



AGENDA

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY Meeting Notice

Date: Tuesday, June 23, 2015; 11:00 a.m.

Location: Legislative Chamber, Room 250, City Hall

Commissioners: Wiener (Chair), Cohen (Vice Chair), Avalos, Breed, Campos, Christensen, Farrell, Kim, Mar, Tang and Yee

Clerk: Steve Stamos

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During this segment of the meeting, Board members may make comments on items not specifically listed above, or introduce or request items for future consideration.

13. Public Comment

14. Adjournment

* Additional materials

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DRAFT MINUTES

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Tuesday, May 19, 2015

1. **Roll Call**

Chair Wiener called the meeting to order at 11:05 a.m. The following members were:

Present at Roll Call: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Mar, Tang, Wiener and Yee (9)

Absent at Roll Call: Commissioners Farrell (entered during Item 3) and Kim (2)

2. **Approve the Minutes of the April 28, 2015 Meeting – ACTION**

There was no public comment.

The minutes were adopted by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Mar, Tang, Wiener and Yee (9)

Absent: Commissioners Farrell and Kim (2)

Chair Wiener called Items 3 and 9 together.

3. **Chair's Report – INFORMATION**

Chair Wiener reported that over the past month there had been many transportation events and milestones. He said the week prior, Mayor Lee and a number of Commissioners participated along with record numbers of the public in the 21st annual Bike to Work Day, which was partly funded with Prop K sales tax funds. He said manual bike counters at the intersection of Market Street and Van Ness Avenue found that bikes accounted for 76 percent of all inbound traffic on Market Street between 8:30 and 9:30 A.M. that morning, outnumbering motor vehicles four to one. He said colleagues joined Mayor Lee and the San Francisco Bike Coalition at a gathering in front of City Hall and that Executive Director Tilly Chang even sent in a photo of herself using Capital Bike Share from Washington D.C.

Chair Wiener stated that the Central Subway project recently celebrated a milestone, as the contractor for the 1.4-mile twin tunnels completed work at the portal. He said the final element of the contract included five cross-passages, headwall construction, and an extraction pit. He said that at a total cost of \$251 million, the work was completed on schedule and under budget, though work on the stations would continue with revenue service anticipated in December of 2018. He congratulated the San Francisco Municipal Transportation Agency and the entire project team.

Chair Wiener recognized Lee Saage, Deputy Director for Capital Projects, who was retiring in June after 16 years of the service to the Transportation Authority. He said that during his

tenure, Lee had made many significant contributions to the Transportation Authority, to the City and County of San Francisco, and to improving transportation for everyone. He said under Lee's leadership, the Transportation Authority undertook many firsts, which included leading the Doyle Drive Environmental Impact Report, which was the first environmental document to be certified for the Transportation Authority. He also led the value for money study, or business case, for delivering the Doyle Drive project as a public-private-partnership (P-3), which was the only P-3 on the state highway system in California, as well as led the Yerba Buena Island and Folsom Street ramps projects. Chair Wiener said that Lee led the Transportation Authority's successful efforts to become a builder of capital projects, which was a complex process that involved a mix of technical know-how, clear vision, and level-headedness to deal with the inevitable obstacles and the ability to meet multiple partners' expectations. He said Lee was the rare individual who possessed those abilities, and that he was a valuable asset to the agency. He congratulated Lee on his many achievements with the agency and thanked him for his service.

Tilly Chang, Executive Director, commented that she had worked with Lee for about a decade, and said during that time Lee showed unwavering dedication to his job. She said he contributed to many projects that would have a lasting impact on the city and beyond. She said Lee had been an Air Force officer, flown commercial jets, and run his own construction business, though he chose to serve the Transportation Authority and the City and County of San Francisco for 16 years out of his desire to serve the public. Ms. Chang said highlights from his distinguished career included his work on the blended concept of High-Speed Rail and Caltrain service along the Peninsula, which was key to achieving regional consensus on the project and helped reduce overall cost in the long-run. She said it was also indicative of Lee's creative thinking that was grounded in engineering, financial, and political feasibility that was a hallmark of his work.

Ms. Chang continued that on the Doyle Drive project, now aptly named the Presidio Parkway, Lee showed patience, perseverance, and skill to deliver a roadway that fit the beautiful and sensitive environment of the Presidio National Park. She said this entailed leading the environmental phase as well as helping to secure the public-private-partnership that was finishing up the second phase in the near future on schedule and under budget. She said Lee's pioneering work on Doyle Drive represented the future of big infrastructure projects in the state and across the nation, and that it was considered by the federal Department of Transportation to be one of the national models of project delivery. Ms. Chang said that Lee setup the Transportation Authority to be the lead agency of a construction project for the first time, and greatly contributed to the Yerba Buena Island and Folsom Street ramps projects. Lastly, she said Lee had been a mentor and a valuable resource to staff and to other agencies, and noted that he assembled a great capital projects team and that he modeled the project management best practices and exercising technical judgment. She thanked him for his service to the Transportation Authority and for his lasting impact to the city and the transportation field.

Executive Director's Report – INFORMATION

Tilly Chang, Executive Director, presented the Executive Director's Report.

Items from the Finance Committee

4. Adopt Positions on State Legislation – ACTION

There was no public comment.

This item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Farrell, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Kim (1)

5. **Authorize the Executive Director to: Replace the Transportation Authority's Commercial Paper Program with a Revolving Credit Agreement (Revolver); Enter into an up-to-\$140 Million Revolver with State Street Public Lending Corporation; Enter into an Alternate Credit Facility if Negotiations with State Street are Not Successful; Amend or Enter into the Associated Legal Documents; Take All Necessary Related Actions; and Negotiate the Agreement Payment Terms and Non-Material Agreement Terms and Conditions – ACTION**

There was no public comment.

This item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Farrell, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Kim (1)

Commissioner Campos motioned to excuse Commissioner Kim's absence, seconded by Commissioner Breed.

Items from the Plans and Programs Committee

6. **Appoint John Morrison and Wells Whitney to the Citizens Advisory Committee – ACTION**

There was no public comment.

This item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Farrell, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Kim (1)

7. **Allocate \$772,900 in Prop K Funds, with Conditions, and Appropriate \$90,000 in Prop K Funds, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION**

There was no public comment.

This item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Christensen, Cohen, Farrell, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Kim (1)

Items for Direct to Board Consideration

8. **Lee Saage, Deputy Director for Capital Projects, for outstanding service to the Transportation Authority from 1999 to 2015 – INFORMATION**

Commissioner Farrell said that he looked forward to taking an early morning tour of the

new Presidio Parkway with Lee when it opened up next month. He said that Lee was a ‘salt of the earth’ type of person and an amazing professional, and thanked him on behalf of District 2.

Commissioner Campos thanked Lee for his responsiveness, thoroughness, and professionalism and commented on his ability to navigate the challenges of capital projects.

Commissioner Avalos thanked Lee for his service and said through his time as Transportation Authority Chair he recognized his value to the agency. He said that Lee left a mark on San Francisco which would never fade and that the Presidio Parkway was a remarkable project and a great achievement for the city and the region.

There was no public comment on Items 3 or 9.

9. **Introduction of New Items – INFORMATION**

There was no public comment.

10. **Public Comment**

During public comment Edward Mason stated that the Transportation Authority had previously obligated \$75,000 for a strategic analysis of the influx of inner-city corporate commuter buses and local shuttles, and that the funds were currently being used for an 18-month pilot study by the San Francisco Municipal Transportation Authority (SFMTA) He said that the SFMTA was currently nine months into the study, but that his neighborhood continued to experience violations by these buses and shuttles. He said some operators arbitrarily discharged passengers outside of the designated stops, and that he had with him a broken tail light from a double decker bus that had collided with a Muni key stop disabled ramp at the intersection of 24th and Church Streets. Mr. Mason stated that Muni engineers accommodated the geography of the city and geometry of the streets when they designed the bus routes and that was why the 39-Coit Tower bus line didn’t operate 60-foot articulated buses. He recommended that there be a revival of the California Department of Transportation regional express bus plan, which was last completed over ten years ago to utilize park-and-ride lots and to minimize the impact of the large vehicle on the narrow neighborhood streets.

11. **Adjournment**

The meeting was adjourned at 11:33 a.m.



RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ANNUAL CONTRACT RENEWALS AND OPTIONS FOR VARIOUS ANNUAL PROFESSIONAL SERVICES IN AN AMOUNT NOT TO EXCEED \$1,950,000 AND TO MODIFY CONTRACT PAYMENT TERMS AND NON-MATERIAL CONTRACT TERMS AND CONDITIONS

WHEREAS, The Transportation Authority annually contracts for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff; and

WHEREAS, In order to support its ongoing operations, the Transportation Authority will execute annual professional services contracts with the Office of the City Attorney for general legal counsel for \$100,000; and with the Department of Technology for video production services for Transportation Authority and Treasure Island Mobility Management Agency (TIMMA) Board and Committee Meetings for \$50,000; and

WHEREAS, For many years, the Transportation Authority has had on-call program management oversight (PMO) and general engineering consulting (GEC) services, which are intended to augment and complement the Transportation Authority's existing resources by providing specialized expertise, serving as an on-call supplement to staff particularly for oversight and delivery support for major capital projects, handling tasks during peak workloads, and taking on tasks requiring quicker response times than existing staff resources alone would permit; and

WHEREAS, In July 2013, through Resolution 14-03, the Transportation Authority awarded one-year consultant contracts, with options to extend for two additional one year periods, to Cordoba/Zurinaga Joint Venture (C/Z) and VSCE, Inc., in a combined total not to exceed \$1,800,000, for on-call PMO and GEC services; and



WHEREAS, For the coming year, we forecast continuous need for project delivery oversight and delivery support as a large number of major projects are simultaneously in or moving into more advanced phases such as the San Francisco Municipal Transportation Agency's (SFMTA's) Central Subway, the Transbay Joint Powers Board's Transbay Transit Center, SFMTA's Radio Communications System and Computer-Aided Dispatch Replacement continues to move forward with implementation under a design/build contract, and the Caltrain Electrification Project is moving toward the construction and procurement phases; and

WHEREAS, Other anticipated PMO and GEC services during Fiscal Year (FY) 2015/16 include continued support for the following projects: 19th Avenue Combined City Project Study Report, Treasure Island Mobility Management Agency, High-Speed Rail; the YBI Bridge Structures Project; and

WHEREAS, The proposed action will exercise the second of two options of the initial contract and maintain the annual contract amount for \$1,800,000; and

WHEREAS, The proposed annual contract renewals for general legal counsel, video production services for Transportation Authority and TIMMA Board and Committee meetings, and on-call PMO and GEC services, total to a combined amount not to exceed \$1,950,000; and

WHEREAS, Sufficient funds have been identified for these contracts in the proposed FY 2015/16 budget and work program; and

WHEREAS, The proposed contracts will be funded by a combination of federal and state grants, funding from other agencies through memoranda of agreement, and Prop K funds; and

WHEREAS, At its May 27, 2015 meeting, the Citizens Advisory Committee considered this item and adopted a motion of support for the staff recommendation; and

WHEREAS, At its June 9, 2015 meeting, the Finance Committee reviewed and unanimously recommended approval of the staff recommendation; now therefore, be it



RESOLVED, That the Executive Director is hereby authorized to execute annual contract renewals and options for various annual professional services, in an amount not to exceed \$1,950,000; and be it further

RESOLVED, That the Executive Director is authorized to modify contract payment terms and non-material contract terms and conditions; and be it further

RESOLVED, That for the purposes of this resolution, “non-material” shall mean agreement terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute contracts and contract amendments that do not cause the total contract value, as approved herein, to be exceeded and that do not expand the general scope of services.



Memorandum

Date: 06.02.15 **RE:** Finance Committee
June 9, 2015

To: Finance Committee: Commissioners Avalos (Chair), Mar (Vice Chair), Campos, Cohen, Kim and Wiener (Ex Officio)

From: Cynthia Fong – Deputy Director for Finance and Administration *CF*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Authorizing the Executive Director to Execute Annual Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$1,950,000 and to Modify Contract Payment Terms and Non-Material Contract Terms and Conditions

Summary

The Transportation Authority contracts with City and County of San Francisco (City) departments and outside firms for certain specialized professional services in areas where factors like costs, work volume, or the degree of specialization required would not justify the use of in-house staff. As summarized in Attachment 1, we are recommending renewing annual contracts for general legal counsel, video production services for Transportation Authority Board and Committee meetings, and exercising an option for on-call program management oversight and general engineering consulting services, in an amount not to exceed \$1,950,000.

BACKGROUND

The Transportation Authority manages administrative costs through successful contract negotiations and through the transfer of certain routine professional service tasks to in-house staff. The Transportation Authority annually contracts for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff. Services requested from outside firms include general legal counsel, video production services for Transportation Authority Board and Committee meetings, and on-call program management oversight (PMO) and general engineering consulting (GEC) services. The contract amounts proposed are annual limitations, as these professional support services are provided through contracts where costs are incurred only when the specific services are used.

DISCUSSION

The purpose of this memorandum is to brief the Finance Committee on the annual contract renewals and options for Fiscal Year (FY) 2015/16 and to seek a recommendation to authorize the Executive Director to modify contract payment terms and non-material terms and conditions and execute those contract renewals and options.

Attachment A provides summary information for the proposed contracts for FY 2015/16. Below are brief descriptions of the recommended services and amounts.

Office of the City Attorney.....\$100,000

The Office of the City Attorney (City Attorney) provides verbal and written legal representation, advice and counsel on matters related to the routine operations of the Transportation Authority, contracts and interagency agreements, and labor matters. The Transportation Authority also utilizes the City Attorney for litigation activities when appropriate.

Department of Technology..... \$50,000

The Department of Technology records and telecasts all Transportation Authority Board and Committee meetings held at City Hall with a regularly scheduled playback date and time for public review. In FY 2015/16, we will utilize additional services for the record and telecast of Vision Zero Committee (established in February 2014 through Resolution 14-58) meetings to support the City’s efforts to take comprehensive and coordinated actions to improve pedestrian and cyclist safety in the near-term. We also anticipate additional services for the record and telecast of the Treasure Island Mobility Management Agency (established in February 2014 through Resolution 14-53) meetings to implement elements of the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project.

Cordoba/Zurinaga Joint Venture (C/Z) and VSCE, Inc.\$1,800,000

The Transportation Authority makes use of on-call PMO and GEC services, which are intended to augment and complement the Transportation Authority’s existing resources by providing specialized expertise, serving as an on-call supplement to staff particularly for oversight and delivery support for major capital projects, handling tasks during peak workloads, and taking on tasks requiring quicker response times than existing staff resources alone would permit. In July 2013, through Resolution 14-03, the Transportation Authority awarded one-year consultant contracts, with options to extend for two additional one year periods, to C/Z and VSCE, Inc., in a combined total not to exceed \$1,800,000, for on-call PMO and GEC services. Given the wide range of desired proficiencies and experience, the amount and complexity of the Transportation Authority’s activities, and possibility for conflicts of interest to arise for specific tasks, the Transportation Authority contracted with multiple consultant teams on a task order basis.

Since then, the consultant teams have provided oversight services for the Transportation Authority’s major capital projects, such as the Central Subway, Transbay Transit Center, and Caltrain Modernization (e.g. Electrification). In addition, the consultant teams have provided technical support for planning projects for which the Transportation Authority is the lead agency or an active participant in the planning and preliminary project development phases, including Van Ness Avenue BRT and Geary Corridor BRT and provided program management services for the I-80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Island Bridge Structures (collectively known as YBI Project) and the Folsom Street Ramp Realignment projects, for which the Transportation Authority is taking the lead on behalf of the Treasure Island Development Authority and the Office of Community Investment and Infrastructure, respectively. The consultant teams have also provided project management support for the development and implementation documents for the Treasure Island Mobility Management Program.

For the coming year, we forecast continuous need for project delivery oversight and delivery support as a large number of major projects are simultaneously moving into more advanced phases. For example, the San Francisco Municipal Transportation Agency’s (SFMTA’s) Central Subway and the Transbay Joint

Powers Board's Transbay Transit Center are under construction; the SFMTA's Radio Communications System and Computer-Aided Dispatch Replacement continues to move forward with implementation, and the YBI Project has moved into the construction phase. Other anticipated PMO and GEC services during Fiscal Year 2015/16 include continued support for the following projects: 19th Avenue Combined City Project Study Report, Treasure Island Mobility Management Agency, Caltrain Electrification and High-Speed Rail. The proposed action will exercise the second of two options of the initial contract and maintain the annual contract amount.

ALTERNATIVES

1. Recommend authorizing the Executive Director to execute annual contract renewals and options for various annual professional services in an amount not to exceed \$1,950,000, and to modify contract payment terms and non-material contract terms and conditions, as requested.
2. Recommend authorizing the Executive Director to execute annual contract renewals and options for various annual professional services in an amount not to exceed \$1,950,000, and to modify contract payment terms and non-material contract terms and conditions, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC considered this item at its May 27, 2015 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

Sufficient funds have been identified for these contracts in the proposed FY 2015/16 work program and budget. The proposed contracts will be funded by a combination of federal and state grants, funding from other agencies through memoranda of agreement, and Prop K funds.

RECOMMENDATION

Recommend authorizing the Executive Director to execute annual contract renewals and options for various annual professional services in an amount not to exceed \$1,950,000, and to modify contract payment terms and non-material contract terms and conditions.

Attachment:

1. Proposed Fiscal Year 2015/16 Professional Services Expenditures

**Attachment 1:
Proposed Fiscal Year 2015/16 Professional Services Expenditures**

Professional Services	Annual Services	Previous Year Contract	Increase/ (Decrease)	Proposed Fiscal Year 2015/16 Contract	Procurement Type/Contract Options	DBE Goal	DBE Percentage to Date
CCSF-Office of the City Attorney	General Counsel Services	\$ 100,000	\$ -	\$ 100,000	Sole Source	N/A	N/A
CCSF-Department of Technology	Video Production Services for Transportation Authority Committee and Board Meetings	\$ 40,000	\$ 10,000	\$ 50,000	Sole Source	N/A	N/A
Cordoba/Zurinaga Joint Venture and VSCE, Inc.	On-Call Program Management Oversight and General Engineering Consulting Services	\$ 1,800,000	\$ -	\$ 1,800,000	Competitively bid. Second of two renewal options.	22% DBE	76% DBE
	Total	\$ 1,940,000	\$ 10,000	\$ 1,950,000			



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RESOLUTION AWARDING A THREE-YEAR PROFESSIONAL SERVICES CONTRACT, WITH AN OPTION TO EXTEND FOR TWO ADDITIONAL ONE-YEAR PERIODS, TO VAVRINEK, TRINE, DAY & CO., LLP IN AN AMOUNT NOT TO EXCEED \$300,000 FOR ANNUAL AUDIT SERVICES, AND AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE CONTRACT PAYMENT TERMS AND NON-MATERIAL CONTRACT TERMS AND CONDITIONS

WHEREAS, Under its fiscal policy, Transportation Authority financial transactions and records are to be audited by an independent certified public accountants (CPA) firm at least annually and a report be submitted to the Transportation Authority's Board on the results of the audit; and

WHEREAS, The audit must be conducted in accordance with generally accepted government auditing standards applicable to financial audits established by the Governmental Accounting Standards Board (GASB) and the Comptroller General of the United States; and

WHEREAS, The Transportation Authority's prior auditing services contract with Macias, Gini & O'Connell LLP will expire on June 30, 2015; and

WHEREAS, The Transportation Authority's policy is to competitively re-bid professional services contracts after five years; and

WHEREAS, On March 13, 2015, the Transportation Authority issued a Request for Proposals (RFP 14/15-04) for annual audit services; and

WHEREAS, The Transportation Authority received three proposals in response to the RFP by the due date of April 22, 2015; and

WHEREAS, A review panel, consisting of Transportation Authority staff and the City's Controller's Office staff interviewed the three firms on May 6, 2015; and

WHEREAS, Based on the selection panel's evaluation of the proposals, the review panel



recommended award of the audit services contract to the top-ranked firm of Vavrinek, Trine, Day & Co., LLP; and

WHEREAS, The audit services will be funded from a combination of federal, state, regional and Prop K funds; and

WHEREAS, The scope of work described in the RFP is included in the Transportation Authority's proposed Fiscal Year 2015/16 Budget, and sufficient funds will be included in future budgets to cover the remaining cost of the contract; and

WHEREAS, At its May 27, 2015 meeting, the Citizens Advisory Committee considered and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, At its June 9, 2015 meeting, the Finance Committee reviewed and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby awards a three-year professional services contract, with an option to extend for two additional one-year periods, to Vavrinek, Trine, Day & Co., LLP, in an amount not to exceed \$300,000, for annual audit services; and be it further

RESOLVED, That the Executive Director is hereby authorized to negotiate contract payment terms and non-material contract terms and conditions; and be it further

RESOLVED, That for the purposes of this resolution, "non-material" shall mean contract terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute agreements and amendments to agreements that do not cause the total agreement value, as approved herein, to be exceeded and that do not expand the general scope of services.



Memorandum

Date: 06.02.15 **RE:** Finance Committee
June 9, 2015

To: Finance Committee: Commissioners Avalos (Chair), Mar (Vice Chair), Campos, Cohen, Kim and Wiener (Ex Officio)

From: Cynthia Fong – Deputy Director for Finance and Administration *CF*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Awarding a Three-Year Professional Services Contract, with an Option to Extend for Two Additional One-Year Periods, to Vavrinek, Trine, Day & Co., LLP in an Amount Not to Exceed \$300,000 for Annual Audit Services, and Authorizing the Executive Director to Negotiate Contract Payment Terms and Non-Material Contract Terms and Conditions

Summary

Under its fiscal policy, Transportation Authority financial transactions and records are to be audited by an independent certified public accountant (CPA) firm at least annually and a report be submitted to the Transportation Authority Board on the results of the audit. The prior auditing services contract with Macias, Gini & O'Connell LLP will expire on June 30, 2015. The Transportation Authority's policy is to competitively re-bid professional services contracts after five years. Therefore on March 13, 2015, we issued a Request for Proposals (RFP 14/15-04) for annual audit services for a three-year contract covering audit for Fiscal Years 2014/15 through 2016/17, with two additional one-year extension options. By the due date of April 22, we received three responsive bids, which included both a technical and cost component. Interviews were conducted on May 6 by a selection panel comprised of staff from the Transportation Authority and the San Francisco Office of the Controller. Based on this competitive process, the selection panel recommended award of an annual audit services contract to the highest-ranking firm, Vavrinek, Trine, Day & Co., LLP.

BACKGROUND

Under its fiscal policy, Transportation Authority financial transactions and records are to be audited by an independent certified public accountants (CPA) firm at least annually and a report be submitted to the Transportation Authority's Board on the results of the audit. The Transportation Authority's prior auditing services contract with Macias, Gini & O'Connell LLP will expire on June 30, 2015. The Transportation Authority's policy is to competitively re-bid professional services contracts after five years.

DISCUSSION

The purpose of this memorandum is to describe the procurement process and recommend award of the annual audit services contract to Vavrinek, Trine, Day & Co., LLP. The contract would be for three years covering audits for Fiscal Years 2014/15, 2015/16 and 2016/17, with two additional one-year extension options.

On March 13, 2015, the Transportation Authority issued a Request for Proposals (RFP 14/15-04) for annual audit services. By the due date of April 22, 2015, we received three proposals in response to the RFP. The review panel, consisting of Transportation Authority staff and the City's Controller's Office staff, reviewed the proposals based on the qualifications and other criteria detailed in the RFP. The panel interviewed all three firms on May 6, 2015. Based on the selection panel's evaluation of the proposals, the review panel recommended award of the contract to the highest-ranked firm of Vavrinek, Trine, Day & Co., LLP. The recommended team distinguished itself on the basis of its strong audit approach and its extensive experience working with transportation agencies. Vavrinek, Trine, Day & Co., LLP has provided auditing services for the Santa Clara Valley Transportation Authority since 2005, the Golden Gate Bridge, Highway and Transportation District since 2008, the Transbay Joint Powers Authority since 2009, the Orange County Transportation Authority since 2011, and the Alameda County Transportation Commission since 2012.

We will receive federal financing assistance to fund a portion of this procurement, and will adhere to federal regulations pertaining to Disadvantaged Business Enterprises (DBE). For this contract, we have established a DBE goal of 10%, accepting certifications by the Transportation Authority and the California Unified Certification Program. We took steps to encourage participation from small and disadvantaged business enterprises, including advertising in eight local newspapers: El Reportero, Nichi Bei Weekly, San Francisco Bay View, San Francisco Examiner, San Francisco Chronicle, Small Business Exchange, the Western Edition and the World Journal. We also distributed the RFP to certified small, disadvantaged and local businesses, the Bay Area and cultural Chambers of Commerce, and the Small Business Councils. The Vavrinek, Trine, Day & Co., LLP team has pledged a total DBE utilization of 10% through its DBE-certified contractor, Calvin Y. Louie.

ALTERNATIVES

1. Recommend awarding a three-year professional services contract, with an option to extend for two additional one-year periods, to Vavrinek, Trine, Day & Co., LLP in an amount not to exceed \$300,000 for annual audit services, and authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions, as requested.
2. Recommend awarding a three-year professional services contract, with an option to extend for two additional one-year periods, to Vavrinek, Trine, Day & Co., LLP in an amount not to exceed \$300,000 for annual audit services, and authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC considered this item at its May 27, 2015 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

The contract will be funded from a combination of federal, state, regional and Prop K funds. The first year's activity is included in the Transportation Authority's proposed Fiscal Year 2015/16 Budget. Sufficient funds will be included in future budgets to cover the remaining cost of the contract.

RECOMMENDATION

Recommend awarding a three-year professional services contract, with an option to extend for two additional one-year periods, to Vavrinek, Trine, Day & Co., LLP in an amount not to exceed \$300,000 for annual audit services, and authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions.

Attachment:

1. Annual Audit Scope of Services

Attachment 1: Annual Audit Scope of Services

Audit services will be requested on an hourly reimbursable basis, plus expenses, and may include, but are not limited to, the following categories of action:

- Conduct an annual audit of all the Transportation Authority's funds in accordance with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants (AICPA) and the GASB with the objectives of expressing an opinion on the financial statements. The successful proposer (the Auditor) will deliver an independent auditor's report;
- Perform the procedures necessary to ensure that the Transportation Authority may use the Auditor's opinion on the basic financial statements in connection with any official statements for public debt issuance. The Auditor will issue a debt service certificate;
- Perform a single audit on the expenditures of federal grants in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 and render the appropriate audit reports on Internal Control Over Financial Reporting based upon the audit of the Transportation Authority's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required. In additions, completion and filing of the federal Data Collection Form. If the Transportation Authority does not meet the minimum requirements to necessitate a single audit, the fees shall be adjusted accordingly;
- Prepare a separate audit report on TIMMA;
- Issue a Management Letter that includes a listing of all non-material items, which were identified during the audit, as well as a listing of the status of resolved and unresolved Management Letter comments from prior audits will be submitted to Transportation Authority staff; and
- Present audit results and Management Letter to the Citizens Advisory Committee, Finance Committee, and Board.

The following auditing standards will be followed:

- Accounting principles and auditing standards generally accepted in the United States;
- Standards for financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States; and
- Provisions of U.S. OMB Circular A-133.

The Transportation Authority assumes the responsibility to prepare the Management Discussion and Analysis, the basic financial statements, other required supplementary information, schedule of expenditures of federal awards, and footnotes. The Auditor may then be asked to produce the final published financial statements and single audit. Any costs for this production should be built into the cost estimate. The following assistance will be available to the Auditor:

- The Transportation Authority's staff will be available to work with the selected firm to ensure a smooth implementation for the year ending June 30, 2015; and
- The Auditor will be provided workspace within the Transportation Authority's offices. Please note that the Transportation Authority has limited office space. All space requirements and other miscellaneous requirements and concerns should be made known to the Transportation Authority in the response and during contract negotiations.

Additional Accounting and Audit-Related Service

From time to time the Transportation Authority may require additional or special auditing and/or audit related services such as compliance audits of recipients of Prop K funds. Where it can be demonstrated that it is to the Transportation Authority's benefit to engage the Auditor for such services, the Transportation Authority may amend the Auditor's contract by task orders to include said services without a subsequent formal bid process, provided that the cost of the amendments is less than \$75,000 in a fiscal year. Proposals submitted should address the proposer's ability and willingness to provide special support services upon request and provide reasonable estimates of hourly rates, by fiscal year, to be anticipated by the Transportation Authority should such services be required. These additional audit services may also be bid separately, at the sole discretion of the Transportation Authority.

Examples of additional or special accounting and/or audit services are:

- Proposition K Compliance Agreed-Upon Procedures;
- Proposition K Compliance Audit Procedures;
- Debt Consent Agreed-Upon Procedures;
- Management Audit; and
- Reviews or audits as required by any grantors.



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RESOLUTION INCREASING THE AMOUNT OF THE PROFESSIONAL SERVICES CONTRACT WITH PARSONS BRINCKERHOFF, INC. BY \$224,600 FOR A TOTAL AMOUNT NOT TO EXCEED \$596,600, FOR PLANNING AND ENGINEERING SERVICES FOR THE 19TH AVENUE/M-OCEAN VIEW PROJECT PRE-ENVIRONMENTAL STUDY PHASE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO MODIFY CONTRACT PAYMENT TERMS AND NON-MATERIAL CONTRACT TERMS AND CONDITIONS

WHEREAS, The Transportation Authority is serving as the procuring agency for the 19th Avenue/M-Ocean View Project Pre-Environmental Study Phase being led by the San Francisco Municipal Transportation Agency (SFMTA); and

WHEREAS, This phase continues work started in the Transportation Authority-led 19th Avenue Transit Study (Feasibility Study); and

WHEREAS, On May 24, 2011, the Parkmerced project was approved by the San Francisco Board of Supervisors; and

WHEREAS, As a condition of the Development Agreement between Parkmerced and the City and County of San Francisco, Parkmerced is committed to implementing a re-location of the M-Ocean View line through the site via one of two options: 1) introducing new at-grade crossings of 19th Avenue at Holloway and Junipero Serra; or 2) grade-separating (subway or bridge) the M-Ocean View crossings of 19th Avenue; and

WHEREAS, To provide additional information about the potential to pursue the second grade-separated option, the Transportation Authority led the Feasibility Study in partnership with SFMTA and other partner agencies and stakeholders; and

WHEREAS, This Feasibility Study was conducted between 2012 and 2014 and identified



high-performing options to advance to a subsequent phase of Pre-Environmental Study; and

WHEREAS, On March 25, 2014, through Resolution 14-67, the Transportation Authority Board unanimously approved the Feasibility Study Final Report, concluding this phase of work; and

WHEREAS, Under agreement with the Transportation Authority, SFMTA has taken over leadership of the project and launched the Pre-Environmental Study phase in continued partnership with the Transportation Authority and other stakeholders; and

WHEREAS, The Transportation Authority is serving as the contracting agency for the planning and engineering professional services needed for this phase as one of its roles and responsibilities as agreed to in Contract No. SFMTA-2014-44 executed in May 2014; and

WHEREAS, On June 24, 2014, through Resolution 14-83, the Transportation Authority Board unanimously awarded an 18-month contract for planning and engineering services for the 19th Avenue/M-Ocean View Project to Parsons Brinckerhoff, Inc. in an amount not to exceed \$372,000; and

WHEREAS, Consistent with the agreement between SFMTA and the Transportation Authority, staff have undertaken management of the professional consultant services to provide the necessary scoped planning and engineering services to prepare California Department of Transportation (Caltrans) Project Study Report-Project Development Support (PSR-PDS) documentation and other necessary activities; and

WHEREAS, The PSR-PDS scopes the level of effort needed for the environmental review phase, and engages Caltrans staff in early review of conceptual plans, profiles, and cross-sections of Build Alternatives to be further engineered and undergo environmental review in the subsequent phase; and

WHEREAS, The consultant scope of work for this phase assumed that the engineering work conducted during the Feasibility Study was sufficient to carry directly into the PSR-PDS,

however the project team has since determined that additional engineering work is required to support the PSR-PDS; and

WHEREAS, This work represents approximately half of the overall contract amendment increase and is further described in Task 4 in Attachment 1; and

WHEREAS, The additional engineering required for this task has necessitated additional and more frequent meetings than initially anticipated, requiring an increase in Task 1 project management, approximately another 25% of the budget addition; and

WHEREAS, While not essential to the Caltrans process, SFMTA wishes to have certainty that a first phase of the project can move forward in a timeframe that supports the City and County of San Francisco's Parkmerced Development Agreement responsibilities, which would require full funding and project approvals on a timeframe much faster than would be typical for a project of this scale; and

WHEREAS, To this end, Task 3 includes engineering study of new alternative variations where the southern grade-separated crossing is a tunnel instead of a bridge; and

WHEREAS, The additional work would commence as soon as the contract amendment has been executed and be completed within the original contract period that extends through December 2015; and

WHEREAS, In order to fund the additional work, SFMTA requested a Prop K allocation that was reviewed and unanimously recommended for approval by the Plans and Programs Committee at its June 16, 2015 meeting; and

WHEREAS, The contract amendment is contingent on approval of the aforementioned Prop K allocation, scheduled for the June 23 Transportation Authority Board meeting, and the amendment of Contract No. SFMTA-2014-44 between the Transportation Authority and SFMTA that provides budget for all Transportation Authority staff and consultant costs dedicated to this



phase of the project; and

WHEREAS, The proposed contract amendment will be 100% reimbursed by SFMTA, and if approved, will be included in the Transportation Authority's Fiscal Year 2015/16 mid-year budget amendment; and

WHEREAS, At its May 27, 2015 meeting, the Citizens Advisory Committee considered and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, At its June 9, 2015 meeting, the Finance Committee reviewed and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby increases the amount of the professional services contract with Parsons Brinckerhoff, Inc. by \$224,600 to a total amount not to exceed \$596,600 for planning and engineering services; and be it further

RESOLVED, That the Executive Director is hereby authorized to negotiate contract payment terms and non-material contract terms and conditions; and be it further

RESOLVED, That for the purposes of this resolution, "non-material" shall mean contract terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute agreements and amendments to agreements that do not cause the total agreement value, as approved herein, to be exceeded and that do not expand the general scope of services.

Attachment:

1. 19th Avenue/M-Ocean View Pre-Environmental Study Phase Contract Amendment Scope of Services

Attachment 1

19th Avenue/M-Ocean View Pre-Environmental Study Phase Contract Amendment Draft Scope of Additional Services

Task 1 – Project Management

The consultant contract scope assumed a streamlined management effort, including limited coordination and meetings in an effort to be as cost-effective as possible in developing the Caltrans required Project Study Report – Project Development Support (PSR-PDS). However, longer and more frequent meetings have been needed to adequately review project progress and make decisions. Also, this phase will continue approximately four months longer than originally budgeted.

This effort includes a minimum of 10 additional meetings – by phone and in person – for the purpose of reporting progress, seeking direction and input from SFMTA, SFCTA, SF Planning, Parkmerced, and other stakeholders, providing updates on engineering issues, and generally coordinating to ensure smooth progress of the project.

Deliverables: On-going project management through completion of the effort in November 2015.

Task 2 – Communications/Outreach Strategy and Implementation

Engineering work completed during this phase has revealed a need for more intensive and focused outreach in the Oceanview-Merced-Ingleside Heights (OMI) neighborhood. This outreach will allow for adequate community dialogue and input to inform the refined project definition used in the next phase of environmental review. The team is anticipating to contract with a community-based organization to support this work which would include a variety of activities such as Chinese translation, joining existing community-building activities in the neighborhood, organizing special meetings and events, and documenting the input.

Deliverables: Outreach notices, meetings/events/activities, and summary documentation.

Task 3 – Build Alternative Options Development, Screening, and Evaluation

This task includes work that is not essential to the Caltrans PSR-PDS, but that SFMTA needs to complete in advance of commencement of environmental review. Specifically it includes concept level engineering of a low-cost alternative that is a standard requirement for environmental review to compare the higher cost project alternatives against. In addition, this task includes engineering study of a new alternative variation where the southern grade-separated crossing is a tunnel instead of a bridge. This concept development work is prudent because 1) additional engineering work of the bridge has revealed technical constructability challenges; 2) additional engineering work of the bridge has revealed potential community impacts; 3) consideration of a southern tunnel may enable new phasing options that would allow a first phase to move forward before full funding for the larger project is identified.

Deliverables: two additional sets of planning-level design drawings, including plan and profiles, for a lowest-cost option and a southern tunnel option.

Task 4 – Project Development

Sub-Task 4.1 Plans and Cross-Sections: This task covers additional engineering work that was not anticipated during initiation of this phase. The original scope assumed the alignment and profile prepared during the Feasibility Study

would be carried directly into the PSR-PDS but in reality major additional work was needed to adhere to SFMTA, Caltrans, and Parkmerced design criteria. This task allows for the additional engineering work that will be needed to develop the main Build Alternative being scoped in the PSR-PDS.

Sub-Task 4.2 Conceptual Design for Stations

This task covers production of conceptual station designs additional to those initially scoped, including underground stations at St. Francis Circle, two locations for Stonestown, SF State, and within Parkmerced. While originally three station concept designs were scoped that included two Stonestown and one SF State location, two of these designs must be re-worked to work with underground median-running rather than west-side running tracks. This task also covers production of conceptual illustrations of two concepts for a new surface station in the OMI. This additional effort will result in conceptual station designs that reflect the most likely future configuration that future project development will focus on, and is prudent to invest in now rather in the subsequent phase of work as it will result in a more streamlined Caltrans review. This effort will also be invaluable for the community outreach efforts during this phase, as well as for cooperative discussions with westside property owners.

Sub-Task 4.3 Utility, Research, Coordination, and Mapping

Several utility files have been obtained but are not assembled in one composite map. It is financially prudent to invest in production of this composite map now as it will be needed eventually and can be produced based on the knowledge the project engineer has developed as a result of the work completed this year. This task covers consultant work to update the existing utility mapping to reflect the most current known field conditions.

Deliverables:

- Plan and profiles drawings
- Five underground station concept designs including locations for pedestrian, bicycle, bus and ADA accessible access, and conceptual illustrations
- Composite utility map

Task 5 – Evaluation

The original scope did not include adequate consultant effort required to provide information to capital cost estimator to support development of station/platform cost estimates. This task covers time from consultant station/platform cost estimator to review conceptual station drawings to estimate station/platform capital costs. This expertise will improve the overall capital cost estimates as stations will be one of the most substantial drivers of the capital costs of the project.

Deliverables: Evaluation Results memorandum, including capital costs (same deliverable as originally scoped).



Memorandum

Date: 06.02.15 **RE:** Finance Committee
June 9, 2015

To: Finance Committee: Commissioners Avalos (Chair), Mar (Vice Chair), Campos, Cohen, Kim and Wiener (Ex Officio)

From: Lee Saage – Deputy Director for Capital Projects *LS*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Increasing the Amount of the Professional Services Contract with Parsons Brinckerhoff, Inc. by \$224,600 for a Total Amount Not to Exceed \$596,600, for Planning and Engineering Services for the 19th Avenue/M-Ocean View Project Pre-Environmental Study Phase and Authorizing the Executive Director to Modify Contract Payment Terms and Non-Material Contract Terms and Conditions

Summary

The Transportation Authority is serving as the procuring agency for the 19th Avenue/M-Ocean View Project Pre-Environmental Study Phase being led by the San Francisco Municipal Transportation Agency (SFMTA). This phase continues work started in the Transportation Authority-led 19th Avenue Transit Study (Feasibility Study). The major objectives of this phase are to advance project development to the 5-10% level of engineering and prepare California Department of Transportation (Caltrans) Project Study Report-Project Development Support (PSR-PDS) documentation required given the project's location within Caltrans-owned right-of-way. Substantial progress has been made since initiation of this phase in Summer 2014 with the project team anticipating submittal of the draft PSR-PDS package to Caltrans for review in early Summer 2015. Additional funding is being sought primarily for two reasons: 1) to cover additional costs incurred as a result of an incorrect assumption that the level of engineering work completed in the Feasibility Study was adequate to carry directly into the PSR-PDS; and 2) to conduct additional conceptual engineering work to consider refinements to the southern grade-separated crossing that is essential to conduct in advance of the subsequent environmental review phase of the project. Amendment of the Parsons Brinckerhoff contract is contingent on the approval of additional Prop K sales tax funds (an item on the Plans and Program Committee's agenda) and on the amendment of Contract No. SFMTA-2014-44 between the Transportation Authority and the SFMTA that provides budget for all Transportation Authority staff and consultant costs dedicated to this phase of the project.

BACKGROUND

On May 24, 2011, the Parkmerced project was approved by the San Francisco Board of Supervisors. The Parkmerced development will add more than 5,600 net new housing units and supportive mixed uses, approximately tripling the density of the site. Instrumental to that plan's vision of a transit-oriented development was bringing the M-Ocean View line out of the median of 19th Avenue and through the heart of the Parkmerced site to provide strong transit access to new residents. As a condition of the Development Agreement between Parkmerced and the City and County of San Francisco, Parkmerced is committed to implementing a re-location of the M-Ocean View line through

the site via one of two options: 1) introducing new at-grade crossings of 19th Avenue at Holloway and Junipero Serra; or 2) grade-separating (subway or bridge) the M-Ocean View crossings of 19th Avenue. If the City and County of San Francisco wishes to move forward with the second option, Parkmerced would be required to contribute approximately \$70 million as a local match contribution to this larger project. The Development Agreement further specifies that the second option would need to receive project approvals by July 2018.

To provide additional information about the potential to pursue the second grade-separated option, the Transportation Authority led the 19th Avenue Transit Study (Feasibility Study) in partnership with the San Francisco Municipal Transportation Agency (SFMTA) and other partner agencies and stakeholders. This Feasibility Study was conducted between 2012 and 2014 and identified high-performing options to advance to a subsequent phase of Pre-Environmental Study. On March 25, 2014, through Resolution 14-67, the Transportation Authority Board unanimously approved the Feasibility Study Final Report, concluding this phase of work.

Under agreement with the Transportation Authority, the SFMTA has taken over leadership of the project and launched the Pre-Environmental Study phase in continued partnership with the Transportation Authority and other stakeholders. The Transportation Authority is serving as the contracting agency for the planning and engineering professional services needed for this phase as one of its roles and responsibilities as agreed to in Contract No. SFMTA-2014-44 executed in May 2014.

On June 24, 2014, through Resolution 14-83, the Transportation Authority Board unanimously awarded an 18-month contract for planning and engineering services for the 19th Avenue/M-Ocean View Project to Parsons Brinckerhoff, Inc. in an amount not to exceed \$372,000.

DISCUSSION

The purpose of this memo is to seek a recommendation to increase the amount of the professional services contract with Parsons Brinckerhoff by \$224,600, for a total not to exceed \$596,600 for planning and engineering services for the 19th Avenue/M-Ocean View Project and to authorize the Executive Director to modify contract payment terms and non-material contract terms and conditions.

Consistent with the agreement between SFMTA and the Transportation Authority, we have undertaken management of the professional consultant services to provide the necessary scoped planning and engineering services to prepare California Department of Transportation (Caltrans) Project Study Report-Project Development Support (PSR-PDS) documentation and other necessary activities. The PSR-PDS scopes the level of effort needed for the environmental review phase, and engages Caltrans staff in early review of conceptual plans, profiles, and cross-sections of Build Alternatives to be further engineered and undergo environmental review in the subsequent phase. The project team has made substantial progress in moving this work forward. The project schedule anticipates the full Draft Caltrans PSR-PDS documentation package to be submitted to Caltrans for review in June 2015. During Project Development Team meetings, Caltrans staff gave the project a “medium-low” risk of any of the non-standard features proposed by the project threatening its ultimate approval by Caltrans in the next phase.

Attachment 1 describes the scope additions and rationale for each in detail, but the need for additional budget can be summarized by two major reasons:

- 1) The consultant scope of work for this phase assumed that the engineering work conducted during the Feasibility Study was sufficient to carry directly into the PSR-PDS; however, major re-work was needed to adhere to SFMTA, Caltrans, and Parkmerced design criteria. This work represents

approximately half of the overall contract amendment increase and is further described in Task 4 in Attachment 1. Also, the additional engineering required for this task has necessitated additional and more frequent meetings than initially anticipated, requiring an increase in Task 1 project management, approximately another 25% of the budget addition.

2) While not essential to the Caltrans process, the SFMTA wishes to have certainty that a first phase of the project can move forward in a timeframe that supports the City and County of San Francisco's Parkmerced Development Agreement responsibilities, which would require full funding and project approvals on a timeframe much faster than would be typical for a project of this scale. To this end, Task 3 includes engineering study of new alternative variations where the southern grade-separated crossing is a tunnel instead of a bridge. This concept development work is prudent because consideration of a southern tunnel may enable new phasing options that would allow a first phase to move forward before full funding for the larger project is identified and may also allow for fewer community impacts and constructability challenges than would likely occur with the proposed bridge.

The additional work would commence as soon as the contract amendment has been executed and be completed within the original contract period that extends through December 2015.

In order to fund the additional work, SFMTA has requested a Prop K allocation that is an item on the Plans and Programs Committee's agenda. The contract amendment is contingent on approval of this allocation as well as amendment of Contract No. SFMTA-2014-44 between the Transportation Authority and the SFMTA that provides budget for all Transportation Authority staff and consultant costs dedicated to this phase of the project.

Since a portion of this contract is funded with federal financial assistance, the Transportation Authority will adhere to federal regulations pertaining to disadvantaged business enterprises (DBEs). To date, Parsons Brinckerhoff is close to achieving the 13% DBE goal established for this project with 10% DBE participation from three firms: Asian Pacific-owned firms, CHS Consulting Group and WRECO; and Women-owned firm, Merrill Morris Partners. CHS Consulting Group and Merrill Morris Partners are also based in San Francisco. The proposed contract amendment includes \$21,846 in additional funds to two of the DBE firms, Merrill Morris Partners and CHS Consulting Group, which will maintain expected DBE participation at the 13% goal at the completion of the contract.

ALTERNATIVES

1. Recommend increasing amount of the professional services contract with Parsons Brinckerhoff, Inc. by \$224,600, for a total not to exceed \$596,600 for planning and engineering services for the 19th Avenue/M-Ocean View Project, and authorizing the Executive Director to modify contract payment terms and non-material contract terms and conditions, as requested.
2. Recommend increasing the amount of the professional services contract with Parsons Brinckerhoff, Inc. by \$224,600, for a total not to exceed \$596,600 for planning and engineering services for the 19th Avenue/M-Ocean View Project, and authorizing the Executive Director to modify contract payment terms and non-material contract terms and conditions, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC considered this item at its May 27, 2015 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

The proposed contract amendment will be 100% reimbursed by SFMTA. Budget for these activities will be included in the Transportation Authority's budget amendment.

RECOMMENDATION

Recommend increasing the amount of the professional services contract with Parsons Brinckerhoff, Inc. by \$224,600, for a total not to exceed \$596,600 for planning and engineering services for the 19th Avenue/M-Ocean View Project, and authorizing the Executive Director to modify contract payment terms and non-material contract terms and conditions.

Attachment:

1. 19th Avenue/M-Ocean View Pre-Environmental Study Phase Contract Amendment Scope of Services

RESOLUTION ADOPTING THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY FISCAL YEAR 2015/16 ANNUAL BUDGET AND WORK PROGRAM

WHEREAS, Pursuant to State statutes (PUC Code Sections 131000 et seq.), the Transportation Authority must adopt an annual budget for Fiscal Year (FY) 2015/16 by June 30, 2015; and

WHEREAS, As called for in the Transportation Authority's Fiscal Policy (Resolution 14-43) and Administrative Code (Ordinance 14-01), it is the responsibility of the Finance Committee to set both the overall budget parameters for administrative and capital expenditures, the spending limits on certain line items, as well as to recommend adoption of the budget to the Board of Commissioners prior to June 30 of each year; and

WHEREAS, The Transportation Authority's proposed FY 2015/16 Work Program includes activities in five major functional areas that are overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects delivery support and oversight, 3) Planning, 4) Technology, Data & Analysis and 5) Finance and Administration; and

WHEREAS, These categories of activities are organized to efficiently address the Transportation Authority's designated mandates, including overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program, administering the \$10 Prop AA vehicle registration fee and operating as the Treasure Island Mobility Management Agency (TIMMA) for San Francisco; and

WHEREAS, The agency's organizational approach also reflects the principle that all activities at the Transportation Authority contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in



coordination with a number of San Francisco agencies as well as and federal, state and regional agencies; and

WHEREAS, Attachment A contains a description of the Transportation Authority's proposed Work Program for FY 2015/16; and

WHEREAS, Attachment B displays the proposed budget in a format described in the Transportation Authority's Fiscal Policy; and

WHEREAS, Total revenues are projected to be \$214.8 million and sales tax revenues, net of interest earnings, are projected to be \$101.3 million, or 47.1% of FY 2015/16 revenues; and

WHEREAS, Total expenditures are projected to be about \$273.1 million, and of this amount, capital project costs are \$241.4 million, or 88.4% of total projected expenditures, with 3.6% of expenditures budgeted for administrative operating costs, and 8% for debt service and interest costs; and

WHEREAS, Budgetary expenditures for administrative operating costs are \$10 million, which include \$2.9 million for non-personnel costs, which incorporates a decrease of 7.7% related to one-time costs associated with the implementation of the Enterprise Resource Planning (ERP) software system, which was fully transitioned in September 2014; and

WHEREAS, In May 2014, through Resolution 14-80, the Transportation Authority approved a staff reorganization plan to address staff capacity and sustainability issues given the ongoing ambitious work programs and Board interest in expanding and enhancing certain aspects of the work program, for which \$7 million was budgeted for personnel costs, which increased administrative costs by 7.1%; and

WHEREAS, The division of revenues and expenditures into the sales tax program, CMA program, TFCA program, Prop AA program and TIMMA program on Attachment B reflects the

five distinct Transportation Authority responsibilities and mandates; and

WHEREAS, At its May 27, 2015 meeting, the Citizens Advisory Committee was briefed on the subject request and adopted a motion of support for the staff recommendation; and

WHEREAS, At its June 9, 2015 meeting, the Finance Committee reviewed and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the attached San Francisco County Transportation Authority FY 2015/16 Budget and Work Program are hereby adopted.

Attachments (2):

- A. FY 2015/16 Annual Work Program
- B. FY 2015/16 Annual Budget

Attachment A
Proposed Fiscal Year 2015/16 Annual Work Program



The Transportation Authority's proposed Fiscal Year (FY) 2015/16 Work Program includes activities in five major divisions overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects, 3) Planning, 4) Technology, Data & Analysis, and 5) Finance & Administration. The Executive Director's office is responsible for directing the agency in keeping with the annual Board-adopted goals, for the development of the annual budget and work program, and for the efficient and effective management of staff and other resources. Further, the Executive Director's office is responsible for regular and effective communications with the Board, the Mayor's Office, San Francisco's elected representatives at the state and federal levels and the public, as well as for coordination and partnering with other city, regional, state and federal agencies, and other county Congestion Management Agencies.

The agency's work program activities address the Transportation Authority's designated mandates and functional roles. These include: serving as the transportation sales tax administrator and Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program, administering the \$10 Prop AA vehicle registration fee and operating as the new Treasure Island Mobility Management Agency (TIMMA). Our work program also reflects the multi-disciplinary and collaborative nature of our roles in planning, funding and delivering transportation projects and programs across the city, while ensuring transparency and accountability in the use of taxpayer funds.

PLAN

In FY 2015/16 we will continue to move forward key planning efforts previously identified through the 2013 San Francisco Transportation Plan (SFTP), as well as undertake new planning efforts meant to inform and respond to emerging trends and policy areas (e.g. shared mobility). We will also continue the planning phase to deliver the Treasure Island Transportation Implementation Plan as the recently designated TIMMA. Most of the FY 2015/16 activities listed below are strong multi-divisional efforts, often lead by the Planning Division in close coordination with Transportation, Data & Analysis; Capital Projects; and the Policy and Programming Divisions. Proposed activities include:

TIMMA: Continue advancing the Treasure Island Transportation Implementation Plan, which includes transit planning, congestion pricing and travel demand management on Treasure Island. Efforts this year will focus on implementing governance arrangements and advancing both program-wide planning and systems engineering in response to the development program schedule for Treasure Island. This effort will require integration of policies with the San Francisco Municipal Transportation Agency (SFMTA) and the Bay Area Tolling Authority (BATA) and coordination of project scope, schedule and implementation with a number of local partners.

Geary Corridor Bus Rapid Transit (BRT) Environmental Clearance and Design Support, Geneva Harney BRT Feasibility Study: Complete environmental review of the Geary BRT study, transition project lead to the SFMTA, support the SFMTA's efforts to enter the project into the Federal Transit Administration's Small Starts program to secure federal funds, and provide engineering support and oversight as SFMTA advances design of the near-term and core BRT projects. Complete the Geneva Harney BRT Feasibility Study looking at multi-modal east-west BRT and light rail options through Daly City, San Francisco and Brisbane with community and agency partners on both sides of the San Francisco/San Mateo county line. Transition project lead to the SFMTA and support SFMTA as it advances the project to the environmental review phase.

Freeway Corridor Management Study (FCMS): Start Phase 2 corridor planning study efforts in close coordination with city, regional and State agencies to determine a feasible set of near-term freeway management projects for US 101 and I-280 corridors, as well as a strategic network of managed lanes for the future. Participate in Metropolitan Transportation Commission's (MTC's) Managed Lanes

Implementation Study. This work will also include a Freeway Ramp Vision Zero Safety Assessment of pedestrian, bicycle, and vehicle conflicts and road safety on local San Francisco streets associated with US 101, I-280, and possibly I-80 on- and off- ramps, as part of the FCMS.

Regional Core Capacity Transit Study: As part of the multi-agency project team, support the launch and execution of this two-year MTC-led effort, looking at major transit capacity improvements for the core of San Francisco and the Transbay corridor. Includes participation in BART's Embarcadero and Montgomery Station Study and Muni Rail Capacity Study.

San Francisco Transportation Plan (SFTP) Update: In collaboration with San Francisco agencies and regional partners, update the SFTP in parallel with the Plan Bay Area update that is underway. As part of this effort, a white paper on the Shared Mobility/Commercial Transportation Services sector will be produced to reflect evolving conditions within the city and to support development of a policy framework for this sector.

Congestion Management Program (CMP): Update the CMP, incorporating new traffic volumes in addition to speed monitoring efforts, and an updated set of performance metrics for multi-modal travel. Incorporate the latest thinking on transportation demand management (TDM) based on the Transportation Sustainability Project (TSP) and TDM Partnership Project. Work closely with state and regional stakeholders to revamp CMP statutes to modernize them and bring them in line with SB 375 and other relevant planning and policy changes that have come to pass since the CMP statutes were first developed.

Neighborhood Transportation Planning: Continue implementation of the sales tax-funded Neighborhood Transportation Improvement Program (NTIP), identified as a new equity initiative in the previous SFTP. In some cases the Transportation Authority will carry out neighborhood transportation plans directly but for the most part, we will provide support to other agencies delivering planning studies and capital projects. NTIP planning studies have been approved in the Western Addition and Richmond. We anticipate Board approval of a NTIP planning study and NTIP capital project this month in Districts 2 (Lombard "Crooked") and 10 (I-280 "Hairball" Interchange), with other proposals currently in active pre-development.

Sector Plans/Policy Studies: Complete the Parking Utilization Study and assist city agencies with the Transportation Sustainability Project. Complete the West Side Strategic Analysis Report (SAR) and work with Commissioner Cohen's office to scope a potential District 10 SAR. Coordinate with SFMTA to provide policy framework and advice on jitney transit services per the request of Commissioner Farrell. Complete San Francisco Public-Private Travel Demand Management Partnership Project and initiate Late Night Transportation Study Part II.

Corridor Studies and Plans: Continue to support city agencies on the Better Market Street Project through environmental review phase. Support finalization of designs and the Caltrans approval process for the 19th Avenue Pedestrian and Transit Bulb-outs Project.

San Francisco Travel Incentives Pilot: In partnership with BART, the Transportation Authority will conduct employer outreach in anticipation of a travel incentives pilot to explore the potential for cost-effective peak period shifts in travel behavior to mitigate the capacity-constrained BART and MUNI Embarcadero and Montgomery systems in the San Francisco core. The pilot will use gamification and technology to generate changes in travel patterns, testing this new approach and its potential impacts.

Travel Forecasting and Analysis for Transportation Authority Studies: Provide modeling, data analysis, technical advice and graphics services to support efforts such as Geneva BRT Feasibility Study, Parking Pricing and Utilization Study, SFTP, FCMS, Balboa I-280 Interchange improvements, CMP, Core Capacity Transit Study, and the Geary Corridor BRT environmental analysis.

Attachment A
Proposed Fiscal Year 2015/16 Annual Work Program



Modeling Service Bureau: Provide modeling, data analysis, and technical advice to city agencies and consultants in support of many projects and studies. Expected service bureau support this year will be provided for the 16th Street Busway, Better Market Street Study, provide in-kind technical support to Transit Sustainability Program and Caltrain Railyard/Boulevard Study.

Data Warehouse and Research Support: Continue to serve as a data resource for city agencies, consultants, and the public and enhance data management and dissemination capabilities by developing web-based tools such as the “Count Dracula” portal for organizing, mapping, and analyzing traffic, bike, and pedestrian counts. Analyze and publish important results from the 2012 California Household Travel Survey. Support researchers working on topics that complement and enhance our understanding of travel behavior. Potential topics include: explore the potential use of new data sources from Transportation Network Companies (TNC’s) and private big data sources; explore the fusion of multiple geographic data sources such as cell phone data with transit fare card, vehicle location, and passenger data; investigate bicycle route choice data before and after the implementation of bicycle infrastructure projects.

Model Consistency/Land Use Allocation: Complete the requirements for model consistency in coordination with MTC as a part of the CMP update. Participate in Bay Area Model Users Group. Continue supporting the refinement of the Bay Area land use growth allocation model with the Planning Department, the Association of Bay Area Governments (ABAG) and MTC. Coordinate land use analysis activities in cooperation with these same agencies.

Travel Demand Model Enhancements: Implement numerous SF-CHAMP and Dynamic Traffic Assignment model improvements, with special emphasis on transit reliability and model performance. In conjunction with MTC and the Puget Sound Regional Council, continue development of a dynamic transit assignment model that will enhance our ability to analyze the impacts of service reliability and crowding on transit trip-making.

FUND

One of the agency’s core functions is to serve as the administrator of the Prop K half-cent sales tax (which superseded Prop B). This funding role complements the agency’s other core roles (e.g. Prop AA administrator and CMA). We serve as funding and financing strategist for San Francisco projects; we advocate for discretionary funds and legislative changes to advance San Francisco project priorities; provide support to enable sponsors to comply with timely-use-of-funds and other grant requirements; and seek to secure new sources of revenues. The work program activities highlighted below are typically led by the Policy and Programming Division with support from all agency divisions.

Fund Programming and Allocations: Administer the Prop K sales tax, Prop AA vehicle registration fee, TFCA, Lifeline, OneBayArea Grant, and Regional Improvement Program funds which the agency directly allocates or prioritizes projects for grant funding. Provide technical, strategic and advocacy support for a host of other fund programs such as the State’s Cap-and-Trade and Active Transportation Programs and federal competitive grant programs. Notable special initiatives for FY 2015/16 include:

- **Prop K Customer Service and Efficiency Improvements:** This multi-division initiative will continue to improve the Transportation Authority’s grants administration process and the Portal – a web-based grants management database – in terms of efficiency and user-friendliness.
- **Federal-Aid Streamlining Advocacy and Sponsor Support:** The Transportation Authority will continue to provide expertise in grants administration for federally funded projects and is playing a leadership role supporting regional efforts to streamline the current federal-aid grant process.

Capital Financing Program Management: Provide monitoring of financial performance, maintain the cash flow model, analyzing finance options, developing recommendations, issuing and managing debt to enable accelerated delivery of sales-tax funded projects.

Plan Bay Area Update: As CMA, coordinate San Francisco's input to the 2017 Plan Bay Area update, drawing upon the 2013 SFTP recommendations and the update that is now underway. This includes: conducting the call for projects, providing San Francisco's input on changes to regional fund program guidelines and policy frameworks, new revenue advocacy and other policy initiatives. This involves close coordination with San Francisco agencies, the Mayor's office, and our ABAG and MTC Commissioners, as well as coordination with Bay Area CMAs, the "big 3 cities" (San Francisco, Oakland, and San Jose), transit agencies and other community stakeholders.

New Revenue Advocacy: Advocate for San Francisco priorities and new regional, state and federal funds by providing Board member staffing, issue advocacy at various venues (such as at MTC committees, Bay Area CMA meetings, and SPUR) and ongoing coordination with, and appearances before, the MTC, California Transportation Commission, and federal agencies. Locally, we continue to support efforts related to the Mayor's Transportation 2030 Task Force, which include targeting the 2016 ballot for consideration of a vehicle license fee and shaping San Francisco's input to BART's anticipated 2016 revenue measure. We will develop revenue advocacy white papers as part of the SFTP update.

Legislative Advocacy: We will continue to monitor and take positions on state legislation affecting San Francisco's transportation programs, and develop strategies for advancing legislative initiatives beneficial to San Francisco's transportation programs. This advocacy builds off of SFTP recommendations, the agency's adopted legislative program (e.g. includes Vision Zero, new revenue, and project delivery advocacy), and is done in coordination with the Mayor's office, the Self Help Counties Coalition, and other city and regional agencies.

Funding and Financing Strategy: Provide funding and financing strategy support for Prop K signature projects which are also included in MTC's Regional Transit Expansion Agreement: i.e. Caltrain Electrification, Central Subway, Transbay Transit Center/Downtown Extension and Van Ness BRT. Continue to serve as a funding resource for all San Francisco project sponsors, including brokering fund swaps, as needed.

Fiscal Agent/Advisor: Continue to serve as fiscal agent for City CarShare's eFleet: Carsharing Electrified Project, which will deploy a fleet of electric vehicles with supportive infrastructure and operations. Provide ongoing funding and technical support to Bayview Mobility Study community group exploring van-sharing operations in the Bayview.

DELIVER

The timely and cost-effective delivery of Transportation Authority-funded transportation projects and programs requires a multi-divisional effort, led primarily by the Capital Projects Division with support from other divisions. As in past years, the agency focuses on providing engineering support and overseeing the delivery of the Prop K sales tax major capital projects, such as the Presidio Parkway, the SFMTA's Central Subway, Radio Replacement and facility upgrade projects; the Transbay Transit Center/Caltrain Downtown Extension; and Caltrain Electrification. The agency is also serving as lead agency for the delivery of certain projects, such as the Yerba Buena Island Interchange Improvement Project and I-280/Balboa Park Area Freeway Ramps projects, which typically are multijurisdictional in nature and often involve significant coordination with the California Department of Transportation (Caltrans). Key delivery activities for FY 2015/16 include the following:

Attachment A
Proposed Fiscal Year 2015/16 Annual Work Program



TA – Lead Construction:

- **I-80/Yerba Buena Island (YBI) Interchange Improvement Project and Yerba Buena Island Bridge Structures:** Continue to lead construction of the East Side Ramps. Continue final engineering and design of the West Side Bridges and prepare for construction. Includes consideration of alternative delivery methods for the West Side Bridges project. Continue coordination activities with Caltrans, Bay Area Toll Authority, the Office of Economic and Workforce Development and the Treasure Island Development Authority.
- Folsom Off-Ramp Realignment Project:** Complete construction of the Folsom Off-Ramp Realignment Project for the Office of Community Investment and Infrastructure, providing pedestrian safety improvements and supporting the goals of the Transbay Redevelopment Project Area.
- **Presidio Parkway Project:** Continue supporting Caltrans with construction management and design support during construction; serve as lead for various components of the public private partnership (P3) contract; work with Caltrans to ensure compliance with conditions associated with prior allocations of federal economic stimulus funds; actively assist Caltrans with oversight of the P3 contract including implementation of various programs outlined in the contract such as the Workforce Development Program and the Underutilized Disadvantaged Business Enterprise Program. In FY 15/16, we anticipate completing the P3 study that is comparing the effectiveness of delivering Phase 1 of the project using the more traditional design-bid-build model with Phase 2 which is being delivered as a P3.

TA – Lead Project Development:

- **I-280 Interchange Modifications at Balboa Park Ramps:** Lead next steps for implementing recommendations from the recently completed Balboa Park Circulation Study. This includes working towards achieving Caltrans approval and environmental clearance of the realignment of the southbound I-280 off-ramp to Ocean Avenue (to improve safety at the ramp/local street interface) by July 2016, and preparing a Ramp Closure Analysis for the northbound I-280 on-ramp from Geneva Avenue, anticipated to be completed by early 2016.
- **Quint-Jerrold Connector Road:** Advance design and support the Quint Street Bridge Replacement.

TA – Project Delivery Support:

- **Caltrain Early Investment Program and California High-Speed Rail Program:** Coordinate with the California High-Speed Rail Authority (CHSRA) and San Francisco agencies on high-speed rail issues affecting the city; work with Caltrain, MTC, the Mayor's Office and other Peninsula and regional stakeholders to monitor and support delivery of the Caltrain Early Investment Program including the Communications Based Overlay Signal System and Electrification projects. Continue to work closely with aforementioned stakeholders to fully fund electrification and support delivery of the blended system to the Peninsula corridor that extends to the new Transbay Transit Center.
 - **Central Subway:** Project management oversight; scope/cost/schedule and funding assessment and strategy.
- Transbay Transit Center/Caltrain Downtown Extension:** Project management oversight and provide support for Board member participation on other oversight bodies (IJPA, Board of Supervisors), assist with funding assessment and strategy and participate on Planning Department-led Railyard/Boulevard Study.
- **Van Ness Avenue Bus Rapid Transit (BRT):** Project engineering support, environmental compliance, and

general project oversight. Work closely with SFMTA and an interagency project team to maintain project integrity and quality while controlling budget and schedule. Assist SFMTA in implementing a Construction Manager/General Contractor (CM/GC) approach to construction.

- **Engineering Support:** Support for SFMTA-led 19th Avenue/M-Ocean View Project Pre-Environmental Study, including support for Caltrans coordination during the production of a Project Study Report-Project Development Support document. Provide engineering support, as needed, for other Transportation Authority-led planning and programming efforts.

TRANSPARENCY & ACCOUNTABILITY

This section of the work program highlights ongoing agency operational activities, and administrative processes to ensure transparency and accountability in the use of taxpayer funds. It includes ongoing efforts lead by the Finance & Administration Division (e.g. accounting, human resources, procurement support), by the Transportation, Data & Analysis Division (e.g. IT and systems integration support), and by the Executive Office (e.g. Board operations and support, budgeting and communications) as listed below:

- **Board Operations and Support.** Staff Transportation Authority Board meetings including standing and ad hoc committees, Vision Zero Committee and Treasure Island Mobility Management Agency meetings.
- **Audits:** Prepare, procure, and manage fiscal compliance and management audits.
- **Budget, Reports and Financial Statements:** Develop and administer Transportation Authority budget, including performance monitoring, internal program and project tracking. Monitor internal controls and prepare reports and financial statements.
- **Accounting and Grants Management:** Maintain payroll functions, general ledger and accounting system, including paying, receiving and recording functions. Manage grants and prepare invoices for reimbursement.
- **Systems Integration:** Ongoing enhancement and maintenance of the new enterprise resource planning system (business management and accounting software) to improve accounting functions, general ledger reconciliations and financial reporting, as well as enabling improved data sharing with Portal (web-based grants management database used by agency staff and project sponsors).
- **Contract Support:** Oversee procurement process for professional consultant contracts, prepare contracts, and manage compliance for contracts and associated Memoranda of Agreement and Understanding.
- **Disadvantaged Business Enterprise and Local Business Enterprise:** Administer program, review and update policy for any new state and federal requirements, conduct outreach and review applications and award certifications.
- **Communications and Community Relations:** Execute the agency's communications strategy with the general public, the agency's board, various interest groups and other government agencies. This is accomplished through various means, including fostering media and community relations, developing strategic communications plans for projects and policy initiatives, disseminating agency news and updates through 'The Messenger' newsletter, supporting public outreach and helping coordinate events to promote the agency's work. In this second half the 25th Anniversary year of the agency, the Executive Director's office will continue to lead special commemorative activities to highlight major Prop K accomplishments and program management activities.

Attachment A
Proposed Fiscal Year 2015/16 Annual Work Program



- **Website Maintenance:** Update content and maintain and enhance interactive project delivery reporting features such as the mystreetsf.com project map.
- **Policies:** Maintain and update Administrative Code, fiscal, debt, procurement, investment, and travel policies.
- **Human Resources:** Administer recruitment, personnel and benefits management and office procedures. Conduct or provide training for staff.
- **Office Management and Administrative Support:** Maintain facilities and provide procurement of goods and services and administration of services contracts. Staff front desk reception duties. Provide assistance to the Clerk of the Authority as required with preparation of agenda packets and minutes, updates to website and clerking meetings.
- **Legal Issues:** Manage routine legal issues, claims and public records requests.
- **Information Technology:** Provide internal development and support; maintain existing technology systems including phone and data networks; develop new collaboration tools to further enhance efficiency and technological capabilities; and expand contact management capabilities.

San Francisco County Transportation Authority
Attachment B
Proposed Fiscal Year 2015/16 Annual Budget



Proposed Budget by Fund

	Vehicle					Proposed Budget Fiscal Year 2015/16	Amended Budget Fiscal Year 2014/15
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Registration Fee For Transportation Improvements Program	Treasure Island Mobility Management Agency Program		
Revenues:							
Sales Tax Revenues	\$ 101,293,575	\$ -	\$ -	\$ -	\$ -	\$ 101,293,575	\$ 98,823,000
Vehicle Registration Fee	-	-	-	4,776,540	-	4,776,540	4,727,718
Interest Income	328,196	-	2,140	4,370	-	334,706	346,190
Federal/State/Regional Revenues	75,000,000	29,041,216	772,398	-	650,000	105,463,614	49,348,920
Other Revenues	2,909,880	6,210	-	-	-	2,916,090	5,670,617
Total Revenues	179,531,651	29,047,426	774,538	4,780,910	650,000	214,784,525	158,916,445
Expenditures:							
Capital Project Costs	201,816,864	28,943,668	1,225,593	9,108,958	274,400	241,369,483	185,367,601
Administrative Operating Costs	7,143,980	2,065,647	37,486	228,830	475,600	9,951,543	9,730,704
Debt Service	21,760,000	-	-	-	-	21,760,000	1,786,600
Total Expenditures	230,720,844	31,009,315	1,263,079	9,337,788	750,000	273,081,026	196,884,905
Other Financing Sources (Uses):							
	(2,061,889)	1,961,889	-	-	100,000	-	-
Net Change in Fund Balance	\$ (53,251,082)	\$ -	\$ (488,541)	\$ (4,556,878)	\$ -	\$ (58,296,501)	\$ (37,968,460)
Budgetary Fund Balance, as of July 1	\$ (87,859,874)	\$ -	\$ 488,541	\$ 5,011,347	\$ -	\$ (82,359,986)	\$ (44,391,526)
Budgetary Fund Balance, as of June 30	\$ (141,110,956)	\$ -	\$ -	\$ 454,469	\$ -	\$ (140,656,487)	\$ (82,359,986)



Memorandum

Date: 06.02.15 **RE:** Finance Committee
June 9, 2015

To: Finance Committee: Commissioners Avalos (Chair), Mar (Vice Chair), Campos, Cohen, Kim and Wiener (Ex Officio)

From: Cynthia Fong – Deputy Director for Finance and Administration *CF*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Adopting the Proposed Fiscal Year 2015/16 Annual Budget and Work Program

Summary

Pursuant to State statutes (PUC Code Sections 131000 et seq.) and the Transportation Authority's Fiscal Policy, the Transportation Authority Board must adopt an annual budget for the following fiscal year by June 30. The proposed Fiscal Year (FY) 2015/16 Annual Budget includes projections of sales tax revenues; federal, state and regional grants; investment income for the fiscal period; and projections of operating and administrative costs, capital expenditures, and associated financing costs. The proposed FY 2015/16 Annual Budget also includes a description of the Transportation Authority's proposed Work Program for the coming fiscal year. Total revenues are project to be \$214.8 million, including \$101.3 million in sales tax revenues. Total expenditures are project to be \$273.1 million. Capital project expenditures are projected to be \$241.4 million or about 88.4% of total expenditures. The final proposed FY 2015/16 Annual Budget and Work Program will be presented to the Transportation Authority Board on June 23 for approval.

BACKGROUND

Pursuant to State statutes (PUC Code Sections 131000 et seq.), the Transportation Authority must adopt an annual budget for Fiscal Year (FY) 2015/16 by June 30, 2015. As called for in the Transportation Authority's Fiscal Policy (Resolution 14-43) and Administrative Code (Ordinance 14-01), it is the responsibility of the Finance Committee to set both the overall budget parameters for administrative and capital expenditures, the spending limits on certain line items, as well as to recommend adoption of the budget to the Board of Commissioners prior to June 30 of each year.

Update: Since the presentation of the preliminary FY 2015/16 annual budget last month, the Transportation Authority has secured commitments for up to \$200,000 of revenues for "SF-CHAMP," the San Francisco Travel Demand Forecasting Model. The Transportation Authority maintains "SF-CHAMP" which is the official transportation modeling tool for San Francisco and is certified as compliant with the Regional Transportation Plan by the Metropolitan Transportation Commission. The San Francisco Municipal Transportation Agency (SFMTA) and Planning Department frequently requests travel demand services from SF-CHAMP to evaluate the impacts for various City projects. The SFMTA and the Planning Department each agreed to continue to contribute up to \$100,000 to the Transportation Authority for the care, maintenance and updates of SF-CHAMP, in order to implement new relevant features, reporting tools and up-to-date assumptions about travel behavior. All project

expenditures were included in the preliminary FY 2015/16 annual budget. The net effect of the additional funding increases Regional Revenues by \$21,554 since these new revenues allow us to preserve Federal Surface Transportation Program 3% grant funds for future project needs, providing a critical reserve given the lack of State Planning, Programming and Monitoring SB45 funds in FY 2015/16.

DISCUSSION

The purpose of this memorandum is to present the Transportation Authority's proposed FY 2015/16 Annual Budget and Work Program and to seek a recommendation for its adoption.

The Transportation Authority's proposed FY 2015/16 Work Program includes activities in five major functional areas that are overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects delivery support and oversight, 3) Planning, 4) Technology, Data & Analysis and 5) Finance and Administration. These categories of activities are organized to efficiently address the Transportation Authority's designated mandates, including overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program, administering the \$10 Prop AA vehicle registration fee and operating as the Treasure Island Mobility Management Agency (TIMMA) for San Francisco. Our organizational approach also reflects the principle that all activities at the Transportation Authority contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in coordination with a number of San Francisco agencies as well as and federal, state and regional agencies. Attachment A contains a description of the Transportation Authority's proposed Work Program for FY 2015/16.

Attachment B displays the proposed budget in a format described in the Transportation Authority's Fiscal Policy. Total revenues are projected to be \$214.8 million. Sales tax revenues, net of interest earnings, are projected to be \$101.3 million, or 47.1% of FY 2015/16 revenues. Total expenditures are projected to be about \$273.1 million. Of this amount, capital project costs are \$241.4 million. Capital projects costs are 88.4% of total projected expenditures, with 3.6% of expenditures budgeted for administrative operating costs, and 8% for debt service and interest costs. The division of revenues and expenditures into the sales tax program, CMA program, TFCA program, Prop AA program and TIMMA program on Attachment B reflects the five distinct Transportation Authority responsibilities and mandates. The TIMMA program was separated as a new fund and program in the FY 2014/15 budget. On April 1, 2014, through Resolution No. 110-14, the San Francisco Board of Supervisors designated the Transportation Authority as the TIMMA for San Francisco to oversee the implementation of the Treasure Island Transportation Implementation Plan in accordance with the Treasure Island Transportation Management Act (AB 981), which includes congestion pricing and travel demand management on Treasure Island.

Attachment C shows a more detailed version of the proposed budget.

Revenues: The sales tax revenue projection of \$101.3 million is an increase from the prior year sales tax revenue collected. Sales tax revenues have recovered from the FY 2009/10 low and FY 2015/16 revenues are projected to be the highest collected in a single fiscal year since the inception of the Prop K program.

CMA revenues of \$29 million include federal, state, regional and other sources, and are used for professional services contracts and staffing expenditures to implement the Transportation Authority's planning, oversight and programming responsibilities. CMA revenues include project specific grants, and also include annual funding sources such as federal Surface Transportation Program funds that we

receive from the Metropolitan Transportation Commission to undertake our CMA-related planning, policy, programming, project delivery support and other activities.

CMA revenues also include federal and state reimbursements of \$26.8 million for construction activities on the I-80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Island Bridge Structures (collectively known as YBI Project), an effort undertaken under agreement by the Transportation Authority in its role as CMA for San Francisco. Other CMA revenues include the San Francisco Freeway Performance Initiative Study and Strategic Highway Research Program.

Prop AA revenues in FY 2015/16 are projected to be \$4.8 million or 2.2% of all budgeted revenues, consistent with the Prop AA Strategic Plan. These funds are available for projects and programs identified in the Strategic Plan or through periodic competitive calls for projects.

Expenditures: The estimate for sales tax capital expenditures reflects a combination of estimated cash flow needs for existing allocations based on review of reimbursements, progress reports and conversations with project sponsors, as well as anticipated new allocations estimated for FY 2015/16. The anticipated largest capital project expenditures for existing allocations include the SFMTA's Radio Communications System & Computer-Aided Dispatch Replacement and Central Subway projects; and the Transbay Joint Powers Authority's (TJPA's) Transbay Transit Center/Downtown Extension Project; as well as various transit and street maintenance improvements, and pedestrian and bicycle projects. One of the largest anticipated new allocations and corresponding expenditures will be over \$20 million in sales tax funds for the milestone payment due to the concessionaire at substantial completion of Presidio Parkway project, anticipated this fall. We anticipate needing to revise the capital budget mid-year, given the large portfolio of sales tax projects that we are overseeing and the complexity of forecasting reimbursement needs with such a large and diverse portfolio. We continue to work closely with our sponsors, particularly SFMTA and the TJPA to monitor project progress and anticipate project cost reimbursement needs especially for the grants with the largest remaining balances.

CMA capital expenditures of \$28.9 million include technical consulting services which are needed in order to fulfill the Transportation Authority's CMA Program responsibilities under state law. Projects in this category include the Geary Corridor and Van Ness Avenue Bus Rapid Transit projects, Freeway Corridor Management Study, San Francisco Transportation Plan, Modeling Service Bureau, and various local area plans studies, such as the 19th Avenue M-Ocean View and eFleet Carsharing Electrified and Strategic Highway Research Programs. The FY 2015/16 budget also includes \$26.8 million from federal, state, and regional funding for work on the YBI Project.

Prop AA capital expenditures of \$9.1 million include projects that will be delivered under the voter-approved Prop AA Expenditure Plan. Consistent with the Expenditure Plan, the vehicle registration fee revenues will be used for design and construction of ready-to-go local road repairs, pedestrian safety improvements, transit reliability improvements, and travel demand management projects. The Prop AA capital expenditures include new FY 2015/16 projects based on the approved Prop AA Strategic Plan, and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2014/15. The largest capital project expenditures for existing allocations include the Dolores Street Pavement Renovation project, the Hunters View Phase II: Transit Connection, and the Mansell Corridor Improvement Project, which is also a OneBayArea Grant project.

Administrative operating expenditures of \$10 million includes personnel and non-personnel costs. Personnel costs are budgeted at \$7 million. In May 2014, through Resolution 14-80, the Transportation Authority approved a staff reorganization plan to address staff capacity and sustainability issues given the ongoing ambitious work programs and Board interest in expanding and enhancing certain aspects of

the work program. Adoption of the staff reorganization plan increased Administrative costs by 7.1%. Employees are not entitled to any cost of living adjustment, and all salary adjustments are determined by the Executive Director based on performance only. Non-personnel costs are budgeted at \$2.9 million, which includes a decrease of 7.7% related to the implementation of the Enterprise Resource Planning (ERP) software system. We fully transitioned to the new ERP system in September 2014.

Debt service costs of \$21.8 million are included in the FY 2015/16 budget, which assumes a continuation of the current Commercial Paper Program agreements and an increase in commercial paper interest rates and a \$20 million paydown on the outstanding \$135 million commercial paper program. By 2021, it is expected that the outstanding commercial paper will be fully repaid. Any savings from the proposed changes to the commercial paper program (e.g. replacing the program with a revolving credit agreement) would be reflected in the mid-year budget revision.

Other Sources and Uses: The Other Financing Sources (Uses) section of the Line Item Detail for the FY 2015/16 budget includes inter-fund transfers (for example between the sales tax and CMA funds). These transfers represent the required local match or appropriation of Prop K to federal and state grants such as the Surface Transportation Program and TIMMA Program.

Fund Balance and Contingency Reserve: The budgetary fund balance is generally defined as the difference between assets and liabilities, and the ending balance is based on previous year's audited fund balance plus the current year's budget amendment and the budgeted year's activity. There is a negative of \$140.7 million in total fund balances, which is largely the result of how multi-year programming commitments are accounted for. A large portion of the negative fund balance reflects grant-funded capital projects that are scheduled to be implemented over the course of several fiscal years with non-current (i.e. future) revenues. Commitments of future revenues are tracked through the grant administration process, and there is no issue with the availability of future revenues to honor them. A negative fund balance is a result of how these commitments are accounted for, and it does not affect the viability of the projects or grants. This is a conservative accounting presentation of multi-year programming because these commitments are funded with non-current (i.e. future) revenues. In addition, the Transportation Authority does not hold or retain title for the projects it has constructed or for the vehicles and system improvements purchased with sales tax funds, which can result in a negative position. This reporting of all legal funding commitments without the corresponding revenue or assets creates or largely contributes to the \$140.7 million negative fund balance.

The Transportation Authority's Fiscal Policy directs that the Transportation Authority shall allocate between 5% and 15% of the estimated annual sales tax revenues as a hedge against emergencies in the fiscal year. The FY 2015/16 budget sets aside \$10.1 million, or 10% of annual projected sales tax revenues, as a set-aside for a program and operating contingency reserve. The Transportation Authority has also set aside \$477,654 and \$77,240 or 10% as a program and operating contingency reserve for the Prop AA and TFCA Programs, respectively.

Attachment D provides additional descriptions of line items in the budget.

Next Steps: The final proposed FY 2015/16 Annual Budget and Work Program will be presented to the Transportation Authority Board on June 23 for approval.

ALTERNATIVES

1. Recommend adopting the proposed FY 2015/16 Annual Budget and Work Program, as presented.

2. Recommend adopting the proposed FY 2015/16 Annual Budget and Work Program, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on this item at its May 27, 2015 meeting and adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

As described above.

RECOMMENDATION

Recommend adopting the proposed 2015/16 Annual Budget and Work Program.

Attachments (4):

- A. Proposed FY 2015/16 Annual Work Program
- B. Proposed FY 2015/16 Annual Budget
- C. Proposed FY 2015/16 Annual Budget – Line Item Detail
- D. Line Item Descriptions

**San Francisco County Transportation Authority
Attachment C
Proposed Fiscal Year 2015/16 Annual Budget
Line Item Detail**



	Proposed Budget Amendment by Fund							Increase (Decrease) from Prior Year	Amended Budget Fiscal Year 2014/15
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Registration Fee For Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Proposed Budget Fiscal Year 2015/16			
Revenues:									
Sales Tax Revenues	\$ 101,293,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,470,575	\$ 98,823,000	
Vehicle Registration Fee	-	-	-	4,776,540	-	-	48,822	4,727,718	
Interest Income	328,196	-	2,140	4,370	-	-	(11,484)	346,190	
Federal/State/Regional Revenues									
Federal Congestion Mitigation and Air Quality (CMAQ) Program: eFleet	-	367,623	-	-	-	-	(528,975)	896,598	
Federal CMAQ Program: Transportation Demand Management Partnership Project	-	-	-	-	-	-	(191,831)	191,831	
Federal Geneva-Harney Bus Rapid Transit Feasibility Study	-	-	-	-	-	-	(205,500)	205,500	
Federal Highway Bridge Program - I-80/Yerba Buena Island Interchange Improvement Project	-	23,230,106	-	-	-	-	(7,745,074)	30,975,180	
Federal Highway Bridge Program - Yerba Buena Island Bridge Structures	-	582,527	-	-	-	-	(1,740,058)	2,322,585	
Federal San Francisco Freeway Performance Initiative Study	-	219,000	-	-	-	-	219,000	-	
Federal San Francisco Parking Pricing and Regulation Study	-	-	-	-	-	-	(332,209)	332,209	
Federal Small Smart Funds (from SFMTA): Van Ness Avenue Bus Rapid Transit	-	-	-	-	-	-	(208,159)	208,159	
Federal Strategic Highway Research Program	-	123,947	-	-	-	-	61,972	61,972	
Federal Surface Transportation Program 3% Revenue	-	1,255,107	-	-	-	-	288,561	966,546	
Federal Treasure Island Mobility Management Priority Development	-	-	-	-	-	-	(476,000)	476,000	
Federal Value Pricing Pilot Program: Treasure Island Mobility	-	-	-	-	-	-	(329,423)	329,423	
State Planning, Programming & Monitoring SB45 Funds	-	-	-	-	-	-	(161,000)	161,000	
State Potrero Hill Community-Based Transportation Plan	-	-	-	-	-	-	(56,856)	56,856	
State Seismic Retrofit Proposition IB - I/80 YBI Interchange Improvement Project	-	3,009,707	-	-	-	-	(979,714)	3,989,421	
State TCRP Presidio Parkway	-	-	-	-	-	-	(48,310)	48,310	
Regional MTC - Chinatown Community-Based Transportation Plan	-	-	-	-	-	-	(21,000)	21,000	
Regional MTC - Potrero Hill Community-Based Transportation Plan	-	-	-	-	-	-	(60,000)	60,000	
Regional MTC - Presidio Parkway (ABI1171)	-	-	-	-	-	-	(1,408,129)	1,408,129	
Regional MTC - San Francisco Parking Pricing and Regulation Study (MTC)	-	-	-	-	-	-	(60,000)	60,000	
Regional San Francisco (OCII) - Folsom Street Ramps	-	-	-	-	-	-	(4,492,114)	4,492,114	
Regional San Francisco (OEWD) - Late Night Transportation	-	-	-	-	-	-	(40,000)	40,000	
Regional San Francisco (Planning) - Transportation Sustainability Program	-	-	-	-	-	-	(17,451)	17,451	
Regional San Francisco (Planning, SFMTA) - Travel Demand Modeling Assistance	-	200,000	-	-	-	-	-	200,000	
Regional San Francisco (SFMTA) - 19th Avenue M-Ocean View	-	53,199	-	-	-	-	-	53,199	
Regional San Francisco (SFMTA) - Waterfront Transportation Assessment	-	-	-	-	-	-	(383,602)	436,801	
Regional San Francisco (SFPUC) - 19th Avenue City-Combined Project	-	-	-	-	-	-	(140,368)	140,368	
Regional TFCA Match Transportation Demand Management Partnership Project	-	-	-	-	-	-	(160,000)	160,000	
Regional (Planning, SFE, SFMTA) - Travel Demand Management Partnership Project	-	-	-	-	-	-	(34,419)	34,419	
Regional TIDA - Treasure Island Mobility Management Agency	-	-	-	-	650,000	-	(7,252)	7,252	
Regional San Francisco (GGBHTD) Funding - Presidio Parkway	75,000,000	-	-	-	-	-	75,000,000	300,000	
Regional Vehicle Registration Fee Revenues (TFCA)	-	-	772,398	-	-	-	22,605	749,793	
Other Revenues									
Local Match: City CarShare eFleet Carsharing Electrified	-	6,210	-	-	-	-	(19,959)	26,169	
Private Contributions: 19th Avenue M-Ocean View	-	-	-	-	-	-	(8,367)	8,367	
San Francisco Dept of Environment - Bicycle Racks/Shower Facilities	2,000	-	-	-	-	-	(21,851)	23,851	
Sublease of Office Space	45,384	-	-	-	-	-	7,200	38,184	
TIDA Loan Reimbursement - YBI Interchange Improvement Project	2,862,496	-	-	-	-	-	(2,711,550)	5,574,046	
Total Revenues	179,531,651	29,047,426	774,538	4,780,910	650,000	214,784,525	55,868,080	158,916,445	

**San Francisco County Transportation Authority
Attachment C
Proposed Fiscal Year 2015/16 Annual Budget
Line Item Detail**



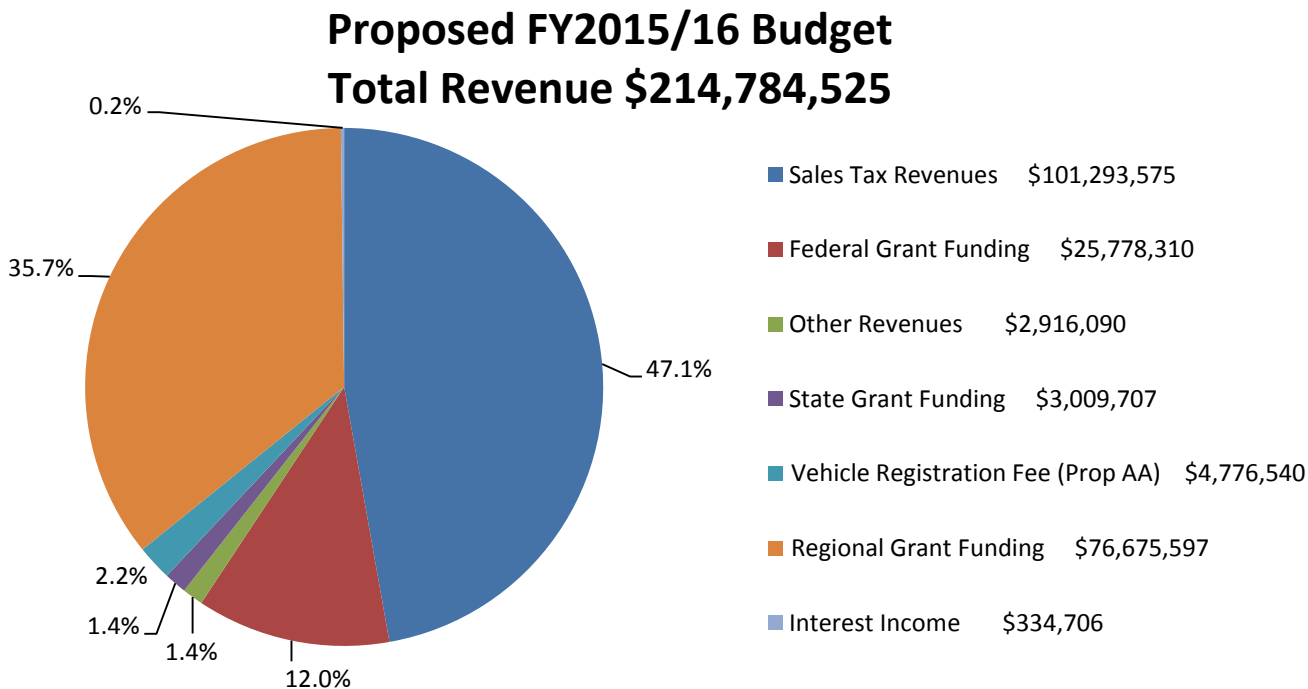
	Proposed Budget Amendment by Fund						Increase (Decrease) from Prior Year	Amended Budget Fiscal Year 2014/15
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Proposed Budget Fiscal Year 2015/16		
Expenditures:								
Capital Project Costs								
Individual Project Grants, Programs & Initiatives	125,000,000	-	1,225,593	9,083,958	-	135,309,551	(1,132,318)	136,441,869
Technical Professional Services	76,816,864	28,943,668	-	25,000	274,400	106,059,932	57,134,200	48,925,732
Administrative Operating Costs								
Personnel Expenditures								
Salaries	3,018,317	1,235,626	25,490	69,858	290,964	4,640,255	329,685	4,310,570
Fringe Benefits	1,420,384	582,124	11,996	32,874	134,209	2,181,587	120,928	2,060,659
Pay for Performance	194,965	-	-	-	-	194,965	15,720	179,245
Non-personnel Expenditures								
Administrative Operations	2,295,214	247,897	-	126,098	46,227	2,715,436	(136,394)	2,851,830
Equipment, Furniture & Fixtures	144,700	-	-	-	-	144,700	(113,300)	258,000
Commissioner-Related Expenses	70,400	-	-	-	4,200	74,600	4,200	70,400
Debt Service								
Principal Retirement	20,000,000	-	-	-	-	20,000,000	20,000,000	-
Interest and Fiscal Charges	1,760,000	-	-	-	-	1,760,000	(26,600)	1,786,600
Total Expenditures	230,720,844	31,009,315	1,263,079	9,337,788	750,000	273,081,026	76,196,121	196,884,905
Other Financing Sources (Uses):								
Transfers in - Prop K Match to Grant Funding	(2,061,889)	-	-	-	-	(2,061,889)	(3,070,141)	1,008,252
Transfers out - Prop K Match to Grant Funding	-	1,961,889	-	-	100,000	2,061,889	3,070,141	(1,008,252)
Total Other Financing Sources (Uses)	(2,061,889)	1,961,889	-	-	100,000	-	-	-
Net Change in Fund Balance	\$ (53,251,082)	\$ (488,541)	\$ (488,541)	\$ (4,556,878)	\$ -	\$ (58,296,501)	\$ (20,328,041)	\$ (37,968,460)
Budgetary Fund Balance, as of July 1	\$ (87,859,874)	\$ -	\$ 488,541	\$ 5,011,347	\$ -	\$ (82,359,986)	N/A	\$ (44,391,526)
Budgetary Fund Balance, as of June 30	\$ (141,110,956)	\$ -	\$ -	\$ 454,469	\$ -	\$ (140,656,487)	N/A	\$ (82,359,986)
Includes Sales Tax and Vehicle Registration Fee For Transportation Improvements Reserved for Program and Operating Contingency								
Fund Reserved for Program and Operating Contingency	\$ 10,129,358	\$ -	\$ 77,240	\$ 477,654	\$ -	\$ 10,684,251		

Attachment D
Line Item Descriptions



TOTAL PROJECTED REVENUES..... \$214,784,525

The following chart shows the composition of revenues for the proposed FY 2015/16 budget.



Prop K Sales Tax Revenues:\$101,293,575

The budgeted revenues for Sales Tax programs are from a voter-approved levy of 0.5% sales tax in the County of San Francisco for transportation projects and programs included in the voter-approved Expenditure Plan. The 2003 Prop K Sales Tax Revenue's Expenditure Plan includes investments in four major categories: 1) Transit; 2) Streets and Traffic Safety; 3) Paratransit services for seniors and disabled people and 4) Transportation System Management/Strategic Initiatives. Based on Fiscal Year (FY) 2014/15 revenues to date, the Transportation Authority projects FY 2015/16 sales tax revenues to increase compared to the budgeted revenues for FY 2014/15 by \$2.5 million. The sales tax revenue projection is net of the Board of Equalization's charges for the collection of the tax.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Revenues: \$4,776,540

These revenues (excluding interest earnings budgeted in Interest Income) fund projects that will be delivered under Prop AA's Expenditure Plan. This measure, approved by San Francisco voters in November 2010, collects an additional \$10 vehicle registration fee on motor vehicles registered in San Francisco. Revenues must be used to fund projects included in the voter-approved Expenditure Plan, such as local road repairs, pedestrian safety improvements, and transit reliability improvements. The Department of Motor Vehicles (DMV) began assessing the fee on vehicle registrations starting May 2011. This amount is net of the DMV's charges for the collection of these fees.

**Attachment D
Line Item Descriptions**



Interest Income: \$334,706

Most of the Transportation Authority’s investable assets are deposited in the City’s Treasury Pool. Per direction from the Treasurer’s Office, the deposits in the Pooled Investment Fund are assumed to earn approximately 0.5% during the year. The level of Transportation Authority deposits held in the pool during the year depends on the Prop K capital project reimbursement requests. An average sales tax fund budget cash balance during the year of approximately \$40 million was assumed. The budget cash balance consists largely of allocated Prop K funds, which are invested until invoices are received and sponsors are reimbursed.

Sales Tax Program Regional Revenue:\$75,000,000

The Presidio Parkway Project Phase II is being delivered as a public private partnership. The contract with Golden Link Concessionaire, LLC is structured such that Caltrans must make a one-time milestone payment to the concessionaire upon substantial completion, which is anticipated by September 2015. Caltrans will subsequently provide quarterly availability payments to the concessionaire. In support of the Presidio Parkway Project, one of the Transportation Authority’s responsibilities is arranging for and serving as aggregator of local funds for the milestone payment, including \$75 million from the Golden Gate Bridge, Highway and Transportation District (Bridge District) and \$20.3 million of Prop K funds. Based on the funding agreement between the Bridge District and the Transportation Authority, the Bridge District shall pay the Transportation Authority no later than 75 days prior to the substantial completion date and then the Transportation Authority will pass those funds onto Caltrans to pay the concessionaire. Prop K funds will be requested through a separate appropriation request.

Congestion Management Agency (CMA) Programs Federal, State and Regional Grant Revenues: \$29,041,216

The CMA program revenues (excluding Other Revenues) for FY 2015/16 will be used to cover ongoing staffing and professional/technical service contracts required to implement the CMA programs and projects, as well as for large projects undertaken in the Transportation Authority’s role as CMA. The FY 2015/16 budget includes \$26.8 million from federal and state funding for work on the I-80/Yerba Buena Island (YBI) Interchange Improvement Project and YBI Bridge structures (collectively known as YBI Project). CMA revenues are also comprised of federal, state and regional grant funds, including funds received from the Federal Highway Administration, Metropolitan Transportation Commission (MTC), and the California Department of Transportation (Caltrans). Several of these grants are project-specific, such as those for the Freeway Corridor Management Study, Strategic Highway Research Program and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for eFleet: Car Sharing Electrified projects, a high-impact, innovative project with the greatest potential to reduce greenhouse gas emissions that can be replicated on a larger-scale around the region. Other funding sources, such as federal Surface Transportation Program funds can be used to fund a number of eligible planning, programming, model development, and project delivery support activities, including the Congestion Management and San Francisco Transportation Plan. Regional CMA program revenues include project management and travel demand model services provided to City agencies in support of various projects and studies, such as the 19th Avenue M-Ocean View Study.

Transportation Fund for Clean Air (TFCA) Program Regional Revenues: \$772,398

The TFCA Vehicle Registration Fee Revenues (excluding interest earnings included in Interest

Attachment D
Line Item Descriptions



Income above) are derived from a \$4 surcharge on vehicles registered in the nine Bay Area counties and must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. Budgeted revenues are based on a funding estimate provided by the Bay Area Air Quality Management District, which administers these revenues. The FY 2015/16 budgeted amount includes new estimated revenues only.

Treasure Island Mobility Management Agency (TIMMA) Program Federal and Regional Revenues: \$650,000

The TIMMA program revenues for FY 2015/16 are planned to cover the full costs of all Transportation Authority activities in support of TIMMA. This includes ongoing staffing and professional/technical service contracts required to conduct pre-implementation planning and administration. The FY 2015/16 budget consists of local funds from the Treasure Island Development Authority (TIDA). The TIDA funds provide support for administrative, operating, planning and engineering functions including: developing agency policies and partnership agreements; analyzing policy alternatives, developing the budget, cost estimates, financial profile and schedule management of the program; legal counsel; and other direct costs.

Other Revenues: \$2,916,090

Other revenues budgeted in FY 2015/16 include contributions from City CarShare for the eFleet: CarSharing Electrified Project and revenues from the sublease of office space. In addition, the Transportation Authority will receive the second of three loan repayments from TIDA on the environmental phase of the YBI Project.

TOTAL PROJECTED EXPENDITURES \$273,081,026

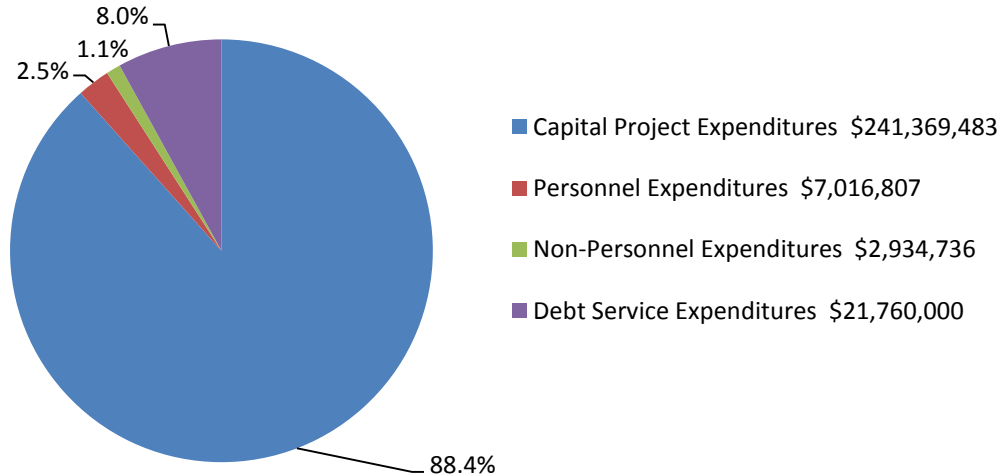
The Transportation Authority's Total Expenditures projected for the budget year are comprised of Capital Expenditures of \$241.4 million, Administrative Operating Expenditures of \$10 million, and Debt Service Expenditures of \$21.8 million.

The following chart shows the composition of expenditures for the proposed FY 2015/16 budget.

Attachment D
Line Item Descriptions



Proposed FY2015/16 Budget
Total Expenditure \$273,081,026



CAPITAL EXPENDITURES.....\$241,369,483

Capital expenditures in FY 2015/16 are budgeted to increase from the FY 2014/15 Amended Budget by an estimated 30.2% due to higher activity existing projects, project delays and billing other grants first in the prior year, for both Prop K and Prop AA capital programs. Project expenditures by Program Fund are detailed below.

Sales Tax Program Expenditures:.....\$201,816,864

The estimate for sales tax capital expenditures reflects a combination of estimated cash flow needs for existing allocations based on review of reimbursements, progress reports and conversations with project sponsors, as well as anticipated new allocations estimated for FY 2015/16. The anticipated largest capital project expenditures for existing allocations include the SFMTA’s Radio Communications System & Computer-Aided Dispatch Replacement and Central Subway projects; and the Transbay Joint Powers Authority’s (TJPA’s) Transbay Transit Center/Downtown Extension Project; as well as various transit and street maintenance improvements, and pedestrian and bicycle projects. One of the largest anticipated new allocations and corresponding expenditures will be over \$20 million in sales tax funds for the milestone payment due to the concessionaire at substantial completion of Presidio Parkway project, anticipated this fall. We anticipate needing to revise the capital budget mid-year, given the large portfolio of sales tax projects that we are overseeing and the complexity of forecasting reimbursement needs with such a large and diverse portfolio. We continue to work closely with our sponsors, particularly SFMTA and the TJPA to monitor project progress and anticipate project cost reimbursement needs especially for the grants with the largest remaining balances.

CMA Programs Expenditures:\$28,943,668

This line item includes staff time and technical consulting services such as planning, programming, engineering, design, environmental, or programming services, which are needed in order to fulfill the Transportation Authority’s Congestion Management Agency responsibilities under state law. Included are technical services contracts for the Geary Corridor and Van Ness Avenue Bus Rapid

Attachment D
Line Item Descriptions



Transit projects, the Freeway Corridor Management Study, the San Francisco Transportation Plan, and various other planning efforts and projects such as the 19th Avenue M-Ocean View, and eFleet Carsharing Electrified and Strategic Highway Research Program. Also included is ongoing construction activity for the YBI Project, being funded by federal and state funding matched with funds from the Treasure Island Development Authority.

TFCA Program Expenditures:..... \$1,225,593

This line item covers projects to be delivered with TFCA funds, a regional program administered by the Bay Area Air Quality Management District. These monies must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. The TFCA capital expenditures program includes new FY 2015/16 projects, and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2014/15. We have included an estimate for expenditures for the FY 2015/16 program of projects, which is scheduled to be approved by the Transportation Authority Board in June 2015.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Expenditures: \$9,108,958

This line item includes projects that will be delivered under the voter-approved Prop AA Expenditure Plan. Consistent with the Expenditure Plan, the revenues will be used for design and construction of ready-to-go local road repairs, pedestrian safety improvements, transit reliability improvements, and travel demand management projects. The Prop AA capital expenditures include new FY 2015/16 projects based on the approved Prop AA Strategic Plan, and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2014/15. The largest capital project expenditures for existing allocations include the Dolores Street Pavement Renovation project, the Hunters View Phase II: Transit Connection, and the Mansell Corridor Improvement Project.

Treasure Island Mobility Management Agency (TIMMA) Program Expenditures:..... \$274,400

This line item includes technical consulting services which are needed in order to fulfill the Transportation Authority's responsibilities as TIMMA per state and local law. Technical consulting services include planning, engineering, design, communications, and environmental services. Included are technical services contracts already awarded: for the Treasure Island Mobility Management Study; Treasure Island demand model development and application; and project management support. Additional technical services contracts anticipated in this line item include strategic communications, legal services, and outreach services.

ADMINISTRATIVE OPERATING EXPENDITURES \$9,951,543

Operating expenditures include personnel expenditures, administrative expenditures, commissioner-related expenditures, and equipment, furniture and fixtures.

Personnel:..... \$7,016,807

Personnel costs are budgeted at a higher level as in the amended budget for FY 2014/15. In May 2014, through Resolution 14-80, the Transportation Authority approved a staff reorganization plan to address staff capacity and sustainability issues given the ongoing ambitious work programs and Board interest in expanding and enhancing certain aspects of the work program. Adoption of the staff reorganization plan increased administrative costs by 7.1%. Capacity for merit increases is also included in the pay-for-performance and salary categories; however, there is no assurance of any

**Attachment D
Line Item Descriptions**



annual pay increase. Transportation Authority employees are not entitled to cost of living increases. All salary adjustments are determined by the Executive Director based on merit only.

Non-Personnel: \$2,934,736

This line item includes typical operating expenditures for office rent, telecommunications, postage, materials and office supplies, printing and reproduction equipment and services, and other administrative support requirements for all Transportation Authority activities, along with all administrative support contracts, whether for City-supplied services, such as the City Attorney legal services and the Department of Technology cablecast services, or for competitively procured services (such as auditing, legislative advocacy, outside computer system support, etc.). Also included are funds for ongoing maintenance and operation of office equipment; computer hardware; licensing requirements for computer software; and an allowance for replacement furniture and fixtures. This line item also includes Commissioner meeting fees, and compensation for Commissioners' direct furniture and equipment expenditures. Non-personnel expenditures are budgeted lower in FY 2015/16 due to a decrease of 7.7% related to the implementation of the Enterprise Resource Planning (ERP) software system. We transitioned to the new ERP system in September 2014.

DEBT SERVICE EXPENDITURES.....\$21,760,000

This line item assumes a continuation of the current Commercial Paper Program agreements with an increase in commercial paper interest rates and a \$20 million paydown on the outstanding \$135 million commercial paper program. By 2021, it is expected the outstanding commercial paper will be fully repaid.

OTHER FINANCING SOURCES/USES.....\$0

The Other Financing Sources Uses section of the Line Item Detail for the FY 2015/16 budget includes inter-fund transfers (for example between the sales tax and CMA funds). These transfers represent the required local match or appropriation of Prop K to federal and state grants such as the Surface Transportation Program and TIMMA Program.

BUDGETARY FUND BALANCE FOR CONTINGENCIES.....\$10,684,251

The Transportation Authority's Fiscal Policy directs that the Transportation Authority shall allocate not less than five percent (5%) and up to fifteen percent (15%) of estimated annual sales tax revenues as a hedge against an emergency occurring during the budgeted fiscal year. In the current economic climate, a budgeted fund balance of \$10.1 million, or 10% of annual projected sales tax revenues, is set aside as a program and operating contingency reserve. The Transportation Authority has also set aside \$477,654 and \$77,240 or about 10% as a program and operating contingency reserve for the Prop AA Program and TFCA Program.

RESOLUTION ALLOCATING \$74,083,386 IN PROP K FUNDS, WITH CONDITIONS, AND APPROPRIATING \$162,400 IN PROP K FUNDS, SUBJECT TO THE ATTACHED FISCAL YEAR CASH FLOW DISTRIBUTION SCHEDULES

WHEREAS, The Transportation Authority received seventeen requests for a total of \$74,245,786 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, As a prerequisite for allocation of funds, the voter-approved Prop K Expenditure Plan requires that the Transportation Authority Board adopt a 5-Year Prioritization Program (5YPP) for each programmatic category; and

WHEREAS, Fourteen of the seventeen requests are consistent with the Prop K Strategic Plan and/or the 5YPPs for their respective categories; and

WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA's) requests for the Southwest Subway (19th Avenue/M Ocean View) - Pre-Environmental Supplement, 48 40-ft and 50 60-ft Low Floor Diesel Hybrid Coaches procurement and 6th Street Pedestrian Safety Improvement, 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 \$74,083,386 in Prop K funds, with conditions, and appropriating \$162,000 in Prop K funds, with conditions, for all seventeen projects; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's proposed Fiscal Year 2015/16 budget to cover the proposed actions; and



WHEREAS, At its May 27, 2015 meeting, the Citizens Advisory Committee (CAC) was briefed on the subject requests except the SFMTA's request for about \$33 million for 84 new diesel hybrid motor coaches, which was received after the CAC meeting, and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, On June 16, 2015 the Plans and Programs Committee reviewed all seventeen requests and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby amends the Other Transit Enhancements, Vehicles and Pedestrian Circulation/ Safety 5YPPs, as detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$74,083,386 in Prop K funds, with conditions, and appropriates \$162,400 in Prop K funds, subject to the attached fiscal year cash flow distribution schedules, 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, the 2014 Prop K Strategic Plan, and the 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 2014 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 2015/16

Enclosure:

1. Prop K Allocation Request Forms (17)

Attachment 1: Summary of Applications Received

Source	EP Line No./ Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Total Cost for Requested Phase(s)	Prop K Leveraging			Phase(s) Requested	District
						Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴			
Prop K	16	SFMTA	Southwest Subway (19th Avenue/M Ocean View) - Pre-Environmental Supplement	\$ 255,700	\$ 1,275,700	74%	80%	Planning	7, 11	
Prop K	17M	SFMTA	61 60-ft Low Floor Diesel Hybrid Coaches (26 replace+35 expand)	\$ 12,352,094	\$ 78,688,113	84%	84%	Procurement	Citywide	
Prop K	17M	SFMTA	48 40-ft and 50 60-ft Low Floor Diesel Hybrid Coaches	\$ 33,405,243	\$ 111,252,323	84%	70%	Procurement	Citywide	
Prop K	22B	BART	Transbay Tube Cross-Passage Doors Replacement	\$ 160,000	\$ 500,000	78%	68%	Design	6	
Prop K	24	Caltrans	Presidio Parkway	\$ 20,400,000	\$ 276,400,000	79%	93%	Construction	2	
Prop K	31	SFMTA	New Signal Contract 62	\$ 1,500,000	\$ 1,960,000	16%	23%	Construction	1, 3, 4, 5, 6	
Prop K	33, 31	SFMTA	Traffic Signal Conduit	\$ 550,000	\$ 550,000	41%	0%	Construction	1, 7, 8, 11	
Prop K	33	SFMTA	Traffic Signal Upgrade Contract 34	\$ 518,000	\$ 518,000	41%	0%	Design	1, 2, 3, 5, 6, 7, 8, 9, 11	
Prop K	33	SFMTA	3rd Street Traffic Signal Detection Upgrade Phase I	\$ 300,000	\$ 300,000	41%	0%	Construction	10	
Prop K	33	SFMTA	19th Avenue Signals Phase III	\$ 630,000	\$ 630,000	41%	0%	Design	4, 7	
Prop K	37	SFMTA	Bicycle Facility Maintenance	\$ 150,000	\$ 150,000	48%	0%	Construction	Citywide	
Prop K	37	SFPW	Public Sidewalk Repair	\$ 514,349	\$ 745,470	48%	31%	Construction	Citywide	
Prop K	38	SFMTA	Local-Track Application-Based Traffic Calming Program	\$ 203,400	\$ 203,400	51%	0%	Planning	Citywide	
Prop K	40	SFMTA	6th Street Pedestrian Safety Improvement	\$ 2,012,000	\$ 2,050,601	25%	2%	Environmental	6	
Prop K	42	SFPW	Tree Planting & Maintenance	\$ 1,045,000	\$ 4,681,517	57%	78%	Construction	Citywide	
Prop K	44	SFCTA/SFMTA	NTIP Program Support	\$ 150,000	\$ 150,000	40%	0%	Planning	Citywide	

Attachment 1: Summary of Applications Received

Prop K	44	SFCTA/ SFMTA	Alemany Interchange Improvement Study [NTIP Planning]	\$ 100,000	\$ 200,000	40%	50%	Planning	9, 10
			TOTAL	\$ 74,245,786	\$ 480,255,124	80%	85%		

Footnotes

\$ 7,946,595

- 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 2012 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Authority; SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works).
- ² Acronyms: BART (Bay Area Rapid Transit District); Caltrans (California Department of Transportation); SFCTA (San Francisco County Transportation Authority); 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
- ⁴ "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K 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
16	SFMTA	Southwest Subway (19th Avenue/M Ocean View) - Pre-Environmental Supplement	\$ 255,700	Funds will be used for planning, conceptual engineering, community outreach and preparation of documents that will be needed for the environmental phase of the project. Additional funding is being sought primarily to: 1) cover additional engineering work needed to support the required Caltrans documents (PSR-PDS); and 2) conduct additional conceptual engineering work to consider refinements to the southern grade-separated crossing. The overall project will improve transit performance and pedestrian safety and reduce congestion in the 19th Avenue corridor, as well as supporting anticipated growth along the west side of the corridor. The full cost of the project is estimated at \$520 million.
17M	SFMTA	61 60-ft Low Floor Diesel Hybrid Coaches (26 replace+35 expand)	\$ 12,352,094	Prop K funds will be used to purchase 26 60-ft low floor hybrid buses to replace buses that have reached their 12-year useful life. This purchase is part of a larger \$80 million procurement that includes 35 additional buses for expansion. The new hybrid buses will allow the SFMTA to provide more reliable and fuel-efficient service. SFMTA already awarded the contract to New Flyer of America, Inc. and has received the first vehicle. All the buses are expected to be delivered by February 2016. See below for Amendment 1 of this contract.
17M	SFMTA	48 40-ft and 50 60-ft Low Floor Diesel Hybrid Coaches	\$ 33,405,243	Prop K funds will be used to purchase 34 40-ft and 50 60-ft diesel low floor hybrid buses that have reached their 12-year useful life. This purchase is part of a larger \$111 million procurement that also includes 14 40-ft diesel buses for fleet expansion (98 vehicles total). The SFMTA Board and Board of Supervisors already authorized this procurement, which is Amendment 1 to the base contract with New Flyer awarded for the 61 60-ft Coaches project described above. The Notice to Proceed for this amendment is expected to be issued in June 2015, upon execution of the Prop K Standard Grant Agreement. The first vehicle is expected to be delivered in November 2015, and all vehicles are expected to be delivered by October 2016.
22B	BART	Transbay Tube Cross-Passage Doors Replacement	\$ 160,000	This request fully funds the design phase for the replacement of up to 10 cross-passage doors on the San Francisco side of the Transbay Tube. These doors are the means of emergency egress to an interior passageway between the tunnels. Current doors are 40 years old and have reached the end of their useful lives. Design is anticipated to be completed by March 2016.
24	Caltrans	Presidio Parkway	\$ 20,400,000	Phase II of the Presidio Parkway project is being delivered as a public-private partnership (PPP). As part of the PPP agreement between Caltrans and the concessionaire (GLC), Caltrans is to pay a \$276.4 million milestone payment to GLC upon substantial completion of Phase II which is anticipated to occur on September 24, 2015. The requested Prop K funds will provide the \$20.4 million Prop K share of the milestone payment consistent with the project funding agreement approved by the Transportation Authority in 2011.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
31	SFMTA	New Signal Contract 62	\$ 1,500,000	Prop K funds will be used for the construction of new traffic signals on Sunset at Wawona and Moraga Streets, Geary at 22nd and 26th Avenues, 34th/Lincoln Way, and O'Farrell and Webster Streets, and a new flashing beacon system at 350 Francisco Street near the Francisco Middle School. Contract 62 also includes a new signal at 8th and Natoma Streets, funded through previously allocated Prop AA funds, as recommended in the Western SoMa Neighborhood Transportation Plan. New signals will have pedestrian countdown signals, curb ramps, mast-arms, conduit, and other necessary signal infrastructure. Design was funded by Prop K and Prop AA funds. SFMTA expects all of the signals to be open for use by August 2016.
33, 31	SFMTA	Traffic Signal Conduit	\$ 550,000	Sales tax funds will be used to install underground conduit at 7 to 10 intersections where the SFMTA is planning new or upgraded traffic signals. This project will occur in advance of SFPW paving projects on San Jose Avenue, Guerrero Street, Sagamore Street and Naples Avenue, which are scheduled to begin construction before the end of 2015. Installing the conduit now ensures that all work is done before the 5-year moratorium for work on newly paved streets. It also allows for construction coordination to minimize disruption to the public. Installation of 7 of the signals is scheduled to be complete by 2018. Locations are on page 3 of the allocation request.
33	SFMTA	Traffic Signal Upgrade Contract 34	\$ 518,000	This request will fund the design of traffic signal-related upgrades at 14 locations across the city. Upgrades will include new controllers, poles, mast arms, larger signal heads and pedestrian countdown indicators, as well as curb ramps and separated left turn phasing in certain locations. Eight of the intersections are located on the Vision Zero High Injury Network, which encompasses the pedestrian, bicycle, and vehicle high injury corridors. SFMTA expects to complete design by August 2016 and construction by June 2018. Locations are on page 3 of the allocation request.
33	SFMTA	3rd Street Traffic Signal Detection Upgrade Phase I	\$ 300,000	This project will replace the video camera-based vehicle detection systems at 12 of the 67 intersections along the T-Third light rail line, from 18th Street to Burke Avenue, including Cesar Chavez Street. The new wireless traffic detection system will alert the signal controller that vehicles and bicycles are waiting in the traffic lanes. SFMTA has found wireless detection is more reliable, accurate, and easier to maintain than the video detection system. The wireless detection system will operate independently from the Vetag transit priority system on 3rd Street, which detects light rail vehicles, though both systems will use the same traffic controller. Work will be done by December 2016.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
33	SFMTA	19th Avenue Signals Phase III	\$ 630,000	Requested funds will be used for design of 5 of the remaining 9 signals needing upgrades along the 19th Avenue corridor. Phases I and II were completed in 2010 through a partnership between the SFMTA and Caltrans and improved signals at 25 intersections along the corridor with larger signal heads mounted on mast arms, pedestrian countdown indicators, new curb ramps, and related signal infrastructure. For Phase III, SFMTA and Caltrans are responsible for 5 and 4 locations respectively. SFMTA expects to complete design by late 2016 at its 5 locations (Moraga, Wawona, Sloat, Rossmoor, and Winston). Construction will be combined with the larger 19th Avenue improvement project, which includes bulbouts, street resurfacing, water and sewer work. Signal upgrades at 19th and Rossmoor will be constructed as part of the 19th Avenue M-Line contract.
37	SFMTA	Bicycle Facility Maintenance	\$ 150,000	SFMTA will replace approximately 400 safe-hit posts and to upgrade and/or maintain green bike lanes and bike boxes in poor condition at identified high-need locations. In addition, these funds will allow SFMTA staff to test new, more substantial types of safe-hit posts, and to coordinate with SFPW on testing power washing techniques for green bike boxes that can be adopted into existing street facility maintenance. SFMTA staff will complete this project by summer 2016. See pages 2-3 of the allocation request for the list of locations.
37	SFPW	Public Sidewalk Repair	\$ 514,349	Sales tax funds will leverage \$231,000 in state funds to repair a total of 320 sidewalk locations around City street trees. Prioritization criteria include information based on inspection, public requests and other factors detailed in the 5YPP.
38	SFMTA	Local-Track Application-Based Traffic Calming Program	\$ 203,400	Prop K funds will be used for the planning and conceptual engineering phase of the Fiscal Year 2015/16 program, including citywide outreach, evaluation and prioritization of up to 100 applications, and project development for up to 25 locations including balloting, legislation, and public hearing to approve the devices. SFMTA anticipates evaluating applications following the August 1, 2015 deadline and notifying residents if their applications have been accepted or not by January 2016. Design of the recommended traffic calming devices, most of which are anticipated to be speed humps, is expected to be completed by August 2016. The construction phase would be funded through a future Prop K request and occur August-December 2016.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
40	SFMTA	6th Street Pedestrian Safety Improvement	\$ 2,012,000	Prop K funds will be used to fully fund an Environmental Impact Report (EIR) for the subject project, which will improve the safety and livability of the corridor for all roadway users between Market and Bryant Streets and on Golden Gate Avenue from Jones to Market Streets. The central component of this project is a road diet on 6th Street from the existing two lanes of travel in each direction to one lane of travel in each direction. In addition to calming vehicular traffic on this crowded pedestrian corridor, the proposed road diet will provide space in the right-of-way for pedestrian safety bulb-outs, raised crosswalks, landscaping, and streetscape improvements. Based on past practice, EIRs can take 18-36 months. Contract award is anticipated in fall 2015.
42	SFPW	Tree Planting & Maintenance	\$ 1,045,000	Prop K funds will be used to replace 325 street trees in the public right-of-way, establish 622 young trees by watering them on a weekly basis, and maintain 779 mature street trees. Prioritized locations are listed on pages 1-2 of the allocation request. SFPW is notifying property owners of their eventual maintenance responsibility through community meetings, web outreach and notices at the time of transfer. Prop K will leverage over \$3.6 million in state gas tax and local funds.
44	SFCTA/ SFMTA	NTIP Program Support	\$ 150,000	Requested funds enable SFMTA and Transportation Authority staff to work together to support commissioners' efforts to identify potential Neighborhood Transportation Improvement Program (NTIP) planning and capital projects; to develop proposed scope, schedule, and budget information to support allocation of NTIP grants; and to provide ongoing NTIP support as grants are implemented.
44	SFCTA/ SFMTA	Alemany Interchange Improvement Study [NTIP Planning]	\$ 100,000	Sales tax funds will be used to develop and evaluate a new north-south multimodal pathway connecting San Bruno Avenue to the Alemany Farmer's Market, and new bicycle lanes along Alemany Boulevard between Putnam Street and Bayshore Boulevard. The SFCTA will lead the Study in coordination with partner agencies and the surrounding communities. The proposed budget assumes availability of \$100,000 from the General Fund. If General Fund money is not available the scope will include study of the multimodal pathway only. The request includes a \$12,600 allocation to the SFMTA to support its staff work on the NTIP study. The study will be completed by June 2016.
TOTAL			\$ 74,245,786	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Recommendation
16	SFMTA	Southwest Subway (19th Avenue/M Ocean View) - Pre-Environmental Supplement	\$ 255,700	5YPP Amendment: Requires a revenue neutral swap of current funding not needed for the Quint Jerrold Connector Road with FY 16/17 funding for the environmental phase of the subject project. The connector road is moving more slowly than anticipated so this fund swap holds the project harmless.
17M	SFMTA	61 60-ft Low Floor Diesel Hybrid Coaches (26 replace+35 expand)	\$ 12,352,094	Strategic Plan Policy Waiver is required as SFMTA awarded the contract in December 2014. Prop K policy requires allocation of funds prior to advertisement. SFMTA indicates this was due to an administrative oversight. This contract also included an amendment option described below.
17M	SFMTA	48 40-ft and 50 60-ft Low Floor Diesel Hybrid Coaches	\$ 33,405,243	The CAC did not act on this request as it was received after the May 27 CAC meeting. Strategic Plan Policy Waiver is required as SFMTA Board authorized Amendment 1 to the contract noted above in April 2015, prior to allocation of the requested Prop K funds. The notice to proceed would follow execution of the Standard Grant Agreement for the funds.
22B	BART	Transbay Tube Cross-Passage Doors Replacement	\$ 160,000	5YPP Amendment: Requires a finance cost neutral amendment to reprogram \$292,171 from another motor coach replacement project to the subject project and to shift cash flow between the two projects. Commitment to Allocate: Approving this request would fulfill the Transportation Authority's commitment to allocate FY 15/16 Prop K funds to fully fund the project (Resolution 15-28).
24	Caltrans	Presidio Parkway	\$ 20,400,000	The terms and conditions of this allocation shall be governed by the existing Cooperative Agreement between Caltrans and the Transportation Authority for the subject project, rather than by a Prop K Standard Grant Agreement.
31	SFMTA	New Signal Contract 62	\$ 1,500,000	Strategic Plan Policy Waiver was granted on January 9, 2015, at the SFMTA's request to advertise the project in advance of the Transportation Authority Board allocating the requested Prop K funds to the project. Commitment to Allocate: Approving this request would fulfill the Transportation Authority's commitment to allocate FY 15/16 Prop K funds to fully fund the project (Resolution 15-34).

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Recommendation
33, 31	SFMTA	Traffic Signal Conduit	\$ 550,000	
33	SFMTA	Traffic Signal Upgrade Contract 34	\$ 518,000	
33	SFMTA	3rd Street Traffic Signal Detection Upgrade Phase I	\$ 300,000	
33	SFMTA	19th Avenue Signals Phase III	\$ 630,000	
37	SFMTA	Bicycle Facility Maintenance	\$ 150,000	
37	SFPW	Public Sidewalk Repair	\$ 514,349	
38	SFMTA	Local-Track Application-Based Traffic Calming Program	\$ 203,400	
40	SFMTA	6th Street Pedestrian Safety Improvement	\$ 2,012,000	<p>Strategic Plan Policy Waiver was granted administratively by SFCTA staff on May 4, 2015, at the SFMTA's request to advertise the consultant contract in advance of the Transportation Authority Board allocating the requested Prop K funds.</p> <p>5YPP Amendment: Our recommendation is contingent on an amendment to the Pedestrian Circulation/Safety 5YPP to redirect \$2,012,000 from the design and construction phases of the subject project to the environmental phase. Since adoption of the 5YPP in July 2014, the Planning Department determined that the project needs a focused EIR because of the proposed lane changes and traffic modifications developed through the planning phase.</p>
42	SFPW	Tree Planting & Maintenance	\$ 1,045,000	
44	SFCTA/ SFMTA	NTIP Program Support	\$ 150,000	
44	SFCTA/ SFMTA	Alemany Interchange Improvement Study [NTIP Planning]	\$ 100,000	
TOTAL			\$ 74,245,786	

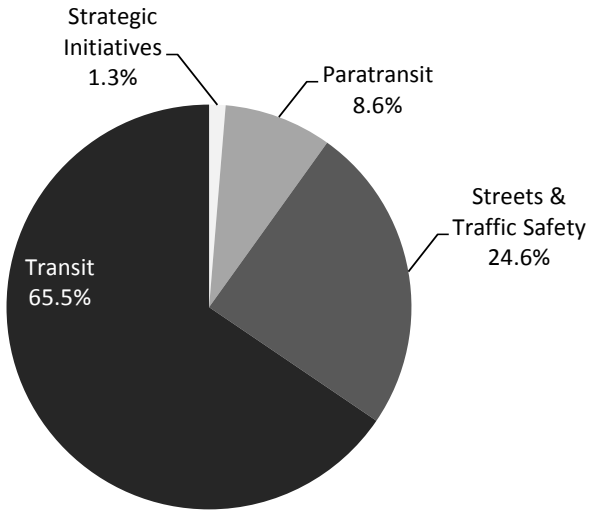
¹ See Attachment 1 for footnotes.

**Attachment 4.
Prop K Allocation Summary - FY 2015/16**

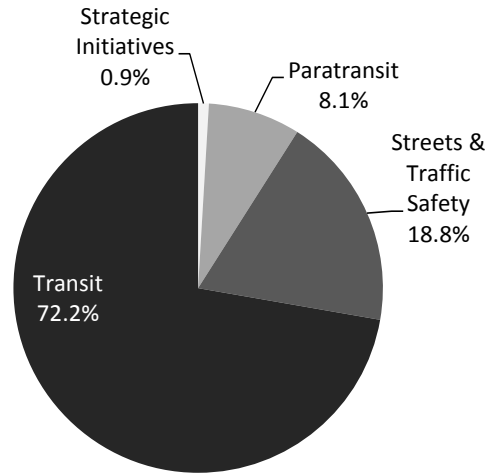
PROP K SALES TAX						
		CASH FLOW				
	Total	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	2019/20
Prior Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Request(s)	\$ 74,245,786	\$ 55,430,543	\$ 18,815,243	\$ -	\$ -	\$ -
New Total Allocations	\$ 74,245,786	\$ 55,430,543	\$ 18,815,243	\$ -	\$ -	\$ -

The above table shows maximum annual cash flow for all FY 2015/16 allocations approved to date, along with the current recommended

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date





Memorandum

Date: 06.08.15 **RE:** Plans and Programs Committee
June 16, 2015

To: Plans and Programs Committee: Commissioners Tang (Chair), Christensen (Vice Chair), Breed, Farrell, Yee and Wiener (Ex Officio)

From: Anna LaForte – Deputy Director for Policy and Programming *all*

Through: Tilly Chang – Executive Director *TJC*

Subject: **ACTION** – Recommend Allocation of \$74,083,386 in Prop K Funds, with Conditions, and Appropriation of \$162,400 in Prop K funds, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules

Summary

As summarized in Attachments 1 and 2, we are seeking approval of seventeen requests totaling \$74,245,786 in Prop K sales tax funds. Three projects account for nearly 90% of the funds, including two San Francisco Municipal Transportation Agency (SFMTA) motor coach procurements. The first is \$12.4 million for 26 60-ft articulated hybrid diesel replacement buses to be purchased from New Flyer of America, Inc. On June 5, the SFMTA submitted the second (urgent) request for \$33,405,243 for procurement of 34 40-foot and 50 60-foot hybrid diesel motor coaches. This procurement will be done via a contract option to the New Flyer contract to procure 84 replacement vehicles and 14 expansion vehicles. Thirdly, we are requesting \$12.3 million for allocation to Caltrans as the Prop K portion of a \$276.4 million milestone payment due to the Public Private Partnership concessionaire upon substantial completion of the Presidio Parkway project, anticipated this September. There are two NTIP requests. One is for \$150,000 for SFMTA and Transportation Authority staff to provide NTIP program support. The other is for \$100,000 for concept development and evaluation of a new north-south multimodal pathway connecting San Bruno Avenue to the Alemany Farmer's Market, and new bicycle lanes along Alemany Boulevard between Putnam Street and Bayshore Boulevard. This is the District 9 NTIP planning project. Other SFMTA projects include: additional funds for pre-environmental work for the proposed Southwest Subway (19th Avenue/M Ocean View); 5 traffic signal related projects, replacement or upgrade of safe-hit posts, green bike lanes and bike boxes; the Fiscal Year 2015/16 local-track Traffic Calming program; and an environmental impact report for the 6th Street Pedestrian Safety Improvement Project. San Francisco Public Works is requesting Prop K funds for repair of sidewalks damaged by city street trees and replacement, establishment, and maintenance of about 1,700 street trees. BART is requesting funds for design of replacement cross-passage doors in the Transbay Tube.

BACKGROUND

We have sixteen requests totaling \$74,245,786 in Prop K sales tax funds to present to the Plans and Programs Committee at the June 16, 2015 meeting, for potential Board approval on June 23, 2015. As shown in Attachment 1, the requests come from the following Prop K categories:

- Other Transit Enhancements
- Vehicles - SFMTA

- Guideways - BART
- Presidio Parkway
- New Signals & Signs
- Signals & Signs
- Pedestrian and Bicycle Facility Maintenance
- Traffic Calming
- Pedestrian Circulation/ Safety
- Tree Planting and Maintenance
- Transportation/ Land Use Coordination

Transportation Authority Board adoption of a 5-Year Prioritization Program (5YPP) for Prop K programmatic categories is a prerequisite for allocation of funds from each of these categories except Presidio Parkway, a single-project category programmed directly in the Prop K Strategic Plan.

DISCUSSION

The purpose of this memorandum is to present sixteen Prop K requests totaling \$74,245,786 to the Plans and Programs Committee and to seek a recommendation to allocate or appropriate the funds as requested. Attachment 1 summarizes the 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 provides a brief description of each project. A detailed scope, schedule, budget and funding plan for each project is included in the attached Allocation Request Forms.

Staff Recommendation: Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions, 5YPP amendment and other items of interest.

Three projects account for nearly 90% of the funds, including two San Francisco Municipal Transportation Agency (SFMTA) motor coach procurements. The first is \$12.4 million for 26 60-ft articulated hybrid diesel replacement buses to be purchased from New Flyer of America, Inc.. On June 5, the SFMTA submitted the second (urgent) request for \$33,405,243 for procurement of 34 40-foot and 50 60-foot hybrid diesel motor coaches to replace aging motor coaches. This procurement will be done via a contract option (Amendment 1) to the New Flyer contract to procure the 84 replacement vehicles as well as 14 additional expansion vehicles. Thirdly, we are requesting \$12.3 million for allocation to Caltrans as the Prop K portion of a \$276.4 million milestone payment due to the Public Private Partnership concessionaire upon substantial completion of the Presidio Parkway project, anticipated this September.

As noted in the CAC Position section below, the second SFMTA request for over \$33 million in sales tax funds to support procurement of diesel hybrid motor coaches was received after the May CAC meeting. We are taking the item directly to the June Plans and Programs Committee since the contract option has already been authorized by the SFMTA Board and the Board of Supervisors. This will allow SFMTA to issue a notice to proceed on the contract amendment as early as late June, following execution of the Standard Grant Agreement for Prop K funds.

Representatives from sponsor agencies will attend the Plans and Programs Committee meeting to answer questions.

ALTERNATIVES

1. Recommend allocation of \$74,083,386 in Prop K funds, with conditions, and appropriation of \$162,400 in Prop K funds, with conditions, subject to the attached Fiscal Year Cash Flow Distribution Schedules, as requested.
2. Recommend allocation of \$74,083,386 in Prop K funds, with conditions, and appropriation of \$162,400 in Prop K funds, with conditions, subject to the attached Fiscal Year Cash Flow Distribution Schedules, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on all of the subject requests at its May 27, 2015 meeting except the SFMTA's request for \$33 million for Amendment 1 to the New Flyer contract for new diesel hybrid motor coaches, which was received after the CAC meeting. The CAC, unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

This action would allocate \$74,083,386 and appropriate \$162,400 in Fiscal Year 2015/16 Prop K funds, with conditions, for a total of sixteen requests. The allocations and appropriations would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the attached Allocation Request Forms.

The Fiscal Year 2015/16 Prop K Allocation Summary (Attachment 4) shows that the allocations and cash flows recommended in this memorandum are the first for Fiscal Year 2015/16.

Sufficient funds are included in the proposed Fiscal Year 2015/16 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.

RECOMMENDATION

Recommend allocation of \$74,083,386 in Prop K funds, with conditions, and appropriation of \$162,400 in Prop K funds, with conditions, subject to the attached Fiscal Year Cash Flow Distribution Schedules.

Attachments (4):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K 2015/16 Fiscal Year Cash Flow Distribution – Summary

Enclosure:

1. Prop K Allocation Request Forms (17)



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RESOLUTION ADOPTING THE POTRERO HILL NEIGHBORHOOD
TRANSPORTATION PLAN FINAL REPORT

WHEREAS, The Potrero Hill Neighborhood Transportation Plan (NTP) is the result of a community-based planning effort in the southern Potrero Hill neighborhood of San Francisco, and was funded by a California Department of Transportation Environmental Justice Planning grant, a Metropolitan Transportation Commission Community Based Transportation Planning grant, and the Transportation Authority's Proposition K sales tax program; and

WHEREAS, The technical team, led by the Transportation Authority, collaborated with community stakeholders to identify near-term, low-cost multimodal transportation priorities at the neighborhood scale, prioritizing near-term improvements to improve connectivity across the site and to the broader neighborhood, city, and region; and

WHEREAS, Due to the extensive planning processes preceding the current effort as well as the anticipated redevelopment of the Potrero Terrace and Annex housing sites through the Rebuild Potrero project, the NTP was focused on developing low-infrastructure transportation solutions (i.e., construction that does not require regrading the street or moving sewer catchbasins) that could bring benefit to residents in the very near term; and

WHEREAS, The NTP aimed to identify and prioritize projects to address transportation needs identified by previous planning efforts while advancing design, cost estimation, and funding and implementation strategies; and

WHEREAS, Prioritized projects in the NTP include pedestrian safety and transit stop enhancements – including transit bulbouts – that would be built using non-infrastructure materials, as well as a community shuttle to enhance transit connectivity across the site and to nearby services; and



WHEREAS, If successful, the transit bulbout feature could be replicated throughout the city, bringing benefits to transit riders more quickly and cost effectively, particularly on streets that are not scheduled for near term repaving; and

WHEREAS, The NTP includes complete funding plans for the pedestrian safety and transit stop enhancements, with commitments from all sources (including Lifeline Transportation Program funds recommended by the Transportation Authority in February 2015) anticipated by July 2015 and implementation anticipated by early 2016; and

WHEREAS, On May 27, 2015 the Transportation Authority's Citizens Advisory Committee was briefed on the plan's final report and unanimously adopted a motion of support for its adoption; and

WHEREAS, On June 16, 2015, the Plans and Programs Committee reviewed and unanimously recommended adoption of the plan's final report; now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts the Potrero Hill Neighborhood Transportation Plan Final Report; and be it further

RESOLVED, That the Executive Director is hereby authorized to prepare the document for final publication and distribute the document to all relevant agencies and interested parties.

Enclosure:

1. Potrero Hill Neighborhood Transportation Plan Final Report



Memorandum

Date: 06.08.15 **RE:** Plans and Programs Committee
June 16, 2015

To: Plans and Programs Committee: Commissioners Tang (Chair), Christensen (Vice Chair), Breed, Farrell, Yee and Weiner (Ex Officio)

From: David Uniman – Deputy Director for Planning *DUE*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Adoption of the Potrero Hill Neighborhood Transportation Plan Final Report

Summary

The Potrero Hill Neighborhood Transportation Plan (NTP) is the result of a community-based planning effort in the southern Potrero Hill neighborhood of San Francisco, and was funded by a California Department of Transportation Environmental Justice Planning grant, a Metropolitan Transportation Commission Community Based Transportation Planning grant, and the Transportation Authority's Proposition K sales tax program. The technical team, led by the Transportation Authority, collaborated with community stakeholders to identify multimodal transportation priorities at the neighborhood scale, prioritizing near-term improvements to improve connectivity across the site and to the broader neighborhood, city, and region. The final recommendations focus on low-cost improvements that could be implemented before the site is redeveloped wholesale through the Rebuild Potrero project. Prioritized projects include pedestrian safety and transit stop enhancements, including transit bulbouts that would be built using non-infrastructure materials (i.e., construction that does not require regrading the street or moving sewer catchbasins). If successful, this innovative feature could be replicated throughout the city, bringing benefits to transit riders more quickly and cost effectively, particularly on streets that are not scheduled for near term repaving. The NTP includes complete funding plans for these enhancements, with allocations from all sources (including Lifeline Transportation Program funds from the Transportation Authority) anticipated by July 2015 and implementation anticipated by early 2016. The NTP also studied a potential shuttle route to improve access across the site and to connect residents with nearby amenities.

BACKGROUND

The Potrero Hill Neighborhood Transportation Plan (NTP) is the result of a community-based planning effort in the southern Potrero Hill neighborhood of San Francisco, and was funded by a California Department of Transportation Environmental Justice Planning grant, a Metropolitan Transportation Commission Community Based Transportation Planning grant, and the Transportation Authority's Proposition K sales tax program. The technical team, led by the Transportation Authority, collaborated with community stakeholders to identify multimodal transportation priorities at the neighborhood scale, prioritizing near-term improvements to improve connectivity across the site and to the broader neighborhood, city, and region. The final recommendations focus on low-cost improvements that could be implemented before the site is redeveloped wholesale through the Rebuild Potrero project.

DISCUSSION

Project Site and Existing Conditions: The plan study area is bordered by US 101 to the west, I-280 to the east, Cesar Chavez Street to the south, and 22nd Street/20th Street to the north (see Figure 1-1), wholly encompassing the Potrero Annex and Potrero Terrace public housing sites, with approximately 1,200 people living in 606 homes on the steep, south-facing slope of the hill. The sites were developed in the middle of the 20th Century, during a period in which accommodating cars was the highest transportation priority. A product of its time, the Potrero Annex and Terrace are characterized by wide roads and narrow sidewalks interrupted by curb cuts that provide access to ample off-street parking. While traffic volumes through the site are relatively low, street widths encourage cars to travel at high speeds, and intersection design prioritizes efficient vehicle movement rather than safe and comfortable pedestrian crossings. The circuitous internal street grid and the area's steep topography further reduce pedestrian accessibility.

The public housing sites are also isolated from the rest of San Francisco with relatively few and challenging connections to the surrounding neighborhoods. A number of these connections require crossing the I-280 and US 101 freeways, which form major barriers just east and west of the site. While there are multiple transit lines that stop along or within the housing site, the lines do not connect residents from one end of the site to the other, forcing residents to undertake a steep walk or an untimed transfer to access many locations outside of the site.

Finally, there are few transit amenities on the site. Narrow sidewalks do not have the space to allow for Muni shelters. Stops are demarcated by painted lines on either the street or a light pole. This lack of amenities makes using transit a less desirable option.

BRIDGE Housing is the lead developer for Rebuild Potrero and also leads community building efforts such as the Healthy Generations Project, the sites' walking club, community gardening program, and the walking school bus. Using their intimate knowledge and relationships with residents, BRIDGE served as the outreach consultant for the project. Appendix A of the final report includes a summary of outreach conducted as part of the NTP.

Rebuild Potrero Project: The Rebuild Potrero project will demolish and re-build the public housing sites in their entirety as a mixed-use, mixed-income neighborhood, replacing all of the public housing units and adding up to 1,000 moderate-income and market-rate units and building a new gridded street network. The effort is currently undergoing environmental review and seeking funding for implementation. The groundbreaking is expected by 2016, but the project is broken into multiple phases that will not be fully completed for at least 10 to 15 years.

Previous Planning Efforts: Previous planning efforts led by community partners have identified important and urgent transportation needs before Rebuild Potrero can be completed; Potrero Hill NTP aimed to identify and prioritize projects to address those needs while advancing design, cost estimation, and funding and implementation strategies. The NTP built on the following studies: Baseline Conditions Assessment of HOPE SF Redevelopment: Potrero Terrace and Annex (San Francisco Department of Public Health), Potrero Hope SF Master Plan EIR, and Potrero Hill Traffic Calming Project (San Francisco Municipal Transportation Agency).

Prioritized Projects and Plan Recommendations: Due to the extensive planning processes preceding the current effort as well as the anticipated redevelopment of the Potrero Terrace and Annex housing sites through the Rebuild Potrero project, this NTP was focused on developing low-infrastructure transportation solutions (i.e., construction that does not require regrading the street or moving sewer catchbasins) that

could bring benefit to residents in the very near term. Three priority projects emerged:

1. Building on the success of the neighborhood's walking school bus program, the team partnered with residents to design pedestrian safety improvements at five intersections throughout the project site where the program currently operates. These improvements call for the use of materials that do not require infrastructure changes. Therefore, they are lower in cost and can be reused in other parts of the city once development begins for Rebuild Potrero. They also will allow space for transit amenities such as shelters, allowing the city to test the use of non-infrastructure materials for a concept such as a bus bulb.
2. Complementing the intersection design improvements, the team also proposed a lighting project behind the Potrero Hill Recreation Center to improve security for the walking school bus participants as well as other residents using this key link in the dark.
3. Finally, the project team developed a potential shuttle route to enhance access for residents across the site and to other goods and services.

The Potrero Hill NTP includes cost estimates and a funding and implementation strategy for each of the projects described above. The first two pedestrian safety projects should be fully funded by the time the study is adopted, and implementation could be as soon as the end of 2015. In February, the Transportation Authority recommended the pedestrian improvement and traffic calming project for \$375,854 of Lifeline Transportation Program funds for final design and construction, and MTC approved this programming last month. SFMTA anticipated filling the gap with an in-kind match of staff time and \$60,000 in other funds, which could include Prop K. At its September 2014 meeting, the Eastern Neighborhoods CAC voted to recommend the allocation of \$150,000 in developer impact fees to the lighting project, thereby fully funding it. The shuttle project will require further refinement and identification of funding sources, and implementation is likely at least one to two years away.

ALTERNATIVES

1. Recommend adoption of the Potrero Hill Neighborhood Transportation Plan Final Report, as requested.
2. Recommend adoption of the Potrero Hill Neighborhood Transportation Plan Final Report, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on this item at its May 27, 2015 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

None.

RECOMMENDATION

Recommend adoption of the Potrero Hill Neighborhood Transportation Plan Final Report.

Enclosure:

1. Draft Potrero Hill Neighborhood Transportation Plan Final Report



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RESOLUTION APPROVING THE FISCAL YEAR 2015/16 TRANSPORTATION FUND FOR CLEAN AIR PROGRAM OF PROJECTS AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR \$896,237 IN FISCAL YEAR 2015/16 FUNDS AND TO ENTER INTO AGREEMENTS WITH APPLICABLE PUBLIC AGENCIES, ESTABLISHING CONDITIONS FOR THE USE OF THESE FUNDS

WHEREAS, On June 15, 1992, the Board of Supervisors of the City and County of San Francisco designated the San Francisco County Transportation Authority (Transportation Authority) as the Program Manager of the local guaranteed portion of the Transportation Fund for Clean Air (TFCA) funds; and

WHEREAS, As Local Program Manager, the Transportation Authority is required to file an expenditure plan application with the Bay Area Air Quality Management District (Air District) for the upcoming fiscal year's funding cycle, which was submitted to the Air District on March 3, 2015; and

WHEREAS, After netting out 5% (\$38,514) for administrative expenses as allowed by Air District guidelines and including deobligated and previously unallocated funds, the Transportation Authority is expected to have \$857,723 in Fiscal Year 2015/16 TFCA funds to program to eligible projects; and

WHEREAS, On February 25, 2015, the Transportation Authority solicited applications for projects from eligible project sponsors for Fiscal Year 2015/16 TFCA funds, and by April 30, 2015, received six applications requesting a total of approximately \$1,490,986 in TFCA funds; and

WHEREAS, The Transportation Authority's adopted Local Expenditure Criteria include review of eligibility per the Air District's guidelines, calculation of the cost effectiveness ratio for



each project, and other factors; and

WHEREAS, Transportation Authority staff, working in consultation with project sponsors, reviewed and prioritized the applications for funding based on Air District TFCA guidelines and the Transportation Authority's adopted Local Expenditure Criteria (Resolution 15-38); and

WHEREAS, Transportation Authority staff recommended fully funding two projects and partially funding three projects as shown in Table A of Attachment 2; and

WHEREAS, On May 27, 2015, the Citizens Advisory Committee was briefed on the staff recommendation for San Francisco's Fiscal Year 2015/16 TFCA Program of Programs and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, On June 16, 2015, the Plans and Programs Committee was briefed on the subject action and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby approves the Fiscal Year 2015/16 TFCA Program of Projects as shown in Table A of Attachment 2; and be it further

RESOLVED, That the Executive Director is authorized to execute any agreements with the Air District necessary to secure \$857,723 for projects and \$38,514 for administrative expenses for a total of \$896,237 in Fiscal Year 2015/16 TFCA Program Manager funds; and be it further

RESOLVED, That the Executive Director is authorized to execute funding agreements with each implementing agency to pass-through these funds for implementation of projects, establishing such terms and conditions governing cash drawdowns, financial and program audits, and reporting as necessary to comply with the requirements imposed by the Air District for the use of the funds and as required by the Transportation Authority in order to optimize the use of these of funds.

Attachment:

1. Fiscal Year 2015/16 TFCA Program of Projects – Detailed Recommendation

Attachment 1
 San Francisco County Transportation Authority
 Draft Fiscal Year 2014/2015 TFCA Program of Projects – Detailed Staff Recommendation

TABLE A. PROJECTS RECOMMENDED FOR TFCA FUNDS [sorted by project type and cost-effectiveness (CE) ratio]									
No.	Sponsor ¹	Project Description	District	Project Priority ²	CE Ratio ³	CO ₂ Reduction ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
1	SFMTA	<p>Short-Term Bicycle Parking - SFMTA will plan, design, environmentally clear, and install 500 bicycle parking racks in San Francisco, providing an additional 1,000 bicycle parking spaces. Bicycle parking spaces will provide end-of-trip facilities for new bicycle trips, thereby replacing vehicle trips and reducing motor vehicle emissions. Project sites will be selected in response to requests from business owners and citizens submitted through the SFMTA website.</p> <p>Notes: Because of TFCA program oversubscription, staff is recommending that this project be funded at 74% of the requested amount. SFMTA staff have confirmed that this funding level would allow the project to advance (revised number of racks pending) while additional funding sources are identified (e.g. Prop K, ATP, Regional TFCA).</p>	Citywide	1	\$87,426	1729.2	\$542,928	\$495,528	\$ 366,925
2	SFE	<p>Emergency Ride Home - Provides reimbursement for taxi, carshare or rental car ride home in cases of emergency or supervisor-approved unscheduled overtime for employees who use alternative modes to get to work. This program provides one year of funding.</p> <p>Notes: Staff costs are higher than prior years because SFE plans to implement a system to allow participants to register directly rather than through employers. The Emergency Ride Home Program has been supported by TFCA since Fiscal Year 2005/06.</p>	Citywide	1	\$89,396	229.9	\$42,991	\$42,991	\$ 42,991
3	SFMTA	<p>New Resident Outreach - SFMTA will provide information to new San Francisco residents about available transportation options (e.g., rideshare, biking, transit) with the intention of reducing single occupancy vehicle (SOV) use before travel habits are established. SFMTA would send mailers to all new residents, then self-selecting respondents would receive further information and engagement. Goal is to reduce ten percent of total SOV vehicles miles traveled by new residents.</p> <p>Notes: Revised cost-effectiveness inputs per Air District guidance for this project type resulted in a staff recommended amount \$7,000 lower than requested by the SFMTA.</p>	Citywide	1	\$89,991	723.5	\$250,500	\$250,500	\$ 243,500

No.	Sponsor ¹	Project Description	District	Project Priority ²	CE Ratio ³	CO ₂ Reduction ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
4	SFMTA	<p>8th and Market Bikeway Improvement - Project will improve bicyclist safety and comfort at the intersection of Market, Grove, Hyde, and 8th Streets. Improvements include two-stage left turn boxes for turns onto eastbound Market Street and onto southbound 8th Street, and a new separated bike facility on 8th Street just south of Market Street, including a transit island for the 19 and 83X bus routes. Project treatments would reduce conflicts between turning bicyclists and motorists, as well as conflicts between bicyclists and transit. SFMTA will plan, environmentally clear, design, and construct the improvements. Construction is anticipated to begin as early as summer 2016.</p> <p>Notes: Revised cost-effectiveness inputs per Air District guidance for this project type resulted in a staff recommended amount \$13,013 lower than requested by the SFMTA.</p>	6	1	\$89,999	944.2	\$175,401	\$175,401	\$ 162,388
5	SFDPH	<p>San Francisco General Hospital Shuttle: BART Loop Expansion Pilot - Provides three years of funding for the addition of a single early morning run to existing shuttle service that connects SFGH to 24th Street BART station. According to the 2013 SFGH Transportation Commute Survey, 20% of employees arrive at the hospital at 6:00 AM, before comparable MUNI bus service begins. The shuttle would be open to the public. Funds will be used for shuttle operations contract and DPH labor for marketing and evaluation.</p> <p>Notes: To meet Air District cost effectiveness requirements, this pilot project must result in a minimum of 10 daily trips the first year, 20 daily trips the second year, and 40 daily trips the third year.</p>	10 (6,9)	2	\$249,505	61.3	\$41,919	\$41,919	\$ 41,919

TOTAL \$1,053,739 \$1,006,339 \$857,723
 Total TFCA Funding Available for Projects: \$857,723
 Total TFCA Recommended: \$857,723
 Surplus/(Shortfall) \$0

No.	Sponsor ¹	Project Description	District	Project Priority ²	CE Ratio ³	CO ₂ Reduction ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
6	SFDPH	<p>San Francisco General Hospital Shuttle: Pilot Loop to Caltrain and Transbay Terminal - Would provide three years of funding for a shuttle bus pilot project to connect SFGH directly to the 4th and King Caltrain Station and the Transbay Terminal to encourage more regional commuters to take advantage of public transit. According to the 2013 SFGH Transportation Commute Survey, 56% of SFGH commuters drive alone to work. The shuttle would operate 4 hours during both the morning and afternoon commute hours, and would consist of two buses, each with a 35-passenger capacity able to make 12 trips per vehicle per day.</p> <p>Notes: Project not recommended for funding because of project type priority order and size of request. Staff believes the project would be effective in reducing emissions and will work with DPH and Air District staff to explore funding options with Regional TFCA funding in early Fiscal Year 2015/16.</p>	10 (6,9)	2	\$116,568	2166.7	\$729,840	\$484,647	\$ -
Total:							\$729,840	\$484,647	\$ -

TABLE B--PROJECT NOT RECOMMENDED FOR TFCA FUNDS

¹ Sponsor acronyms include Department of the Environment (SFE), San Francisco Municipal Transportation Agency (SFMTA), San Francisco Department of Public Health (SFDPH).

² Priority based on project type is established in the Local Expenditure Criteria.

³ The TFCA cost effectiveness ratio (CE) is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. Most projects must have a CE ratio that is \$90,000 or less to be eligible for Fiscal Year 2015/16 funds. Pilot shuttle projects in Community Air Risk Evaluation (CARE) Program areas must have a CE ratio that is \$500,000 or less during the first year, \$250,000 or less by the end of the second year and \$125,000 or less by the end of the third year to be eligible.

⁴ CO₂ Reduction is based on tons of carbon dioxide reduced over the lifetime of the project. This figure is calculated in the cost effectiveness worksheet.



Memorandum

Date: 06.08.15 **RE:** Plans and Programs Committee
June 16, 2015

To: Plans and Programs Committee: Commissioners Tang (Chair), Christensen (Vice Chair), Breed, Farrell, Yee and Wiener (Ex Officio)

From: Anna LaForte – Deputy Director for Policy and Programming *all*

Through: Tilly Chang – Executive Director *TCC*

Subject: **ACTION** – Recommend Approval of the Fiscal Year 2015/2016 Transportation Fund for Clean Air Program of Projects

Summary

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most effective transportation projects that achieve emission reductions from motor vehicles in accordance with the Bay Area Air Quality Management District's (Air District's) Clean Air Plan. Funds are generated from a \$4 surcharge on the vehicle registration fee collected by the Department of Motor Vehicles. As the San Francisco TFCA County Program Manager, the Transportation Authority annually develops the Program of Projects for the TFCA Program Manager funds. In February we issued the call for Fiscal Year 2015/2016 TFCA applications. We received six project applications by the April 30, 2015 deadline, requesting \$1,490,986 in TFCA funds compared to \$857,723 in available funds. We reviewed the projects for eligibility, then evaluated eligible projects following the Board-adopted local expenditure criteria which include project type (e.g., first priority to zero emission projects), cost effectiveness of emissions reduced, program diversity, project readiness, and other considerations (e.g., a sponsor's track record for delivering prior TFCA projects). Based on this review, we are recommending awarding TFCA funds to the five projects shown in Attachment 3. We've recommended partial funding for one scalable project to allow us to fund five of the six projects. Two projects are recommended for slightly less funding than requested to comply with Air District cost-effectiveness requirements.

BACKGROUND

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most effective transportation projects that achieve emission reductions from motor vehicles in accordance with the Bay Area Air Quality Management District's (Air District) Clean Air Plan. Funds are generated from a \$4 surcharge on the vehicle registration fee collected by the Department of Motor Vehicles in San Francisco. 40% of the funds are distributed on a return-to-source basis to Program Managers for each of the nine counties in the Air District. The Transportation Authority is the designated County Program Manager for the City and County of San Francisco. The remaining 60% of the revenues, referred to as the TFCA Regional Fund, are distributed on a competitive basis to applicants from the nine Bay Area counties. The TFCA Regional Fund is administered by the Air District through a separate application process.

On February 25, 2015 we issued the call for Fiscal Year 2015/2016 TFCA applications to San Francisco

project sponsors. We received six project applications by the April 30, 2015 deadline, requesting \$1,490,986 in TFCA funds compared to \$857,723 in available funds.

DISCUSSION

The purpose of this memorandum is to present the staff recommendation for San Francisco's Fiscal Year 2015/16 TFCA Program of Projects to the Plans and Programs Committee, and to seek a recommendation for its approval.

Available Funds: We have a total of \$857,723 in available TFCA funds to program in Fiscal Year 2015/16. As shown in the table below, this amount is comprised of estimated Fiscal Year 2015/16 TFCA revenues, interest income, and de-obligated funds from completed and canceled prior-year TFCA projects.

Estimated TFCA Funds Available for Projects Fiscal Year 2015/16	
Estimated TFCA Revenues (Fiscal Year 2015/16)	\$770,282
Interest Income	\$2,116
De-obligated Funds and Previously Unallocated Funds	\$123,839
Total Funds	\$896,237
5% Administrative Expense	(\$38,514)
Total Available for Projects	\$857,723

Eight projects were completed under budget over the past year. Unused funds were deobligated and made available for the 2015/16 call for projects. After netting out 5% for Transportation Authority staff administrative expenses as allowed by the Air District, the estimated amount available to program to projects is \$857,723.

Prioritization Process: We evaluated the TFCA project applications following the prioritization process for developing the TFCA Program of Projects shown in Attachment 1. The first step involved screening projects to ensure eligibility according to the Air District's TFCA guidelines. One of the most important aspects of this screening was ensuring a project's cost-effectiveness (CE) ratio was calculated correctly and was low enough to be eligible for consideration. The Air District's CE ratio, described in detail in Attachment 1, is designed to measure the cost-effectiveness of a project in reducing air pollutant emissions and to encourage submittal of projects that leverage funds from non-TFCA sources. Consistent with TFCA guidelines, most projects must have a CE ratio that is less than or equal to \$90,000 per ton of motor vehicle emissions reduced in order to be eligible for TFCA funds. Pilot shuttle projects in Community Air Risk Evaluation (CARE) Program areas must have a CE ratio that is \$500,000 or less during the first year, \$250,000 or less by the end of the second year and \$125,000 or less by the end of the third year to be eligible.

We performed our review of the CE ratio calculations in consultation with project sponsors and the Air District. The focus was to ensure that the forms were completed correctly, that values other than default values had adequate justification, and that assumptions were consistently applied across all project applications for a fair evaluation. Inevitably, as a result of our review, we had to adjust some of the submitted CE worksheets. In these cases, we worked with the project sponsor to determine the correct

CE ratio and whether or not it exceeded the Air District's CE threshold.

We then prioritized projects that passed the eligibility screening using factors such as project type (e.g., first priority to zero emission projects), cost-effectiveness, program diversity, project delivery (i.e., readiness), and other considerations (e.g., a sponsor's track record for delivering prior TFCA projects). Our prioritization process also considered carbon dioxide (CO₂) emissions reduced by each project. CO₂ emissions are measured in the Air District's CE worksheets, but are not included in the CE calculations.

Staff Recommendation: Tables A and B in Attachment 2 show the six candidate projects and other information including a brief project description, total project cost, and amount of TFCA funds requested. Table A shows the projects we are recommending to receive TFCA funds. Table B details the one project not recommended for funding.

Projects Recommended for Funding: We are recommending TFCA funding for five of the six candidate projects, which includes two transportation demand management projects, one bicycle parking project, one bicycle facility/transit island project, and one shuttle project. Four of the five projects recommended for funding are zero emissions non-vehicles projects, which is the top priority project type in the Transportation Authority's prioritization criteria.

We recommend fully funding two projects and partially funding three projects, as described in Table A of Attachment 2.

Project Not Recommended for Funding: As described in Table B of Attachment 2, the San Francisco Department of Public Health (DPH) requested funds for a three-year shuttle bus pilot project to connect San Francisco General Hospital (SFGH) directly to the 4th and King Caltrain Station and the Transbay Terminal. A high proportion of employees use single occupant vehicles to get to work at SFGH, including 82% of employees who commute from the Peninsula, according to a staff survey, so we believe this project has potential to reduce vehicle emissions, however, shuttles projects are the second priority project type in the Transportation Authority's Local Priorities and this year's available TFCA funds cannot accommodate this request, which is for more than 50% of the available funds. Transportation Authority staff will work with DPH to seek out alternate funding sources including the upcoming cycle of Regional TFCA funds.

Schedule for Funds Availability: We expect to enter into a master funding agreement with the Air District by July 1, 2015 after which we will issue grant agreements for the recommended Fiscal Year 2015/16 TFCA funds. Pending timely review and execution of the grant agreements by the Air District and project sponsors, we expect funds to be available for expenditure beginning in July 2015.

ALTERNATIVES

1. Recommend approval of the Fiscal Year 2015/16 TFCA Program of Projects, as requested.
2. Recommend approval of the Fiscal Year 2015/16 TFCA Program of Projects, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on this item at its May 27, 2015 meeting and unanimously adopted a motion of support for the staff recommendation, but urged staff to follow up to see whether the DPH shuttle running from the 24th Street BART station to SFGH could be combined with the University of California San Francisco (UCSF) shuttle that runs a similar route, connecting to 16th Street BART. It

was also noted that the proposed DPH shuttle, connecting Caltrain and the Transbay Terminal to SFGH (not recommended for TFCA funds) should be looked at to see if consolidation were possible. We have since followed up on the CAC's comments and learned that the UCSF shuttles are not open to the public, but the DPH shuttle is, which is a requirement for TFCA funds.

FINANCIAL IMPACTS

The estimated total budget for the recommended Fiscal Year 2015/16 TFCA program is \$896,237. This includes \$857,723 for the five proposed projects and \$38,514 for administrative expenses. The latter is consistent with Air District rules, which allow the Transportation Authority to set aside up to 5% of each year's annual income to use for administrative expenses. Revenues and expenditures for the TFCA program are included in the proposed Transportation Authority's Fiscal Year 2015/16 budget, which will be considered for adoption by the Transportation Authority Board in June 2015.

RECOMMENDATION

Recommend approval of the Fiscal Year 2015/16 TFCA Program of Projects.

Attachments (3):

1. Fiscal Year 2015/16 TFCA Local Expenditure Criteria
2. Fiscal Year 2015/16 TFCA Program of Projects – Detailed Staff Recommendation
3. Fiscal Year 2015/16 TFCA Program of Projects – Summary Staff Recommendation



Attachment 1

Fiscal Year 2015/16 Transportation Fund for Clean Air (TFCA)

LOCAL EXPENDITURE CRITERIA

The following are the Fiscal Year 2015/16 Local Expenditure Criteria for San Francisco's TFCA County Program Manager Funds.

ELIGIBILITY SCREENING

In order for projects to be considered for funding, they must meet the eligibility requirements established by the Air District's TFCA County Program Manager Fund Policies for Fiscal Year 2015/16. Consistent with the policies, a key factor in determining eligibility is a project's cost effectiveness (CE) ratio. The TFCA CE ratio is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. TFCA funds budgeted for the project (both Regional Funds and County Program Manager Funds combined) are divided by the project's estimated emissions reduction. The estimated reduction is the weighted sum of reactive organic gases (ROG), oxides of nitrogen (NO_x), and particulate matter (PM) emissions that will be reduced over the effective life of the project, as defined by the Air District's guidelines.

TFCA CE is calculated by inputting information provided by the applicant into the Air District's CE worksheets. Transportation Authority staff will be available to assist project sponsors with these calculations, and will work with Air District staff and the project sponsors as needed to verify reasonableness of input variables. The worksheets also calculate reductions in carbon dioxide (CO₂) emissions, which are not included in the Air District's official CE calculations, but which the Transportation Authority considers in its project prioritization process.

Consistent with the Air District's Guidelines, in order to be eligible for Fiscal Year 2015/16 TFCA funds, a project must meet the CE ratio for emissions (i.e., ROG, NO_x, and PM) reductions as specified in the guidelines for each project type. Projects that do not meet this threshold cannot be considered for funding.

PROJECT PRIORITIZATION

Candidate projects that meet the cost effectiveness thresholds will be prioritized for funding based on the two-step process described below:

Step 1 – TFCA funds are programmed to eligible projects, prioritized using the Transportation Authority Board-adopted Local Priorities (see next page).

Step 2 – If there are TFCA funds left unprogrammed after Step 1, the Transportation Authority will work with project sponsors to develop additional TFCA candidate projects. This may include refinement of projects that were submitted for Step 1, but were not deemed eligible, as well as new projects. This approach is in response to an Air District policy that does not allow County Program Managers to rollover any unprogrammed funds to the next year's funding cycle. If Fiscal Year 2015/16 funds are not programmed by November 2015, funds can be redirected (potentially to non-San

Francisco projects) at the Air District's discretion. New candidate projects must meet all of the TFCA eligibility requirements, and will be prioritized based on the Transportation Authority Board's adopted Local Priorities.

Local Priorities

The Transportation Authority's Local Priorities for prioritizing TFCA funds include the following factors:

Project Type – In order of priority:

- 1) Zero emissions non-vehicle projects including, but not limited to, bicycle and pedestrian facility improvements, transit priority projects, traffic calming projects, and transportation demand management projects;
- 2) Shuttle services that reduce vehicle miles traveled (VMT);
- 3) Alternative fuel vehicles and alternative fuel infrastructure; and
- 4) Any other eligible project.

Emissions Reduced and CE – Priority will be given to projects that achieve high CE (i.e. a low cost per ton of emissions reduced) compared to other applicant projects. The Air District's CE worksheet predicts the amount of reductions each project will achieve in ROG, NO_x, PM, and CO₂ emissions. However, the Air District's calculation only includes the reductions in ROG, NO_x, and PM per TFCA dollar spent on the project. The Transportation Authority will also give priority to projects that achieve high CE for CO₂ emission reductions based on data available from the Air District's CE worksheets. The reduction of transportation-related CO₂ emissions is consistent with the City and County of San Francisco's 2004 *Climate Action Plan for San Francisco*.

Project Delivery – Priority will be given to projects that are ready to proceed and have a realistic implementation schedule, budget, and funding package. Projects that cannot realistically commence in calendar year 2016 or earlier (e.g. to order or accept delivery of vehicles or equipment, begin delivery of service, award a construction contract, start the first TFCA-funded phase of the project) and be completed within a two-year period will have lower priority. Project sponsors may be advised to resubmit these projects for a future TFCA programming cycle.

Program Diversity – Promotion of innovative TFCA projects in San Francisco has resulted in increased visibility for the program and offered a good testing ground for new approaches to reducing motor vehicle emissions. Using the project type criteria established above, the Transportation Authority will continue to develop an annual program that contains a diversity of project types and approaches and serves multiple constituencies. The Transportation Authority believes that this diversity contributes significantly to public acceptance of and support for the TFCA program.

Other Considerations – Projects that are ranked high in accordance with the above local expenditure criteria may be lowered in priority or restricted from receiving TFCA funds if either of the following conditions applies or has applied during Fiscal Years 2013/14 or 2014/15:

- **Monitoring and Reporting** – Project sponsor has failed to fulfill monitoring and reporting requirements for any previously funded TFCA project.
- **Implementation of Prior Project(s)** – Project sponsor has a signed Funding Agreement for a TFCA project that has not shown sufficient progress; the project sponsor has not implemented the project by the project completion date without formally receiving a time extension from the Authority; or the project sponsor has violated the terms of the funding agreement.

Attachment 3
San Francisco County Transportation Authority
Fiscal Year 2014/2015 Transportation Fund for Clean Air County Program Manager Fund
Summary of Draft Recommendations¹

RECOMMENDED PROJECTS (sorted by cost-effectiveness (CE) ratio)					
Sponsor ²	Project	Total Project Cost	TFCA Requested	TFCA Recommended	TFCA Recommended
SEMTA	Short-Term Bicycle Parking ³	\$542,928	\$495,528	\$366,925	\$366,925
SFE	Emergency Ride Home	\$42,991	\$42,991	\$42,991	\$42,991
SEMTA	New Resident Outreach ⁴	\$250,500	\$250,500	\$243,500	\$243,500
SEMTA	Bikeway Intersection Improvement Project ⁴	\$175,401	\$175,401	\$162,388	\$162,388
SFDPH	SF General Hospital Shuttle Bus: BART Loop Expansion Pilot	\$41,919	\$41,919	\$41,919	\$41,919
	Totals:	\$1,053,739	\$1,006,339	\$857,723	\$857,723

Total TFCA Funding Available for Projects: \$857,723

¹Projects are listed in ranked order by project priority type and cost-effectiveness ratio.

²See Attachment 2 for acronyms and other notes.

³Project scaled down with concurrence of sponsor to allow us to fund two additional projects.

⁴TFCA recommended amount is the maximum eligible for TFCA funds, as determined by revised cost effectiveness worksheets, consistent with Air District Guidance.