacted]
[Redacted]

U.S. Bank [Redacted]
Reference #3: [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

B. Conflict of Interest

At this time, and to the best knowledge of the representatives preparing this response, U.S. Bank is not aware of any arrangement, formal or informal, or potential conflicts of interest that the Bank has with any party that might interfere with the Bank's ability to provide a credit facility to the Authority.

The relevant assignments completed by U.S. Bank's Government Banking business for the City and County of San Francisco within the last five (5) years, including involvement with Transportation Authority-funded projects, are outlined below:

- Liquidity Facility supporting the City and County of San Francisco Lease Revenue Commercial Paper Certificates of Participation, Series 2 and Series 2-5;
- Revolving Line of credit to issue Standby Letters of Credit for the City and County of San Francisco to assist with the City's Bonding and Financial Assistance Program to provide required bonding to certain eligible contractors performing City public works/construction contracts.
- Revolving Credit Facilities to the Public Utilities Commission of the City and County of San Francisco (SFPUC)
- U.S. Bank's Municipal Products Group (MPG) is a CP dealer for the City and County of San Francisco and SFPUC. MPG was a co-manager on a 2016 Water Revenue Bond.

C. Political Contributions

We are not aware of any political contributions by senior executives or directors of U.S. Bank N.A. to any current member of the San Francisco County Transportation Authority Board of Commissioners within the last three years.

D. Litigation

From time to time, U.S. Bancorp and its affiliates (hereafter, the Company) are subject to various litigation, administrative proceedings, and investigations. The company does not currently believe that the ultimate resolution of any existing litigation, administrative proceeding, or investigation will have a material adverse effect on the financial condition of the Company or of the Company's ability to perform in connection with this RFP. Such litigation, administrative proceedings, and investigations are often highly confidential, thus we may be limited in our ability to disclose detailed information. Nevertheless, for further information regarding certain current matters, please see our most recent 10-K and 10-Q.

E. Confidentiality

All pricing related terms in the Bank's proposal are considered confidential proprietary information.

F. Acknowledgement

The Bank acknowledges receipt and understanding of the Authority's contracting requirements. The Bank is able and willing to comply with the requirements.

8. Other Terms and Conditions

Survival:	This proposal does not constitute a Facility Document and shall not survive the execution and delivery of the definitive Facility Documents.
Material Adverse Change:	This proposal may be rescinded, in the sole discretion of the Bank, upon the occurrence of a material adverse change in the financial, operational, or legal condition of the Borrower.
Proposal Expiration:	Unless otherwise extended by the Bank, this proposal shall expire at 5:00 p.m. EST on September 13, 2021.

ATTACHMENT 1

Pricing Matrix

**San Francisco County Transportation Authority
Proposition K Sales Tax Revenue Revolving Credit Facility**

Name of Provider:	U.S. Bank, N.A.																												
Provider LT & ST Ratings:	<table border="1"> <thead> <tr> <th><i>Year</i></th> <th><i>Moody's</i></th> <th><i>Outlook</i></th> <th><i>S&P</i></th> <th><i>Outlook</i></th> <th><i>Fitch</i></th> <th><i>Outlook</i></th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>A1/P-1</td> <td>Negative Watch</td> <td>AA-/A-1+</td> <td>Stable</td> <td>AA-/F1+</td> <td>Stable</td> </tr> <tr> <td>2020</td> <td>A1/P-1</td> <td>Negative</td> <td>AA-/A-1+</td> <td>Stable</td> <td>AA-/F1+</td> <td>Negative</td> </tr> <tr> <td>2019</td> <td>A1/P-1</td> <td>Stable</td> <td>AA-/A-1+</td> <td>Stable</td> <td>AA-/F1+</td> <td>Stable</td> </tr> </tbody> </table>	<i>Year</i>	<i>Moody's</i>	<i>Outlook</i>	<i>S&P</i>	<i>Outlook</i>	<i>Fitch</i>	<i>Outlook</i>	2021	A1/P-1	Negative Watch	AA-/A-1+	Stable	AA-/F1+	Stable	2020	A1/P-1	Negative	AA-/A-1+	Stable	AA-/F1+	Negative	2019	A1/P-1	Stable	AA-/A-1+	Stable	AA-/F1+	Stable
<i>Year</i>	<i>Moody's</i>	<i>Outlook</i>	<i>S&P</i>	<i>Outlook</i>	<i>Fitch</i>	<i>Outlook</i>																							
2021	A1/P-1	Negative Watch	AA-/A-1+	Stable	AA-/F1+	Stable																							
2020	A1/P-1	Negative	AA-/A-1+	Stable	AA-/F1+	Negative																							
2019	A1/P-1	Stable	AA-/A-1+	Stable	AA-/F1+	Stable																							
Contact Person:	[REDACTED]																												
Email Address:	[REDACTED] jeffrey.kajisa@usbank.com																												
Telephone Number:	[REDACTED]																												

Facility Type	Revolving Line of Credit
Commitment Amount	\$200,000,000
Term (in years)	3 Years
Index Rate	80% of LIBOR, If Index Rate would be less than zero percent (0.0%), the Index Rate shall be deemed to be zero percent (0.00%).
Applicable Spread to Index Rate	[REDACTED]
Origination Fee	-0-
Commitment Fee	-0-
Unutilized Fee	[REDACTED]

This proposal is provided for discussion purposes only and does not constitute, and may not be construed as, a commitment to provide financing or other services.

Termination/ Reduction Fee	Any termination of the commitment (in whole or in part) under the Revolver Facility on a date before the first anniversary shall be subject to a termination fee based on the Unused Fee.																														
Draw Fee	██████████																														
Amendment Fee	██████████																														
Bank Counsel Fee	As U.S. Bank is an existing lender to the Authority: <ul style="list-style-type: none"> • In the event that the Authority determines to extend the existing revolving credit agreement with the existing banks, legal fees are estimated at ██████████ and capped at ██████████ • In the event that U.S. Bank is mandated to provide a separate revolving credit agreement to the Authority, legal fees are estimated at ██████████ and capped at ██████████ 																														
Other Fees	None, except for Legal Fees as referenced above																														
Base Rate/Bank Rate Term Loan Rate	The greatest of: <ul style="list-style-type: none"> (i) The Bank's Prime Rate plus ██████████ (ii) Federal Funds Rate plus ██████████ and (iii) ██████████ 																														
Default Rate	Base Rate plus 3.0% Interest accruing at the Default Rate shall be payable on demand.																														
Computation of Payments	Computation of interest and fees shall be calculated on an actual/360-day basis.																														
Downgrade Rate/Fee Adjustments	The Commitment Fee shall be adjusted according to the schedules below for any downgrade as well as for any rating suspension, withdrawal, or cancellation ("WD/NR"): <table border="1" data-bbox="391 1304 1450 1686"> <thead> <tr> <th>Rating Level</th> <th>Applicable Spread</th> <th>Unutilized Fee</th> </tr> </thead> <tbody> <tr> <td>Aa2/AA and above</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>Aa3/AA-</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>A1/A+</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>A2/A</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>A3/A-</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>Baa1/BBB+</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>Baa2/BBB</td> <td>██████████</td> <td>██████████</td> </tr> <tr> <td>Below Baa2/BBB*</td> <td>Default</td> <td>Default</td> </tr> <tr> <td>WD/NR*</td> <td>Default</td> <td>Default</td> </tr> </tbody> </table> <p>The lowest long-term unenhanced rating assigned to SFCTA's Senior Lien Bonds will determine the Commitment Fee. A Commitment Fee adjustment shall become effective on the date a rating action is announced by the applicable rating agency. In the event of the adoption of any new or changed rating system, each of the</p>	Rating Level	Applicable Spread	Unutilized Fee	Aa2/AA and above	██████████	██████████	Aa3/AA-	██████████	██████████	A1/A+	██████████	██████████	A2/A	██████████	██████████	A3/A-	██████████	██████████	Baa1/BBB+	██████████	██████████	Baa2/BBB	██████████	██████████	Below Baa2/BBB*	Default	Default	WD/NR*	Default	Default
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Baa2/BBB	██████████	██████████																													
Below Baa2/BBB*	Default	Default																													
WD/NR*	Default	Default																													

	ratings referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category currently in effect.
Term Loan Period	At maturity, provided no default or event of default has occurred and all representations and warranties of the Transportation Authority are true and correct in all material respects, the outstanding balance will be repaid over five years in equal quarterly installments at the following rates: <ul style="list-style-type: none"> • 1-30 days, Base Rate • 31-90 days, Base Rate + [REDACTED] • 91 days plus, Base Rate + [REDACTED]
Bank Counsel	David Field, Partner Chapman and Cutler LLP

10. Appendix B: Resumes of the Project Managers and Team Members

U.S. Bank

Jeffrey Kajisa, Vice President

[Redacted]

[Redacted]

Charline Botelho, Senior Vice President

[Redacted]

U.S. Bank:

[Redacted text]

(Issuer)	(Commitment) Date	(Commitment) Amount	(Facilities Type)
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

Additional Disclosure

The proposed terms and conditions outlined in the Indicative Terms and Conditions are provided for discussion purposes only and do not constitute an offer, agreement, or commitment to lend. This Indicative Terms and Conditions is intended as an outline only and does not purport to summarize all the terms, conditions, covenants, representations, warranties or other provisions which would be contained in definitive legal documentation of the financing transaction contemplated herein. The actual terms and conditions upon which the Lenders might extend credit to the Borrower are subject to further due diligence, formal credit approval, satisfactory review of documentation, and such other terms and conditions as may be determined by the Bank and its counsel.

As we obtain more information, additional substantive conditions will be required and terms may be changed or be supplemented. In addition, upon completion of our analysis and due diligence and if we obtain credit approval of this proposal, we will prepare loan documentation which will include terms and conditions customary to U.S. Bank, as well as warranties and covenants specific to this transaction.

To that end, this letter is an expression of interest only. Except with respect to your obligation to reimburse U.S. Bank for expenses as provided below and not to disclose the contents of this letter except as permitted below, this letter is not a contract, commitment nor intent to be bound, and U.S. Bank does not intend that this letter or discussions relative to the terms of this letter create any legal rights, implicit or explicit, in your favor, nor is it intended to create any obligations on the part of U.S. Bank. Also, no oral discussions and/or written agreements shall be in place of or supersede written loan agreements executed by your business and accepted by U.S. Bank.

Please note that this proposal is for your review only. You may not disclose this letter or any of the terms contained in this letter to any third party other than your attorney, accountant or authorized agents representing you.

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Memorandum

AGENDA ITEM 7

DATE: August 26, 2021

TO: Transportation Authority Board

FROM: Eric Cordoba - Deputy Director for Capital Projects
Anna LaForte - Deputy Director for Policy and Programming

SUBJECT: 09/14/21 Board Meeting: Accept Downtown Rail Extension (DTX) Phasing Study Final Report, Support the Phasing Recommendations of the Peninsula Rail Program Executive Steering Committee, and Release \$2,644,557 in Previously Allocated Prop K Sales Tax Funds, with Conditions, for DTX Project Development

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Accept the DTX Phasing Study Final Report and support the phasing recommendations of the Peninsula Rail Program Executive Steering Committee (ESC) • Release \$2,644,557 in previously allocated Prop K funds, with conditions, for DTX project development <p>SUMMARY</p> <p>In April 2020 through Resolution 20-49, the Transportation Authority Board allocated \$11,906,558 in Prop K funds to the Transbay Joint Powers Authority (TJPA) for DTX project development, with \$8,854,577 placed on reserve to be released upon Board acceptance of the Project Phasing Strategy, among other conditions. On March 23, 2021, through Resolution 21-39, the Board released \$6,210,000 of the reserved funds to initiate certain project development activities not conditioned on the completion of the Phasing Strategy. The remaining \$2,644,557 was kept on reserve, subject to Board release upon Board acceptance of the Phasing Strategy, acceptance of the DTX Interim Budget and Schedule, identification of a permanent DTX Program Director, and progress in meeting funding requirements for the upcoming Federal Transit Administration (FTA) Project Development phase of work. On September 9, 2021, the TJPA Board will consider adopting DTX phasing recommendations prepared by staff from the six DTX partner agencies, including the Transportation Authority. These recommendations reflect the deferral or modification of certain project elements as described below. The other conditions specified for release of the remaining Prop K funds have also been met, including appointment of a permanent project director and</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/ Legislation <input type="checkbox"/> Plan/ Study <input checked="" type="checkbox"/> Capital Project Oversight/ Delivery <input type="checkbox"/> Budget/ Finance <input type="checkbox"/> Contract/ Agreement <input checked="" type="checkbox"/> Other: <u>Release of Reserved Funds</u>
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<p>preparation of an Interim Budget and Schedule. TJPA plans to request entry into the FTA project development process in October 2021, in order to keep the project on schedule for a planned August 2023 funding submittal to the FTA New Starts grant program. In September 2021, the San Francisco Board of Supervisors will consider authorizing a bond issuance to fund the required additional \$30 million in work to complete the FTA Project Development phase of work. Transportation Authority and TJPA staff are working with other DTX partner agencies to identify a multi-party funding approach to the subsequent \$20 million FTA Engineering phase of work, which would commence next fiscal year.</p>	
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BACKGROUND

The DTX is a linchpin transportation project for San Francisco, the Northern California mega-region, and the state. DTX will unlock transit connectivity to the region's jobs centers in Downtown San Francisco, the Peninsula, and Silicon Valley, and the project is planned for compatibility with future rail expansion across the Bay. The DTX is a longstanding regional priority for transit expansion, reconfirmed through the current Plan Bay Area process.

The DTX consists of the construction of an approximately two-mile rail extension from Caltrain's current terminus at Fourth and King streets to the new Salesforce Transit Center. The DTX will fully realize investments in the Transit Center, including the underground train station box. The DTX will bring Caltrain from its current north terminal at Fourth and King streets into the heart of downtown San Francisco, and the project will serve as a critical element of the first phase of the California High-Speed Rail Project, linking the Bay Area to the Central Valley and Southern California. The DTX is environmentally cleared at both a state and federal level, and the project received the environmental Record of Decision (ROD) from the FTA in July 2019.

The DTX is led by the TJPA. On April 28, 2020, the Transportation Authority Board approved the Peninsula Rail Program Memorandum of Understanding (MOU) between the major DTX stakeholders: TJPA, Metropolitan Transportation Commission (MTC), Peninsula Corridor Joint Powers Board (Caltrain), California High-Speed Rail Authority (CHSRA), City and County of San Francisco (CCSF), and the Transportation Authority. Under the MOU, these six agencies have agreed to jointly undertake a multi-year effort to develop the DTX to ready-for-procurement status. The MOU codified agreement to pursue most of the recommendations resulting from the 2019 Expert Panel review of current and best practices for governance, oversight, management, funding, and project delivery for the DTX. The MOU also established a new organizational structure to support the efforts of the TJPA in the development of the DTX. Specifically, DTX development efforts are guided by the ESC, composed of senior executives of the MOU agencies, supported by an Integrated Program Management Team (IPMT) of senior management from the agencies.



Prop K Funds Allocated to TJPA. On April 28, 2020, the Transportation Authority Board allocated \$11,906,558 in Prop K funds to the TJPA to undertake project development work for DTX, consistent with the work program established in the MOU. The allocation identified a specific scope of work, broken into two Notices-to-Proceed (NTPs). The first NTP (NTP #1), with a budget of \$3,052,001, focused on the preparation of a Phasing Study for DTX, in order to recommend an initial operating phase for the project. The second NTP (NTP #2), with a budget of \$8,854,557, focused on the advancement of preliminary design for DTX. The \$8.85 million in NTP #2 funds were placed on reserve, subject to release by the Transportation Authority Board.

On March 23, 2021, the Transportation Authority Board released a portion of NTP #2 funds and split NTP #2 into two sub-phases, as follows:

- a) *NTP #2A*, released in March 2021 with a budget of \$6,210,000, to fund certain project development activities not conditioned on completion of the DTX Phasing Study, including furthering the design of foundational infrastructure; and
- b) *NTP #2B*, with a budget of \$2,644,557, for project development activity to be initiated following completion of the Phasing Study, with these funds remaining on reserve.

The Transportation Authority Board's March 2021 action specified that future release of NTP #2B funds would remain subject to the originally specified conditions for NTP #2, specifically: Transportation Authority Board acceptance of the Project Phasing Strategy and Interim Budget and Schedule for DTX; and the identification of a new DTX Program Director in accordance with the six-party MOU. In addition, the Board specified that NTP #2B would be contingent upon demonstrated progress in meeting FTA's requirements for securing funding commitments for the FTA-defined Project Development phase of work.

DISCUSSION

DTX Phasing Study. Under the Peninsula Rail Program MOU, the six DTX partner agencies agreed to: "Prepare a Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible."

In June 2020, the IPMT initiated a Phasing Study workstream to evaluate concepts for deferring or modifying certain elements of the environmentally cleared DTX in order to reduce the capital cost of an initial operating phase. On August 20, 2021, the ESC adopted the IPMT's recommendations as described in the DTX Phasing Study. The TJPA staff report to the August 2021 ESC meeting regarding the Phasing Study is provided as Attachment 1 to this memorandum. The ESC recommended that the TJPA Board approve the following changes to the scope of DTX:

- *Deferral of the BART/Muni Pedestrian connector (~\$230 million capital savings)* - this Phasing Study recommendation would defer construction of the underground



pedestrian tunnel connecting Salesforce Transit Center and Embarcadero Station. The ESC's recommendations call for developing street-level improvements to facilitate safe and convenient passenger transfers between the Transit Center and Embarcadero Station, with these improvements funded as part of DTX. BART is supportive of deferring construction of the Pedestrian Connector and has transmitted a letter to TJPA to this effect, which is provided as Attachment 2 to this memorandum.

- *Reduction of the extent of the Train Box Extension (~\$130 million capital savings)* - the DTX includes an easterly extension of the Train Box in order to accommodate the longer trains planned for operation by CHSRA. This Phasing Study recommendation would permanently reduce the Train Box Extension so as to reduce construction cost and right-of-way requirements and would be facilitated by a modified operational approach agreed to by CHSRA.
- *Deferral of the Intercity Bus Facility (~\$40 million capital savings)* - Intercity bus operators such as Greyhound currently operate from the upper level of the Transit Center, through agreement with AC Transit. In the future, AC Transit plans to increase Transbay service and eventually fully occupy the bus deck. The DTX includes a street-level Intercity Bus Facility, located above the Train Box Extension to serve these operators. This Phasing Study recommendation would defer construction of the Intercity Bus Facility until such time as ridership demand requires.

Pursual of these three phasing concepts would reduce the DTX capital cost by an estimated \$400 million (escalated to an assumed 2027 mid-point of construction) in total, or approximately 8 percent of overall capital cost. The reduced Train Box Extension would be a permanent change. The Pedestrian Connector and Intercity Bus Facility would remain as unfunded elements of the TJPA Capital Improvement Program, subject to later funding and delivery.

The TJPA Board will consider adopting the ESC's phasing recommendations at its September 9, 2021, meeting.

Interim Budget/Schedule and Program Director. The prior release of a portion of NTP #2 funds enabled the DTX to proceed with an accelerated schedule for project development and, ultimately, project delivery. On April 8, 2021, the TJPA Board approved an updated schedule for DTX, with this schedule advancing the planned date for making a funding submission to the FTA New Starts program from August 2024 to August 2023. This accelerated schedule identifies a potential DTX completion date as soon as 2031, subject to continued progression of the project and the availability of capital funding. The DTX schedule will be updated periodically as project development continues.

The previous capital cost estimate for the DTX, prepared in 2016, was \$3.9 billion, assuming project completion in 2028. Over the next approximately 9 months, TJPA will prepare a comprehensive refresh of the capital estimate, reflecting updated preliminary design,



quantitative risk analysis, project delivery strategy, and other factors. This estimate will then be peer-reviewed, as part of the FTA oversight process. TJPA has prepared an interim update to the project's estimated capital cost, to reflect the current DTX schedule and other updated assumptions. This interim estimate of capital cost is approximately \$4.5-5.5 billion. This interim estimate is reported as a range, reflecting current uncertainties, and will be updated comprehensively through upcoming project development activities.

Over the course of late 2020 and early 2021, the TJPA undertook a search for a permanent Program Director for DTX. A qualified candidate was identified through this process, and this individual assumed staff leadership of DTX on July 1, 2021.

FTA New Starts Process. A New Starts Capital Investment Grant from FTA is the single largest planned source of capital funding for DTX, with a target grant size of \$1.5-2.5 billion. FTA prescribes a structured process for advancing projects through the New Starts program. This process specifies two successive phases of required project development activity:

- *FTA "Project Development"* - In this phase, project sponsors must complete environmental review and prepare preliminary design, among other requirements. The DTX has already completed certain activities required for the FTA Project Development phase. The estimated cost to complete remaining FTA Project Development activities is an additional \$30 million (incremental to previously allocated Prop K funds, including NTP #2B).
- *FTA "Engineering"* - In this phase, project sponsors prepare a project for procurement and delivery, including completion of project design/specifications and development of bid documents, among other requirements. TJPA estimates a cost of \$20 million to undertake the FTA Engineering phase of work, under the baseline assumption of a design-build procurement for DTX.

The DTX schedule calls for the FTA Project Development phase to be initiated this fall, subject to FTA approval of DTX's entry into the New Starts process. Achieving the planned August 2023 date for seeking New Starts funds is dependent on beginning this work this calendar year. The FTA Engineering phase is scheduled to begin in early 2023. Together, the two phases of FTA work represent a three-year program of approximately \$50 million in project development activity from Fiscal Year 2021/22 through Fiscal Year 2023/24.

Project Development Funding Approach. As noted above, in October 2021, TJPA plans to submit to FTA a formal request for DTX's advancement into the FTA Project Development phase. Project expenditures following FTA's approval will be counted as local match against an eventual New Starts grant. Approval of the request to enter FTA Project Development requires that TJPA demonstrate sufficient funding to complete the activities of the FTA Project Development phase.

The in-progress DTX work is 100% Prop K-funded. TJPA originally planned to use a portion of the \$325 million in Regional Measure 3 (RM3) bridge toll funds programmed for DTX to



support project development; however, these funds are currently held up by litigation. At the May 13, 2021, TJPA Board meeting, Transportation Authority staff (serving as the MOU-designated lead for the DTX Funding Plan) presented a series of potential options for funding DTX project development. TJPA Board guidance was for staff to work with all MOU agencies to develop a multi-agency funding approach to the upcoming two phases of work required by FTA.

Staff work regarding funding for project development has focused on the following two-pronged approach:

- Prepare to seek authorization in September 2021 by the San Francisco Board of Supervisors for a bond issuance backed by the Transbay Community Facilities District (CFD) Special Tax. This bond issuance would deliver \$30 million in proceeds to TJPA for the FTA Project Development phase of work and would satisfy FTA's requirement for committed and available funds for this phase.
- Seek funding commitments from MOU partner agencies, specifically to fund the \$20 million FTA Engineering phase of work, beginning next fiscal year, with the goal of securing expressions of commitment in advance of San Francisco approval of funding for the FTA Project Development phase.

We and TJPA staff have engaged in a series of discussions with staff from Caltrain, MTC, and CHSRA regarding the ability of the DTX partners to participate in funding of the three-year program of DTX project development. Initial discussions have focused on a funding range of approximately \$3-5 million per partner. All three partner agencies, as well as the Transportation Authority, are preparing letters from senior management articulating each agency's support and status of funding commitment to project development. In addition to funding from all MOU agencies, opportunities for state and federal grant funding continue to be pursued, including a planned request of approximately \$7 million for project development funds from the federal Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program.

Local Funds for FTA Project Development Phase. In 2015, the San Francisco Board of Supervisors approved the formation of the Transbay CFD, with the underlying Special Tax to apply to a set of opt-in high-rise parcels in the vicinity of the Transit Center. A portion of these revenues (82.6 percent) are dedicated to TJPA to help fund the Transbay program, including DTX.

On July 27, 2021, legislation was introduced at the Board of Supervisors to authorize a bond issuance, backed by the Transbay CFD Special Tax, to fund the FTA Project Development phase of work for DTX. The bond would be sized at \$35 million, to provide the required \$30 million in funding for project development as well as cost of issuance, debt coverage, and contingency. On August 16, 2021, the City's Capital Planning Committee unanimously endorsed the bond issuance for DTX. The Board of Supervisors Budget and Finance



Committee and full Board of Supervisors are scheduled to consider approval of the bond at their September 15, 2021, and September 21, 2021, meetings, respectively.

FINANCIAL IMPACT

The recommended action would not allocate any additional funds; however, it will allow for expenditure of funds allocated in April 2020. Sufficient funds are included in the Fiscal Year 2021/22 budget to accommodate the recommended action.

CAC POSITION

The CAC will consider this item at its September 1, 2021, meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - TJPA Memorandum to ESC Regarding DTX Phasing Study
- Attachment 2 - BART Letter to TJPA Regarding Deferral of BART/Muni Pedestrian Connector
- Phasing Study Final Report: www.tjpa.org/uploads/2021/08/Item5_DTX-Phasing-Study.pdf

San Francisco Peninsula Rail Program

Memorandum

To: Executive Steering Committee
 From: Alfonso Rodriguez, DTX Project Director
 Stephen Polechronis, Program Manager
 Date: August 20, 2021
 Re: Item 5, Consider Advancing the Integrated Program Management Team's Downtown Rail Extension Phasing Study, including Results and Recommendations, to the TJPA Board of Directors for Approval

RECOMMENDATION:

Advance the Integrated Program Management Team's (IPMT) Downtown Rail Extension (DTX) Phasing Study, including results and recommendations, to the TJPA Board of Directors for approval including:

- Defer the BART/Muni Pedestrian Connector
- Adopt the Reduced Train Box Extension
- Defer the Intercity Bus Facility (IBF)

Forward the Executive Steering Committee's recommendations that staff:

- Work with the City and County of San Francisco to identify streetscape and wayfinding improvements and funding along Beale Street to facilitate safe and convenient passenger transfers between the Salesforce Transit Center and the Embarcadero BART/Muni Metro Station
- Monitor the changes in regional and intercity bus ridership and bus bay demand to determine if a recommendation to reverse the deferral of the IBF should be advanced to the TJPA Board of Directors
- Provide progress reports to the TJPA Board of Directors on the above recommendations not less than annually
- Include the BART/Muni Pedestrian Connector and Intercity Bus Facility as unfunded elements of the TJPA Capital Improvement Program (CIP), such CIP subject to the approval of the TJPA Board of Directors.

BACKGROUND:

The San Francisco Peninsula Rail Program Memorandum of Understanding (MOU), effective June 5, 2020, described, in part, an organizational structure to support the efforts of the TJPA to develop the DTX project to ready for procurement status.



San Francisco
County Transportation
Authority

Among the elements of the MOU was the requirement to:

Prepare a preferred Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible.

To comply with this requirement, the IPMT commenced a Phasing Study workstream in June 2020 with several workshops, meetings, and technical discussions to define the scope of the study. Early in this process, the IPMT concluded that it was important to consider a number of evaluation criteria beyond capital cost savings associated with potential phasing concepts.

After several discussions and iterations, the following criteria and sub criteria were adopted. Each phasing concept was evaluated against the criteria.

Cost and Schedule

- Capital cost expenditure (CAPEX) deviation (escalated to 2027 dollars)
- Right-of-way
- Cost of future implementation
- Baseline Master Schedule

Federal Transit Administration (FTA) New Starts Project Justification Evaluation

- Land use
- Economic development
- Mobility improvements
- Cost-effectiveness
- Environmental benefits
- Congestion relief

Regional Context

- Benefits
- Effect on regional projects
- Effect on regional significance
- Support for Plan Bay Area 2050
- Effect on passengers' cost of using the service

Environmental Effects

- Consistency with Phase 2 environmental documents
- Community impact
- Dependency on non-environmentally cleared projects

Operations

- Changes to operations cost expenditure (OPEX)
- Effect on service flexibility
- Effect on future service growth
- Effect on service during future retrofit

Maintenance

- Changes to maintenance costs
- Effect on Operations and maintenance (O&M) responsibilities
- Effect on response time for repairs
- Effect on resilience

Concurrent with the development of the evaluation criteria, the IPMT conducted a workshop to develop potential phasing concepts. This activity included lengthy discussions and analysis of the project development process to understand the underlying assumptions for the project definition. The IPMT specifically determined, however, that any element of the project could be considered for deferral, consistent with the MOU Phasing Study requirement.

The evaluation was a collaborative undertaking by the IPMT and the TJPA and its consultants. Reviewers included staff from the operators—Caltrain and the California High-Speed Rail Authority (CHSRA)—and subject matter experts in environmental clearance, regional planning, cost engineering, federal New Starts funding, and program delivery. Except for the cost evaluations, all evaluations were qualitative and reflect a consensus opinion on the effects of a phasing concept relative to each evaluation criterion. Results are expressed as either positive, negative, or not significant, as compared with the current project. Estimated cost savings are based on order-of-magnitude construction cost estimates developed from historic cost estimates and other sources.

Capital costs estimates and associated savings were developed from existing historic cost estimates and newly developed cost estimates, depending upon the specific phasing concept. For comparison purposes, capital costs were normalized to a consistent 2027 mid-point of construction date.

The 2027 capital costs were developed by applying escalation to the construction subtotal for fiscal years between 2010 and 2021 based on the Annual Infrastructure Construction Cost Inflation Estimate. Escalation rates for fiscal years between 2006 and 2010 are based on the Department of General Services California Construction Cost Index. The escalation rate of 5 percent annually between 2021 and 2027 is based on the Metropolitan Transportation Commission’s 2015 peer review of the Phase 2–DTX cost estimate. Programwide professional services totaling 22.5 percent and a construction contingency of 10 percent were added to the construction subtotal. A program reserve of 15 percent was added to the phasing concept subtotal.

O&M costs are based on existing DTX O&M cost reports, escalated as appropriate.

PHASING CONCEPTS:

The six phasing concepts and associated IPMT recommendations are presented below.

Defer the BART/Muni Pedestrian Connector

The BART/Muni pedestrian connector is a tunnel linking the mezzanine level of the Embarcadero BART/Muni Metro Station with the lower concourse of the Salesforce Transit Center. The purpose of the connector is to alleviate peak-hour pedestrian traffic congestion on sidewalks between Mission and Market streets caused by passengers transferring between the two stations. The pedestrian connector, currently at the conceptual design level, is independent of other DTX infrastructure and, therefore, could be constructed before, concurrently with, or after the other infrastructure. This phasing concept would defer completing design and construction of the

pedestrian connector but would not change the connector’s environmentally cleared status or its status as a project within the TJPA’s purview.

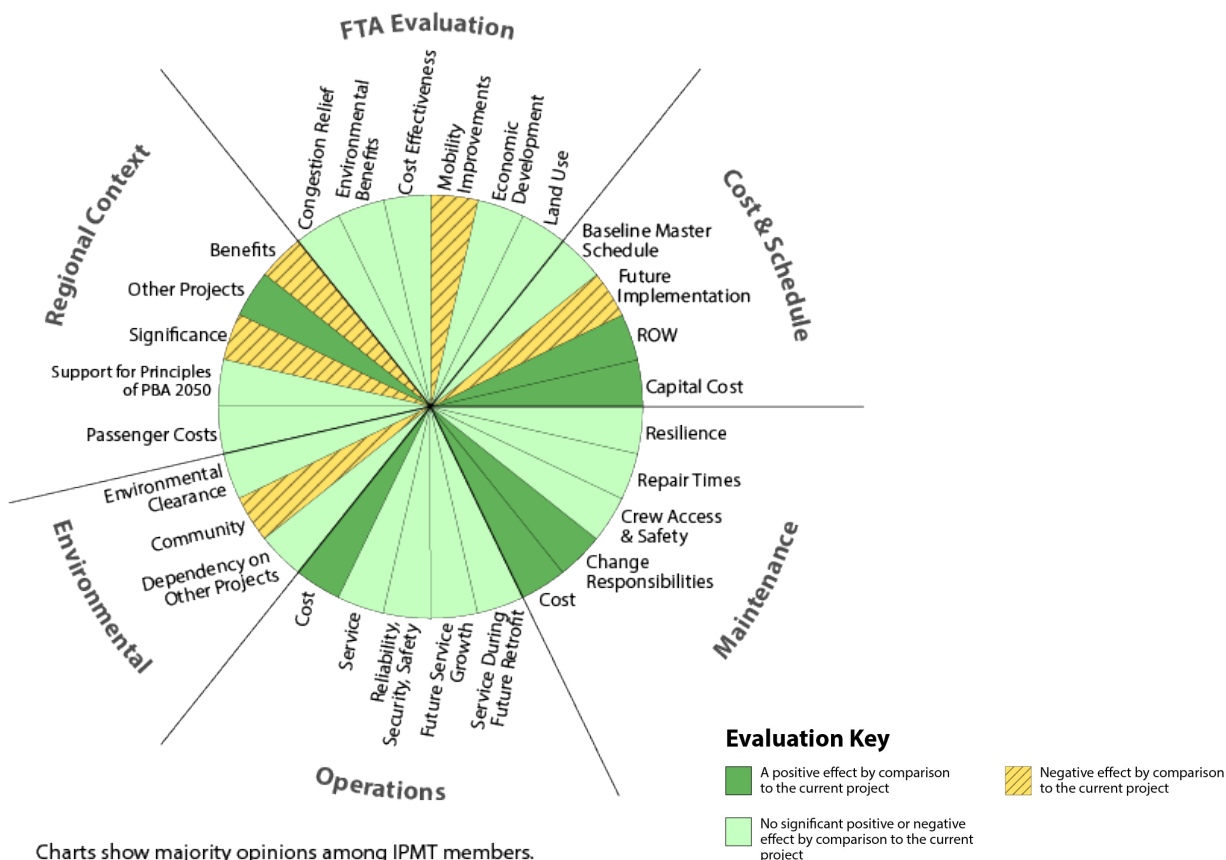
Evaluation Summary

Deferring the connector would save \$221 million (\$2027 year-of-expenditure (YOE)) plus the value of the right-of-way.

Positive effects of deferring the connector are associated with savings to maintenance and operations costs. Deferral also would allow BART time to design planned capacity enhancing station modifications at the Embarcadero Station. Negative effects are associated with reduced mobility, regional connectivity, and pedestrian wayfinding.

Recommendation

Accept deferral, provided that any impact to Caltrain ridership is identified and an environmental review, if required, of street-level mitigations is undertaken.



Reduce the Train Box Extension

The existing train box (the shell of the train station at Salesforce Transit Center) extends to the east side of Beale Street. The environmentally cleared train box extension would expand the train box to the east side of Main Street to allow tangent platforms on five of the six tracks to accommodate CHSRA double-consist trainsets. The current design would require purchasing additional right-of-way and demolishing part of the building at 201 Mission Street.

While the train box extension cannot be eliminated altogether, as the space is required for

ventilation and emergency egress, CHSRA will allow several cars of its double-consist trains to extend beyond the platform face if the double-consists do not affect adjacent track movements, which is possible, and would allow for a reduction in the length of the planned extension. This phasing concept would reduce the length of the planned extension permanently.

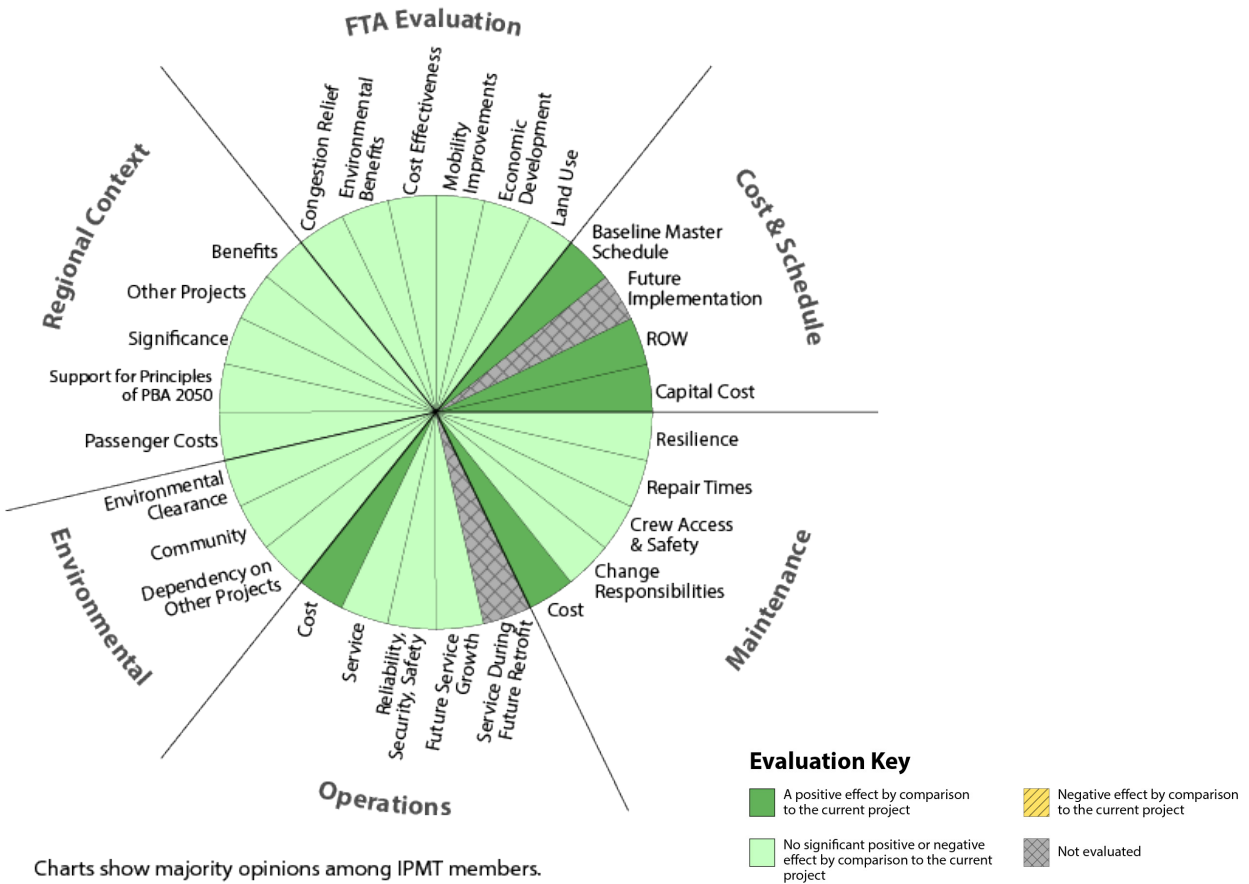
Evaluation Summary

Reducing the train box extension would save \$86.8 million (\$2027 YOE) plus the value of the right-of-way.

Other positive effects are associated with reduced O&M costs. Overall, reducing the extension would not have a significant effect on the DTX.

Recommendation

Accept reduction of the train box extension.



Defer the Intercity Bus Facility

The IBF would include ten bus bays dedicated to regional bus services, two floors of office or residential space, and a direct connection to the lower concourse of the Salesforce Transit Center. The facility would be constructed across the street from the east end of the transit center above the train box extension between Beale and Main streets and, therefore, depends on construction of the train box extension, as environmentally cleared, and acquisition of the associated the right-of-way. This phasing concept would defer the construction of the IBF as currently designed.

Regional bus services currently operate from the transit center’s bus deck under lease agreements with AC Transit, the master lease holder. AC Transit anticipates expanding service between 2035 and 2050 and occupying all bus bays on the bus deck. If the transit center bus deck reaches capacity before the IBF is built, then deferral would affect the availability of regional bus services that are interconnected with other services at the transit center. The result could be reduced accessibility and transit ridership.

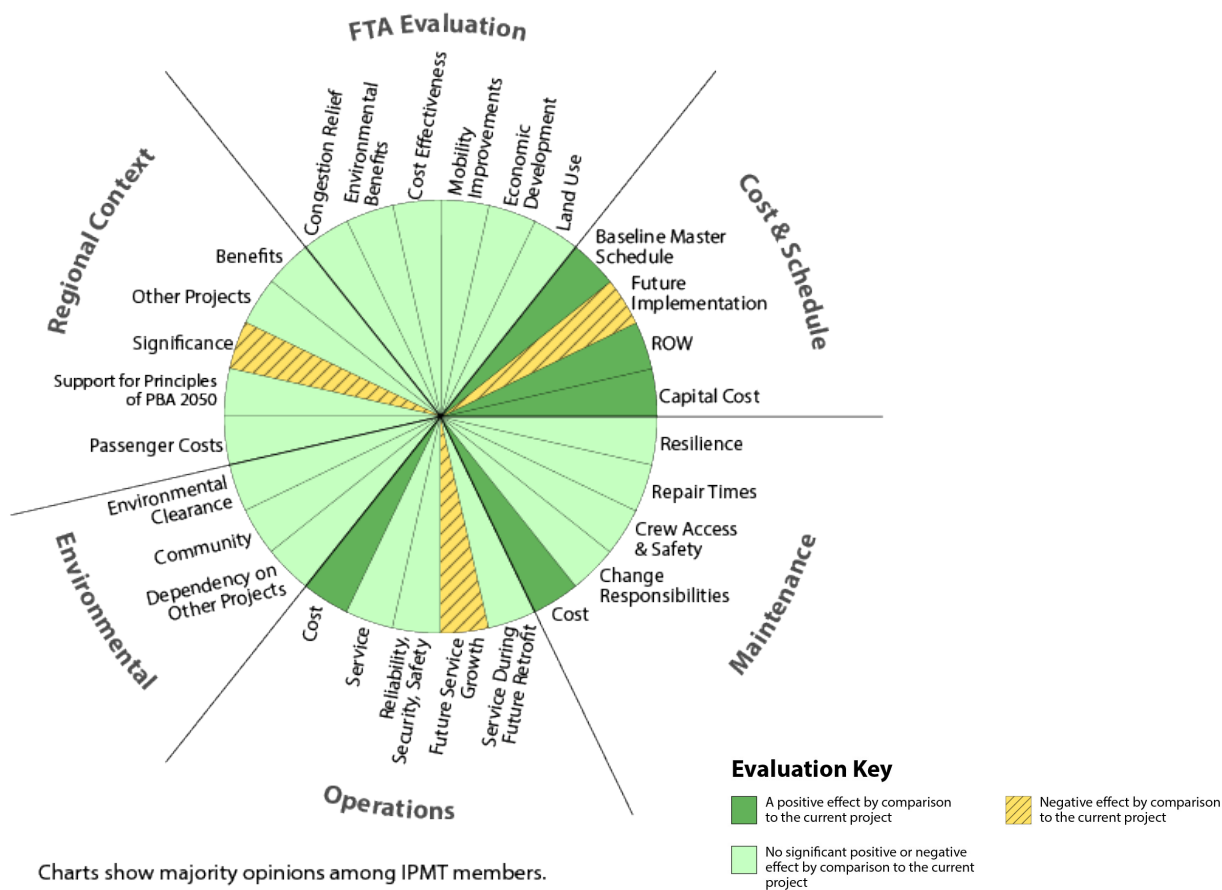
Evaluation Summary

Deferring the IBF would save \$40.3 million (\$2027 YOE).

Other positive effects of deferring the facility are associated with reduced operations and maintenance costs. Negative effects are associated with constraints on service flexibility and fewer regional benefits.

Recommendation

Accept deferral of the environmentally cleared IBF.



Reduce the Intercity Bus Facility

This phasing concept would reduce the IBF permanently and defer construction of the reduced IBF until it is operationally required. The reduced IBF concept, with six bus berths and two small buildings for passenger waiting and package storage, represents the maximum footprint for a bus facility on TJPA-owned property. Although reduced, the IBF would provide more bus capacity for regional bus services than is currently provided on the bus deck of the Salesforce Transit Center. Limited vehicle access to the facility and limited back-of-house space could constrain service and

affect operational reliability and potentially security.

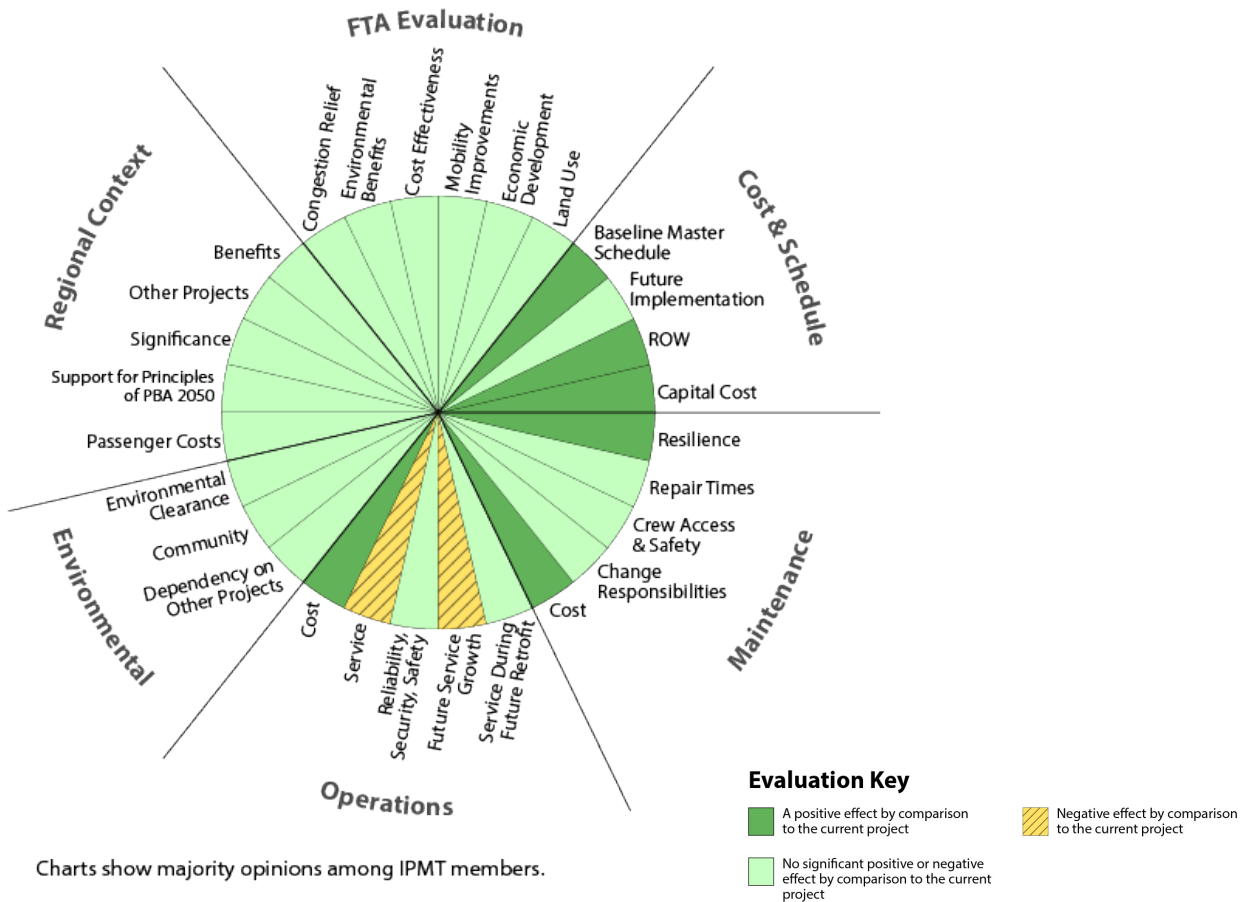
Evaluation Summary

Constructing the reduced IBF would save \$31.4 million (\$2027 YOE).

Other positive effects of reducing the IBF are associated with reduced O&M costs. Resilience of the facility would improve as a result because the reduced footprint would remove the facility from flood and sea-level rise inundation zones. Negative effects are related to constraints on operations and future service growth.

Recommendation

Defer construction of the reduced IBF until it is operationally required, identified through monitoring changes in intercity bus ridership.



Defer the Fit-out of Fourth and Townsend Street Station

The underground Fourth and Townsend Street Station will serve passengers on trains bound for or returning from the Salesforce Transit Center. The environmentally cleared station includes a concourse mezzanine and a train platform level with three tracks and a center platform. This phasing concept would defer the fit-out of the Fourth and Townsend Street Station. “Fit-out” refers to the center train platform, architectural finishes, and amenities necessary to open the station for passenger revenue operations.

Deferring the fit-out of the station would delay putting the station into revenue service operations as a rail station and make high-speed train service unavailable in the area around Fourth and Townsend. Caltrain would likely need to terminate most of its service at the existing Fourth and King station, providing only limited service to the transit center.

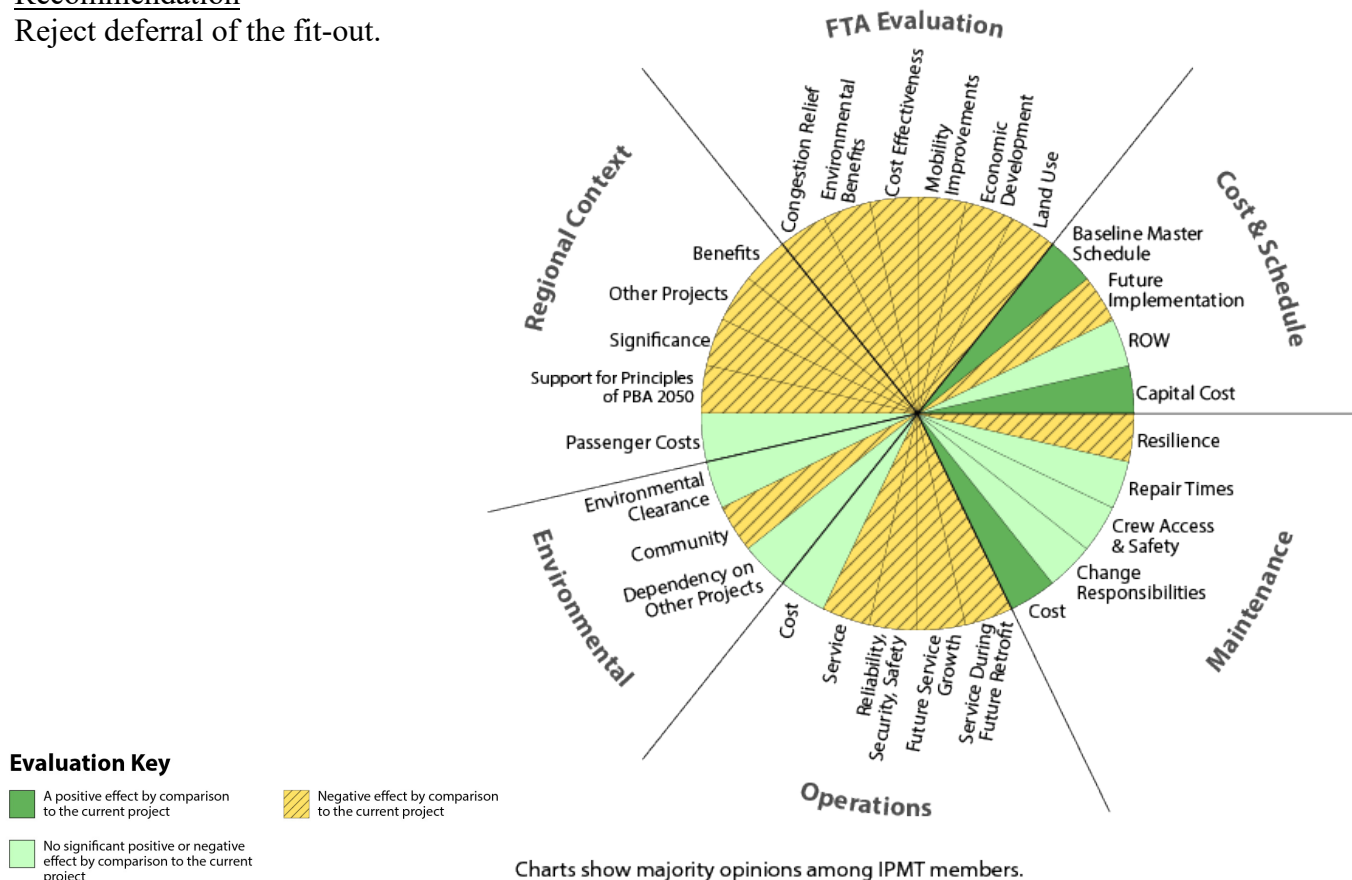
Evaluation Summary

Deferring fit-out of the station would save \$28.9 million (\$2027 YOE).

Significant constraints on train operations for both operators would diminish nearly all the regional benefits associated with the DTX—interconnectivity with other transit systems and projects, investments in transportation improvements in a priority development area, and overall regional significance. Additionally, deferring operations at the station would have a negative effect on the FTA’s project justification rating. As with other deferral concepts, positive effects are associated with lower capital and maintenance costs and schedule benefits.

Recommendation

Reject deferral of the fit-out.



Defer the Infrastructure Fit-out for CHSRA-related Elements

CHSRA anticipates arrival of its high-speed train service to the Salesforce Transit Center in 2031. This phasing concept assesses a scenario in which CHSRA’s operations begin after 2031 and construction or “fit-out” of the infrastructure needed to support revenue service could be deferred until one year prior to the planned start date to allow for testing and commissioning. Deferred infrastructure fit-out includes systems, station platform elements, and some trackwork, including the third track in the DTX tunnel, although a tunnel capable of supporting the third track would still be constructed.

High-speed train service to San Francisco is a contributing factor to the regional significance of the DTX. Thus, deferring revenue operations would also defer the regional and environmental benefits associated with the DTX—providing better transit connections to the City’s financial and employment center, connecting high-speed train service to bus and other rail services at the transit center, and increasing ridership on transit.

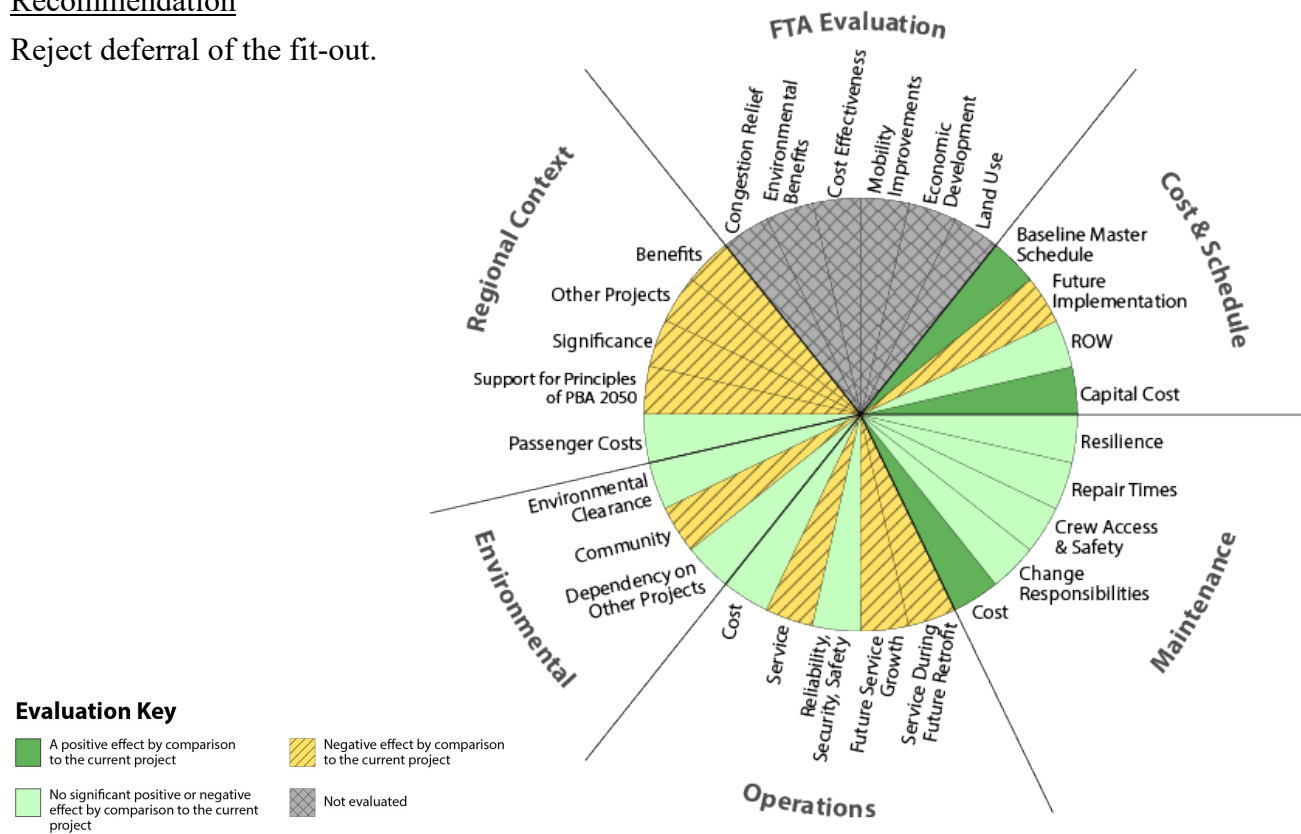
Evaluation Summary

Deferring the fit-out of CHSRA elements at Salesforce Transit Center would save \$38.0 million (\$2027 YOE).

Significant negative effects are associated with operations, especially service and future service growth both during the interim condition without the high-speed infrastructure and during construction of the infrastructure, which would affect Caltrain operations. The regional significance and benefits associated with the DTX would, likewise, be diminished.

Recommendation

Reject deferral of the fit-out.



Charts show majority opinions among IPMT members.

COST SAVINGS:**Summary of Cost Savings (escalated to 2027 mid-point of construction)**

Phasing Concept	Capital Cost Savings	Operating Cost Savings
Defer BART/Muni Pedestrian Connector	\$228M	\$0.5M
Construct Reduced Train Box Extension	\$133M	\$1.7M
Defer Intercity Bus Facility	\$40M	\$0.6M
TOTAL	\$401M	\$2.8M

The peer-reviewed total project capital cost will be updated in the summer of 2022, based on the 30 percent design refresh. However, based on the current 2016 cost estimate, escalated to the assumed 2027 mid-point of construction, the total capital cost reduction associated with the recommended deferrals equates to approximately 8 percent.

COST OF FUTURE IMPLEMENTATION:

The IPMT estimated the future cost of implementation for the recommended deferral concepts. Future costs were escalated at an assumed annual 5 percent per year and are shown in the Downtown Rail Extension Phasing Study

Attachment: Downtown Rail Extension Phasing Study



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P.O. Box 12688
Oakland, CA 94604-2688
(510) 464-6000

2020

Lateefah Simon
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Mark Foley
VICE PRESIDENT

Robert Powers
GENERAL MANAGER

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4TH DISTRICT

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5TH DISTRICT

Elizabeth Ames
6TH DISTRICT

Lateefah Simon
7TH DISTRICT

Janice Li
8TH DISTRICT

Bevan Dufty
9TH DISTRICT

October 1, 2020

Skip Sowko, Senior Design and Managing Engineer
Transbay Joint Powers Authority
425 Mission Street, Suite 250
San Francisco, CA 94105

Subject: Response on Transbay Program Phase 2/DTX Phasing Options

Dear Skip:

This is in response to your letter of August 28, 2020. In that letter, you noted that TJPA and your partners on the Caltrain Downtown Extension Project (DTX) are considering phasing options for scope elements originally included in the approved environmental documents for the DTX. One of the elements being considered for phasing is the proposed pedestrian tunnel between the Salesforce Transit Center (STC) and BART's Embarcadero Station, which would be constructed under Beale Street. You requested BART's reaction to a proposal to defer the design and construction of this tunnel to a later phase, in order to conform the project to the available funding. BART has no objections to deferring the design and construction of the pedestrian tunnel to a later phase of DTX.

BART supports the DTX project as an important regional rail connection, and as an important precursor project for an eventual regional rail connection across the Bay. As you know, BART is partnering with the Capitol Corridor Joint Powers Authority (CCJPA) on the New Transbay Rail Crossing (NTRC), which is seeking to build a regional rail connection from the East Bay to San Francisco, connecting to the STC. BART understands the need to examine all scope elements with an eye toward phasing elements of the project, anticipating the need to conform the project to expected funds available.

BART understands that the pedestrian connector was originally conceived as the primary regional connection between Caltrain and HSR at STC, and BART and Muni at Embarcadero for travel further on to the East Bay, or throughout San Francisco. Now that planning for the NTRC is proceeding, the need for a BART-to-regional rail connection via the pedestrian tunnel at STC may be lessened, assuming STC accommodates a regional rail connection to the East Bay in the future.

October 1, 2020
Subject: Response on Transbay Program Phase 2/DTX Phasing Options
Page 2

Prior to the COVID crisis, BART experienced capacity issues at Embarcadero Station. Problems have included overcrowded platforms, longer dwell times than scheduled, inadequate stair and escalator capacity, and other issues resulting from crowding. BART has done planning work on potential options at Embarcadero to resolve capacity issues. One option that may be needed in the future is for BART to construct side platforms at Embarcadero, which would require new access to the side platforms via stairs, escalators, and elevators. We have been concerned that a potential pedestrian tunnel could conflict with the locations needed for vertical circulation to the side platforms. BART has done some preliminary planning work on the locations of the access to the side platforms, but BART needs to keep options open for access to the side platforms until such time as any other potential solutions are resolved.

The other potential solution to crowding at Embarcadero Station is that the BART portion of the NTRC project may alleviate the crowding at Embarcadero, depending on whether or not a new BART station as part of NTRC will be located close enough to Embarcadero. If that were to happen, we anticipate that sufficient passenger demand may be diverted to the new station, reducing the passenger demand and crowding issues at Embarcadero.

BART and CCJPA have begun planning the NTRC, but will not have an alignment selected with station locations for several years. We expect to have a preferred project selected in late 2025, and to have completed environmental review by late 2028. It would be in the 2025-2028 timeframe that BART/CCJPA will likely be able to make a determination if the alignment of the new crossing will address the capacity issues at Embarcadero, and thus if the side platforms will be required. Until that time, BART needs to make sure that the ability to construct and operate the side platforms is not precluded.

Based on the preceding, BART has no objections to deferring the design and construction of the pedestrian tunnel to a later phase of the DTX project. As we have outlined, BART needs to be further along in NTRC planning to be able to make an informed decision as to the feasibility of the pedestrian connector project. Potential ownership, maintenance and security issues related to the pedestrian tunnel could be discussed at that time.

We would be happy to discuss with the TJPA team if you have questions.

Sincerely,



Val Joseph Menotti
Chief Planning & Development Officer

cc: D Watry
S Poliwka
C Tsao, CCJPA

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Ethics Training for Public Meetings

Presented to the San Francisco County Transportation Authority
Community Advisory Committee

September 1, 2021

Presented by Amber Maltbie



Why Are You Here?

- Not a “public official” under the Political Reform Act (no AB 1234 required and no Form 700 disclosure), but;
- Steward of public trust (i.e. subject to ethics principles and legal ethics in public contracts) *and*
- Could become a public official.

Trap for the Unwary – CAC Members May Become Public Officials

“Public official” – Salaried or unsalaried members of boards with “decision-making authority.”

- Makes final government decisions
- May compel a government decision
- Makes substantive recommendations that, over time, are regularly approved without significant amendment or modification by another public official or government agency

Fair Political Practices Commission Guidance



“You are cautioned that if, over time, recommendations by the advisory committee are essentially rubberstamped by the government agency (i.e., regularly approved without significant amendment or modification), a new analysis should be constructed to determine whether the members have become public officials.”

Source: FPPC Kenny Advice Letter (1993) A-93-087.



Goals for this Training

- Spot issues/Know when to ask questions
- Avoid actual or the appearance of conflicts
- Process for voting or not voting if a conflict exists

OVERVIEW OF ETHICS PRINCIPLES



Ethics vs. The Law



- Ethics – What we ought to do
- The Law – What we must do

- The law is a floor for behavior

Big Picture – Responsibility to the Public

Responsibility – Fairness – Trustworthiness - Respect

- Decision-making criteria should focus only on what's in the public's best interest
- The public needs to trust that its interests are indeed being placed first and foremost in governmental decision-making
- Public officials are expected to be careful stewards of taxpayer resources
- Level playing field – no taking political or personal advantage of public resources

Big Picture – Responsibility to the Public (Continued)

Responsibility – Fairness – Trustworthiness - Respect

- Public trusts a process it can observe
- All perspectives have a right to be heard and considered in public decision-making process
- Government decisions must be made based on merits, not personal biases or loyalties
- Decision-makers are stewards of the public's perception of the fairness of the process

What is a Conflict of Interest?



Personal interests vs. public interests

- Financial
- Personal
- Prejudicial

Some Conflicts are Obvious...

Former Upland Mayor John Pomierski pleaded guilty to a federal bribery charge, admitting to accepting a \$5,000 bribe in return for helping a business obtain a conditional use permit from the city.

Texted to the business: “Where’s the beef?”

THE SUN 4/25/2012

Financial Interests

- Sources of income
- Business positions
- Real property
- Spouse/domestic partner's source of income
- Gifts

Scenario #1

Committee member Jones routinely works as a consultant to transportation consulting firms for specific projects.

- If Jones' recommended firm is selected by the SFCTA, Jones knows it is likely that he will be hired to assist with the project.
- One firm has offered to pay Jones a "finder's fee" if the SFCTA selects it.

Now that you've identified a potential conflict.....

Recommended Procedure:

- Notify Britney Milton at least 24 hours prior to relevant vote
- If you will recuse yourself from participating in the vote, state “abstain” when the vote is called
- Do not participate in the agenda item discussion

Britney Milton – Clerk of the Transportation Authority
Britney.Milton@sfcta.org
415.522.4800

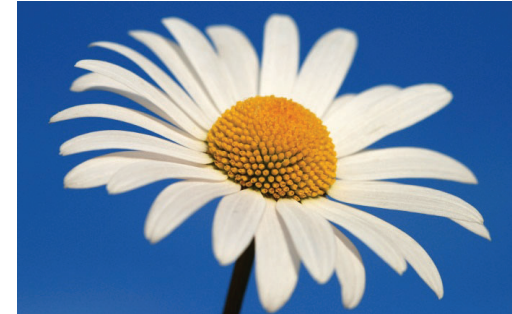
Gifts - Best Practices

- Not expressly prohibited
- Avoid gifts from persons or entities seeking business/contracts with SFCTA
- Pay own cost for lavish meals (i.e. \$50 or more) with persons or entities seeking business/contracts with SFCTA
- Gifts unrelated to position on SFCTA may be ok (long term personal friendship, private business relationship)

Brown Act Overview

- Basic rule: Meetings of the public body and of any of its standing subcommittees are subject to the Brown Act
 - “Meeting” includes a quorum of the legislative body – not just “filled” seats
- A “meeting” covers more territory than you might think
 - o Regular public meetings
 - o An informal gathering of a majority of members
 - o Conference call of a majority of members to discuss public business
 - o Email exchanges between a majority on a matter of public business
- What is NOT a meeting: individual meetings between two members; attending an educational conference on general issues; purely social or ceremonial gatherings (do not discuss public business)
 - o Ad hoc committees of less than a majority: not subject to the Brown Act

Trap for the unwary! “Serial meetings”





“The St. Helena City Council violated state law by drafting a memo to a subcommittee outside of a public meeting, according to an attorney specializing in California’s open meeting law.”

“The council violated the Ralph M. Brown Act by conducting a “serial meeting” when city councilmembers commented via email on a memo containing instructions for its Housing Subcommittee...”

“...serial meetings are hard to prove because they usually involve verbal communications. But the emails released by the city are clear proof that the council committed “a very flagrant violation of state law...”

Open Meeting Requirements

- Can only discuss items on the agenda at meetings
- Can only take action if the item is phrased as an action item
 - Exception: emergency as determined by body (subject to strict interpretation, not common)
- Have to notice meetings
 - Regular meetings: 72 hour notice
 - Special meetings: 24 hour notice
- Meetings must be open to the public, and the public must be given opportunity to speak
- Meeting must generally be held within jurisdiction of agency

New for 2021! Brown Act and Social Media

- AB 992 provides direction on the social media interactions of public officials that do and do not constitute an impermissible meeting.
- Members may post on “internet-based social media platform” provided a majority do not “discuss among themselves” business of legislative body.
 - E.g., Answer questions, provide information to the public, or to solicit information from the public regarding a matter that is within the subject matter jurisdiction of the legislative body.
- Members may not respond directly to postings by another member.
 - Includes digital icons that express reactions

Sanctions for Non-compliance

- Criminal
- Civil
 - Injunction by public or District Attorney against future violations
 - Invalidation of action taken in violation of Brown Act
 - Attorneys fees to prevailing plaintiff