



RESOLUTION ALLOCATING \$5,806,422 IN PROP K SALES TAX FUNDS FOR FIVE REQUESTS, WITH CONDITIONS

WHEREAS, The Transportation Authority received five requests for a total of \$5,806,422 in Prop K local transportation sales tax funds, as summarized in Attachments 1 and 2 and detailed in the enclosed allocation request forms; and

WHEREAS, The requests seek funds from the following Prop K Expenditure Plan categories: Vehicle-Muni, Guideways-Muni, Pedestrian Circulation/ Safety, and Bicycle Circulation/ Safety; and

WHEREAS, As required by the voter-approved Expenditure Plans, the Transportation Authority Board has adopted a Prop K 5-Year Prioritization Program (5YPP) for each of the aforementioned Expenditure Plan programmatic categories; and

WHEREAS, One of the five requests is consistent with the 5YPP for its Prop K category; and

WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA's) requests for Replace 30 30-foot Hybrid Diesel Motor Coaches and Track Replacement and Upgrade, and San Francisco Public Work's (SFPW's) requests for Alemany Interchange Improvement Phase 2 [NTIP Capital] and Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital] require 5YPP amendments as detailed in the enclosed allocation request forms; and

WHEREAS, After reviewing the requests, Transportation Authority staff recommended allocating a total of \$5,806,422 in Prop K funds, with conditions, for five projects, as described in Attachment 3 and detailed in the enclosed allocation request forms, which include staff



recommendations for Prop K allocation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash Flow Distribution Schedules; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2017/18 budget to cover the proposed actions; and

WHEREAS, At its January 24, 2018 meeting, the Citizens Advisory Committee was briefed on the subject request and adopted a motion of support for the staff recommendation; and

RESOLVED, That the Transportation Authority hereby amends the Vehicle-Muni, Guideways-Muni, Pedestrian Circulation/Safety, and Bicycle Circulation/Safety 5YPPs, as detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$5,806,422 in Prop K sales tax funds for five requests, with conditions, as summarized in Attachment 3 and detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority finds the allocation of these funds to be in conformance with the priorities, policies, funding levels, and prioritization methodologies established in the Prop K Expenditure Plan, Strategic Plan, and relevant 5YPPs; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual expenditure (cash reimbursement) of funds for these activities to take place subject to the Fiscal Year Cash Flow Distribution Schedules detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Capital Expenditures line item for subsequent fiscal year annual budgets shall reflect the maximum reimbursement schedule amounts adopted and the Transportation Authority does not guarantee reimbursement levels higher than those adopted; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the Executive



Director shall impose such terms and conditions as are necessary for the project sponsors to comply with applicable law and adopted Transportation Authority policies and execute Standard Grant Agreements to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsors shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

RESOLVED, That the Capital Improvement Program of the Congestion Management Program, the Prop K Strategic Plan and the relevant 5YPPs are hereby amended, as appropriate.

Attachments (4):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2017/18

Enclosure:

1. Prop K/AA Allocation Request Forms (5)

Attachment 1: Summary of Applications Received

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	17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$ 356,422		\$ 356,422	84%	0%	Design	Citywide
Prop K	22M	SFMTA	Track Replacement and Upgrade	\$ 4,480,000		\$ 22,393,000	78%	80%	Design, Construction	Citywide
Prop K	40	SFPW	Alemany Interchange Improvement Phase 2 [NTIP Capital]	\$ 400,000		\$ 400,000	25%	0%	Design	9
Prop K	40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$ 250,000		\$ 250,000	25%	0%	Design, Construction	4
Prop K	39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$ 320,000		\$ 528,000	25%	39%	Construction	9, 10
TOTAL				\$ 5,806,422	\$ -	\$ 23,927,422	75%	76%		

Footnotes

- ¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2014 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).
- 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	Project Description
17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$356,422	The SFMTA is requesting funds to issue a request for proposals, review bids, select a vendor and negotiate a contract for replacement of 30 30-foot hybrid diesel motor coaches that have reached the end of their useful lives. The new buses will improve reliability and reduce maintenance costs of a fleet serving community routes such as 35-Eureka, 36-Teresita, 37-Corbett and 56-Rutland. SFMTA expects to award the contract in December 2018.
22M	SFMTA	Track Replacement and Upgrade	\$4,480,000	Funds will leverage nearly \$18 million in federal funds to rehabilitate track and track support systems for Muni light rail lines. This project will improve system reliability and productivity, and reduce operational noise, vibration and the potential for derailment at locations prone to high levels of wear. Phase 1 will focus on approximately 15 intersections requiring repair and upgrade of the fastening and support systems, and will be implemented by SFMTA labor. Phase 2 will focus on approximately 5 intersections requiring replacement of worn specialized track, and will be implemented under contract. See page 17 of the enclosure for potential locations. Both phases of the project will be done concurrently, with Phase 1 construction beginning in Spring 2018 and Phase 2 construction beginning in Fall 2018. SFMTA anticipates project completion in 2023.
40	SFPW	Alemany Interchange Improvement Phase 2 [NTIP Capital]	\$400,000	Requested funds will be used for the design phase of safety and accessibility improvements across and along Alemany Boulevard, between Putnam St. and Bayshore Blvd as recommended in an earlier NTIP planning project. The project includes a new multi-use path connecting San Bruno Avenue to the Alemany Farmers Market, as well as new and modified signalized crossings, new curb ramps, and other pedestrian safety improvements. SFPW anticipates the project could be open for use in Spring 2020.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$250,000	NTIP Capital funds will be used to engage the community, evaluate feasibility, and implement a suite of traffic calming improvements on the Lower Great Highway between Lincoln Way and Sloat Boulevard, including measures that address traffic diversion from the Great Highway. Near-term improvements (e.g., daylighting at intersections and informal trails, painted safety zones) will be constructed by Summer 2018. Mid-term improvements (e.g., angled parking, medians, and speed humps) are anticipated to be complete by Spring 2019.
39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$320,000	Construction of bicycle and pedestrian safety improvements at the Bayshore/Cesar Chavez/Potrero intersection as recommended in an earlier NTIP study. Segment F is a shared pedestrian path through an undeveloped city-owned lot. Segment G is an eastbound pathway that travels down a steep grade under the Highway 101 southbound on-ramp. The project will create a safe pathway for bikes and pedestrians that minimizes conflict between users. Segments will be widened, regraded with proper drainage, with adequate clearance at the highway overpass and landscaped buffers between path and roadway. The SFMTA anticipates that the project will be open for use by December 2018.
TOTAL			\$5,806,422	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Recommendations
17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$ 356,422	5-Year Prioritization Program (5YPP) Amendment: Recommended allocation is contingent upon a concurrent amendment to the Vehicles Muni 5YPP to program \$356,422 deobligated from previous vehicle procurement projects to the subject project. See attached 5YPP amendment for details.
22M	SFMTA	Track Replacement and Upgrade	\$ 4,480,000	5YPP Amendment: Recommended allocation includes a concurrent Guideways 5YPP amendment to reprogram \$3,550,887 in FY2017/18 funds from Twin Peaks Tunnel Trackway Improvements to the subject project, and reprogram an equivalent amount of FY2018/19 funds from the Muni Metro Rail Replacement Program to Twin Peaks Tunnel Trackway Improvements. The Twin Peaks tunnel project has been delayed by at least a year. See attached 5YPP amendment for details.
40	SFPW	Alemany Interchange Improvement Phase 2 [NTIP Capital]	\$ 400,000	5YPP Amendment: Fully funding this request would require an amendment to the Pedestrian Circulation and Safety 5YPP to program \$276,603 in deobligated funds from projects completed under budget to the subject project. See attached 5YPP amendment for details.
40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$ 250,000	Multi-phase Allocation: Given strong interest by the sponsoring commissioner in delivering the projects as quickly as possible, and the relatively straightforward design of similar improvements at multiple locations, we are recommending concurrent allocation of design and construction funds.
39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$ 320,000	Intent to Allocate: Recommended allocation fulfills an Intent to Allocate (made by the Board in February 2017) \$320,000 in Prop K funds for the construction phase of the project contingent upon completion of design and with a 50/50 split from District 9 and District 10 NTIP Capital funds. 5YPP Amendment: Recommended allocation is contingent upon a concurrent amendment to the Bicycle Circulation/Safety 5YPP to program \$2,931 from cumulative remaining programming capacity to the subject project.
TOTAL \$			5,806,422	

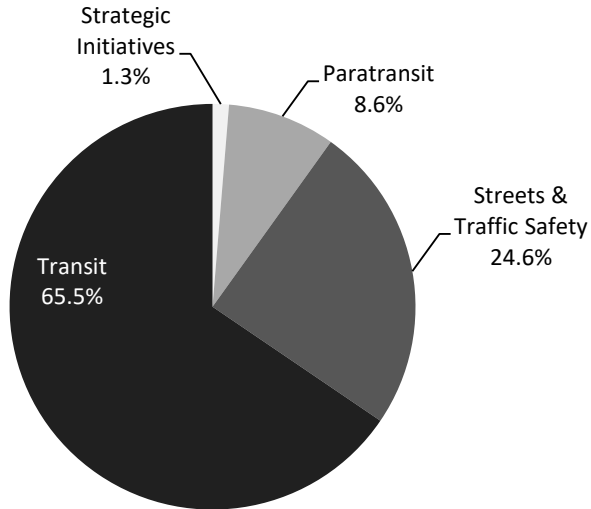
¹ See Attachment 1 for footnotes.

**Attachment 4.
Prop K Allocation Summary - FY 2017/18**

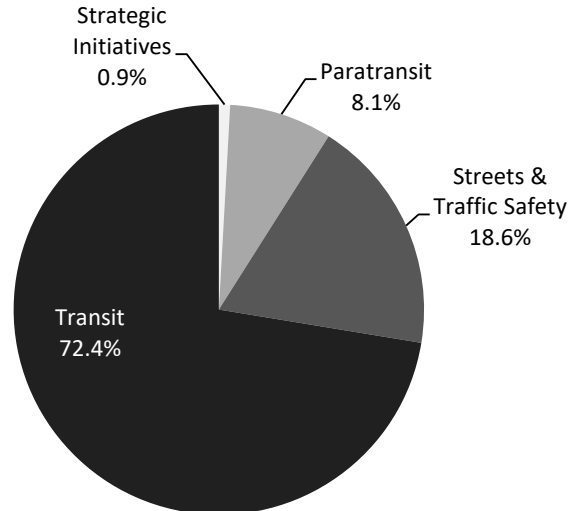
PROP K SALES TAX						
		CASH FLOW				
	Total	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Prior Allocations	\$ 75,394,115	\$ 34,255,084	\$ 40,005,643	\$ 645,389	\$ 97,600	\$ 97,600
Current Request(s)	\$ 5,806,422	\$ 1,129,733	\$ 1,575,154	\$ 689,231	\$ 689,231	\$ 689,230
New Total Allocations	\$ 81,200,537	\$ 35,384,817	\$ 41,580,797	\$ 1,334,620	\$ 786,831	\$ 786,830

The above table shows maximum annual cash flow for all FY 2017/18 allocations approved to date, along with the current recommended allocation(s).

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date





Memorandum

Date: February 2, 2018
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 2/13/2018 Board Meeting: Allocation of \$5,806,422 in Prop K Funds for Five Requests, with Conditions

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Allocate \$5,086,422 in Prop K sales tax funds to the San Francisco Municipal Transportation Agency for three requests: <ol style="list-style-type: none"> 1. Replace 30 30-foot Hybrid Diesel Motor Coaches (\$356,422) 2. Track Replacement and Upgrade (\$4,480,000) 3. Lower Great Highway Pedestrian Improvements [NTIP Capital] (\$250,000) • Allocate \$720,000 in Prop K sales tax funds to San Francisco Public Works for Two Requests: <ol style="list-style-type: none"> 4. Alemany Interchange Improvements Phase 2 [NTIP Capital] (\$400,000) 5. Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital] (\$320,000) 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Fund Allocation <input checked="" type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contracts <input type="checkbox"/> Other:
<p>SUMMARY</p> <p>We are presenting five requests totaling \$5,806,422 in Prop K sales tax funds to the Board for approval. Attachment 1 lists the requests, including requested phase(s) and supervisorial district(s) for each project. Attachment 2 provides a brief description of each project. Attachment 3 contains the staff recommendations.</p>	

DISCUSSION

Attachment 1 summarizes the subject allocation requests, including information on proposed leveraging (i.e. stretching Prop K dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan.

Attachment 2 includes a brief description of each project.

Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest.

The enclosed Allocation Request Forms provide more detailed information on scope, schedule, budget and funding, deliverables and special conditions.

FINANCIAL IMPACT

The recommended action would allocate \$5,806,422 in Fiscal Year (FY) 2017/18 Prop K sales tax funds. The allocation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows the total approved FY 2017/18 allocations and appropriations to date, with associated annual cash flow commitments as well as the recommended allocations and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the FY 2017/18 budget to accommodate the recommended actions. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distribution for those respective fiscal years.

CAC POSITION

The CAC was briefed on this item at its January 24, 2018 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

- Attachment 1 – Summary of Applications Received
- Attachment 2 – Project Descriptions
- Attachment 3 – Staff Recommendations
- Attachment 4 – Prop K Allocation Summaries – FY 2017/18
- Enclosure – Prop K/AA Allocation Request Forms (5)