



# AGENDA

## SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY Meeting Notice

**Date:** Tuesday, November 29, 2016; 11:00 a.m.  
**Location:** Legislative Chamber, Room 250, City Hall  
**Commissioners:** Wiener (Chair), Mar (Vice Chair), Avalos, Breed, Campos, Cohen, Farrell, Kim, Peskin, Tang and Yee

**Clerk: Steve Stamos**  
**Page**

- 1. Roll Call
- 2. Chair’s Report – **INFORMATION**
- 3. Executive Director’s Report – **INFORMATION**
- 4. Approve the Minutes of the October 25, 2016 Meeting – **ACTION\*** 3

**Items from the Finance Committee**

- 5. Accept the Audit Report for the Fiscal Year Ended June 30, 2016 – **ACTION\*** 7

**Items from the Plans and Programs Committee**

- 6. Allocate \$3,149,000 in Prop K Funds, with Conditions, for Three Requests and Appropriate \$100,000 in Prop K Funds for One Request, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules, and Commit to Allocate \$325,000 in Prop K Funds – **ACTION\*** 83

**Other Items**

- 7. Introduction of New Items – **INFORMATION**  
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.
- 8. Public Comment
- 9. Adjournment

\* Additional materials

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## Board Meeting Agenda

been determined.

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# DRAFT MINUTES

## SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Tuesday, October 25, 2016

### 1. Roll Call

Chair Wiener called the meeting to order at 11:10 a.m.

**Present at Roll Call:** Commissioners Avalos, Breed, Campos, Cohen, Peskin, Tang, Wiener and Yee (8)

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

### 2. Chair's Report – INFORMATION

Chair Wiener reported that it had been an exciting month for the Transportation Authority. He said the week prior he joined with officials from Commissioner Kim's office, the Treasure Island Development Authority, Caltrans, California Highway Patrol, Federal Highway Administration and the Metropolitan Transportation Commission (MTC) at the ribbon cutting for the new I-80 East Side Yerba Buena Island (YBI) Ramps. He said it was the first major capital project delivered by the Transportation Authority, and that the new ramps would provide safe access for westbound motorists and are the first of many infrastructure projects planned for YBI. He congratulated Executive Director Tilly Chang, Deputy Director for Capital Projects Eric Cordoba, and the extended project team for completing the \$98 million project on-time and on-budget. He also congratulated Caltrans on the opening of the East Span Bay Bridge bicycle and pedestrian path connection to YBI just a few days later. He said that it was a much anticipated regional link and would provide improved access to YBI, and thanked all the agencies that were involved in moving the project forward.

Chair Wiener reported that earlier in the month, he was delighted to hear U.S. Department of Transportation Secretary Foxx' announcement awarding an \$11 million innovative technology and congestion management grant to San Francisco. He said the projects funded by the grant would be implemented by the Transportation Authority and San Francisco Municipal Transportation Agency (SFMTA), with support from University of California Berkeley. He said the projects included the development of high-occupancy lanes for public transit and carpools, smart traffic signals to reduce congestion and improve safety, an electronic toll system for Treasure Island, and the deployment and testing of three autonomous shuttles for the Island. He said he was excited to see the demonstration projects begin to transform the city's ambitious transportation visions into practical solutions, and congratulated the Transportation Authority and SFMTA staff and thanked Mayor Lee and Leader Pelosi for their support for the effort.

Finally, Chair Wiener thanked Michael Schwartz from the Transportation Authority and Sarah Jones from the SFMTA for presenting an update on the city's Subway Vision planning study at

the Board of Supervisors Land Use Committee the week prior. He said it was great to see the early thinking by planners and the public on where major rail investment could make sense from a capacity, connectivity and access standpoint. He said that although it was early in the process and the city's plans were ambitious, he was convinced that as a growing city and region, the city must be forward-looking in setting the transit future that it would like to pursue. Chair Wiener concluded his remarks and invited Commissioner Mar to provide a brief report on the Rail~Volution conference he attended at the Hyatt Regency in early October.

Commissioner Mar stated that the conference had 1,200 attendees and 75 speakers, including Director Ed Reiskin at the SFMTA and Executive Director Steve Heminger at MTC. He said the most important aspect of the conference was regarding equity in transit-oriented developments and building more livable and sustainable cities. He said that staff from TransForm did a great job of integrating transit thinking with housing development and land use policy, while SPUR held a great panel on merging housing development with transportation policy. Commissioner Mar noted that many regions across the country looked towards the Bay Area as the innovation capital to address these types of complex and challenging policy issues. He said that while the conference was great for networking, it was also helpful for the synergism and intersectionality of the work being done in different sectors.

There was no public comment.

### 3. **Executive Director's Report – INFORMATION**

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

There was no public comment.

### 4. **Approve the Minutes of the September 27, 2016 Meeting – ACTION**

There was no public comment.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

### **Items from the Finance Committee**

#### 5. **Execute a Memorandum of Agreement with the Treasure Island Development Authority for the Yerba Buena Island Vista Point Operation Services in an Amount Not to Exceed \$500,000 through December 31, 2018, and Authorize the Executive Director to Negotiate Payment Terms and Non-Material Agreement Terms and Conditions – ACTION**

Commissioner Peskin voiced concern over appropriating \$500,000 for temporary improvements that would be removed less than two years after they would be built. Tilly Chang, Executive Director, replied that the idea was to have a safe and welcoming receiving area for visitors to Yerba Buena Island (YBI) since the bicycle and pedestrian path was recently opened. She said some of the improvements would be permanent, while features such as the bathrooms and hydration stations would only be temporary. Eric Cordoba, Deputy Director for Capital Projects, added that they were currently working with Caltrans and the Bay Area Toll Authority (BATA) to implement additional improvements in the area and would likely spend less than the \$500,000 allocated.

Commissioner Peskin asked if the not to exceed amount could be reduced since it was unclear how much would need to be appropriated. Mr. Cordoba stated that the operation and maintenance

of the Vista Point included security and maintenance services and a temporary shuttle, which had all been budgeted through the end of 2018. He said what could occur is that construction in the area would begin sooner than the end of 2018 which would lead to the removal of the temporary services, but that the \$500,000 represented the maximum amount if construction did not start until 2019.

Chair Wiener asked for clarification on Commissioner Peskin's recommendation. Commissioner Peskin stated that the time frame and amount for the agreement should be fixed since there were many aspects of the agreement still in fluctuation. Ms. Chang stated that the term of the agreement could be shortened to end in mid-2017, at which point there would be an update on the project and the term of the agreement could be potentially extended, depending on the construction date of the YBI West Side Ramps project. Mr. Cordoba added that in total \$2 million had been budgeted for the Vista Point project, with \$1 million coming from BATA and \$1 million from the YBI Ramps project.

During public comment, Janice Lee with the San Francisco Bicycle Coalition (SFBC) stated that SFBC was very supportive of the project, and noted the many agencies involved in delivering the bicycle and pedestrian path and Vista Point improvements. She said the path was now open to the public and therefore the landing on YBI needed to be safe and welcoming, so SFBC supported the allocation for the agreement.

Commissioner Peskin moved to amend the item to change the agreement end date to June 30, 2017, seconded by Commissioner Tang.

The amendment to the item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

The amended item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

#### **Items from the Plans and Programs Committee**

**6. Allocate \$12,713,969 in Prop K Funds, with Conditions, for Two Requests, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

**7. Approve the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

**8. Approve San Francisco Input on the Plan Bay Area 2040 Draft Preferred Scenario –**

**ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee (11)

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

There was no public comment.

**10. Public Comment**

During public comment, Andrew Yip spoke about wisdom.

**11. Adjournment**

The meeting was adjourned at 11:39 a.m.



MOTION ACCEPTING THE SAN FRANCISCO COUNTY TRANSPORTATION  
AUTHORITY'S AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Pursuant to the annual audit requirements in its Fiscal Policy, the San Francisco County  
Transportation Authority hereby accepts the audit report for the fiscal year ended June 30, 2016.

Attachment:

1. Audit Report for the Year Ended June 30, 2016

**SAN FRANCISCO COUNTY  
TRANSPORTATION AUTHORITY**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**



# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
San Francisco County Transportation Authority  
San Francisco, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the San Francisco County Transportation Authority (Transportation Authority), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Transportation Authority's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Transportation Authority, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the Transportation Authority adopted the following new accounting pronouncements: GASB Statement No. 72, Fair Value Measurement and Application; GASB Statement No. 76, *The hierarchy of Generally Accepted Accounting Principles for State and Local Governments*; and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No.73*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress and employer contributions for other postemployment benefits, budgetary comparison schedules, schedule of the proportionate share of the net pension liability and schedule of pension contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transportation Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2016 on our consideration of the Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transportation Authority's internal control over financial reporting and compliance.

*Vavrinck, Trinc, Day & Co. LLP*

Palo Alto, California  
October 20, 2016

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY****Management's Discussion and Analysis****For the Year Ended June 30, 2016**

The annual financial report of the San Francisco County Transportation Authority (Transportation Authority) presents a discussion and analysis of the Transportation Authority's financial performance during the year ended June 30, 2016. The Transportation Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**FINANCIAL HIGHLIGHTS**

- The liabilities and deferred inflows of the Transportation Authority's governmental activities exceeded its assets and deferred outflows at the close of fiscal year 2015-16 by \$62.7 million. Of the net position, \$2.2 million was for net investment in capital assets, \$15.7 million was restricted for capital projects, and a negative balance of \$80.6 million was unrestricted deficit. A major factor to consider in reviewing the statement of net position is that the Transportation Authority does not hold or retain title for the projects it constructs or for the vehicles and system improvements that it purchases with sales tax program funds, congestion management agency programs funds, transportation funds for clean air program funds, vehicle registration fee for transportation improvements program funds, and Treasure Island Mobility Management Agency. The reporting of the Revolving Credit Agreement, without a corresponding asset, results in the net deficit. Furthermore, debt financing has been used to enable the acceleration of projects for the benefit of San Francisco residents and taxpayers. Cash, deposits and investments decreased by \$45.8 million as compared to the prior year due to an increase in transportation and capital project expenses as compared to the prior year. Other non-cash assets (assets other than cash, deposits, and investments) decreased by \$2.5 million as compared to the prior year.
- The Transportation Authority's total net position decreased \$41.6 million during the year ended June 30, 2016, as compared to an increase of \$16.2 million in the prior year.
- Sales tax revenues increased by \$1.9 million from the prior year. Investment income decreased by \$80 thousand, mainly due to the lower average balance in the City and County of San Francisco Treasury Pool. Transportation and capital projects expenses increased by \$115.9 million during the year ended June 30, 2016 largely due to a one-time milestone payment of \$95.4 million at substantial completion of construction activities for the Presidio Parkway project. The remaining balance is due to a combination of increased activities for the Transbay Transit Center and San Francisco Municipal Railway's Motor Coach Replacement Projects, and decreased construction activities for the Interstate 80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Bridge Structures (collectively known as the YBI Project) as compared to prior year.
- The Transportation Authority had positive governmental fund balances of \$40.4 million. Of this amount, \$82 thousand is nonspendable for prepaid costs and deposits, \$32.9 million is restricted for the capital projects in the Sales Tax Program, \$395 thousand for the capital projects in the Transportation Fund for Clean Air Program and \$7.0 million for capital projects in the Vehicle Registration Fee for Transportation Improvements Program. The Transportation Authority's governmental funds balances decreased by \$67.6 million in comparison with the prior year.
- In June 2015, the Transportation Authority substituted its commercial paper notes with a \$140 million tax-exempt, three-year Revolving Credit Agreement. As of June 30, 2016, \$114.7 million of the Revolving Credit balance was outstanding at an interest rate of 0.620%.

# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Management's Discussion and Analysis

For the Year Ended June 30, 2016

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Transportation Authority's basic financial statements. The Transportation Authority's basic financial statements comprise three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the basic financial statements. Required supplementary information is included in addition to the basic financial statements. Table 1 shows the relationship of the government-wide financial statements to the governmental fund financial statements.

Table 1  
Qualities of Government-wide Financial Statements as  
Compared to Financial Statements Prepared Under Traditional Governmental Fund Accounting

Quality	Government-wide Financial Statements	Governmental Fund Accounting Financial Statements	Fiduciary Fund Financial Statements
Scope	Entire Transportation Authority	Activities of the Transportation Authority that are not proprietary or fiduciary	Instances in which the Transportation Authority administers resources on behalf of others
Required Statements	<ul style="list-style-type: none"> <li>● Statement of Net Position</li> <li>● Statement of Activities (both government-wide)</li> </ul>	<ul style="list-style-type: none"> <li>● Balance Sheet</li> <li>● Statement of Revenues, Expenditures, and Changes in Fund Balances (for each individual fund)</li> </ul>	<ul style="list-style-type: none"> <li>● Statement of Fiduciary Assets and Liabilities</li> </ul>
Basis of Accounting and Measurement Focus	<ul style="list-style-type: none"> <li>● Full accrual accounting</li> <li>● Economic resources focus</li> </ul>	<ul style="list-style-type: none"> <li>● Modified accrual accounting</li> <li>● Current financial resources focus</li> </ul>	<ul style="list-style-type: none"> <li>● Full accrual accounting</li> </ul>

#### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Transportation Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all Transportation Authority assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. The statement of net position is designed to provide information about the financial position of the Transportation Authority as a whole, including all of its capital assets, deferred outflows/inflows of resources, and long-term liabilities, on a full accrual basis of accounting similar to the accounting model used by private sector firms.

The *statement of activities* presents information showing how the Transportation Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to accrued, but uncollected taxes, and to expenses pertaining to earned but unused compensated absences.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Management's Discussion and Analysis

For the Year Ended June 30, 2016

Both of these government-wide financial statements distinguish functions of the Transportation Authority that are principally supported by receipt of sales taxes, vehicle registration fee, and other sources of government grants. The only governmental activity of the Transportation Authority is transportation and capital projects. The Transportation Authority does not have any business-type activities.

**Fund Financial Statements**

The fund financial statements are designed to report information about groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The Transportation Authority, like other state and local governments, uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. All of the Transportation Authority's basic services are reported in governmental funds. These statements, however, focus on: (1) how cash and other financial assets can readily be converted to available resources, and (2) the balances left at year-end, which are available for spending. Such information is useful in determining what financial resources are available in the near future to finance the Transportation Authority's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances include a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Transportation Authority maintains five governmental funds organized according to their source of funding. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the: (A) Sales Tax Program, (B) Congestion Management Agency Programs, (C) Transportation Fund for Clean Air Program, (D) Vehicle Registration Fee for Transportation Improvements Program, and (E) Treasure Island Mobility Management Agency. Each of these funds is considered a major fund.

*Fiduciary fund* is used to account for resources held for the benefit of parties outside the Transportation Authority. The Transportation Authority is acting solely as a fiduciary administrator for the San Francisco Municipal Transportation Agency's (MUNI) Third Street Light Rail Project's Owner-Controlled Insurance Program (OCIP) escrow account, and has no responsibility for managing the OCIP claims management or settlement.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Management's Discussion and Analysis

For the Year Ended June 30, 2016

**Required Supplementary Information**

The required supplementary information (RSI) is presented concerning the Transportation Authority's budgetary comparison schedule for all the funds. The Transportation Authority adopts an annual appropriated budget. The budgetary comparison schedules have been provided to demonstrate compliance with the budget. The schedules of funding progress and employer contributions – postemployment healthcare benefits, net pension liability and employer contribution schedules are also presented as RSI.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The Transportation Authority's statement of net position shows liabilities and deferred inflows exceeded its assets and deferred outflows by \$62.7 million at June 30, 2016. Cash, deposits and investments decreased by \$45.8 million overall due to transportation and capital project expenses increased \$115.9 million over the prior year. The other assets and deferred outflow category decreased by \$2.2 million as compared to the prior year. Other assets mainly include \$18.7 million in sales tax receivables, \$25.0 million in outstanding program and other receivables (including amounts due from the City and County of San Francisco) and \$2.9 million in intergovernmental loan, which includes accrued interest.

Table 2  
Statement of Net Position (in thousands)

	June 30, 2016	June 30, 2015	\$ Change	% Change
Assets and deferred outflows:				
Cash, deposits, and investments	\$ 37,190	\$ 83,008	\$ (45,818)	-55.2%
Other assets and deferred outflows	51,957	54,178	(2,221)	-4.1%
Capital assets	2,224	2,519	(295)	-11.7%
Total assets and deferred outflows	<u>91,371</u>	<u>139,705</u>	<u>(48,334)</u>	-34.6%
Liabilities and deferred inflows:				
Current, other liabilities, and deferred inflows	<u>154,051</u>	<u>160,749</u>	<u>(6,698)</u>	-4.2%
Net Position:				
Net investment in capital assets	2,224	2,519	(295)	-11.7%
Restricted for capital projects	15,657	13,486	2,171	16.1%
Unrestricted deficit	<u>(80,561)</u>	<u>(37,049)</u>	<u>(43,512)</u>	-117.4%
Total net position	<u>\$ (62,680)</u>	<u>\$ (21,044)</u>	<u>\$ (41,636)</u>	-197.9%

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Management's Discussion and Analysis

For the Year Ended June 30, 2016

The Transportation Authority's unrestricted deficit of \$80.6 million is due to the Revolving Credit Agreement, which will be eliminated with future sales tax revenues. The Transportation Authority's outstanding commitments are described in Note 14 of the basic financial statements. The \$2.2 million in investment in capital assets (net of accumulated depreciation) is comprised mostly of Board-approved investments in the Transportation Authority's workspace such as leasehold improvements and furniture and equipment. The Transportation Authority currently uses these capital assets to provide services; consequently, these assets are not available for future spending. The Transportation Authority issues debt to finance sales tax sponsors' projects and programs, and these transportation facilities are owned and maintained by the sponsors. As a result, the facilities are recorded as an asset of the receiving agency. However, the related debt issued to finance these projects remains as a liability (e.g. Revolving Credit Agreement) of the Transportation Authority.

Table 3  
Statement of Activities (in thousands)

	For the Year Ended		\$ Change	% Change
	June 30, 2016	June 30, 2015		
Revenues:				
General:				
Sales tax	\$ 102,137	\$ 100,279	\$ 1,858	1.9%
Vehicle registration fee	5,362	4,862	500	10.3%
Investment income	383	463	(80)	-17.3%
Other	221	315	(94)	-29.8%
Program operating grants and contributions	97,263	42,080	55,183	131.1%
Total revenues	<u>205,366</u>	<u>147,999</u>	<u>57,367</u>	38.8%
Expenses:				
Transportation and capital projects	246,208	130,290	115,918	89.0%
Interest	794	1,468	(674)	-45.9%
Total expenses	<u>247,002</u>	<u>131,758</u>	<u>115,244</u>	87.5%
Change in net position	(41,636)	16,241	(57,877)	-356.4%
Net position, beginning of year	(21,044)	(37,285)	16,241	43.6%
Net position, end of year	<u>\$ (62,680)</u>	<u>\$ (21,044)</u>	<u>\$ (41,636)</u>	-197.9%

The Transportation Authority's net position decreased \$41.6 million for the year ended June 30, 2016. During the period, sales tax revenues increased by \$1.9 million or 1.9% as compared to the prior year. Investment income decreased by \$80 thousand due to the lower average balance in the City and County of San Francisco Treasury Pool. Program revenues increased by \$55.2 million due the one-time revenue receipt of \$75 million for the substantial completion of construction activities for the Presidio Parkway project from the Golden Gate Bridge, Highway and Transportation District and a decrease of federal and state reimbursements for the YBI Project. Transportation and capital projects expenses increased by \$115.9 million largely due to the one-time milestone payment in the amount of \$95.4 million for Presidio Parkway project to the California Department of Transportation. The remaining balance is due to a combination of increased activities for the Transbay Transit Center and the San Francisco Municipal Railway's Motor Coach Replacement Projects and decreased construction activities for the YBI Project.



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2016**

**FINANCIAL ANALYSIS OF THE TRANSPORTATION AUTHORITY'S FUNDS**

As noted earlier, the Transportation Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Transportation Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Transportation Authority's financing requirements.

Table 4  
Balance Sheet (in thousands)

	June 30, 2016					Total	June 30, 2015	\$ Change	% Change
	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				
<b>Assets:</b>									
Cash, deposits, & investments	\$ 24,449	\$ -	\$ 942	\$ 11,799	\$ -	\$ 37,190	\$ 83,008	\$ (45,818)	-55.20%
Other assets	39,488	21,709	772	914	1,055	63,938	62,185	1,753	2.82%
<b>Total assets</b>	<b>\$ 63,937</b>	<b>\$ 21,709</b>	<b>\$ 1,714</b>	<b>\$ 12,713</b>	<b>\$ 1,055</b>	<b>\$ 101,128</b>	<b>\$ 145,193</b>	<b>\$ (44,065)</b>	<b>-30.35%</b>
<b>Liabilities:</b>									
Current and other liabilities	\$ 26,450	\$ 14,157	\$ 915	\$ 5,736	\$ 727	\$ 47,985	\$ 30,200	\$ 17,785	58.89%
<b>Deferred inflows of resources:</b>									
Unavailable program revenue	4,476	7,552	404	-	328	12,760	6,982	5,778	82.76%
<b>Fund balances (deficits):</b>									
Nonspendable	82	-	-	-	-	82	137	(55)	-40.15%
Restricted									
Capital projects	32,929	-	395	6,977	-	40,301	107,874	(67,573)	-62.64%
<b>Total fund balances</b>	<b>33,011</b>	<b>-</b>	<b>395</b>	<b>6,977</b>	<b>-</b>	<b>40,383</b>	<b>108,011</b>	<b>(67,628)</b>	<b>-62.61%</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>									
	<b>\$ 63,937</b>	<b>\$ 21,709</b>	<b>\$ 1,714</b>	<b>\$ 12,713</b>	<b>\$ 1,055</b>	<b>\$ 101,128</b>	<b>\$ 145,193</b>	<b>\$ (44,065)</b>	<b>-30.35%</b>

At June 30, 2016, the Transportation Authority's governmental funds reported combined ending fund balances of \$40.4 million, a decrease of \$67.6 million as compared to the prior year. The total fund balances are composed of a balance of \$82 thousand nonspendable for prepaid costs and deposits and a balance of \$40.3 million restricted for the capital projects.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2016**

Table 5  
Statement of Revenues, Expenditures, and Changes in Fund Balances (in thousands)

	For the Year Ended June 30, 2016						Total	Year Ended June 30, 2015	\$ Change	% Change
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Treasure Island Mobility Agency					
<b>Revenues:</b>										
Sales tax	\$ 99,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,528	\$ 100,279	\$ (751)	-0.7%
Vehicle registration fee	-	-	-	5,362	-	-	5,362	4,862	500	10.3%
Investment income	377	-	2	4	-	-	383	463	(80)	-17.3%
Program revenues	75,072	17,233	750	-	1,037	-	94,092	43,577	50,515	115.9%
Other	34	51	-	-	-	-	85	179	(94)	-52.5%
<b>Total revenues</b>	<b>175,011</b>	<b>17,284</b>	<b>752</b>	<b>5,366</b>	<b>1,037</b>	<b>-</b>	<b>199,450</b>	<b>149,360</b>	<b>50,090</b>	<b>33.5%</b>
<b>Expenditures:</b>										
Transportation and capital projects	215,775	22,543	1,465	5,700	801	-	246,284	130,153	116,131	89.2%
Debt service	20,794	-	-	-	-	-	20,794	1,468	19,326	1316.5%
<b>Total expenditures</b>	<b>236,569</b>	<b>22,543</b>	<b>1,465</b>	<b>5,700</b>	<b>801</b>	<b>-</b>	<b>267,078</b>	<b>131,621</b>	<b>135,457</b>	<b>102.9%</b>
Excess (deficiency) of revenues over (under) expenditures	(61,558)	(5,259)	(713)	(334)	236	-	(67,628)	17,739	(85,367)	-481.2%
<b>Other financing sources (uses):</b>										
Transfers in	236	5,259	-	-	-	-	5,495	1,300	4,195	322.7%
Transfers out	(5,259)	-	-	-	(236)	-	(5,495)	(1,300)	(4,195)	322.7%
Proceeds from revolving credit agreement	-	-	-	-	-	-	-	134,664	(134,664)	-100.0%
<b>Total other financing sources (uses)</b>	<b>(5,023)</b>	<b>5,259</b>	<b>-</b>	<b>-</b>	<b>(236)</b>	<b>-</b>	<b>-</b>	<b>134,664</b>	<b>(134,664)</b>	<b>-100.0%</b>
Net change in fund balances	(66,581)	-	(713)	(334)	-	-	(67,628)	152,403	(220,031)	-144.4%
Fund balances, beginning of year	99,592	-	1,108	7,311	-	-	108,011	(44,392)	152,403	-343.3%
Fund balances, end of year	\$ 33,011	\$ -	\$ 395	\$ 6,977	\$ -	\$ -	\$ 40,383	\$ 108,011	\$ (67,628)	-62.6%

Total revenues for the Transportation Authority's activities totaled \$199.5 million in fiscal year 2015-16, an increase of \$50.1 million from fiscal year 2014-15. As compared to the prior year, sales tax revenues decreased by \$751 thousand primarily due to a change in the revenue recognition period from 90 days to 60 days after fiscal year end. There is no issue with the availability of these revenues, only the fiscal year of when these revenues are accounted for. Investment income decreased by \$80 thousand due to the lower average balance in the City and County of San Francisco Treasury Pool. Program revenues increased by \$50.5 million due to a combination of the one-time milestone revenue received from the Golden Gate Bridge, Highway and Transportation District for the Presidio Parkway project and a decrease of federal and state reimbursements for the YBI Project. Expenditures for the Transportation Authority's activities totaled \$267.1 million, an increase of \$135.5 million from fiscal year 2014-15. For the year ended June 30, 2016, expenditures for governmental funds exceeded revenues by \$67.6 million. Other aspects of the individual program activities are discussed in the government-wide analysis above.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY****Management's Discussion and Analysis****For the Year Ended June 30, 2016****BUDGETARY ANALYSIS AND HIGHLIGHTS AND ECONOMIC FACTORS**

The Transportation Authority's final budgetary fund balances decreased from the original budget by \$27.0 million. The majority of the variance is due to anticipated increase in transportation and capital projects expenditures for San Francisco Municipal Railway's Motor Coach Replacement Projects.

In addition, actual revenues and transfers in were less than the final budgetary estimates by \$15.1 million mainly due to lower program revenues from the YBI project and change in the revenue recognition period from 90 days to 60 days after fiscal year end. There is no issue with the availability of these revenues, only the fiscal year of when these revenues are accounted for, and it does not affect the viability of the projects or grants. Actual expenditures and transfers out were less than budgetary estimates by \$32.7 million. This amount includes a positive favorable variance of \$27.3 million in capital project costs. This lower capital spending is principally from sponsors funded by the Sales Tax Program and Vehicle Registration Fee for Transportation Improvements Program whose major capital project costs were less than anticipated for fiscal year 2015-16, their practice of billing other sources (e.g. bonds, federal funds) first, and project delays often associated with the coordination with other agencies. Additional information on the Transportation Authority's budgetary comparison schedules for all programs can be found on pages 48 through 53 of this report.

**CAPITAL ASSETS**

The Transportation Authority's investment in capital assets as of June 30, 2016, amounted to \$2.2 million (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, furniture, and equipment. Additional information on the Transportation Authority's capital assets can be found in Note 5 on page 33 of this report.

**REVOLVING CREDIT AGREEMENT**

On June 11, 2015, the Transportation Authority substituted its \$200,000,000 commercial paper notes (Limited Tax Bonds), Series A and B with a three-year \$140,000,000, tax-exempt, Revolving Credit Agreement. In the month of December 2015, Fitch Ratings reaffirmed issuer ratings for the Transportation Authority with "AA+." The Revolving Credit Agreement will be repaid from sales tax revenues. As of June 30, 2016, the Transportation Authority has \$114.7 million of the Revolving Credit balance outstanding. Additional information on the Transportation Authority's Revolving Credit Agreement can be found in Note 7 on page 36 of this report.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Transportation Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the San Francisco County Transportation Authority, Attention: Deputy Director for Finance and Administration, 1455 Market Street, 22<sup>nd</sup> Floor, San Francisco, California, 94103.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Statement of Net Position

June 30, 2016

**ASSETS**

Cash in bank	\$ 15,122,611
Deposits and investments with City Treasurer	22,067,164
Sales tax receivable	18,693,084
Vehicle registration fee receivable	913,617
Interest receivable from City and County of San Francisco	56,705
Program receivables	24,554,615
Receivable from the City and County of San Francisco	423,710
Other receivables	3,471,689
Intergovernmental loan receivable	2,894,083
Prepaid costs and deposits	81,580
Net OPEB asset	5,813
Capital assets, net of accumulated depreciation	2,224,413
<b>Total Assets</b>	<u>90,509,084</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows from pension activities	<u>861,256</u>
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**LIABILITIES**

Accounts payable	15,226,017
Accounts payable to the City and County of San Francisco	19,741,058
Accrued salaries and taxes	167,564
Revolving credit agreement	114,664,165
Unearned rent abatement	801,994
Unearned leasehold incentive	1,220,663
Accrued compensated absences	492,106
Net pension liability	1,288,393
<b>Total Liabilities</b>	<u>153,601,960</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows from pension activities	<u>448,612</u>
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**NET POSITION**

Net investment in capital assets	2,224,413
Restricted by enabling legislation for capital projects	15,656,533
Unrestricted deficit	(80,561,178)
<b>Total Net Position</b>	<u>\$ (62,680,232)</u>

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Statement of Activities

For the Year Ended June 30, 2016

	<u>Total</u>	<u>Transportation and Capital Projects</u>	<u>Interest</u>
<b>EXPENSES</b>	\$ 247,001,904	\$ 246,207,732	\$ 794,172
<b>PROGRAM REVENUES</b>			
Operating grants and contributions	97,263,152	97,263,152	-
Net program expense	<u>(149,738,752)</u>	<u>\$ (148,944,580)</u>	<u>\$ (794,172)</u>
<b>GENERAL REVENUES</b>			
Sales tax	102,136,600		
Vehicle registration fee	5,362,050		
Investment income	383,456		
Other	220,688		
Total general revenues	<u>108,102,794</u>		
<b>CHANGE IN NET POSITION</b>	(41,635,958)		
Net position, beginning of year	<u>(21,044,274)</u>		
Net position, end of year	<u>\$ (62,680,232)</u>		

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Governmental Funds Balance Sheet

June 30, 2016

	<b>Sales Tax Program</b>	<b>Congestion Management Agency Programs</b>	<b>Transportation Fund for Clean Air Program</b>
<b>ASSETS</b>			
Cash in bank	\$ 2,381,592	\$ -	\$ 941,747
Deposits and investments with the City			
Treasurer	22,067,164	-	-
Sales tax receivable	18,693,084	-	-
Vehicle registration fee receivable	-	-	-
Interest receivable from the City & County of San Francisco	56,705	-	-
Program receivables			
Federal	-	19,065,829	-
State	-	2,085,188	-
Regional and other	1,441,649	261,698	772,398
Receivables from the City & County of San Francisco	-	296,452	-
Other receivables	3,471,689	-	-
Intergovernmental loan receivable	2,894,083	-	-
Due from other funds	12,849,860	-	-
Prepaid costs and deposits	81,580	-	-
<b>Total Assets</b>	<b>\$ 63,937,406</b>	<b>\$ 21,709,167</b>	<b>\$ 1,714,145</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 12,206,490	\$ 2,526,535	\$ -
Accounts payable to the City & County of San Francisco	14,075,666	73,454	494,904
Accrued salaries and taxes	167,564	-	-
Due to other funds	-	11,557,034	420,543
<b>Total liabilities</b>	<b>26,449,720</b>	<b>14,157,023</b>	<b>915,447</b>
<b>Deferred Inflows of Resources</b>			
Unavailable program revenues	4,476,439	7,552,144	404,332
<b>Total deferred inflows of resources</b>	<b>4,476,439</b>	<b>7,552,144</b>	<b>404,332</b>
<b>Fund Balances</b>			
Nonspendable	81,580	-	-
Restricted for capital projects	32,929,667	-	394,366
<b>Total Fund Balances</b>	<b>33,011,247</b>	<b>-</b>	<b>394,366</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 63,937,406</b>	<b>\$ 21,709,167</b>	<b>\$ 1,714,145</b>

The accompanying notes are an integral part of these financial statements.

<b>Vehicle Registration Fee for Transportation Improvements Program</b>	<b>Treasure Island Mobility Management Agency</b>	<b>Total Governmental Funds</b>
\$ 11,799,272	\$ -	\$ 15,122,611
-	-	22,067,164
-	-	18,693,084
913,617	-	913,617
-	-	56,705
-	305,111	19,370,940
-	-	2,085,188
-	622,742	3,098,487
-	127,258	423,710
-	-	3,471,689
-	-	2,894,083
-	-	12,849,860
-	-	81,580
<u>\$ 12,712,889</u>	<u>\$ 1,055,111</u>	<u>\$ 101,128,718</u>
\$ 371,099	\$ 121,893	\$ 15,226,017
5,097,034	-	19,741,058
-	-	167,564
267,434	604,849	12,849,860
<u>5,735,567</u>	<u>726,742</u>	<u>47,984,499</u>
-	328,369	12,761,284
-	328,369	12,761,284
-	-	81,580
6,977,322	-	40,301,355
<u>6,977,322</u>	<u>-</u>	<u>40,382,935</u>
<u>\$ 12,712,889</u>	<u>\$ 1,055,111</u>	<u>\$ 101,128,718</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the  
 Statement of Net Position  
 June 30, 2016

**Amounts reported for governmental activities in the statement of net position are different because of the following items:**

Total fund balances on the governmental funds balance sheet:	\$ 40,382,935
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	2,224,413
Long-term receivables are not available to pay for current period expenditures and therefore are deferred in the governmental funds:	
Program receivables	10,152,800
Sales tax receivable	2,608,484
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:	
Revolving credit agreement	(114,664,165)
Unearned leasehold incentive	(1,220,663)
Unearned rent abatement	(801,994)
Accrued compensated absences	(492,106)
Net OPEB asset	5,813
Net pension liability and deferred inflows or outflows related to pension	(875,749)
<b>Net position of governmental activities</b>	<u><u>\$ (62,680,232)</u></u>

The accompanying notes are an integral part of these financial statements.



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
 Governmental Funds  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 For the Year Ended June 30, 2016

	<b>Sales Tax Program</b>	<b>Congestion Management Agency Programs</b>	<b>Transportation Fund for Clean Air Program</b>
<b>REVENUES</b>			
Sales tax	\$ 99,528,116	\$ -	\$ -
Vehicle registration fee	-	-	-
Investment income	377,025	-	2,379
Program revenues			
Federal	-	14,161,616	-
State	-	1,508,642	-
Regional and other	75,071,666	1,562,770	749,885
Other revenues	33,940	51,119	-
<b>Total Revenues</b>	<b>175,010,747</b>	<b>17,284,147</b>	<b>752,264</b>
<b>EXPENDITURES</b>			
Current - transportation and capital projects			
Personnel expenditures	2,908,112	1,892,350	40,131
Non-personnel expenditures	2,098,988	55,247	-
Capital project costs	210,715,336	20,595,629	1,425,271
Capital outlay	51,852	-	-
Debt service			
Principal	20,000,000	-	-
Interest and fiscal charges	794,172	-	-
<b>Total Expenditures</b>	<b>236,568,460</b>	<b>22,543,226</b>	<b>1,465,402</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(61,557,713)</b>	<b>(5,259,079)</b>	<b>(713,138)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	235,887	5,259,079	-
Transfers out	(5,259,079)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(5,023,192)</b>	<b>5,259,079</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(66,580,905)</b>	<b>-</b>	<b>(713,138)</b>
<b>Fund Balances - Beginning</b>	<b>99,592,152</b>	<b>-</b>	<b>1,107,504</b>
<b>Fund Balances - Ending</b>	<b>\$ 33,011,247</b>	<b>\$ -</b>	<b>\$ 394,366</b>

The accompanying notes are an integral part of these financial statements.

<b>Vehicle Registration Fee for Transportation Improvements Program</b>	<b>Treasure Island Mobility Management Agency</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 99,528,116
5,362,050	-	5,362,050
4,052	-	383,456
-	114,072	14,275,688
-	-	1,508,642
-	922,637	78,306,958
-	-	85,059
<u>5,366,102</u>	<u>1,036,709</u>	<u>199,449,969</u>
184,559	296,034	5,321,186
82	21,502	2,175,819
5,515,530	483,286	238,735,052
-	-	51,852
-	-	20,000,000
-	-	794,172
<u>5,700,171</u>	<u>800,822</u>	<u>267,078,081</u>
<u>(334,069)</u>	<u>235,887</u>	<u>(67,628,112)</u>
-	-	5,494,966
-	(235,887)	(5,494,966)
-	(235,887)	-
(334,069)	-	(67,628,112)
7,311,391	-	108,011,047
<u>\$ 6,977,322</u>	<u>\$ -</u>	<u>\$ 40,382,935</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
 Reconciliation of the Governmental Funds Statement of  
 Revenues, Expenditures, and Change in Fund Balances  
 to the Statement of Activities  
 For the Year Ended June 30, 2016

**Amounts reported for governmental activities in the statement of activities are different because of the following items:**

Net change in fund balances on the governmental funds statement of revenues, expenditures and changes in fund balances:	\$ (67,628,112)
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, net position increases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year:	
Capital asset additions	51,852
Depreciation expense	(346,019)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds statements:	
Amortization in leasehold incentive	135,629
Change in deferred inflows related to unavailable revenues	5,780,348
Payments of the revolving credit agreement are not an expense on the statement of activities but are an expenditure in the governmental funds:	20,000,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Rent expense	(33,260)
Pension expenses	388,165
Compensated absences	9,626
Other post employment benefits	5,813
<b>Change in net position of governmental activities</b>	<u><u>\$ (41,635,958)</u></u>

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Owner-Controlled Insurance Program Fund  
Statement of Fiduciary Net Position  
June 30, 2016

**ASSETS**

Deposits with escrow agent	\$ 356,148
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**LIABILITIES**

Due to City and County of San Francisco	\$ 356,148
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The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Notes to Financial Statements

June 30, 2016

**NOTE 1 - REPORTING ENTITY AND BACKGROUND**

The San Francisco County Transportation Authority (Transportation Authority) was created in 1989 by a vote of the San Francisco electorate. The vote approved Proposition B, which imposed a sales tax of one-half of one percent (0.5%), for a period not to exceed 20 years, to fund essential transportation projects. The types of projects to be funded with the proceeds from the sales tax were set forth in the San Francisco County Transportation Expenditure Plan, which was approved as part of Proposition B. The Transportation Authority was organized pursuant to Sections 131000 et seq. of the Public Utilities Code. Collection of the voter-approved sales tax began on April 1, 1990.

The Transportation Authority has its own governing board consisting of the eleven members of the Board of Supervisors of the City and County of San Francisco (the City) acting as the Board of Commissioners of the Transportation Authority (the Board). Pursuant to Governmental Accounting Standards Board (GASB) standards, the financial statements of the Transportation Authority are included in the City's basic financial statements. Nonetheless, the Transportation Authority is governed by an administrative code separate from that of the City's, and the agency operates as a special-purpose government agency under State law, separate and distinct from the City. The City's Mayor does not have oversight control over the Transportation Authority. The ordinance that created the Transportation Authority empowers it to independently issue debt in order to finance transportation projects in the San Francisco County Transportation Expenditure Plan. The Transportation Authority's borrowing capacity is separate and distinct from that of the City.

Component units are legally separate organizations for which the Transportation Authority is financially accountable. Component units may include organizations that are fiscally dependent on the Transportation Authority in that the Transportation Authority approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the Transportation Authority is not financially accountable but the nature and significance of the organization's relationship with the Transportation Authority is such that exclusion would cause the Transportation Authority's financial statements to be misleading or incomplete. For financial reporting purposes, the Treasure Island Mobility Management Authority (TIMMA) has a financial and operational relationship which meets the criteria set forth in accounting principles generally accepted in the United States of America for inclusion in the financial statements as a component unit, using the blended presentation method, as if it were part of the Transportation Authority's operations, because the governing board of the component unit is the same as the governing board of the Transportation Authority, and management has operational responsibility for the entity.

**Sales Tax Program**

The Transportation Authority was originally formed by voter approval of Proposition B on November 7, 1989, which allowed the Transportation Authority to levy a county-wide one-half of one percent sales tax (the Sales Tax), that would sunset in 2010, for transportation projects and programs geared toward improving the City's transportation system. On November 4, 2003, San Francisco voters approved Proposition K with a 74.7% affirmative vote, amending the City Business and Tax Code to extend the county-wide one-half of one percent sales tax, and to replace the 1989 Proposition B Plan with a new 30-year Expenditure Plan. The new Expenditure Plan includes investments in four major categories: 1) Transit; 2) Streets and Traffic Safety (including street resurfacing, and bicycle and pedestrian improvements); 3) Paratransit services for seniors and disabled people; and 4) Transportation System Management/Strategic Initiatives (including funds for neighborhood parking management, transportation/land use coordination, and travel demand management efforts).

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 1 - REPORTING ENTITY AND BACKGROUND, (Continued)**

Major capital projects to be funded by the Proposition K Expenditure Plan include: A) development of the Bus Rapid Transit and MUNI Metro Network; B) construction of the MUNI Central Subway (Third Street Light Rail Project–Phase 2); C) construction of the Caltrain Downtown Extension to a rebuilt Transbay Terminal; and D) South Approach to the Golden Gate Bridge; Doyle Drive Replacement Project (re-envisioned as the Presidio Parkway). Pursuant to the provisions of Division 12.5 of the California Public Utilities Code, the Transportation Authority Board may adopt an updated Expenditure Plan any time after 20 years from the effective date of adoption of the Proposition K Expenditure Plan but no later than the last general election in which the Proposition K Expenditure Plan is in effect. The Sales Tax would continue as long as a new or modified plan is in effect. Under Proposition K legislation, the Transportation Authority directs the use of the Sales Tax and may spend up to \$485.2 million per year and may issue up to \$1.88 billion in bonds secured by the Sales Tax.

***Congestion Management Agency Programs***

On November 6, 1990, the Transportation Authority was designated under State law as the Congestion Management Agency (CMA) for the City. Responsibilities resulting from this designation include developing a Congestion Management Program, which provides evidence of the integration of land use, transportation programming and air quality goals; preparing a long-range countywide transportation plan to guide the City's future transportation investment decisions; monitoring and measuring traffic congestion levels in the City; measuring the performance of all modes of transportation; and developing a computerized travel demand forecasting model and supporting databases. As the CMA, the Transportation Authority is responsible for establishing the City's priorities for state and federal transportation funds and works with the Metropolitan Transportation Commission (MTC) to program those funds to San Francisco projects.

One of the Transportation Authority's responsibilities as the CMA is to develop a long-range countywide transportation plan (the San Francisco Transportation Plan, formerly known as the Countywide Transportation Plan) to guide transportation system development and investment over the next 30 years. The plan is consistent with the broader policy framework of the City's General Plan and particularly its Transportation Element. The San Francisco Transportation Plan further develops and implements the City's General Plan principles, by identifying needed transportation system improvements based on technical review of system performance; extensive public and agency input on key issues and needs; and analysis of policies, financial opportunities and constraints. In December 2013, the Transportation Authority Board adopted the first update to the plan.

Major programs and projects under the CMA include:

**Interstate-80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Bridge Structures (collectively known as the YBI Project):** The Treasure Island Development Authority (TIDA) has requested that the Transportation Authority, in its capacity as the CMA, be the lead agency for the YBI Project. Since 2009, the Transportation Authority has been working jointly with TIDA, the Mayor's Office of Economic and Workforce Development (OEWD) and the California Department of Transportation (Caltrans) in securing the approval of an Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the project. The scope of the YBI Project includes two major components: 1) the YBI Ramps Improvement Project (Ramps Project), which includes constructing new westbound on and off ramps (on the east side of YBI) to the new Eastern Span of the San Francisco-Oakland Bay Bridge (SFOBB); and 2) seismic retrofit of the existing YBI West Side Bridges Project on the west side of the island, a critical component of island traffic circulation leading to and from the SFOBB.

# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

### NOTE 1 - REPORTING ENTITY AND BACKGROUND, (Continued)

**YBI Ramps Project:** Caltrans issued the Federal Record of Decision in November 2011. The Final EIR/EIS was certified by the Transportation Authority Board in December 2011. The Transportation Authority completed preparation of the Final Plans, Specifications, and Estimate documents for the project in March 2013 and awarded a construction contract to Golden State Bridge Inc. in December 2013. Construction activities started in January 2014 and are approximately 87% complete as of June 30, 2016.

**YBI West Side Bridges Project:** These bridge structures are a vital component of the YBI traffic circulation system and also serve as an important part of the on and off-ramp system to I-80 and the SFOBB. Seismic Strategy Reports for all eight-bridge structures were approved by the Caltrans Structures Department in December 2011. The approved reports indicated that five of the bridge structures should be retrofitted in place while three of the bridge structures were recommended for replacement. Separate environmental documents, Categorical Exclusions per the National Environmental Policy Act and Categorical Exemptions per the California Environmental Quality Act for each of the eight bridges were approved in December 2012. As part of continued preliminary engineering and design efforts and as required by federal funding, the Transportation Authority prepared a Value Engineering Analysis (VA) Report, which was approved by Caltrans in November 2014. The VA Report made various recommendations to reduce overall project risk and cost. The recommended VA Report Alternative estimated at \$66 million will save approximately \$9 million compared to the environmentally approved alternative estimated at \$75 million and will also improve seismic performance, simplify construction efforts, minimize maintenance cost. Additional preliminary engineering and environmental analysis is continuing; preliminary design efforts are approximately 30% complete. All work necessary to prepare the required technical analysis is being performed in accordance with current Caltrans and Federal Highway Administration policies and procedures.

**eFleet Carsharing Electrified:** As part of its Climate Innovation Grants Program, the MTC awarded the Transportation Authority federal congestion mitigation and air quality grant funds for eFleet: Car Sharing Electrified Project, under which City CarShare, a Bay Area non-profit organization, will deploy a fleet of electric vehicles within the City and County of San Francisco and the City of Berkeley, with supportive infrastructure and operations. Through this project, City CarShare will make electric vehicles accessible to a large number of Bay Area residents and businesses, achieve confidence in the technology, and test and confirm the efficacy in highly utilized car sharing and municipal fleet environments. The Transportation Authority serves as a fiscal agent to support City CarShare in meeting the requirements and obligations associated with the use of federal funds and provide administrative support.

#### ***Transportation Fund for Clean Air (TFCA) Program***

On June 15, 2002, the Transportation Authority was designated to act as the overall program manager for the local guarantee (40%) share of transportation funds available through the TFCA program. Funds from this program, administered by the Bay Area Air Quality Management District (BAAQMD) come from a \$4 vehicle registration fee on automobiles registered in the Bay Area. Through this program, the Transportation Authority recommends projects that benefit air quality by reducing motor vehicle emissions.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 1 - REPORTING ENTITY AND BACKGROUND, (Continued)**

***Proposition AA Administrator of County Vehicle Registration Fee***

On November 2, 2010, San Francisco voters approved Proposition AA with a 59.6% affirmative vote, authorizing the Transportation Authority to collect an additional \$10 annual vehicle registration fee on motor vehicles registered in San Francisco and to use the proceeds to fund transportation projects identified in the San Francisco County Transportation Expenditure Plan. Revenue collection began in May 2011.

Proposition AA revenues must be used to fund projects from the following three programmatic categories. The percentage allocation of revenues designated for each category over the 30-year Expenditure Plan period is shown in parenthesis following the category name.

Street Repair and Reconstruction (50%) – giving priority to streets with bicycle and transit networks and to projects that include complete streets elements such as curb ramps, bicycle infrastructure, pedestrian improvements, and other measures to slow or reduce traffic.

Pedestrian Safety (25%) – including crosswalk improvements, sidewalk repair or upgrade, and pedestrian countdown signals and lighting.

Transit Reliability and Mobility Improvements (25%) – including transit stop improvements, consolidation and relocation, transit signal priority, traffic signal upgrades, travel information improvements, and parking management projects.

In December 2012, the Transportation Authority Board approved the first Proposition AA Strategic Plan, including the specific projects that could be funded within the first five years (i.e., fiscal years 2012-13 to 2016-17). The Proposition AA program is a pay-as-you-go program.

***Treasure Island Mobility Management Agency (TIMMA) Component Unit***

The Treasure Island Transportation Management Act of 2008 (AB 981) authorizes the creation or designation of a Treasure Island-specific transportation management agency. On April 1, 2014, the City's Board of Supervisors approved a resolution designating the Transportation Authority as the Treasure Island Mobility Management Agency (TIMMA) to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project. In September 2014, Governor Brown signed Assembly Bill 141, establishing TIMMA as a legal entity distinct from the Transportation Authority to help firewall the Transportation Authority's other functions. The eleven members of the Transportation Authority Board act as the Board of Commissioners for TIMMA. The Transportation Authority financial statements include TIMMA as a blended special revenue component unit.



# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Presentation*

**Government-wide Financial Statements** – The statement of net position and statement of activities display information about the Transportation Authority. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are normally supported by taxes, grants, and other revenues.

The statement of activities presents a comparison between direct expenses and program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

**Fund Financial Statements** – The fund financial statements provide information about the Transportation Authority's funds. The Transportation Authority reports activities of each of its five programs; *Sales Tax Program*; *Congestion Management Agency Programs*; *Transportation Fund for Clean Air Program*; *Vehicle Registration Fee for Transportation Improvements Program*; and *Treasure Island Mobility Management Agency* as major funds.

The Transportation Authority uses the following funds:

**Sales Tax Program General Fund** – The Sales Tax Program General Fund accounts for the one-half of one percent sales tax revenues required by the November 2003 Proposition K. These revenues are for restricted expenditures in support of the Expenditure Plan, which 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. This fund also accounts for the general administration of the Transportation Authority functions in support of the Proposition K Expenditure Plan. The major source of revenue for this fund is the Sales Tax.

**Special Revenue Funds** – Special Revenue Funds are established to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

**Congestion Management Agency Programs** – The Congestion Management Agency Fund accounts for resources accumulated and payments made for developing a congestion management program and construction of major capital improvements in accordance with the San Francisco County Transportation Expenditure Plan. Major sources of revenue are federal, state and regional grants.

**Transportation Fund for Clean Air Program** – San Francisco has a \$4 per vehicle registration fee to support projects of the BAAQMD. Of the total collections, BAAQMD passes 40% of the proceeds to the Transportation Authority. Through this program, the Transportation Authority recommends projects that benefit air quality by reducing motor vehicle emissions. The Transportation Fund for Clean Air accounts for this activity. The major source of revenue for this fund is \$4 vehicle registration fees on automobiles registered in the Bay Area.

# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Notes to Financial Statements

June 30, 2016

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

**Vehicle Registration Fee for Transportation Improvements Program Fund** – This fund accounts for the November 2010, Proposition AA Vehicle Registration Fee (VRF) for Transportation Improvements Program. Collection of the \$10 per year, per vehicle registration fee started in the first week of May 2011. The VRF proceeds are used to fund transportation projects identified in the Proposition AA Expenditure Plan. The major source of revenue for this fund is vehicle registration fees.

**Treasure Island Mobility Management Agency Fund** – The Treasure Island Transportation Management Act of 2008 (AB 981) authorizes the creation or designation of a Treasure Island-specific transportation management agency. On April 1, 2014, the City’s Board of Supervisors approved a resolution designating the Transportation Authority as the TIMMA to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project. In September 2014, Governor Brown signed Assembly Bill 141, establishing TIMMA as a legal entity distinct from the Transportation Authority to help firewall the Transportation Authority’s other functions. The major sources of revenue are federal, state, and regional grants.

**Fiduciary Fund** – Fiduciary or agency funds are trust funds used to account for the assets held by the Transportation Authority under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Transportation Authority’s programs. The Transportation Authority’s fiduciary fund is an agency fund which accounts for assets held as an agent for the San Francisco Municipal Railway’s (MUNI) Owner-Controlled Insurance Program (OCIP) for the Third Street Light Rail Project.

The Transportation Authority does not retain ownership of the assets produced in relation to capital improvements to which it provides funding. Capital improvements are recorded on the financial statements of the managing agency during construction and upon completion.

### *Measurement Focus and Basis of Accounting*

The government-wide financial statements are reported using the economic resources measurement focus. The government-wide and the agency fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Transportation Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include sales taxes, vehicle registration fees and grants. On an accrual basis, revenues from sales taxes and vehicle registration fees are recognized in the fiscal year for which the underlying exchange transactions occur. Revenues from grants are recognized in the fiscal year in which all eligibility requirements have been satisfied. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Sales taxes, vehicle registration fees, interest, and grants are recognized as revenues when their receipt occurs within 60 days after the end of the accounting period, so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences are recorded only when payment is due. Capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and capital leases are reported as other financing sources.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

During the year ended June 30, 2016, the Transportation Authority adopted a new revenue recognition policy, and changed the availability period from 90 days to 60 days. The new policy more closely reflects the use of current resources to pay liabilities of the current period. The change in application of accounting principles resulted in a reduction in revenues by \$2.9 million in the Congestion Management Agency Programs Fund, for the year ended June 30, 2016. These revenues will be recognized in the year ended June 30, 2017.

Under the terms of grant agreements, the Transportation Authority funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the Transportation Authority's policy to first exhaust the most restricted cost-reimbursement grant resources to such programs.

***Investments***

The Transportation Authority records investment transactions on the trade date. Investments are reported at fair value. Fair value is defined as the amount that the Transportation Authority could reasonably expect to receive for an investment in a current sale between a willing buyer and seller, and is generally measured by quoted market prices.

***Investment Valuations***

The Transportation Authority recognizes the fair value measurement of its investments on a recurring basis, based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Transportation Authority's investments in the City and County of San Francisco Investment Pool are uncategorized because deposits to and from the pool are made on the basis of \$1 and not at fair value.

***Sales Tax Revenue and Receivables***

The Transportation Authority recognizes taxpayer-assessed revenues, net of estimated refunds, in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period on the fund level financial statements.

Sales tax receivables on the fund level financial statements represent sales tax receipts in the 60 days subsequent to the Transportation Authority's fiscal year-end relating to the prior year's sales activity. Additional amounts are accrued for on the entity-wide financial statements representing fourth quarter adjustments from the Board of Equalization. The Transportation Authority has contracted with the California State Board of Equalization for collection and distribution of the sales tax. The Board of Equalization receives an administrative fee for providing this service. The Transportation Authority records sales tax revenues net of such fees.

***Vehicle Registration Fees and Receivables***

The Transportation Authority recognizes vehicle registration fees in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

Vehicle registration fees receivables represent vehicle registration fee receipts in the 60 days subsequent to the Transportation Authority's fiscal year-end relating to the prior year's registration activity. The Transportation Authority has contracted with the California Department of Motor Vehicles for collection and distribution of the vehicle registration fees. The Department of Motor Vehicles receives an administrative fee for providing this service. The Transportation Authority records vehicle registration fee revenues net of such fees.

***Capital Assets***

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. The Transportation Authority capitalizes assets with a purchase price of \$5,000 and above. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide financial statements.

The estimated useful lives are as follows:

Leasehold improvements	13 years
Furniture	5 years
Computer equipment	3 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its life is not capitalized. For the government-wide statements, improvements are capitalized and, depreciated over the remaining useful lives of the related capital assets.

***Pensions***

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Transportation Authority's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Compensated Absences***

The Transportation Authority reports compensated absences for accrued vacation, compensatory time-off and floating holidays. Transportation Authority employees have a vested interest in accrued compensated absences and the time will eventually either be used or paid by the Transportation Authority. Generally, employees earn and use their current compensated absence hours with a small portion being accrued or unused each year. As this occurs, the Transportation Authority incurs an obligation to pay for these unused hours. This liability is recorded in the government-wide statement of net position to reflect the Transportation Authority's obligation to fund such costs from future operations. A liability is recorded in the governmental funds balance sheet when it is due and payable. Sick leave benefits do not vest and no liability is recorded. At June 30, 2016, the Transportation Authority recognized a compensated absences liability in the amount of \$492,106 and during the year ended June 30, 2016, the Transportation Authority paid \$370,173, and accrued \$360,547 in compensated absences.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Notes to Financial Statements

June 30, 2016

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)****New Accounting Principles**

**GASB Statement No. 72** – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. The primary objective of this statement is to define fair value and describe how fair value should be measured, define what assets and liabilities should be measured at fair value, and determine what information about fair value should be disclosed in the notes to the financial statements. The Statement is effective for periods beginning after June 15, 2015, or the fiscal year 2015-16. The Transportation Authority has implemented the provisions of this statement as of June 30, 2016.

**GASB Statement No. 73** – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The objective of this statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria. The requirements of the Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, or fiscal year 2016-17. The Transportation Authority has not determined the effect of the statement.

**GASB Statement No. 74** – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of the Statement is to address the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated. The Statement is effective for periods beginning after June 15, 2016, or the fiscal year 2016-17. The pronouncement is applicable to OPEB plans.

**GASB Statement No. 75** – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The objective of the Statement is to replace the requirements of GASB Statement No. 45. In addition, the Statement requires governments to report a liability on the face of the financial statements for the OPEB provided and requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. The Statement is effective for the periods beginning June 15, 2017, or the fiscal year 2017-18. The Transportation Authority has not determined the effect of the statement.

**GASB Statement No. 76** – In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The Transportation Authority has implemented the provisions of this Statement as of June 30, 2016.

## SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

**NOTE 2 - SUMMARY OF SIGIFICANT ACCOUNTING POLICIES, (Continued)**

**GASB Statement No. 77** – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The Statement requires state and local governments to disclose information about tax abatement agreements. The Statement is effective for the periods beginning after December 15, 2015, or the fiscal year 2016-17. The Transportation Authority has not determined the effect of the statement.

**GASB Statement No. 78** – In December 2015, the GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address certain pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The provisions of this statement are effective for the Transportation Authority for fiscal year ending June 30, 2016. This statement did not have an impact on the Transportation Authority's financial statements.

**GASB Statement No. 79** – In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. The Statement addresses accounting and financial reporting for certain external investment pools and pool participants. The Statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The Statement establishes additional note disclosure requirements for qualifying external investment pools that require measurement of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Both the qualifying external investment pools and their participants are required to disclose information about any limitations or restrictions on participant withdrawals. The Statement is effective for the periods beginning after June 15, 2015, or the fiscal year 2016-17, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. The Transportation Authority has not determined the effect of the statement.

**GASB Statement No. 80** – In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of the Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The Statement is effective for the reporting periods beginning after June 15, 2016, or the fiscal year 2016-17. The Transportation Authority has not determined the effect of the statement.

**GASB Statement No. 81** – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of the Statement is to improve financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, the Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. The Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The Statement is effective for the reporting periods beginning after December 15, 2016, or the fiscal year 2017-18. The Transportation Authority has not determined the effect of the statement.

# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

**GASB Statement No. 82** – In March 2016, the GASB issued Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The Transportation Authority elected early implementation of the provisions of this Statement as of June 30, 2016, and there was no impact to its financial statements.

#### *Fund Equity/Net Position*

In the government-wide statements, equity is classified as net position and displayed in three components:

**Net investment in capital assets** – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Transportation Authority currently does not have any outstanding notes or other borrowings that are attributable to capital assets.

**Restricted net position** – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Governmental funds report fund balance in classifications based primarily on the extent to which the Transportation Authority is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2016, fund balances for governmental funds are classified as follow:

**Nonspendable Fund Balance** – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.

**Restricted Fund Balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

#### *Use of Estimates*

The preparation of basic financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

## SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

## NOTE 3 - CASH AND INVESTMENTS

*Custodial Credit Risk*

**Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the Transportation Authority's deposits may not be returned to it. The Transportation Authority does not have a policy for custodial credit risk on deposits. As of June 30, 2016, the carrying amount of the Transportation Authority's deposits was \$15,122,611 and the bank balance was \$14,944,445. The difference between the bank balance and the carrying amount represents outstanding checks and deposits. Of the bank balance, \$750,000 was covered by federal depository insurance and \$14,194,445 was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code.

Under the California Government Code, a financial institution is required to secure deposits in excess of Federal Deposit Insurance Corporation limits made by state or local government units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent.

**Investments** - For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Transportation Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Transportation Authority does not have a policy regarding custodial credit risk on investments. As of June 30, 2016, the Transportation Authority's investments are not exposed to custodial credit risk. The notes to the basic financial statements of the City provide more detailed information concerning deposit and investment risks associated with the City's pool of cash and investments at June 30, 2016.



# SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

## Notes to Financial Statements

June 30, 2016

### NOTE 3 - CASH AND INVESTMENTS, (Continued)

#### *Investments Authorized by the Transportation Authority's Investment Policy*

The table below identifies the investment types that are authorized for the Transportation Authority by the California Government Code 53601 or the Transportation Authority's Investment Policy, where the policy is more restrictive. The Transportation Authority's Investment Policy is more restrictive than the California Government Code in the area of reverse repurchase agreements, which are not allowed, and certificates of deposits, which must be in financial institutions located in California and may not exceed 10% of the Transportation Authority's portfolio.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Notes, Bonds, or Bills	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
Federal Agency or U.S. Government Sponsored Enterprise Obligations	5 Years	None	None
Repurchase Agreements	1 Year	None	None
State of California Obligations or any local agency within the State	5 Years	None	None
Notes or Bonds of Other U.S. States	5 Years	None	None
Bankers' Acceptances	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Medium-Term Notes	5 Years	30%	None
FDIC Insured and Fully Collateralized Certificates of Deposit**	1 Year	10%	None
Negotiable Certificates of Deposits	5 Years	30%	None
State of California Local Agency Investment Fund (LAIF)	N/A	None	None
California Asset Management Program	N/A	None	None
Insured Savings and Money Market Accounts	N/A	None	None
City and County of San Francisco Treasury Pool	N/A	None	None
Shares of Beneficial Interest (Money Market Funds)	N/A	20%	10%

\*\* More restrictive than California Government Code.

The Transportation Authority maintains deposits and investments with the City and County of San Francisco Treasury Pool (Pool). As of June 30, 2016, the Transportation Authority's deposits and investments in the Pool are approximately \$22.1 million, and the total amount invested by all public agencies in the Pool is approximately \$7.8 billion. The City's Treasurer Oversight Committee (Committee) has oversight responsibility for the Pool. The value of the Transportation Authority's shares in the Pool, which may be withdrawn, is based on the book value of the Transportation Authority's percentage participation, which is different than the fair value of the Transportation Authority's percentage participation in the Pool.

The Transportation Authority's investments at June 30, 2016 consisted of Pooled cash with the City and County of San Francisco having weighted average maturity of 1.02 years. At June 30, 2016, the Pool consists of U.S. government and agency securities, state and local government agency obligations, negotiable certificates of deposit, medium term notes, and public time deposits as authorized by State statutes and the City's investment policy. Additional information regarding deposit, investment risks (such as interest rate, credit, and concentration of credit risks) may be obtained by contacting the City's Controller's Office, 1 Dr. Carlton B. Goodlett Place, Room 316, San Francisco, California 94102.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 4 - INTERFUND TRANSACTIONS**

*Due to/Due from*

The composition of interfund balances as of June 30, 2016, is as follows:

	Payable to:				Total
	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency	
<u>Receivable from:</u>					
Sales Tax Program	\$ 11,557,034	\$ 420,543	\$ 267,434	\$ 604,849	\$ 12,849,860

The outstanding receivables from the Sales Tax Program result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

*Transfers*

During the fiscal year, the CMA Programs received a transfer of \$5,259,079 from Sales Tax Program to subsidize payments made during the fiscal year. The Sales Tax Program also received \$235,887 from TIMMA which is a reimbursement for unpaid subsidies.

**NOTE 5 - CAPITAL ASSETS**

The capital asset activity for the year ended June 30, 2016, is as follows:

	Balance July 1, 2015	Additions	Retirement	Balance June 30, 2016
Capital assets, being depreciated:				
Leasehold improvements	\$ 3,023,624	\$ -	\$ -	\$ 3,023,624
Furniture and equipment	961,989	51,852	(123,088)	890,753
Total capital assets, being depreciated	<u>3,985,613</u>	<u>51,852</u>	<u>(123,088)</u>	<u>3,914,377</u>
Less accumulated depreciation for:				
Leasehold improvements	694,626	232,899	-	927,525
Furniture and equipment	772,407	113,120	(123,088)	762,439
Total accumulated depreciation	<u>1,467,033</u>	<u>346,019</u>	<u>(123,088)</u>	<u>1,689,964</u>
Total capital assets, net	<u>\$ 2,518,580</u>	<u>\$ (294,167)</u>	<u>\$ -</u>	<u>\$ 2,224,413</u>

Depreciation expense for the current year amounted to \$346,019, and was allocated to the transportation and capital projects expense on the statement of activities.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 6 - TRANSACTIONS WITH THE CITY AND COUNTY OF SAN FRANCISCO**

Receivables from the City and County of San Francisco consist of the following at June 30, 2016:

Receivables from the following City Department/Agency	Purpose	Total
Department of Public Works	Better Market Street Environmental Impact Report Travel Demand	\$ 41,634
Municipal Transportation Agency: Municipal Railway	19th Avenue M-Ocean View	3,244
Office of Community Investment & Infrastructure	Folsom Street Off-Ramp Realignment Project	106,886
Office of Economic & Workforce Development	Late Night Transportation	16,787
Planning Department	San Francisco Long-Range Transportation Planning Program	25,512
Public Utilities Commission: Wastewater Enterprise	19th Avenue City-Combined Project	1,835
Water Enterprise	19th Avenue City-Combined Project	7,349
Treasure Island Development Authority	Treasure Island Transportation Implementation Plan	127,258
	Yerba Buena Island Ramps Improvement Project	93,205
Total receivables from the City and County of San Francisco		<u>\$ 423,710</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Notes to Financial Statements  
June 30, 2016

**NOTE 6 - TRANSACTIONS WITH THE CITY AND COUNTY OF SAN FRANCISCO, (Continued)**

Payables to the City and County of San Francisco consist of the following at June 30, 2016:

Payables to the following City Department	Purpose	Total
Department of Environment	Clean Air Programs	\$ 28,431
Department of Public Health	Clean Air Programs	2,288
Department of Public Works	Street Resurfacing	2,182,042
Department of Technology	Board Meeting Boardcast	8,136
Mayor's Office of Housing	Hunters View Transit Connection	460,284
Municipal Transportation Agency:		
Department of Parking & Traffic		
	Bicycle Circulation/Safety	\$ 355,531
	Clean Air Programs	482,378
	New Signals and Signs	326,092
	Pedestrian and Bicycle Facility Maintenance	766
	Pedestrian Circulation/Safety	144,585
	Pedestrian Safety	520,300
	Rapid Bus Network including Real Time Transit Information	4,827
	Signals and Signs	968,687
	Street Repair and Reconstruction	1,650,152
	Traffic Calming	93,569
	Transportation/Land Use Coordination	579,835
	Upgrades to Major Arterials (including 19th Avenue)	43,601
		<u>5,170,323</u>
Municipal Railway		
	Balboa Park BART/MUNI Station Access Improvements	143,417
	Central Subway (Third Street Light Rail Phase 2)	417,549
	Facilities	1,195,310
	Guideways	888,499
	Other Transit Enhancements	186,145
	Rapid Bus Network including Real Time Transit Information	1,427,314
	Signals and Signs	12,497
	Transit Reliability and Mobility Improvements	508,501
	Transportation/Land Use Coordination	225,028
	Vehicles	6,792,073
	Visitacion Valley Watershed Area Projects	6,000
		<u>\$ 11,802,333</u>
	Total Municipal Transportation Agency	16,972,656
Office of Economic & Workforce Development	Workforce Development for Presidio Parkway	17,839
Office of the City Attorney	Legal Services	22,266
Planning Department	19th Avenue Bulbouts	47,116
		<u>19,741,058</u>
	Total payable to the City and County of San Francisco	<u>\$ 19,741,058</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 6 - TRANSACTIONS WITH THE CITY AND COUNTY OF SAN FRANCISCO, (Continued)**

The Transportation Authority reimbursed the City and County of San Francisco for the following transportation and capital program expenditures made on its behalf during the year ended June 30, 2016:

<u>Expenditures incurred by the following City Department/Agency</u>	<u>Total</u>
Department of Environment	\$ 70,170
Department of Public Health	2,288
Department of Public Works	7,317,298
Department of Technology	23,952
Health Service System	39,581
Mayor's Office of Housing	725,096
Municipal Transportation Agency-DPT	14,169,412
Municipal Transportation Agency-MUNI	67,904,016
Office of Economic & Workforce Development	31,060
Office of the City Attorney	22,266
Planning Department	47,116
	<u>\$ 90,352,255</u>

During fiscal year 2015-16, the Transportation Authority incurred capital expenditures of \$73.5 million, which were paid to departments within the City, of which \$66.2 million was expended on San Francisco Municipal Transportation Agency projects. San Francisco Municipal Transportation Agency projects include \$60.2 million on Central Subway, Paratransit, Signals and Signs, Rapid Bus Network, Third Street Light Rail, New Hybrid Coaches Replacement and the Central Control and Communication Projects and \$6.0 million on various transit and street maintenance improvements and pedestrian and bicycle projects.

**NOTE 7 - REVOLVING CREDIT AGREEMENT**

On June 11, 2015, the Transportation Authority substituted its \$200,000,000 commercial paper notes (Limited Tax Bonds), Series A and B with a \$140,000,000 tax-exempt revolving credit agreement (Revolving Credit Agreement). The commercial paper notes provided a source of financing for the Transportation Authority's voter-approved Proposition K Expenditure Plan. The Revolving Credit Agreement expires on June 8, 2018 and has a rate of interest equal to the sum of 70% of 1-month LIBOR plus 0.30%. The interest payments are due the first business day of each month and the outstanding principal payment is required to be paid at the end of the agreement on June 8, 2018. The Revolving Credit Agreement is secured by a first lien gross pledge of the Transportation Authority's sales tax. The Transportation Authority paid \$20,000,000 of the outstanding balance of \$134,664,165 as of July 1, 2015. As of June 30, 2016, \$114,664,165 of the Revolving Credit Agreement balance was outstanding, with an interest rate of 0.620%.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 8 - PENSION PLANS**

**General Information about the Pension Plan**

*Plan Description*

All qualified permanent and probationary employees are eligible to participate in the Transportation Authority's Employee Pension Plan, (the Plan) a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Transportation Authority resolution. CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the CalPERS annual financial reports may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, California 95814.

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 or 52, depending on hire date, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Benefit provisions and all other requirements are established by State statute and may be amended by the Transportation Authority's contract with the employees.

The Plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a percent of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	8.51%	6.24%

*Contributions*

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Transportation Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 8 - PENSION PLANS, (Continued)**

For the year ended June 30, 2016, the contributions were \$280,199.

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2016, the Transportation Authority's reported net pension liability for its proportionate shares of the collective net pension liability is \$1,288,393.

The Transportation Authority's net pension liability is measured as the proportionate share of the collective Plan's net pension liability. The net pension liability is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The Transportation Authority's proportion of the net pension liability was based on the Transportation Authority's share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Transportation Authority's proportionate share of the net pension liability as of June 30, 2015 and 2016 was as follows:

Proportion - June 30, 2015	0.04834%
Proportion - June 30, 2016	0.01877%
Change	<u>(0.02957)%</u>

For the year ended June 30, 2016, the Transportation Authority recognized a pension credit of \$107,966. On June 30, 2016, the Transportation Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 280,199	\$ -
Contributions in excess of proportionate share	229,602	-
Changes in assumptions	-	(242,652)
Difference in expected and actual experience	25,648	-
Adjustment due to differences in proportions	325,807	(84,315)
Net differences between projected and actual earnings on plan investments	-	(121,645)
Total	<u>\$ 861,256</u>	<u>\$ (448,612)</u>

Reported as deferred outflows of resources related to contributions subsequent to the measurement date is \$280,199, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2017	\$ 1,577
2018	(220)
2019	(24,403)
2020	155,491
	<u>\$ 132,445</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 8 - PENSION PLANS, (Continued)**

*Actuarial Assumptions*

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions for the collective miscellaneous plans:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry-Age and Service
Investment Rate of Return	7.50% (1)
Mortality	(2)

- (1) Net of pension plan investment and administrative expenses, includes inflation.
- (2) The probabilities of mortality are based on the 2010 CalPERS experience study for the period from 1997 to 2011.

All other actuarial assumptions used in the June 30, 2014, valuation were based on the results of a 2010, actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

*Change of Assumptions*

There was a change in the discount rate assumption from the June 30, 2014 measurement date. GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.65%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 8 - PENSION PLANS, (Continued)**

In determining the long-term expected rate of return, CalPERS' staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	Current Target Allocation	(1) Real Return Years 1 - 10	(2) Real Return Years 11+
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
	100.0%		

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Transportation Authority's proportionate share of the net pension liability, as well as what the Transportation Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
Net Pension Liability	\$ 2,348,553	\$ 1,288,393	\$ 413,108

***Pension Plan Fiduciary Net Position***

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 9 - POSTEMPLOYMENT HEALTHCARE BENEFITS**

***Plan Description***

The Transportation Authority's defined benefit postemployment healthcare plan provides healthcare benefits to eligible employees and their surviving spouses. Employees become eligible to retire and receive healthcare benefits upon reaching the age of 50, and meeting program vesting requirements, or being converted to disability status, and retiring directly from the Transportation Authority. Dental and vision benefits are not available to retirees.

The Transportation Authority is a contracting agency under the Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by CalPERS for the provision of healthcare insurance programs for both active and retired employees. The Transportation Authority participates in the California Employers' Retiree Benefit Trust Fund Program (CERBT), an agent-multiple employer postemployment health plan, to prefund other postemployment benefits through CalPERS. The financial statements for CERBT may be obtained by writing the California Public Employees' Retirement System, Constituent Relations Office, CERBT (OPEB), P.O. Box 242709, Sacramento, California 94229-2709 or by calling 888-225-7377.

***Funding Policy***

The contribution requirements of plan members and the Transportation Authority are established and may be amended by the Board. As of June 30, 2016, the Transportation Authority contributed \$206,513, or 103%, of the annual required contribution (ARC) to the CERBT.

The Transportation Authority is required to contribute the ARC, per the board's approved policy, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

***Annual OPEB Cost***

The Transportation Authority's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Transportation Authority's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation to CERBT.

Annual required contribution	\$ 200,500
Interest on net OPEB obligation	2,600
Adjustment to annual required contribution	(2,400)
Annual OPEB cost (expense)	<u>200,700</u>
Contributions made	<u>(206,513)</u>
Increase (Decrease) in net OPEB obligation	(5,813)
Net OPEB obligation (asset) - beginning of year	-
Net OPEB obligation (asset) - end of year	<u><u>\$ (5,813)</u></u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 9 - POSTEMPLOYMENT HEALTHCARE BENEFITS, (Continued)**

The Transportation Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

Fiscal Year Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Asset
6/30/2014	\$ 138,400	100%	\$ -
6/30/2015	138,400	100%	-
6/30/2016	200,700	103%	(5,813)

***Funded Status and Funding Progress***

As of June 30, 2015, the most recent actuarial valuation date, the funded status of the plan was as follows:

Actuarial value of plan assets	\$ 1,170,500
Actuarial accrued liability (AAL)	2,042,300
Unfunded actuarial accrued liability (UAAL)	<u>\$ 871,800</u>
Funded ratio (actuarial value of plan assets/AAL)	57.3%
Covered payroll (active plan members)	\$ 3,929,800
UAAL as a percentage of covered payroll	22.2%

***Actuarial Methods and Assumptions***

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of certain events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 9 - POSTEMPLOYMENT HEALTHCARE BENEFITS, (Continued)**

In the June 30, 2015, actuarial valuation, the entry age normal actuarial cost method was used. Under this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percent of expected salary for each year of employment between entry age (age of hire) and assumed exit (maximum retirement age). The actuarial assumptions assume an investment rate of 7.00% representing the long-term rate of investment return on investments with CERBT of 7.28%, net a 0.28% margin for adverse deviations. The assumed annual healthcare trend rates for non-Medicare benefits started at 8.00%, then grades down to 7.00% in plan year starting July 1, 2016 to an ultimate rate of 4.00% by plan year beginning July 1, 2029. The assumed annual healthcare trend rates for Medicare benefits were 6.25% in the first year, then 4.50% per the next year, 4.25% the following two years and 4.00% the years thereafter. All discount and trend rates included an assumed 3.0% general inflation assumption. The actuarial value of CERBT assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. CERBT's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis using an assumed aggregate payroll increase of 3.25% per year and a static 20-year period beginning fiscal year 2015-16.

**NOTE 10 - OPERATING LEASES**

The Transportation Authority leases its office space under an operating lease agreement. In December 2011, the Transportation Authority executed a 13-year workspace lease for its office located at 1455 Market Street, with a 5-year extension option. The term of the lease commenced on July 1, 2012 and expires on June 30, 2025. Under the lease agreement, the landlord granted the Transportation Authority a rent abatement totaling \$522,112 for the period July 1, 2012 through November 30, 2012 and from July 1, 2013 through October 31, 2013 and provided a leasehold allowance credit in the amount of \$1,763,180. During the year ended June 30, 2016, the Transportation Authority expended \$758,694 towards its office lease and recorded an office lease expense of \$791,954 and an amortization expense of \$33,260 on the statement of activities.

The Transportation Authority also leases its copier equipment under an operating lease agreement. The Transportation Authority entered into a 5-year lease agreement with monthly payments of \$515, plus applicable taxes, commencing on June 28, 2012. In April 2014, the Transportation Authority entered into an additional 3-year lease agreement with monthly payments of \$974, plus applicable taxes. During the year ended June 30, 2016, total copier expenses were \$17,812.

The following is a schedule of future minimum lease obligations as of June 30, 2016:

Year Ending June 30,	Office Lease	Copier Leases	Total
2017	\$ 783,168	\$ 15,920	\$ 799,088
2018	807,642	-	807,642
2019	832,116	-	832,116
2020	856,590	-	856,590
2021	881,064	-	881,064
2022-25	3,768,996	-	3,768,996
Total future minimum lease obligations	\$ 7,929,576	\$ 15,920	\$ 7,945,496

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Notes to Financial Statements

June 30, 2016

**NOTE 11 - ADMINISTRATIVE EXPENSE LIMITATIONS**

In accordance with California Public Utilities Code, Section 131107, not more than one percent of the Transportation Authority's annual net amount of revenues raised by the sales tax may be used to fund the salaries and benefits of the staff of the Transportation Authority in administering the Proposition K Expenditure Plan. For the year ended June 30, 2016, revenues, staff salaries and fringe benefits for administering the Proposition K Expenditure Plan for the Sales Tax Program were as follows:

Revenues	\$ 99,528,116
Expenditures:	
Salaries	617,191
Fringe benefits	21,719
Total	<u>\$ 638,910</u>
Percentage of revenue	0.64%

Personnel expenditures of \$2,908,112 were reported in the Sales Tax Program Fund, of which \$638,910 was related to general administration of the Proposition K Expenditure Plan, and \$2,269,202 was related to planning and programming, which includes monitoring and oversight of Proposition K funded projects.

**NOTE 12 - RISK MANAGEMENT**

The Transportation Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Transportation Authority manages and finances these risks by purchasing commercial insurance. There have been no significant reductions in insurance coverage from the previous year, nor have settled claims exceeded the Transportation Authority's commercial insurance coverage in any of the past three years.

**NOTE 13 - OWNER-CONTROLLED INSURANCE PROGRAM**

In February 2002, the Transportation Authority entered into a trust agreement with Chartis Insurance (formerly American Insurance Group) and J.P. Morgan Chase Bank, N.A. on behalf of MUNI to act as the fiduciary administrator for the aggregate deductible loss pool supporting MUNI's Third Street Light Rail Project's Owner-Controlled Insurance Program (OCIP). The Third Street Light Rail Project OCIP is an umbrella insurance program that provides commercial general liability, excess liability, workers' compensation, pollution liability and railroad liability coverage for those Third Street Light Rail Project construction contracts included in the program. The escrow account for the aggregate deductible loss pool was established for \$4,621,400 at the inception of the OCIP, and is used to pay claims as determined by the City's Office of the City Attorney, MUNI and Chartis Insurance. The Transportation Authority is acting solely as a fiduciary administrator for the escrow account, and has no responsibility for managing the OCIP claims management or settlement. As of June 30, 2016, the Transportation Authority has \$356,148 in escrow accounts to fund claims related to MUNI's Third Street Light Rail Project.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Notes to Financial Statements

June 30, 2016

**NOTE 14 - COMMITMENTS AND CONTINGENCIES***Commitments*

The Transportation Authority's outstanding commitments totaled \$455,036,152 at June 30, 2016. This amount is comprised of \$426,690,287 in remaining capital project appropriations. Sponsors receive appropriations for the entire project (awards) but cannot be reimbursed faster than the amount allocated annually. At June 30, 2016, the Transportation Authority has \$13,489,049, \$14,587,488 and \$269,328 encumbered in the Sales Tax Program, the Congestion Management Agency Programs and the Treasure Island Mobility Management Agency Program, respectively, on various Transportation Authority contracts held with private consulting and construction companies and cooperative agreements with governmental entities.

*Loan Agreement with Treasure Island Development Authority*

In July 2008, the Transportation Authority entered into a loan agreement with the Treasure Island Development Authority (TIDA) for the repayment of project management oversight, engineering and environmental costs for the YBI Ramps Improvement Project. In July 2013, the Transportation Authority Board approved increasing the non-federal portion of the loan agreement with TIDA to a total amount not to exceed \$11,037,000, to complete preliminary engineering and design for the YBI Ramps Project. The total non-federal and federal loan obligation amount shall not to exceed \$18,830,000. Since August 2010, the Transportation Authority has received Federal Highway Bridge Program funding from the California Department of Transportation (Caltrans) for the preliminary and final design phases of the project. The loan agreement with TIDA will leverage the federal grant award to fulfill the local match requirement and reimburse the Transportation Authority for administrative costs.

Under the terms of the agreement, TIDA will repay the Transportation Authority for all project costs incurred by the Transportation Authority and accrued interest, less federal government reimbursements to the Transportation Authority. The repayment to the Transportation Authority may be paid by TIDA in three annual installment payments on the later of 30 days after the first close of escrow for transfer of the Naval Station Treasure Island from the Navy to TIDA or December 31, 2014. Interest shall accrue on all outstanding unpaid project costs until TIDA and federal agencies fully reimburse the Transportation Authority for all costs related to the project. Interest will be compounded quarterly, at the City Treasurer's Pooled Investment Fund rate or the Transportation Authority's borrowing rate, whichever is applicable, beginning on the date of the Transportation Authority's reimbursement claim to Caltrans until the Transportation Authority costs and all accrued interest has been repaid.

This loan is collateralized by the senior security interest in TIDA's right, title and interest in and to 1) the rents accruing under the Sublease, Development, Marketing and Property Management Agreement between TIDA and The John Stewart Company, related to the subleasing of existing residential units at the Naval Station Treasure Island; and 2) any and all other TIDA revenue, except revenue prohibited by applicable laws from being used for this purpose or is necessary for repayment of the annual amount of TIDA's pre-existing San Francisco Public Utilities Commission (SFPUC) utility obligation under the Memorandum of Understanding between TIDA and SFPUC. As of June 30, 2016, the outstanding balance due to the Transportation Authority is \$2,396,111 for the loan and \$497,972 for accrued interest costs.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Schedules of Funding Progress and Employer Contributions  
For the Year Ended June 30, 2016

***Postemployment Healthcare Benefits***

The Schedule of Funding Progress presented below provides a consolidated snapshot of the Transportation Authority's ability to meet current and future liabilities with the plan assets. The most recent actuarial valuation was performed as of June 30, 2015.

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability (AAL) Entry Age	(C) Unfunded AAL (UAAL) (Excess Assets) [(B) - (A)]	(D) Funded Ratio [(A) / (B)]	(E) Covered Payroll	(F) UAAL as a Percentage of Covered Payroll [(C) / (E)]
June 30, 2011	\$ 405,000	\$ 671,000	\$ 266,000	60.4%	\$ 3,251,000	8.2%
June 30, 2013	759,600	1,124,100	364,500	67.6%	3,253,400	11.2%
June 30, 2015	1,170,500	2,042,300	871,800	57.3%	3,929,800	22.2%

***Schedule of Employer Contributions***

Fiscal Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
June 30, 2014	\$ 138,000	\$ 138,000	100.0%
June 30, 2015	138,000	138,000	100.0%
June 30, 2016	200,700	206,513	102.9%

The notes to required supplementary information are an integral part of these schedules.



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Budgetary Comparison Schedules

For the Year Ended June 30, 2016

	<b>Sales Tax Program General Fund</b>			<b>Positive (Negative) Variance Final to Actual</b>
	<b>Budget Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Transfers In</b>				
Sales tax	\$ 101,293,575	\$ 101,293,575	\$ 99,528,116	\$ (1,765,459)
Vehicle registration fee	-	-	-	-
Investment income	328,196	328,196	377,025	48,829
Program revenues				
Federal	-	-	-	-
State	-	-	-	-
Regional and other	75,000,000	75,000,000	75,071,666	71,666
Other revenues	2,909,880	47,384	33,940	(13,444)
Transfers in from other funds	-	-	235,887	235,887
<b>Total Revenues and Transfers In</b>	<b>179,531,651</b>	<b>176,669,155</b>	<b>175,246,634</b>	<b>(1,422,521)</b>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	7,143,980	6,600,863	5,007,100	1,593,763
Transportation and capital projects	201,816,864	222,428,866	210,767,188	11,661,678
Debt service				
Principal	20,000,000	20,000,000	20,000,000	-
Interest	1,760,000	960,000	794,172	165,828
Transfers out to other funds	2,061,889	8,890,453	5,259,079	3,631,374
<b>Total Expenditures and Transfers Out</b>	<b>232,782,733</b>	<b>258,880,182</b>	<b>241,827,539</b>	<b>17,052,643</b>
<b>Change in Fund Balance</b>	<b>(53,251,082)</b>	<b>(82,211,027)</b>	<b>(66,580,905)</b>	<b>15,630,122</b>
<b>Fund Balance - Beginning</b>	<b>99,592,152</b>	<b>99,592,152</b>	<b>99,592,152</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 46,341,070</b>	<b>\$ 17,381,125</b>	<b>\$ 33,011,247</b>	<b>\$ 15,630,122</b>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Budgetary Comparison Schedules

For the Year Ended June 30, 2016

	<b>Congestion Management Agency Programs</b>			
	<b>Budgeted Amounts</b>			<b>Positive (Negative) Variance Final to Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues and Transfers In</b>				
Sales tax	\$ -	\$ -	\$ -	\$ -
Vehicle registration fee	-	-	-	-
Investment income	-	-	-	-
Program revenues				
Federal	25,778,310	24,554,867	14,161,616	(10,393,251)
State	3,009,707	2,704,665	1,508,642	(1,196,023)
Regional and other	253,199	931,744	1,562,770	631,026
Other revenues	6,210	1,873	51,119	49,246
Transfers in from other funds	1,961,889	8,686,151	5,259,079	(3,427,072)
<b>Total Revenues and Transfers In</b>	<b>31,009,315</b>	<b>36,879,300</b>	<b>22,543,226</b>	<b>(14,336,074)</b>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	2,065,647	2,207,457	1,947,597	259,860
Transportation and capital projects	28,943,668	34,671,843	20,595,629	14,076,214
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Transfers out to other funds	-	-	-	-
<b>Total Expenditures and Transfers Out</b>	<b>31,009,315</b>	<b>36,879,300</b>	<b>22,543,226</b>	<b>14,336,074</b>
<b>Change in Fund Balance</b>	-	-	-	-
<b>Fund Balance - Beginning</b>	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Budgetary Comparison Schedules

For the Year Ended June 30, 2016

	<b>Transportation Fund for Clean Air Program</b>			<b>Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Final to Actual</b>
<b>Revenues and Transfers In</b>				
Sales tax	\$ -	\$ -	\$ -	\$ -
Vehicle registration fee	-	-	-	-
Investment income	2,140	2,140	2,379	239
Program revenues				
Federal	-	-	-	-
State	-	-	-	-
Regional and other	772,398	772,398	749,885	(22,513)
Other revenues	-	-	-	-
Transfers in from other funds	-	-	-	-
<b>Total Revenues and Transfers In</b>	<b>774,538</b>	<b>774,538</b>	<b>752,264</b>	<b>(22,274)</b>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	37,486	38,515	40,131	(1,616)
Transportation and capital projects	1,225,593	1,225,593	1,425,271	(199,678)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Transfers out to other funds	-	-	-	-
<b>Total Expenditures and Transfers Out</b>	<b>1,263,079</b>	<b>1,264,108</b>	<b>1,465,402</b>	<b>(201,294)</b>
<b>Change in Fund Balance</b>	<b>(488,541)</b>	<b>(489,570)</b>	<b>(713,138)</b>	<b>(223,568)</b>
<b>Fund Balance - Beginning</b>	<b>1,107,504</b>	<b>1,107,504</b>	<b>1,107,504</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 618,963</b>	<b>\$ 617,934</b>	<b>\$ 394,366</b>	<b>\$ (223,568)</b>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
 Budgetary Comparison Schedules  
 For the Year Ended June 30, 2016

	<b>Vehicle Registration Fee for Transportation Improvements Program</b>			<b>Positive (Negative) Variance Final to Actual</b>
	<b>Budget Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Transfers In</b>				
Sales tax	\$ -	\$ -	\$ -	\$ -
Vehicle registration fee	4,776,540	4,776,540	5,362,050	585,510
Investment income	4,370	4,370	4,052	(318)
Program revenues				
Federal	-	-	-	-
State	-	-	-	-
Regional and other	-	-	-	-
Other revenues	-	-	-	-
Transfers in from other funds	-	-	-	-
<b>Total Revenues and Transfers In</b>	<b>4,780,910</b>	<b>4,780,910</b>	<b>5,366,102</b>	<b>585,192</b>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	228,830	228,830	184,641	44,189
Transportation and capital projects	9,108,958	7,112,584	5,515,530	1,597,054
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Transfers out to other funds	-	-	-	-
<b>Total Expenditures and Transfers Out</b>	<b>9,337,788</b>	<b>7,341,414</b>	<b>5,700,171</b>	<b>1,641,243</b>
<b>Change in Fund Balance</b>	<b>(4,556,878)</b>	<b>(2,560,504)</b>	<b>(334,069)</b>	<b>2,226,435</b>
<b>Fund Balance - Beginning</b>	<b>7,311,391</b>	<b>7,311,391</b>	<b>7,311,391</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 2,754,513</b>	<b>\$ 4,750,887</b>	<b>\$ 6,977,322</b>	<b>\$ 2,226,435</b>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Budgetary Comparison Schedules

For the Year Ended June 30, 2016

	<b>Treasure Island Mobility Management Agency</b>			<b>Positive (Negative) Variance Final to Actual</b>
	<b>Budgeted Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Transfers In</b>				
Sales tax	\$ -	\$ -	\$ -	\$ -
Vehicle registration fee	-	-	-	-
Investment income	-	-	-	-
Program revenues				
Federal	-	-	114,072	114,072
State	-	-	-	-
Regional and other	650,000	750,000	922,637	172,637
Other revenues	-	-	-	-
Transfers in from other funds	100,000	204,302	-	(204,302)
<b>Total Revenues and Transfers In</b>	<b>750,000</b>	<b>954,302</b>	<b>1,036,709</b>	<b>82,407</b>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	475,600	357,022	317,536	39,486
Transportation and capital projects	274,400	597,280	483,286	113,994
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Transfers out to other funds	-	-	235,887	(235,887)
<b>Total Expenditures and Transfers Out</b>	<b>750,000</b>	<b>954,302</b>	<b>1,036,709</b>	<b>(82,407)</b>
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Budgetary Comparison Schedules

For the Year Ended June 30, 2016

	Agency-wide			Positive (Negative) Variance Final to Actual
	Budget Amounts		Actual	
	Original	Final		
<b>Revenues and Transfers In</b>				
Sales tax	\$ 101,293,575	\$ 101,293,575	\$ 99,528,116	\$ (1,765,459)
Vehicle registration fee	4,776,540	4,776,540	5,362,050	585,510
Investment income	334,706	334,706	383,456	48,750
Program revenues				
Federal	25,778,310	24,554,867	14,275,688	(10,279,179)
State	3,009,707	2,704,665	1,508,642	(1,196,023)
Regional and other	76,675,597	77,454,142	78,306,958	852,816
Other revenues	2,916,090	49,257	85,059	35,802
Transfers in from other funds	2,061,889	8,890,453	5,494,966	(3,395,487)
<b>Total Revenues and Transfers In</b>	<u>216,846,414</u>	<u>220,058,205</u>	<u>204,944,935</u>	<u>(15,113,270)</u>
<b>Expenditures and Transfers Out</b>				
Administrative operating costs	9,951,543	9,432,687	7,497,005	1,935,682
Transportation and capital projects	241,369,483	266,036,166	238,786,904	27,249,262
Debt service				
Principal	20,000,000	20,000,000	20,000,000	-
Interest	1,760,000	960,000	794,172	165,828
Transfers out to other funds	2,061,889	8,890,453	5,494,966	3,395,487
<b>Total Expenditures and Transfers Out</b>	<u>275,142,915</u>	<u>305,319,306</u>	<u>272,573,047</u>	<u>32,746,259</u>
<b>Change in Fund Balance</b>	(58,296,501)	(85,261,101)	(67,628,112)	17,632,989
<b>Fund Balance - Beginning</b>	108,011,047	108,011,047	108,011,047	-
<b>Fund Balance - Ending</b>	<u>\$ 49,714,546</u>	<u>\$ 22,749,946</u>	<u>\$ 40,382,935</u>	<u>\$ 17,632,989</u>

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Schedule of the Proportionate Share of the Net  
Pension Liability  
For the Year Ended June 30, 2016

	<u>2015</u> <sup>(1)</sup>	<u>2016</u> <sup>(1)</sup>
Proportion of the net pension liability	0.04834%	0.01877%
Proportionate share of the net pension liability	\$ 1,299,087	\$ 1,288,393
Covered payroll	\$ 3,263,808	\$ 3,684,025
Proportionate share of the net pension liability as a percentage of covered payroll	39.80%	34.97%
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	79.82%	78.40%

(1) Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.

**Notes to schedule:**

Changes in assumptions: The discount rate was changed from 7.5% to 7.65%.

The notes to required supplementary information are an integral part of these schedules.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**Schedule of Pension Contributions**  
**For the Year Ended June 30, 2016**

	<b>2014 <sup>(1)</sup></b>	<b>2015 <sup>(1)</sup></b>	<b>2016 <sup>(1)</sup></b>
Actuarially determined contributions	\$ 365,402	\$ 399,937	\$ 280,199
Contributions in relation to the actuarially determined contributions	(365,402)	(399,937)	(280,199)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,263,808	\$ 3,684,025	\$ 3,643,778
Contributions as a percentage of covered-employee payroll	11.20%	10.86%	7.69%

(1) Historical information is available only for measurement periods for which GASB Statement No. 68 is applicable.

The notes to required supplementary information are an integral part of these schedules.



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Notes to Required Supplementary Information

For the Year Ended June 30, 2016

**NOTE 1 - BUDGETS AND BUDGETARY DATA**

Comparisons with financial results for the current fiscal period for all the funds are presented as required supplementary information and include, in addition to actual expenditures, amounts that have been appropriated for projects and programs. Unexpended capital budget appropriations are carried forward to subsequent years. The budget represents a process through which policy decisions are made, implemented and controlled. Appropriations may be adjusted during the year with the approval of the Transportation Authority. Accordingly, the legal level of budgetary control by the Transportation Authority is the program (fund) level.

**NOTE 2 - SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS**

A cost-sharing employer is required to recognize a liability for its proportionate share of the net pension liability (of all employers for benefits provided through the pension plan)—the collective net pension liability. A cost-sharing employer is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions. The schedules present information to illustrate changes in the Transportation Authority's proportionate share of the net pension liability and employer contributions over a ten-year period when the information is available.

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*SUPPLEMENTARY INFORMATION*

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**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2016**

Program Description	Catalog of Federal Domestic Assistance	Grant No.	Grant Approval Date	Approved Federal Award	Federal Expenditures				Amount Provided to Subrecipients
					Cumulative Expenditures Prior to July 1, 2015	Expenditures July 1, 2015 through June 30, 2016	Cumulative Expenditures Through June 30, 2016	Available Balance	
<b>U.S. Department of Transportation</b>									
<b>Federal Highway Administration:</b>									
Highway Research and Development Program									
<i>Passed through - Metropolitan Transportation Commission</i>									
Strategic Highway Research Plan	20.200	SHRP2L-6084(192)	11/12/14	\$ 310,000	\$ 53,349	\$ 80,701	\$ 134,050	\$ 175,950	\$ -
Travel Model Research	20.200	ATF5512L-6084(184)	08/09/13	90,000	4,830	3,327	8,157	81,843	-
Total Highway Research and Development Program				400,000	58,179	84,028	142,207	257,793	-
Highway Planning and Construction									
<i>Passed through - Metropolitan Transportation Commission</i>									
Surface Transportation Plan (STP): Transportation Planning and Programming	20.205	C002683	07/01/12	3,568,000	1,714,767	774,453	2,489,220	1,078,780	-
STP: Treasure Island Mobility Management	20.205	N/A	01/01/13	500,000	416,209	79,174	495,383	4,617	-
<i>Passed through - San Francisco Municipal Transportation Agency</i>									
19th Avenue/M-Ocean View Project Pre-Environmental Study Phase	20.205	SFMTA-2014-44	05/16/14	492,000	-	274,302	274,302	217,698	-

See accompanying notes to supplementary information.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2016**

Program Description	Catalog of Federal Domestic Assistance	Grant No.	Grant Approval Date	Approved Federal Award	Federal Expenditures			Amount Provided to Subrecipients
					Cumulative Expenditures Prior to July 1, 2015	July 1, 2015 through June 30, 2016	Cumulative Expenditures Through June 30, 2016	
<i>Passed through - State of California Department of Transportation</i>								
Bart Travel Smart Rewards	20.205	VPPL-6272(043)	09/10/15	508,000	-	266,573	266,573	160,853
eFleet: Carsharing Electrified	20.205	CML-6272(033)	12/28/11	1,700,000	956,978	375,348	1,332,326	365,176
Integrated Public Private Partnership Travel Demand Management Program (TDM)	20.205	CML-6272(034)	04/25/11	750,000	708,787	13,160	721,947	-
San Francisco Value Pricing and Regulation Study	20.205	VPPL-6272(037)	08/17/12	480,000	298,426	160,984	459,410	-
Treasure Island Mobility Management	20.205	VPPL-6272(041)	08/15/13	480,000	447,204	19,801	467,005	-
Yerba Buena Island - Reconstruct Existing Westbound On and Off Ramps on East Side of Yerba Buena Island	20.205	BRLS-6272(023)	08/20/10	73,919,055	46,088,616	14,191,951	60,280,567	-
Yerba Buena Island Viaduct Structure #1	20.205	STPLZ-6272(024)	09/10/10	307,490	197,609	4,929	202,538	-
Yerba Buena Island Viaduct Structure #2	20.205	STPLZ-6272(026)	09/10/10	9,580,185	3,264,663	1,470,979	4,735,642	-
Yerba Buena Island Viaduct Structure #4	20.205	STPLZ-6272(028)	09/10/10	703,068	541,305	3,922	545,227	-
Yerba Buena Island Viaduct Structure #7A	20.205	STPLZ-6272(030)	09/10/10	155,745	152,498	-	152,498	-
Yerba Buena Island Viaduct Structure #7B	20.205	STPLZ-6272(031)	09/10/10	214,476	189,981	3,992	193,973	-
Yerba Buena Island Viaduct Structure #8	20.205	STPLZ-6272(032)	09/10/10	269,407	244,375	-	244,375	-
Total Highway Planning and Construction Cluster				93,627,426	55,221,418	17,639,568	72,860,986	526,029
Total Federal Highway Administration				94,027,426	55,279,597	17,723,596	73,003,193	526,029
<b>Federal Transit Administration:</b>								
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research								
<i>Passed through - State of California Department of Transportation</i>								
San Francisco Freeway Performance Initiative Study	20.505	74A0843	04/15/15	300,000	21,952	200,848	222,800	-
Total Federal Transit Administration				300,000	21,952	200,848	222,800	-
Total Expenditures of Federal Awards				\$ 94,327,426	\$ 55,301,549	\$ 17,924,444	\$ 73,225,993	\$ 526,029

See accompanying notes to supplementary information.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

## Notes to Supplementary Information

June 30, 2016

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the San Francisco County Transportation Authority, a component unit of the City and County of San Francisco California, under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Transportation Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Transportation Authority.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Transportation Authority has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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***INDEPENDENT AUDITOR'S REPORTS***

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners  
San Francisco County Transportation Authority  
San Francisco, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the San Francisco County Transportation Authority (Transportation Authority), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Transportation Authority's basic financial statements, and have issued our report thereon dated October 20, 2016. Our report contains an emphasis of matter regarding adoption of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*; GASB Statement No. 76, *The hierarchy of Generally Accepted Accounting Principles for State and Local Governments*; and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No.73*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Transportation Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transportation Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transportation Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Transportation Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transportation Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavrinek, Trine, Day & Co. LLP*

Palo Alto, California  
October 20, 2016





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
 EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL  
 CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Board of Commissioners  
 San Francisco County Transportation Authority  
 San Francisco, California

**Report on Compliance for Each Major Federal Program**

We have audited the San Francisco County Transportation Authority's (Transportation Authority), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Transportation Authority's major federal program for the year ended June 30, 2016. The Transportation Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance of Transportation Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Transportation Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Transportation Authority's compliance.

### *Opinion on the Major Federal Program*

In our opinion, the Transportation Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

### **Report on Internal Control Over Compliance**

Management of the Transportation Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Transportation Authority's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Transportation Authority's internal control over compliance.

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Vavrinek, Trin, Day & Co. LLP*

Palo Alto, California  
October 20, 2016

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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

Summary of Auditor's Results  
For the Year Ended June 30, 2016

**FINANCIAL STATEMENTS**

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>None</u>
Significant deficiencies identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major Federal programs:	
Material weaknesses identified?	<u>None</u>
Significant deficiencies identified?	<u>None reported</u>
Type of auditor's report issued on compliance for major Federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance?	<u>None</u>

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Financial Statement Findings  
For the Year Ended June 30, 2016

None reported.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Federal Awards Findings and Questioned Costs  
For the Year Ended June 30, 2016

None reported.

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2016

None reported.



# Memorandum

**Date:** 11.09.16 **RE:** Finance Committee  
November 15, 2016

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

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

**Through:** Tilly Chang – Executive Director *TC*

**Subject:** **ACTION** – Recommend Acceptance of the Audit Report for the Fiscal Year Ended June 30, 2016

## Summary

The Transportation Authority's financial records are required to be audited annually by an independent, certified public accountant. The annual audit (Audit Report) for the year ended June 30, 2016 was conducted in accordance with generally accepted auditing standards by the independent, certified public accounting firm of Vavrinek, Trine, Day & Co., LLP (Vavrinek, Trine, Day & Co.). The Transportation Authority received all unmodified (also known as a clean opinion/unqualified opinion) audit opinions from Vavrinek, Trine, Day & Co., with no findings or recommendations for improvements. For the fiscal audit, Vavrinek, Trine, Day & Co. has issued an opinion, stating that the financial statements present fairly, in all material respects, the financial position of the Transportation Authority. Since more than \$500,000 in federal grants was expended during the year, a single audit (compliance audit) was performed on the Interstate-80/Yerba Buena Island Interchange Improvement and Bridge Structures Project. For the single audit, Vavrinek, Trine, Day & Co. has issued an opinion, stating the Transportation Authority complied in all material respects with the compliance requirements that could have a direct and material effect on the federal funds audited. The full audit report is attached.

## BACKGROUND

Under its Fiscal Policy (Resolution 16-56), the Transportation Authority's financial records are to be audited annually by an independent, certified public accounting firm. The audits for the fiscal year ended June 30, 2016 (Audit Report) were conducted in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The Audit Report contains formal opinions, or disclaimers thereof, issued by an independent, certified public accounting firm as a result of an external audit performed on an agency. An unmodified opinion (also known as a clean opinion/unqualified opinion) is the best type of report an agency may receive from an external audit and represents that the agency complied with direct and material regulatory requirements or that the agency's financial condition, position, and operations in all material respects were fairly presented.

As more than \$500,000 in federal expenditures was expended during the fiscal year, the Transportation Authority also was subject to the federal single audit compliance requirements. Both the fiscal audit and the single audit were performed by the independent, certified public accounting firm of Vavrinek, Trine,



Day & Co., LLP (Vavrinek, Trine, Day & Co.).

## **DISCUSSION**

The Audit Report includes the overall basic financial statements, a management discussion and analysis of the Transportation Authority's financial performance during that fiscal year, notes and required supplemental information, and other supplementary which include the results from the single audit of federal awards. Financial performance of the Transportation Authority is described in the management's discussion and analysis section. This section includes specific financial analysis, budgetary comparison schedules presented for major funds, and accompanying notes included as supplementary information for the statements.

We are pleased to note that Vavrinek, Trine, Day & Co. issued all unmodified (clean/unqualified) opinions and had no findings or recommendations for improvements. The Transportation Authority recognized all significant transactions in the financial statements in the proper period and received no adjustments to any estimates made in the financial statements. For the annual fiscal audit, Vavrinek, Trine, Day & Co. has issued an opinion, stating that the financial statements present fairly, in all material respects, the financial position of the Transportation Authority. Since more than \$500,000 in federal grants was expended during the year, a single audit (compliance audit) was performed on the Interstate-80/Yerba Buena Island Interchange Improvement and Bridge Structures Project. For the single audit, Vavrinek, Trine, Day & Co. has issued an opinion, stating that the Transportation Authority complied in all material respects with the compliance requirements that could have a direct and material effect on the federal funds audited. The full audit report is attached.

## **ALTERNATIVES**

1. Recommend acceptance of the Audit Report for the fiscal year ended June 30, 2016, as requested.
2. Recommend acceptance of the Audit Report for the fiscal year ended June 30, 2016, with modifications.
3. Defer action, pending additional information or further staff analysis.

## **CAC POSITION**

The CAC considered this item at its October 26, 2016 meeting and unanimously adopted a motion of support for the staff recommendation.

## **FINANCIAL IMPACTS**

Expenditures did not exceed the amounts approved in the agency-wide amended Fiscal Year 2015/16 budget and there are no impacts to the Transportation Authority's adopted Fiscal Year 2016/17 budget associated with the recommended action.

## **RECOMMENDATION**

Recommend acceptance of the Audit Report for the fiscal year ended June 30, 2016.

Attachment:

1. Audit Report for the Year Ended June 30, 2016



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RESOLUTION ALLOCATING \$3,149,000 IN PROP K FUNDS, WITH CONDITIONS, FOR THREE REQUESTS AND APPROPRIATING \$100,000 IN PROP K FUNDS FOR ONE REQUEST, AND A COMMITMENT TO ALLOCATE \$325,000 IN PROP K FUNDS

WHEREAS, The Transportation Authority received four Prop K requests totaling \$3,149,000, as summarized in Attachments 1 and 2 and detailed in the attached allocation request forms; and

WHEREAS, The requests seek funds from the following Prop K Expenditure Plan categories: Guideways–Muni, Traffic Calming, Pedestrian Circulation/Safety, and Transportation/Land use Coordination; and

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

WHEREAS, Three of the four requests are consistent with the relevant strategic plans and 5YPPs for their respective categories; and

WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA's) request for Traffic Calming Implementation (Prior Areawide Plans) requires a Traffic Calming 5YPP amendment as detailed in the attached allocation request form; and

WHEREAS, The SFMTA's request for the Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP capital] project includes a commitment to allocate \$325,000 in District 8 NTIP capital funds for the construction phase of the project, contingent upon completion of design; and

WHEREAS, After reviewing the requests, Transportation Authority staff recommended



allocating a total of \$3,149,000 in Prop K funds, with conditions, appropriating \$100,000 in Prop K funds for one request and committing to a future allocation of \$350,000 in Prop K funds for one request, as described in Attachment 3 and detailed in the attached allocation request forms, which include staff recommendations for Prop K allocation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash Flow Distribution Schedules; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2016/17 budget to cover the proposed actions; and

WHEREAS, At its October 26, 2016 meeting, the Citizens Advisory Committee was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, On November 15, 2016, the Plans and Programs Committee reviewed the subject request and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby amends the Prop K Traffic Calming 5YPP, as detailed in the attached allocation request form; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$3,149,000 in Prop K funds, with conditions, for three requests and appropriates \$100,000 in Prop K funds for one request, as summarized in Attachment 3 and detailed in the attached 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 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 attached 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 sponsor 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 sponsor shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

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

Attachments (5):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2016/17
5. Prop K/Prop AA Allocation Request Forms (4)

## Attachment 1: Summary of Applications Received

Source	EP Line No./Category <sup>1</sup>	Project Sponsor <sup>2</sup>	Project Name	Current Prop K Request	Total Cost for Requested Phase(s)	Leveraging		District	
						Expected Leveraging by EP Line <sup>3</sup>	Actual Leveraging by Project Phase(s) <sup>4</sup>		
Prop K	22M	SFMTA	Cable Car Propulsion Gearboxes	\$ 1,280,000	\$ 6,400,000	78%	80%	3	
Prop K	38	SFMTA	Traffic Calming Implementation (Prior Area-wide Plans)	\$ 1,789,000	\$ 1,789,000	51%	0%	Citwide	
Prop K	40	SFMTA	Elk Street at Sussex Street Pedestrian Safety Improvements [N'TIP capital]	\$ 80,000	\$ 80,000	25%	0%	8	
Prop K	44	SFCTA	Vision Zero Ramp Intersection Study Phase 2	\$ 100,000	\$ 348,683	40%	71%	6	
<b>TOTAL</b>					<b>\$ 3,249,000</b>	<b>\$ 8,617,683</b>	<b>70%</b>	<b>62%</b>	

## Footnotes

<sup>1</sup> "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 Mobility Improvements (Transit).

<sup>2</sup> Acronyms: SFCTA (Transportation Authority), SFMTA (San Francisco Municipal Transportation Agency).

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

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

Attachment 2: Brief Project Descriptions <sup>1</sup>

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
22M	SFMTA	Cable Car Propulsion Gearboxes	\$ 1,280,000	<p>Funds will leverage \$5.1 million in Federal Transit Administration funds to overhaul five gearboxes critical to the function of San Francisco's cable car system. San Francisco's cable car system uses four cables to deliver power from the Cable Car Barn to the City's three cable car lines. The gearboxes transmitting power to the cables have been in use since 1984 without a major overhaul, resulting in a decline in performance and reliability. The SFMTA will overhaul one gearbox at a time and evaluate performance for three to six months before overhauling the next one. Each overhaul will require a ten consecutive day shutdown per cable car line, except the gearbox for the Hyde Street line, for which the entire system will be shut down for ten days. Diesel buses will provide interim service during the shutdowns. See pages 3-5 of the attached allocation request form for details on the schedule for service impacts during construction and the public communications plan for the project. Work will begin in Spring 2017 and be complete by December 2019.</p>
38	SFMTA	Traffic Calming Implementation (Prior Areawide Plans)	\$ 1,789,000	<p>Requested funds will be used to plan, design and construct traffic calming measures recommended in eleven areawide traffic calming plans, including traffic islands, speed humps, speed cushions, striping and signage, and traffic circles. See pages 3-5 of the attached allocation request form for the list of areawide plans, proposed measures, and preliminary locations. The proposed measures are in various stages of development, and some measures will proceed to construction sooner than others. SFMTA anticipates that all measures will be open for use by December 2019. This project will complete the implementation of the traffic calming backlog from prior areawide plans.</p>

Attachment 2: Brief Project Descriptions <sup>1</sup>

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
40	SFMTA	Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP capital]	\$ 80,000	Neighborhood Transportation Improvement (NTIP) funds will be used to design pedestrian improvements at the intersection of Elk Street and Sussex Street to improve safety and access to Glen Canyon Park. The scope includes up to three curb bulbouts, rectangular flashing beacons, and pedestrian crossing signage. Design is anticipated to be complete by June 2017 with the project open for use by September 2018.
44	SFCTA	Vision Zero Ramp Intersection Study Phase 2	\$ 100,000	Funds will leverage a Caltrans Planning Grant to develop a prioritized set of short-, medium-, and long-term safety improvements at up to ten ramp intersections in the South of Market area with some of the highest rates of injury collisions in the city. The Vision Zero Ramp Intersection Study Phase 1, funded by a District 6 NTIP planning grant, is developing low-cost, easy to implement improvements for five intersections near the SoMA Youth and Family Zone. Phase 2 will expand upon the work of Phase 1 and include a robust community outreach process to propose solutions to improve safety at a larger set of ramp intersections. We anticipate starting community outreach in June 2017 and completing the study by the end of 2018.
<b>TOTAL</b>			<b>\$ 3,249,000</b>	

<sup>1</sup> See Attachment 1 for footnotes.



Attachment 3: Staff Recommendations <sup>1</sup>

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Recommendation
22M	SFMTA	Cable Car Propulsion Gearboxes	\$ 1,280,000	
38	SFMTA	Traffic Calming Implementation (Prior Area-wide Plans)	\$ 1,789,000	We are recommending a <b>multi-phase allocation</b> for planning, design and construction phases given that the traffic calming measures are in various stages of development, and multiple phases will be underway simultaneously.  <b>5-Year Prioritization Program (5YPP) Amendment:</b> The recommended allocation is contingent upon a 5YPP amendment to the Traffic Calming category to program \$847,877 in deobligated funds from completed projects to the subject project. See attached 5YPP amendment for details.
40	SFMTA	Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP capital]	\$ 80,000	Our recommendation includes a <b>commitment to allocate \$325,000</b> in District 8 NTIP capital funds for the construction phase of the project, contingent upon completion of design.
44	SFCTA	Vision Zero Ramp Intersection Study Phase 2	\$ 100,000	
<b>TOTAL</b>			<b>\$ 3,249,000</b>	

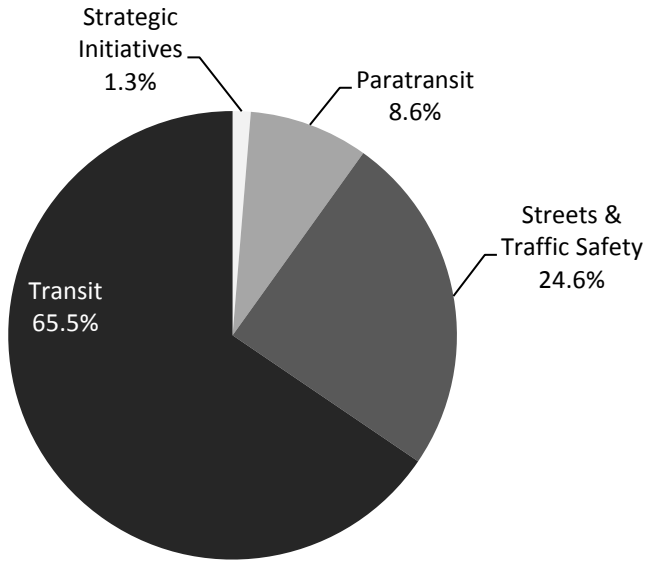
<sup>1</sup> See Attachment 1 for footnotes.

**Attachment 4.  
Prop K Allocation Summary - FY 2016/17**

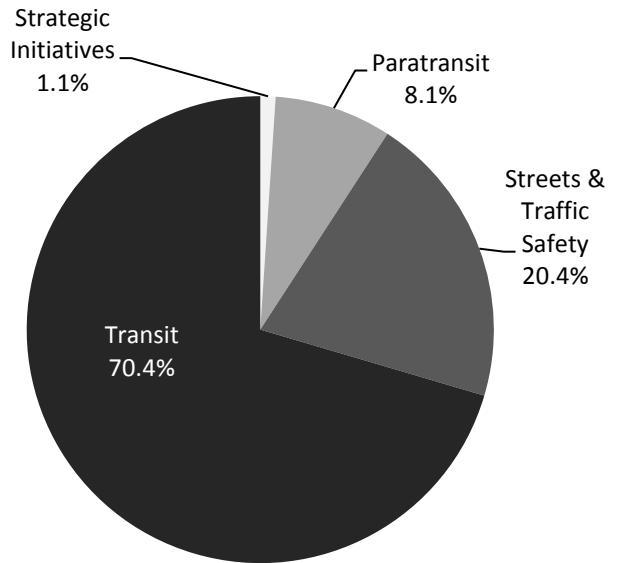
<b>PROP K SALES TAX</b>						
		<b>CASH FLOW</b>				
	<b>Total</b>	<b>FY 2016/17</b>	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>
Prior Allocations	\$ 65,611,207	\$ 39,091,305	\$ 17,373,926	\$ 9,145,976	\$ -	\$ -
Current Request(s)	\$ 3,249,000	\$ 737,484	\$ 1,152,217	\$ 914,199	\$ 445,100	\$ -
New Total Allocations	\$ 68,860,207	\$ 39,828,789	\$ 18,526,143	\$ 10,060,175	\$ 445,100	\$ -

The above table shows maximum annual cash flow for all FY 2016/17 allocations approved to date, along with the current recommended

**Investment Commitments, per Prop K Expenditure Plan**



**Prop K Investments To Date**



**Attachment 5**  
**Prop K Grouped Allocation Requests**  
**November 2016 Board Action**

**Table of Contents**

<b>No.</b>	<b>Fund Source</b>	<b>Project Sponsor</b> <sup>1</sup>	<b>Expenditure Plan Line Item/ Category Description</b>	<b>Project Name</b>	<b>Phase</b>	<b>Funds Requested</b>
1	Prop K	SFMTA	Guideways - Muni	Cable Car Propulsion Gearboxes	Construction	\$ 1,280,000
2	Prop K	SFMTA	Traffic Calming	Traffic Calming Implementation (Prior Areawide Plans)	Planning, Design, Construction	\$ 1,789,000
3	Prop K	SFMTA	Pedestrian Circulation/ Safety	Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP capital]	Design	\$ 80,000
4	Prop K	SFCTA	Transportation/ Land Use Coordination	Vision Zero Ramp Intersection Study Phase 2	Planning	\$ 100,000
<b>Total Requested</b>						<b>\$ 3,249,000</b>

<sup>1</sup> Acronyms: SFCTA (Transportation Authority), SFMTA (San Francisco Municipal Transportation Agency).



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San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

FY of Allocation Action: 2016/17

Project Name: Cable Car Propulsion Gearboxes

Grant Recipient: San Francisco Municipal Transportation Agency - MUNI

EXPENDITURE PLAN INFORMATION

Prop K EP category: Guideways: (EP-22)

Prop K EP Line Number (Primary): 22 Current Prop K Request: \$ 1,280,000

Prop K Other EP Line Numbers: \_\_\_\_\_

Prop AA Category: \_\_\_\_\_

Current Prop AA Request: \$ -

Supervisory District(s): District 03

REQUEST

Brief Project Description (type below)

This project will overhaul five cable car drive reduction gearboxes used to reduce the speed of the moving cables that operate the cable car system at the optimum operational level. The timely rehabilitation of the gearboxes will eliminate system failure, extend the service life of the cable car system, avoid costly repair work and provide for a safe and reliable cable car service to the residents of the city and its vital tourist sector.

Detailed Scope, Project Benefits and Community Outreach (type below)

The SFMTA operates three cable car lines in San Francisco. All of the lines operate out of the Cable Car Barn at Washington and Mason Streets, where four of the gearboxes are currently in use. The fifth gearbox is stored as a spare at the SFMTA's central storage facility on Burke Avenue. The four gearboxes targeted for overhaul have been operating at the Cable Car Barn since 1984 without a major overhaul. As a result, the performance of these gearboxes has gradually declined, posing reliability and safety issues. This project will replace all parts, bearings, seals and gaskets that are subject to wear and tear. Additional inspection to gears, shafts, and other parts will also be performed during the gearbox rehabilitation process to ensure that all defective parts are replaced.

The work will be performed by a contractor at the Cable Car Barn. To ensure high quality work, each of the newly rehabbed gearboxes will be evaluated for a period of three to six months before work is approved on the remaining gearboxes. During construction, regular cable car service will be replaced by diesel buses for about 10 consecutive days per gearbox. Community outreach will be conducted in accordance with SFMTA's public outreach guidelines.

Project Location (type below)

1580 Mason St, San Francisco

Project Phase (select dropdown below)

Construction (CON)

Map or Drawings Attached?  Yes

Other Items Attached?  Yes

San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

5YPP/STRATEGIC PLAN INFORMATION

Type of Project in the Prop K  
5YPP/Prop AA Strategic Plan? | Named Project \_\_\_\_\_

Is the requested amount greater  
than the amount programmed in  
the relevant 5YPP or Strategic  
Plan? | Less than or Equal to Programmed Amount  
\_\_\_\_\_

Prop K 5YPP Amount: \$ 1,280,000 | Prop AA  
Strategic Plan Amount: \_\_\_\_\_

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Cable Car Propulsion Gearboxes

**ENVIRONMENTAL CLEARANCE**

**Environmental Type:** Categorically Exempt

**PROJECT DELIVERY MILESTONES**

Enter dates below for ALL project phases, not just for the current request, based on the best information available. For PLANNING requests, please only enter the schedule information for the PLANNING phase.

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)	Oct-Dec	2014	Jul-Sep	2015
Environmental Studies (PA&ED)			Oct-Dec	2016
Right-of-Way				
Design Engineering (PS&E)	Jan-Mar	2016	Oct-Dec	2016
Advertise Construction	Jan-Mar	2017		
Start Construction (e.g. Award Contract)	Apr-Jun	2017		
Operations (i.e., paratransit)				
Open for Use			Oct-Dec	2019
Project Completion (means last eligible expenditure)			Apr-Jun	2020

**SCHEDULE DETAILS**

Provide dates for any COMMUNITY OUTREACH planned during the requested phase(s). Identify PROJECT COORDINATION with other projects in the area (e.g. paving, MUNI Forward) and relevant milestone dates (e.g. design needs to be done by DATE to meet paving schedule). List any timely use-of-funds deadlines (e.g. federal obligation deadline). If a project is comprised of MULTIPLE SUB-PROJECTS, provide milestones for each sub-project. For PLANNING EFFORTS, provide start/end dates for each task.

Categorical Exemption was issued on 10/14/2016.

Community Outreach: November 2016 and January 2017. Each cable car gearbox rehabilitation requires a 10 consecutive day cable car service shutdown to one or more cable car lines. Each rehabilitated gearbox unit will be tested, under normal operating condition, for a six-month period prior to authorization to rehabilitate the next gearbox.

> See attached Table 1: Service Impact Summary during Cable Car Service Shutdowns, showing the anticipated shutdown schedule and the service impacts to the line(s) affected by each shutdown.

> See also the attached Preliminary Communications Plan, identifying outreach audience, stakeholders and deliverables.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

Preliminary Communications Plan  
Cable Car Gearbox Rehabilitation Project

**Table 1: Service Impact Summary during Cable Car Service Shutdowns**

<b>Cable Line In Order of Priority</b>	<b>Anticipated Shutdown Period</b>	<b>Service Impact to Cable Line under Reconstruction</b>	<b>Service Impact to other Cable Car Service</b>
California	10 consecutive days of shutdown during April 2017	Motor coaches will provide service along the California route	Mason, Powell and Hyde cable car lines will continue to provide regular service.
Mason	10 consecutive days of shutdown during October 2017	Motor coaches will provide service along the Mason route	California, Powell and Hyde cable car lines will continue to provide regular service.
Powell	10 consecutive days of shutdown during April 2018	Motor coaches will provide service along the Powell route	California, Mason, and Hyde cable car lines will continue to provide regular service.
Hyde *	10 consecutive days of shutdown during October 2018	Motor coaches will provide service along Hyde route	California, Mason and Powell cable car lines will also be shut down. Motor coaches will provide service along these routes

\*Note: The Hyde street cable line is used to move the cable cars in and out of the cable car barn. As a result, when the Hyde cable line is shutdown, service to the remaining cable car lines has to be interrupted.



**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Preliminary Communications Plan  
Cable Car Gearbox Rehabilitation Project**

Target Audience

- Cable car regular riders
- Tourists
- Hotels
- Tourist centers and travel agencies
- Merchants and neighborhoods associations in District 3
- Schools and Churches

Stakeholders

- District 3 Supervisor Aaron Peskin
- BOS, MONS and MOD
- SFMTA Board
- CAC and MAAC
- Hotel Council of San Francisco
- Union Square Merchants Association
- SF Chamber of Commerce
- Chinatown CDC
- Self-help for the Elderly
- North Beach Merchants Association
- Nob Hill Neighbors
- Russian Hill Community Association
- North Beach Chamber of Commerce
- Late Night Transportation Working Group
- SF Travel Association
- Golden Gate Restaurant Association
- Transit Riders Union
- SF Entertainment Commission

Outreach Deliverables

- Hold open houses and presentations to communication groups, schools and churches
- Use direct mailers to update the neighborhoods along cable car lines
- Collaborate with Hotel Council and tourist center to distribute information to hotels
- Use Ambassadors to distribute flyers to hotels
- Post customer alerts at cable car stops
- Deploy Ambassadors at critical stops
- E blast project updates to cable car customers
- Notify 311, 511, MAAC, CAC, BOS, MOD and MONS
- Create and update the webpage
- Post on social media – Twitter, Facebook and blog
- Send Digital Muni Alerts
- Email notice to advocacy groups for people with disabilities (work with Accessible Services)

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Cable Car Propulsion Gearboxes

**FUNDING PLAN - FOR CURRENT REQUEST**

Enter the funding plan for the phase(s) that are the subject of the CURRENT REQUEST. Totals should match those shown in the Cost Summary below.

<b>Fund Source</b>	<b>Planned</b>	<b>Programmed</b>	<b>Allocated</b>	<b>Total</b>	<b>% of Total</b>
Prop K	\$ -	\$ 1,280,000	\$ -	\$ 1,280,000	20%
Prop AA	\$ -	\$ -	\$ -	\$ -	
FTA FY17	\$ 5,120,000		\$ -	\$ 5,120,000	80%
	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	
<b>Total:</b>	<b>\$ 5,120,000</b>	<b>\$ 1,280,000</b>	<b>\$ -</b>	<b>\$ 6,400,000</b>	

**FUNDING PLAN - FOR ENTIRE PROJECT (ALL PHASES)**

Enter the funding plan for all phases (planning through construction) of the project. This section may be left blank if the current request covers all project phases. Totals should match those shown in the Cost Summary below.

<b>Fund Source</b>	<b>Planned</b>	<b>Programmed</b>	<b>Allocated</b>	<b>Total</b>	<b>% of Total</b>
Prop K	\$ -	\$ 1,280,000	\$ -	\$ 1,280,000	18%
Prop AA	\$ -	\$ -	\$ -	\$ -	
FTA FY 17	\$ 5,689,691		\$ -	\$ 5,689,691	82%
	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	
<b>Total:</b>	<b>\$ 5,689,691</b>	<b>\$ 1,280,000</b>	<b>\$ -</b>	<b>\$ 6,969,691</b>	

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**COST SUMMARY**

Show total cost for ALL project phases (in year of expenditure dollars) based on best available information. Source of cost estimate (e.g. 35% design, vendor quote) is intended to help gauge the quality of the cost estimate, which should improve in reliability the farther along a project is in its development.

Phase	Total Cost	Prop K - Current Request	Prop AA - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$ 113,939	\$ -		Actual cost
Environmental Studies (PA&ED)	\$ -	\$ -		
Right-of-Way	\$ -	\$ -		
Design Engineering (PS&E)	\$ 455,752	\$ -	\$ -	Actual costs and engineer's estimate of cost to complete
Construction (CON)	\$ 6,400,000	\$ 1,280,000	\$ -	Engineer's estimate
Operations (Paratransit)	\$ -	\$ -		
<b>Total:</b>	<b>\$ 6,969,691</b>	<b>\$ 1,280,000</b>	<b>\$ -</b>	

% Complete of Design:  as of   
 Expected Useful Life:  Years

**PROPOSED REIMBURSEMENT SCHEDULE FOR CURRENT REQUEST** (instructions as noted below)

Use the table below to enter the proposed reimbursement schedule for the current request. Prop K and Prop AA policy assume these funds will not be reimbursed at a rate greater than their proportional share of the funding plan for the relevant phase unless justification is provided for a more aggressive reimbursement rate. If the current request is for multiple phases, please provide separate reimbursement schedules by phase. If the proposed schedule exceeds the years available, please attach a file with the requested information.

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$ 117,000	\$ 465,000	\$ 465,000	\$ 233,000	\$ -	\$ 1,280,000
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

Project Name: Cable Car Propulsion Gearboxes

MAJOR LINE ITEM BUDGET

PROJECT BUDGET - CONSTRUCTION

SUMMARY BY MAJOR LINE ITEM (BY AGENCY LABOR BY TASK)						
Budget Line Item	Totals	% of contract	SFPW	SFMTA	Contractor	
1. Contract <sup>1</sup>	\$ 3,600,000				\$ 3,600,000	
2. Construction Management/Support	\$ 306,000	8.5%	\$ -	\$ 306,000		
3. SFMTA Engineering + PM Support	\$ 224,000	6%		\$ 224,000		
4. SFMTA Operations & Maintenance Support <sup>2</sup>	\$ 1,300,000	36%		\$ 1,300,000		
5. Other Direct Costs <sup>3</sup>	\$ 390,000	11%	\$ -	\$ 390,000		
6. Contingency	\$ 580,000	16%	\$ -	\$ 580,000		
<b>TOTAL CONSTRUCTION PHASE</b>	<b>\$ 6,400,000</b>		<b>\$ -</b>	<b>\$ 2,800,000</b>	<b>\$ 3,600,000</b>	

<sup>1</sup> See next page for contract major line item budget.

<sup>2</sup> The SFMTA Operations and Maintenance Support line item includes funding for temporary bus substitutions, transit inspectors and operators costs.

<sup>3</sup> Cable Car Bam crane operation and inspection supports

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

Cable Car Barn Propulsion Gearbox  
Contract Major Line Item Budget

<i>Note:</i>	LS = Lump Sum, EA = Each, AL = Allowance					
<b>Ref. No.</b>	<b>Bid Item No.</b>	<b>Bid Item Description</b>	<b>Estimated Quantity</b>	<b>Unit</b>	<b>Unit Price</b>	<b>Total Amount</b>
G	1	Mobilization and Demobilization				\$107,000
	1	Spare Gearbox	1	EA	300,000	\$336,000
	2	California Gearbox	1	EA	650,000	\$728,000
	3	Powell Gearbox	1	EA	300,000	\$336,000
	4	Mason Gearbox	1	EA	300,000	\$336,000
	5	Hyde Gearbox	1	EA	300,000	\$336,000
	6	Temporary Barriers	4	EA	2,000	\$8,960
	7	Maintenance Service	1	LS	60,000	\$67,200
A	1	Allowance to Furnish and Install Additional Gearset	---	AL	---	\$392,000
A	2	Allowance to Furnish and Install Additional shafts	---	AL	---	\$67,200
A	3	Allowance for Housing Repairs	---	AL	---	\$22,400
A	4	Allowance for Differing Site Conditions	---	AL	---	\$824,040
A	5	Agency's Share of Partnering Cost	---	AL	---	\$11,200
A	6	Allowance for Reimbursable Expenses	---	AL	---	\$28,000
		<b>TOTAL</b>				<b>\$3,600,000</b>

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10/18/2016      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Cable Car Propulsion Gearboxes

**Grant Recipient:** San Francisco Municipal Transportation Agency - MUNI

Funding Recommended:	Action	Amount	Phase
	Prop K Allocation	\$ 1,280,000	Construction (CON)
	<b>Total:</b>	<b>\$ 1,280,000</b>	

**Total Prop K Funds:** \$ 1,280,000                      **Total Prop AA Funds:** \$ -

**Justification for multi-phase recommendations and notes for multi-sponsor recommendations:**

\_\_\_\_\_

**Fund Expiration Date:** 12/31/2020      **Eligible expenses must be incurred prior to this date.**

Future Commitment:	Action	Amount	Fiscal Year	Phase

Trigger:

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10/18/2016      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Cable Car Propulsion Gearboxes

**Grant Recipient:** San Francisco Municipal Transportation Agency - MUNI

**Deliverables:**

1. Over the course of the project quarterly progress reports should include 2-3 photos of work in progress for recent activities.
2. Upon project completion, provide 2-3 digital photos of completed work.
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**Special Conditions:**

1. SFMTA may not incur expenses for the construction phase until Transportation Authority staff releases the funds (\$1,280,000) pending receipt of evidence of completion of design (e.g. copy of certifications page).
2. The Transportation Authority will only reimburse SFMTA up to the approved overhead multiplier rate for the fiscal year that SFMTA incurs charges.
3. \_\_\_\_\_

**Notes:**

1. \_\_\_\_\_
2. \_\_\_\_\_

Metric	Prop K	Prop AA
Actual Leveraging - Current Request	80.00%	No Prop AA
Actual Leveraging - This Project	81.63%	No Prop AA

**SFCTA Project**

**Reviewer:** P&PD

**SGA PROJECT NUMBER**

**Sponsor:** San Francisco Municipal Transportation Agency - MUNI

**SGA Project Number:** 122-910xxx      **Name:** Cable Car Propulsion Gearboxes

**Phase:** \_\_\_\_\_      **Fund Share:** 20.00%

**Cash Flow Distribution Schedule by Fiscal Year**

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$117,000	\$465,000	\$ 465,000	\$ 233,000		<b>\$1,280,000</b>

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**FY of Allocation Action:** 2016/17

**Current Prop K Request:** \$ 1,280,000

**Current Prop AA Request:** \$ -

**Project Name:** Cable Car Propulsion Gearboxes

**Grant Recipient:** San Francisco Municipal Transportation Agency - MUNI

1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

<p><b>Required for Allocation Request Form Submission</b> Initials of sponsor staff member verifying the above statement</p>
<p style="font-size: 2em;"><b>EG</b></p>

**CONTACT INFORMATION**

**Project Manager**

**Grants Section Contact**

Name: Robert Mau

Elias Girma

Title: Project Manager

Principal Analyst

Phone: 415-701-4509

401-701-4634

Email: [robert.mau@sfmta.com](mailto:robert.mau@sfmta.com)

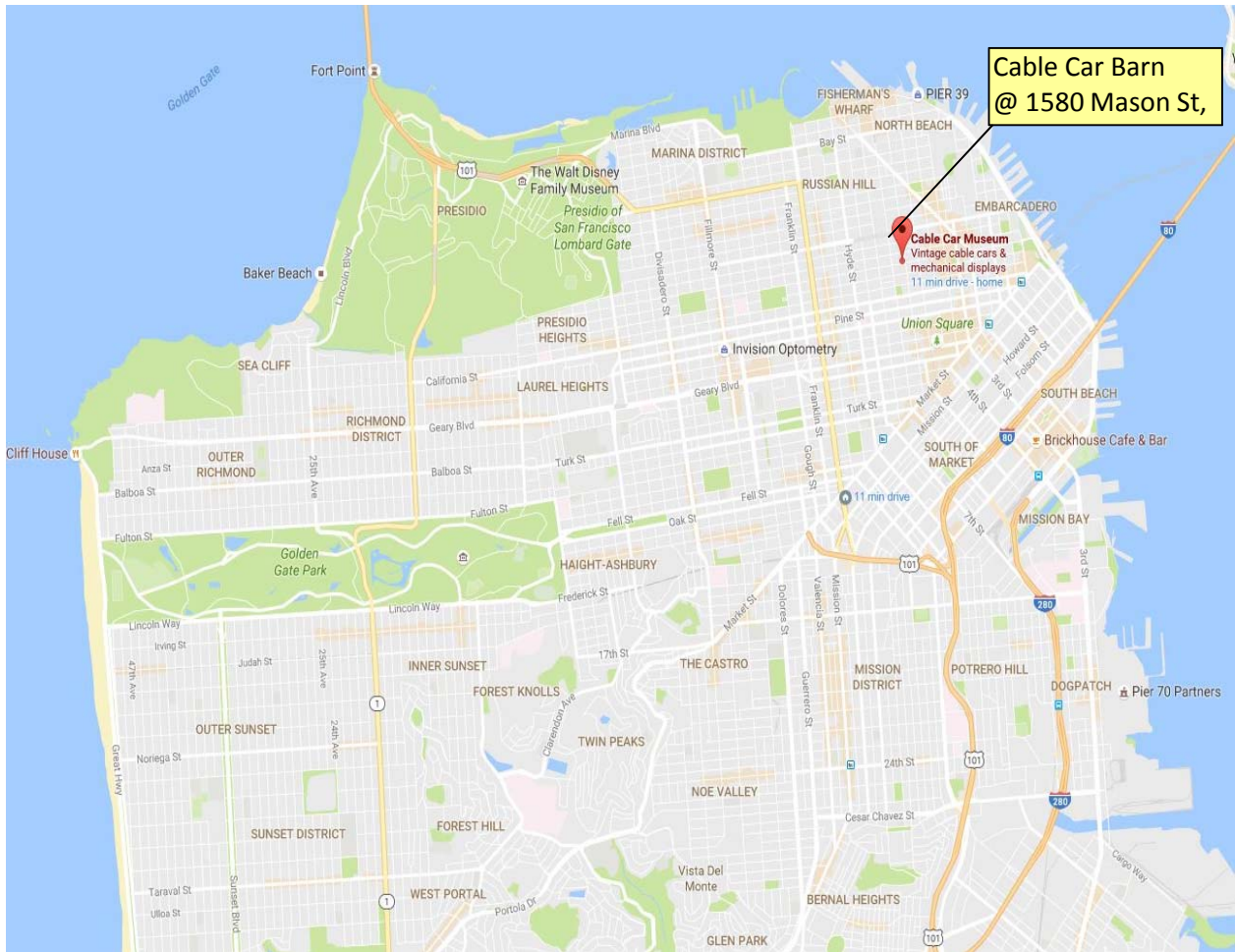
[elias.girma@sfmta.com](mailto:elias.girma@sfmta.com)



San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

MAPS AND DRAWINGS

Map of Project Facility







San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

FY of Allocation Action: 2016/17

Project Name: Traffic Calming Implementation (Prior Areawide Plans)

Grant Recipient: San Francisco Municipal Transportation Agency - DPT

EXPENDITURE PLAN INFORMATION

Prop K EP category: Traffic Calming: (EP-38)

Prop K EP Line Number (Primary): 38 Current Prop K Request: \$1,789,000

Prop K Other EP Line Numbers: \_\_\_\_\_

Prop AA Category: \_\_\_\_\_

Current Prop AA Request: \$ \_\_\_\_\_ -

Supervisorial District(s): Citywide

REQUEST

Brief Project Description (type below)

Plan, design and construct traffic calming measures recommended in various areawide traffic calming plans, including traffic islands, speed humps, speed cushions, striping and signage, and traffic circles.

Detailed Scope, Project Benefits and Community Outreach (type below) See separate scope.

Please see attached Word document.

Project Location (type below)

Various locations citywide

Project Phase (select dropdown below)

Multiple Phases

Map or Drawings Attached?  No

Other Items Attached?  Yes

5YPP/STRATEGIC PLAN INFORMATION

Type of Project in the Prop K 5YPP/Prop AA Strategic Plan? Named Project

Is the requested amount greater than the amount programmed in the relevant 5YPP or Strategic Plan? Greater than Programmed Amount

Prop K 5YPP Amount: \$ 941,123 Prop AA Strategic Plan Amount: \_\_\_\_\_

Please describe and justify the necessary amendment:

The SFMTA proposes to fund this request by programming \$847,877 in deobligated funds from projects completed under budget in the Traffic Calming 5-Year Prioritization Program to this project.

**San Francisco County Transportation Authority  
Proposition K Sales Tax Program Allocation Request Form**

The San Francisco Municipal Transportation Agency (SFMTA) requests an allocation of \$1,789,196 in Prop K funds for the Backlog of Areawide Traffic Calming Improvements. This allocation will cover citywide planning recommendations for traffic calming devices, project development including balloting and targeted community outreach where needed, conceptual engineering and detailed design of traffic calming measures, as required. This allocation will also cover the construction phase of the projects. The SFMTA is requesting planning, design and construction simultaneously because of the unique nature of this program.

**Project Background**

The list of remaining ‘backlog’ traffic calming projects to be implemented have already been determined through planning processes described below. Currently the projects are in various stages of development. Planning phases for the traffic calming devices will have various lengths depending on neighborhood needs and type of traffic calming device. Therefore, some devices will be construction-ready much earlier than others. The SFMTA requests the ability to use funds for multiple phases simultaneously in order to increase efficiency with project delivery.

The Livable Streets Subdivision of the SFMTA completed 16 separate Areawide Traffic Calming Projects between 2003 and 2015. These plans involved extensive community input including community walkthroughs, site visits, public meetings and outreach to local businesses and other stakeholders. The following neighborhoods participated in this process:

- Bayview
- Bernal/Precita
- Buena Vista
- Central Richmond
- Clayton
- Dewey
- Excelsior
- Fillmore
- Inner Sunset
- Laurel Heights/Jordan Park
- Potrero Hill
- Randolph/Broad
- San Jose
- Silver Terrace
- St. Francis Wood
- Sunnyside
- Visitation Valley

This current allocation requests funding for projects that were identified in eleven of these studies and will complete implementation of all remaining backlog measures.

**San Francisco County Transportation Authority  
Proposition K Sales Tax Program Allocation Request Form**

**Scope**

The following deliverables will result from this allocation request:

<b>Areawide Plan</b>	<b>Preliminary Location</b>	<b>Measure</b>	<b>Quantity</b>
Bayview	Jerrold Avenue from Quint Street to Phelps Street	Speed Cushion	2
Buena Vista	Roosevelt Way from Museum Way to 15 <sup>th</sup> Street	Speed Cushion	2
Buena Vista	Buena Vista Terrace and Buena Vista Avenue	Traffic Island	1
Buena Vista	Roosevelt Way and 17 <sup>th</sup> Street	Traffic Island	1
Central Richmond	15 <sup>th</sup> Avenue and California Street	Traffic Island	2
Central Richmond	21 <sup>st</sup> Avenue and Lake Street	Traffic Island	2
Central Richmond	24 <sup>th</sup> Avenue and Anza Street	Traffic Island	5
Central Richmond	24 <sup>th</sup> Avenue and Lake Street	Traffic Island	2
Dewey	Pacheco Street and Castenada Avenue	Traffic Island	1
Dewey	Pacheco Street and Dewey Boulevard	Traffic Island	1
Dewey	Pacheco Street and Sola	Traffic Island	1
Dewey	Taraval Street and Forest Side Avenue	Traffic Island	1
Dewey	Taraval Street and Wawona Street	Traffic Island	1
Dewey	10 <sup>th</sup> Avenue from Quintara Street to Pacheco Street	Speed Cushion	2
Dewey	9 <sup>th</sup> Avenue from Moraga Street to Noriega Street	Speed Cushion	2
Dewey	9 <sup>th</sup> Avenue from Noriega Street to Ortega Street	Speed Cushion	2
Dewey	8 <sup>th</sup> Avenue from Noriega Street to Ortega Street	Speed Hump	2
Dewey	Magellan Avenue from 12 <sup>th</sup> Avenue to Cortes Avenue	Speed Hump	1
Dewey	Magellan Avenue from Cortes Avenue to Montalvo Avenue	Speed Hump	1
Dewey	Magellan Avenue from Montalvo Avenue to Dorantes Avenue	Speed Hump	2
Dewey	Magellan Avenue from Pacheco Street to Sola Avenue	Speed Hump	1
Dewey	Merced Avenue from Garcia Avenue to Laguna Honda Boulevard	Speed Hump	1
Dewey	Pacheco Street from Alton Avenue to Lopez Avenue	Speed Hump	1
Dewey	Pacheco Street from Marcela Avenue to Magellan Avenue	Speed Hump	1
Dewey	Magellan Avenue and Montalvo Avenue	Striping and Signage	1
Dewey	Pacheco Street and Dewey Boulevard	Striping and Signage	1
Dewey	Final location to be determined	Infrastructure Project*	1

**San Francisco County Transportation Authority  
Proposition K Sales Tax Program Allocation Request Form**

<b>Areawide Plan</b>	<b>Preliminary Location</b>	<b>Measure</b>	<b>Quantity</b>
Jordan Park/Laurel Heights	Euclid Avenue and Heather Avenue	Traffic Island	2
Jordan Park/Laurel Heights	Euclid Avenue and Iris Avenue	Traffic Island	2
Jordan Park/Laurel Heights	Euclid Avenue and Laurel Street	Traffic Island	2
Jordan Park/Laurel Heights	Euclid Avenue and Spruce Street	Traffic Island	2
Jordan Park/Laurel Heights	Euclid Avenue and Manzanita Avenue	Traffic Island	2
Jordan Park/Laurel Heights	Parker Avenue and California Street	Traffic Island	1
Jordan Park/Laurel Heights	Euclid Avenue and Collins Street	Traffic Circle	1
Jordan Park/Laurel Heights	Euclid Avenue and Parker Avenue	Traffic Circle	1
Jordan Park/Laurel Heights	Final location to be determined	Striping and Signage	1
Jordan Park/Laurel Heights	Final locations to be determined	Speed Hump	5
Potrero Hill	Mariposa Street and Mississippi Street	Traffic Island	1
Potrero Hill	Vermont Avenue from Mariposa Street to 17 <sup>th</sup> Street	Striping and Signage	1
Randolph/Broad	19 <sup>th</sup> Avenue from Randolph Street to Broad Street	Striping and Signage	1
San Jose	Final locations to be determined	Speed Cushion	4
San Jose	Final locations to be determined	Speed Hump	2
Sunnyside	Joost Avenue and Acadia Street	Traffic Island	1
Teresita	Teresita from Fowler to Foerster	Speed Cushion	4
West Portal	Final locations to be determined	Traffic Island	5
West Portal	14 <sup>th</sup> Avenue from Vicente Street to Ulloa Street	Striping and Signage	1
Visitation Valley	Final locations to be determined	Infrastructure Project*	1

Summary by the Areawide Plan:

<b>Areawide Plan (District)</b>	<b>Traffic Calming Measure</b>	<b>Number of Measure(s)</b>
Bayview (D10)	Speed Cushion	2
Buena Vista (D8)	Speed Cushion	2
	Traffic Island	2
Central Richmond (D1)	Traffic Island	11
Dewey (D7)	Traffic Island	6
	Speed Cushion	6
	Speed Hump	11
	Striping and Signage	2

**San Francisco County Transportation Authority  
Proposition K Sales Tax Program Allocation Request Form**

<b>Areawide Plan (District)</b>	<b>Traffic Calming Measure</b>	<b>Number of Measure(s)</b>
	Infrastructure Project*	1
Jordan Park/Laurel Heights (D1, 2, 5)	Traffic Island	11
	Speed Hump	5
	Traffic Circle	2
	Striping and Signage	1
Potrero Hill (D10)	Traffic Island	1
	Striping and Signage	1
Randolph/Broad (D11)	Striping and Signage	1
San Jose (D8)	Speed Cushion	4
	Speed Hump	2
Sunnyside (D7)	Traffic Island	1
Teresita (D7)	Speed Cushion	4
Visitacion Valley (D10)	Infrastructure Project*	1
West Portal (D7)	Traffic Island	5
	Striping and Signage	1

\* Infrastructure Projects planned for Dewey and Visitacion Valley do not yet have finalized measures. The complex nature of the projects requires substantial planning and may include measures such as sidewalk bulbs, traffic circles and/or traffic islands.

Tasks associated with each of the phases include:

#### Planning (SFMTA)

- Review project background and confirm location.
- Send ballots and notification letters to the affected area for each proposed speed hump and speed cushion.
- Following a majority of support in ballot results, complete legislative requirements and attend public hearing.
- Communicate with neighborhood stakeholders and elected officials regarding plans for implementation.
- If necessary, hold community meetings to discuss project.

#### Design

- Identify preferred location and design for all traffic calming devices.
- Update striping drawings.
- Coordinate with San Francisco Public Works (SFPW) to conduct detailed design, which is required for some of the measures such as traffic circles.

#### Construction

- Coordinate with SFPW to conduct the construction work.

#### **Environmental**

As a condition of this allocation, the SFMTA acknowledges that environmental review has not been done. Prior to approval of the project, SFMTA will conduct review under the California Environmental Protection Act (CEQA). SFMTA shall not proceed with the approval of the project until there has been complete compliance with CEQA. Prior to billing for any construction funds, if requested by the Transportation Authority, the SFMTA will provide the Transportation Authority with documentation confirming that CEQA review has been completed.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Traffic Calming Implementation (Prior Areawide Plans)

**ENVIRONMENTAL CLEARANCE**

**Environmental Type:** Categorically Exempt

**PROJECT DELIVERY MILESTONES**

Enter dates below for ALL project phases, not just for the current request, based on the best information available. For PLANNING requests, please only enter the schedule information for the PLANNING phase.

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)	Oct-Dec	2016	Oct-Dec	2017
Environmental Studies (PA&ED)	Oct-Dec	2016	Jan-Mar	2018
Right-of-Way				
Design Engineering (PS&E)	Jan-Mar	2017	Jan-Mar	2018
Advertise Construction				
Start Construction (e.g. Award Contract)	Jan-Mar	2017		
Operations (i.e., paratransit)				
Open for Use			Oct-Dec	2019
Project Completion (means last eligible expenditure)			Apr-Jun	2020

**SCHEDULE DETAILS**

Provide dates for any COMMUNITY OUTREACH planned during the requested phase(s). Identify PROJECT COORDINATION with other projects in the area (e.g. paving, MUNI Forward) and relevant milestone dates (e.g. design needs to be done by DATE to meet paving schedule). List any timely use-of-funds deadlines (e.g. federal obligation deadline). If a project is comprised of MULTIPLE SUB-PROJECTS, provide milestones for each sub-project. For PLANNING EFFORTS, provide start/end dates for each task.

Given the prior areawide planning efforts and the implementation focus of this project, general community outreach will be minimal. Each speed hump will be ballotted by residents in the affected area prior to an Engineering Public Hearing, and stakeholders will be engaged in advance of design for 'larger' traffic calming measures such as traffic circles.

Construction for all traffic calming projects are coordinated with other citywide efforts.



**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Traffic Calming Implementation (Prior Areawide Plans)

**FUNDING PLAN - FOR CURRENT REQUEST**

Enter the funding plan for the phase(s) that are the subject of the CURRENT REQUEST. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ 847,877	\$ 941,123	\$ -	\$ 1,789,000
Prop AA	\$ -	\$ -	\$ -	\$ -
<b>Total:</b>	<b>\$ 847,877</b>	<b>\$ 941,123</b>	<b>\$ -</b>	<b>\$ 1,789,000</b>

**FUNDING PLAN - FOR ENTIRE PROJECT (ALL PHASES)**

Enter the funding plan for all phases (planning through construction) of the project. This section may be left blank if the current request covers all project phases. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ -	\$ -	\$ -	\$ -
Prop AA	\$ -	\$ -	\$ -	\$ -
<b>Total:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COST SUMMARY**

Show total cost for ALL project phases (in year of expenditure dollars) based on best available information. Source of cost estimate (e.g. 35% design, vendor quote) is intended to help gauge the quality of the cost estimate, which should improve in reliability the farther along a project is in its development.

Phase	Total Cost	Prop K - Current Request	Prop AA - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$ 180,733	\$ 180,733		Based on prior similar work
Environmental Studies (PA&ED)	\$ -	\$ -		
Right-of-Way	\$ -	\$ -		
Design Engineering (PS&E)	\$ 335,670	\$ 335,670	\$ -	Based on prior similar work
Construction (CON)	\$ 1,272,598	\$ 1,272,598	\$ -	Based on prior similar work
Operations (Paratransit)	\$ -	\$ -		
<b>Total:</b>	<b>\$ 1,789,000</b>	<b>\$ 1,789,000</b>	<b>\$ -</b>	

% Complete of Design:  as of   
 Expected Useful Life:  Years

**PROPOSED REIMBURSEMENT SCHEDULE FOR CURRENT REQUEST** (instructions as noted below)

Use the table below to enter the proposed reimbursement schedule for the current request. Prop K and Prop AA policy assume these funds will not be reimbursed at a rate greater than their proportional share of the funding plan for the relevant phase unless justification is provided for a more aggressive reimbursement rate. If the current request is for multiple phases, please provide separate reimbursement schedules by phase. If the proposed schedule exceeds the years available, please attach a file with the requested information.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Phase:** Planning/Conceptual Engineering (PLAN)

<b>Fund Source</b>	<b>FY 2016/17</b>	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21+</b>	<b>Total</b>
Prop K	\$ 180,733	\$ -	\$ -	\$ -	\$ -	\$ 180,733
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Phase:** Design Engineering (PS&E)

<b>Fund Source</b>	<b>FY 2016/17</b>	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21+</b>	<b>Total</b>
Prop K	\$ -	\$ 335,670	\$ -	\$ -	\$ -	\$ 335,670
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Phase:** Construction (CON)

<b>Fund Source</b>	<b>FY 2016/17</b>	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21+</b>	<b>Total</b>
Prop K	\$ -	\$ 636,299	\$ 636,298	\$ -	\$ -	\$ 1,272,597
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Traffic Calming Implementation (Prior Area-wide Plans)

**MAJOR LINE ITEM BUDGET**

**BUDGET SUMMARY BY PHASE**

	TOTAL SFMTA (Planning, Design, and Construction Support)	TOTAL SFPW (Construction Materials & Labor)	TOTAL PROJECT COSTS (current request)	% of CONSTRUCTION
A. Planning	\$ 180,733		\$ 180,733	14%
B. Design	\$ 335,670		\$ 335,670	26%
C. Construction	\$ 60,848	\$ 1,211,750	\$ 1,272,598	
<b>TOTAL</b>	<b>\$ 577,250</b>	<b>\$ 1,211,750</b>	<b>\$ 1,789,000</b>	

MFB=Mandatory Fringe Benefits FTE=Full Time Equivalent

**A. Planning**

Position	Salary Per FTE	MFB for FTE	Salary + MFB	Overhead = (Salary+MFB) x Approved Rate	(Fully Burdened) Salary + MFB + Overhead	Hours	FTE	Cost
Manager VIII 9182	\$ 191,321	\$ 97,616	\$ 288,937	\$ 260,332	\$ 549,269	6	0.003	\$ 1,488
Sr. Engineer (5211)	\$ 164,495	\$ 82,472	\$ 246,967	\$ 222,517	\$ 469,484	35	0.017	\$ 7,888
Engineer (5241)/Transit Planner IV (5290)	\$ 142,117	\$ 73,142	\$ 215,259	\$ 193,948	\$ 409,207	169	0.081	\$ 33,267
Associate Engineer (5207)/Transit Planner III (5289)	\$ 122,760	\$ 65,072	\$ 187,832	\$ 169,237	\$ 357,069	225	0.108	\$ 38,704
Assistant Engineer (5203)/ Transit Planner II (5288)	\$ 105,545	\$ 58,402	\$ 163,947	\$ 147,716	\$ 311,663	479	0.230	\$ 71,788
Engineering Associate II (5366)	\$ 101,015	\$ 56,492	\$ 157,507	\$ 141,914	\$ 299,421	3	0.002	\$ 487
Senior Clerk (1406)	\$ 58,396	\$ 38,366	\$ 96,762	\$ 87,183	\$ 183,945	135	0.065	\$ 11,963
Intern (5381)	\$ 59,169	\$ 38,845	\$ 98,014	\$ 88,311	\$ 186,325	169	0.081	\$ 15,147
				<b>PLANNING LABOR SUBTOTAL</b>		<b>1,222</b>	<b>0.587</b>	<b>\$ 180,733</b>

**B. DESIGN**

Budget Line Item	Totals
Total Labor (SFMTA)	\$ 335,670
<b>TOTAL PHASE</b>	<b>\$ 335,670</b>

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

<b>C. CONSTRUCTION</b>				
Budget Line Item	Totals	% of contract	SFMTA	SFPW
1. Construction Materials & Labor	\$ 1,102,000			\$ 1,102,000 *
2. Construction Management/Support	\$ 60,848	6%	\$ 60,848	
3. Contingency	\$ 109,750	10%	\$ 109,750	
<b>TOTAL CONSTRUCTION PHASE</b>	<b>\$ 1,272,598</b>		<b>\$ 60,848</b>	<b>\$ 1,211,750</b>

* Construction Materials & Labor (includes SFPW labor & materials and SFMTA materials)	Unit Cost	# Units	Total
Chicanes or Islands	\$ 15,000	37	\$ 555,000
Speed Humps	\$ 5,500	18	\$ 99,000
Speed Cushions	\$ 6,000	18	\$ 108,000
Striping and Signage	\$ 19,000	6	\$ 114,000
Traffic Circles	\$ 40,000	2	\$ 80,000
Infrastructure Projects	\$ 73,000	2	\$ 146,000
<b>CONSTRUCTION MATERIALS &amp; LABOR SUBTOTAL</b>			<b>\$ 1,102,000</b>

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10.18.16      **Res. No.:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Traffic Calming Implementation (Prior Areawide Plans)

**Grant Recipient:** San Francisco Municipal Transportation Agency - DPT

<b>Funding Recommended:</b>	<b>Action</b>	<b>Amount</b>	<b>Phase</b>
	Prop K Allocation	\$ 180,733	Planning/Conceptual Engineering (PLAN)
	Prop K Allocation	\$ 335,670	Design Engineering (PS&E)
	Prop K Allocation	\$ 1,272,598	Construction (CON)
	<b>Total:</b>	<b>\$ 1,789,000</b>	

**Total Prop K Funds:** \$ 1,789,000      **Total Prop AA Funds:** \$ -

**Justification for multi-phase recommendations and notes for multi-sponsor recommendations:** Multi-phase allocation is recommended given concurrent phases.

**Fund Expiration Date:** 6/30/2020      **Eligible expenses must be incurred prior to this date.**

**Future Commitment:**

<b>Action</b>	<b>Amount</b>	<b>Fiscal Year</b>	<b>Phase</b>

Trigger:

- Deliverables:**
- Quarterly progress reports shall provide the status of traffic calming measure(s) (e.g. in design, work order issued, construction complete).
  - With each quarterly progress report, provide 2-3 digital photos of different locations where work was completed that quarter.

- Special Conditions:**
- The recommended allocation is contingent upon a concurrent Traffic Calming 5YPP amendment. See attached 5YPP amendment for details.
  - The Transportation Authority will only reimburse SFMTA up to the approved overhead multiplier rate for the fiscal year that SFMTA incurs charges.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10.18.16      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Traffic Calming Implementation (Prior Areawide Plans)

**Grant Recipient:** San Francisco Municipal Transportation Agency - DPT

**Notes:**

1. Regarding the Fiscal Year Cash Flow Distribution by Phase, cash flow can exceed what is listed below for a given phase as long as the total cash flow for the fiscal year does not exceed \$515,484 in FY 2016/17, \$637,217 in FY 2017/18, \$424,199 in FY 2018/19, and \$212,100 in FY 2019/20.

Metric	Prop K	Prop AA
Actual Leveraging - Current Request	0.00%	No Prop AA
Actual Leveraging - This Project	See Above	See Above

**SFCTA Project**    P&PD  
**Reviewer:** \_\_\_\_\_

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10.18.16      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Traffic Calming Implementation (Prior Areawide Plans)

**Grant Recipient:** San Francisco Municipal Transportation Agency - DPT

**SGA PROJECT NUMBER**

**Sponsor:** San Francisco Municipal Transportation Agency - DPT

**SGA Project Number:** 138-xxxx      **Name:** Traffic Calming Implementation (Prior Areawide Plans) - Planning

**Phase:** Planning/Conceptual Engineering (PLAN)      **Fund Share:** 100.00%

**Cash Flow Distribution Schedule by Fiscal Year**

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$135,550	\$45,183				<b>\$180,733</b>

**Sponsor:** San Francisco Municipal Transportation Agency - DPT

**SGA Project Number:** 138-xxxx      **Name:** Traffic Calming Implementation (Prior Areawide Plans) - Design

**Phase:** Design Engineering (PS&E)      **Fund Share:** 100.00%

**Cash Flow Distribution Schedule by Fiscal Year**

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$167,835	\$167,835				<b>\$335,670</b>

**Sponsor:** San Francisco Municipal Transportation Agency - DPT

**SGA Project Number:** 138-xxxx      **Name:** Traffic Calming Implementation (Prior Areawide Plans) - Construction

**Phase:** Construction (CON)      **Fund Share:** 100.00%

**Cash Flow Distribution Schedule by Fiscal Year**

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$212,100	\$424,199	\$424,199	\$212,100		<b>\$1,272,597</b>

San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

FY of Allocation Action: 2016/17

Current Prop K Request: \$ 1,789,000

Current Prop AA Request: \$ -

Project Name: Traffic Calming Implementation (Prior Areawide Plans)

Grant Recipient: San Francisco Municipal Transportation Agency - DPT

1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

**Required for Allocation Request Form Submission**  
Initials of sponsor staff member verifying the above statement  
**RLH**

**CONTACT INFORMATION**

**Project Manager**

**Grants Section Contact**

Name: Becca Homa

Joel C. Goldberg

Title: Transportation Planner

Manager, Capital Procurement and Management

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[joel.goldberg@sfmta.com](mailto:joel.goldberg@sfmta.com)



# Prop K 5-Year Project List (FY 2014/15 - 2018/19)

## Traffic Calming (EP 38)

### Programming and Allocations to Date

Pending 11/29/16 Board

Agency	Project Name	Phase	Status	Fiscal Year					Total
				2014/15	2015/16	2016/17	2017/18	2018/19	
<b>Local/Neighborhood Track</b>									
SFMTA	Local Track Application-Based Traffic Calming	CON	Programmed	\$364,000					\$364,000
SFMTA	Local Track Application-Based Traffic Calming <sup>3,8</sup>	PLAN/ CER	Programmed	\$0					\$0
SFMTA	Local Track Application-Based Traffic Calming <sup>3</sup>	PLAN/ CER	Allocated		\$203,400				\$203,400
SFMTA	Local Track Application-Based Traffic Calming	PS&E	Programmed	\$41,000					\$41,000
SFMTA	Local Track Application-Based Traffic Calming <sup>8</sup>	Any	Programmed		\$503,075				\$503,075
SFMTA	Local Track Application-Based Traffic Calming <sup>8</sup>	PLAN/ CER	Allocated			\$213,525			\$213,525
SFMTA	Local Track Application-Based Traffic Calming	Any	Programmed			\$600,000			\$600,000
SFMTA	Local Track Application-Based Traffic Calming	Any	Programmed				\$600,000		\$600,000
SFMTA	Local Track Application-Based Traffic Calming	Any	Programmed					\$600,000	\$600,000
SFMTA	Local Track Application-Based Traffic Calming	Any	Programmed					\$600,000	\$600,000
SFMTA	Proactive Residential Traffic Calming Improvements	PLAN/ CER	Programmed	\$125,000					\$125,000
SFMTA	Proactive Residential Traffic Calming Improvements	Any	Programmed		\$978,651				\$978,651
SFMTA	Proactive Residential Traffic Calming Improvements	Any	Programmed			\$903,651			\$903,651
SFMTA	Proactive Residential Traffic Calming Improvements	PS&E, CON	Programmed				\$853,651		\$853,651
SFMTA	Proactive Residential Traffic Calming Improvements	PS&E, CON	Programmed					\$853,654	\$853,654
SFMTA	Traffic Calming Implementation (Prior Areawide Plans) <sup>2,5,9,11</sup>	PLAN, PS&E, CON	Pending	\$0		\$1,789,000			\$1,789,000
SFMTA	Traffic Calming Implementation (Prior Areawide Plans) <sup>9</sup>	CON	Allocated			\$1,500,000			\$1,500,000
SFMTA	Traffic Calming Implementation (Prior Areawide Plans) <sup>2</sup>	PS&E	Allocated	\$25,000					\$25,000
SFPW	Sloat Boulevard Pedestrian Improvements <sup>5</sup>	CON	Allocated		\$122,477				\$122,477
SFMTA, other eligible	Neighborhood Transportation Improvement Program (NTIP) <sup>6,12</sup>	PS&E, CON	Programmed		\$970,000				\$970,000
SFPW	South Park Traffic Calming [NTIP Capital] <sup>6</sup>	CON	Allocated			\$30,000			\$30,000

**Programming and Allocations to Date**

Pending 11/29/16 Board

Agency	Project Name	Phase	Status	Fiscal Year					Total
				2014/15	2015/16	2016/17	2017/18	2018/19	
<b>Schools Track</b>									
SEMTA	Schools Track Traffic Calming Program	PLAN/ CER	Programmed				\$44,000		\$44,000
SEMTA	Schools Track Traffic Calming Program	PS&E	Programmed				\$50,000		\$50,000
SEMTA	Schools Track Traffic Calming Program	CON	Programmed					\$110,000	\$110,000
SEMTA	Cesar Chavez Elementary Safe Routes to School	PS&E	Programmed		\$59,885				\$59,885
SEMTA	Cesar Chavez Elementary Safe Routes to School	CON	Programmed			\$37,365			\$37,365
SEMTA	Redding Elementary Safe Routes to School	PS&E	Programmed	\$18,352					\$18,352
SEMTA	Redding Elementary Safe Routes to School	CON	Programmed			\$91,760			\$91,760
SEMTA	Bessie Carmichael Safe Routes to School	PS&E	Programmed	\$115,000					\$115,000
SEMTA	Bessie Carmichael Safe Routes to School	CON	Programmed		\$68,820				\$68,820
SEMTA	John Yehall Chin Safe Routes to School <sup>1</sup>	PLAN/ CER	Allocated	\$40,433					\$40,433
SEMTA	John Yehall Chin Safe Routes to School <sup>1</sup>	PLAN/ CER	Deobligated	(\$4,433)					(\$4,433)
SEMTA	John Yehall Chin Safe Routes to School <sup>1</sup>	PS&E	Programmed	\$6,242					\$6,242
SEMTA	John Yehall Chin Safe Routes to School	CON	Programmed			\$20,646			\$20,646
<b>Arterials and Commercial Corridors Track</b>									
SEMTA	Columbus Avenue Corridor Improvements	PS&E	Programmed	\$150,000					\$150,000
SEMTA	Howard Street Streetscape <sup>7</sup>	PLAN/ CER	Programmed		\$0				\$0
SEMTA	Howard Street Streetscape <sup>7</sup>	PS&E	Programmed			\$120,000			\$120,000
SEMTA	Glen Park Phase 2 <sup>7</sup>	PLAN/ CER	Allocated			\$260,000			\$260,000
SEMTA	Howard Street Streetscape	CON	Programmed				\$590,000		\$590,000
SEMTA	8th Street Streetscape	PS&E	Programmed		\$645,960				\$645,960
SEMTA	WalkFirst Rectangular Rapid Flashing Beacons <sup>10</sup>	CON	Allocated			\$399,000			\$399,000
SEMTA	Arterials Track Traffic Calming Program <sup>4</sup>	PLAN/ CER	Programmed	\$0					\$0
SEMTA	Arterials Track Traffic Calming Program <sup>4</sup>	PLAN/ CER, PS&E	Programmed		\$77,557				\$77,557
SEMTA	Taylor Street Safety Project	PLAN	Allocated	\$220,000					\$220,000
SEMTA	Lombard Street US-101 Corridor [NTIP Capital] <sup>4</sup>	PS&E	Allocated	\$138,586					\$138,586
SEMTA	Lombard Street US-101 Corridor [NTIP Capital] <sup>4</sup>	CON	Allocated	\$33,000					\$33,000
SEMTA	Arterials Track Traffic Calming Program	PLAN/ CER, PS&E	Programmed			\$93,600			\$93,600

## Programming and Allocations to Date

Pending 11/29/16 Board

Agency	Project Name	Phase	Status	Fiscal Year					Total
				2014/15	2015/16	2016/17	2017/18	2018/19	
<b>Follow-the-Paving</b>									
SEMFTA	Follow-the-Paving: Spot Improvements	CON	Programmed	\$100,000					\$100,000
SEMFTA	Follow-the-Paving: Spot Improvements	CON	Programmed			\$100,000			\$100,000
SEMFTA	Follow-the-Paving: Spot Improvements	CON	Programmed					\$100,000	\$100,000
SEMFTA	Follow-the-Paving: Traffic Calming Major Corridors	CON	Programmed	\$49,100					\$49,100
SFPW	San Jose Avenue Follow the Paving	CON	Allocated	<b>\$250,900</b>					\$250,900
SEMFTA	Follow-the-Paving: Traffic Calming Major Corridors	PS&E	Programmed		\$75,000				\$75,000
SEMFTA	Follow-the-Paving: Traffic Calming Major Corridors	CON	Programmed			\$100,000			\$100,000
SEMFTA	Follow-the-Paving: Traffic Calming Major Corridors	PS&E	Programmed				\$75,000		\$75,000
SEMFTA	Follow-the-Paving: Traffic Calming Major Corridors	CON	Programmed					\$33,600	\$33,600
<b>Total Programmed in 5YPP</b>				\$1,280,594	\$4,096,411	\$6,258,547	\$2,212,651	\$1,697,254	\$15,545,457

<b>Total Allocated and Pending in 5YPP</b>		\$316,333	\$717,463	\$4,191,525	\$0	\$0	\$5,225,321
<b>Total Deobligated from Prior 5YPP Cycles **</b>		<b>(\$4,433)</b>	\$0	\$0	\$0	\$0	<b>(\$4,433)</b>
<b>Total Unallocated in 5YPP</b>		\$968,694	\$3,378,948	\$2,067,022	\$2,212,651	\$1,697,254	\$10,324,569

<b>Total Programmed in 2014 Strategic Plan</b>		\$4,268,627	\$3,877,459	\$2,247,022	\$2,212,651	\$1,697,254	\$14,303,013
<b>Deobligated from Prior 5YPP Cycles **</b>		<b>\$1,374,461</b>					<b>\$1,374,461</b>
<b>Cumulative Remaining Programming Capacity</b>		\$4,362,494	\$4,143,542	\$132,017	\$132,017	\$132,017	\$132,017

Programmed
Pending Allocation / Appropriation
<b>Board Approved Allocation / Appropriation</b>

**Programming and Allocations to Date**

Pending 11/29/16 Board

Agency	Project Name	Phase	Status	Fiscal Year				Total
				2014/15	2015/16	2016/17	2017/18	

**FOOTNOTES:**

- <sup>1</sup> 5YPP amendment to add \$28,758 for the planning/conceptual engineering phase of John Yehall Chin Safe Routes to School (Resolution 15-017, 11.25.14)  
John Yehall Chin Safe Routes to School: Reduced programming for the design phase in FY 2014/15 from \$35,000 to \$6,242 to fund the project's planning/conceptual engineering phase.
- <sup>2</sup> 5YPP amendment to reprogram \$25,000 in FY 14/15 funds currently programmed to the construction phase of "Traffic Calming Implementation (Prior Area-wide Plans)" to the design phase.
- <sup>3</sup> Local Track Application-Based Traffic Calming funds from Fiscal Year 2014/15 (\$203,476) were allocated to Local Track Application-Based Traffic Calming in Fiscal Year 2015/16.
- <sup>4</sup> 5YPP amendment to fund the Lombard Street US-101 Corridor [NTIP Capital] (Resolution 16-06, 7/28/15)  
Arterials Track Traffic Calming Program: Reduced programming for the planning/conceptual engineering phase in FY 2014/15 from \$100,000 to \$0 and in FY 2015/16 from \$369,143 to \$297,557.  
Lombard Street US-101 Corridor [NTIP Capital]: Added project with \$138,586 for the design phase and \$33,000 for the construction phase in FY 2015/16.
- <sup>5</sup> 5YPP amendment to fund Sloat Boulevard Pedestrian Improvements (Resolution 16-28, 12.15.15)  
Traffic Calming Implementation (Prior Area-wide Plans): Reduced programming for construction phase in FY 2014/15 from \$2,563,600 to \$2,441,123.  
Sloat Boulevard Pedestrian Improvements: Added project with \$122,477 for the construction phase in FY 2015/16.
- <sup>6</sup> 5YPP amendment to fund construction phase of South Park Traffic Calming (Resolution 17-002, 7/26/16)  
Neighborhood Transportation Improvement Program (NTIP) design or construction: Reduced placeholder from \$1,000,000 in FY 2016/17 to \$970,000.  
South Park Traffic Calming [NTIP Capital]: Added project with \$30,000 in FY 2016/17 construction funds.
- <sup>7</sup> 5YPP amendment to fund planning phase of Glen Park Phase 2 (Resolution 17-002, 7/26/16)  
Howard Streetscape Improvement: Reduced from \$80,000 to zero in FY 15/16 and from \$300,000 to \$120,000 in FY 16/17.  
Glen Park Phase 2: Added project with \$260,000 in FY 2016/17 planning funds.
- <sup>8</sup> Local Track Application-Based Traffic Calming funds from FY 2014/15 (\$116,600) and from FY 2015/16 (\$96,925) were allocated to Local Track Application-Based Traffic Calming in FY 2016/17.
- <sup>9</sup> Traffic Calming Implementation (Prior Area-wide Plans) funds from FY 2014/15 (\$1,500,000) were allocated to Traffic Calming Implementation (Prior Area-wide Plans) in FY 2016/17.
- <sup>10</sup> 5YPP amendment to fund WalkFirst Rectangular Rapid Flashing Beacons (Resolution 17-07, 9/27/16)  
Cumulative Remaining Programming Capacity: Reduced from \$1,378,894 to \$979,894. (Source: deobligated funds from previous 5YPP cycles)  
WalkFirst Rectangular Rapid Flashing Beacons: Added project with \$399,000 in FY2016/17 construction funds.
- <sup>11</sup> 5YPP amendment to fund Traffic Calming Implementation (Prior Area-wide Plans) (Resolution 17-xx, 10/25/16)  
Cumulative Remaining Programming Capacity: Reduced from \$979,894 to \$132,017. (Source: deobligated funds from previous 5YPP cycles)  
Traffic Calming Implementation (Prior Area-wide Plans): Fiscal Year 2014/15 funds (\$941,123) were allocated in Fiscal Year 2016/17, and the planning and design phases were added.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**FY of Allocation Action:** 2016/17

**Project Name:** Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

**Grant Recipient:** San Francisco Municipal Transportation Agency - DPT

**EXPENDITURE PLAN INFORMATION**

**Prop K EP category:** Pedestrian Circulation/Safety: (EP-40)

**Prop K EP Line Number (Primary):** 40      **Current Prop K Request:** \$ 80,000  
**Prop K Other EP Line Numbers:** \_\_\_\_\_

**Supervisorial District(s):** District 08

**REQUEST**

**Brief Project Description (type below)**

Pedestrian safety improvements at the intersection of Elk and Sussex Streets. Improvements may include up to three bulbouts, rectangular rapid flashing beacons, and pedestrian crossing signage to improve safety and access to Glen Canyon Park.

**Detailed Scope, Project Benefits and Community Outreach (type below)**

The intersection of Elk and Sussex Streets is adjacent to Glen Canyon Park and a stairway provides pedestrian access from the intersection into the park. Improvements have recently been completed to the park as part of the Glen Canyon Park Improvement Plan, and renovations are currently underway for the recreation center located within the park. As part of these plans, conceptual pedestrian improvements were proposed at the intersection of Elk and Sussex Streets. The community, through the Glen Park Neighborhood Association, have also submitted requests to the SFMTA and the district supervisor for pedestrian safety improvements to this intersection. This project will include preliminary design for the bulbouts to be completed by SFMTA Livable Streets, and 100% detailed design to be completed by SFPW.

This project is recommended by Supervisor Wiener as a District 8 Neighborhood Transportation Improvement Program (NTIP) capital project. The Transportation Authority's NTIP is intended to strengthen project pipelines and advance the delivery of community-supported neighborhood-scale projects, especially in Communities of Concern and other neighborhoods with high unmet needs.

**Project Location (type below)**

Elk Street at Sussex Street

**Project Phase (select dropdown below)**

Design Engineering (PS&E)

**Map or Drawings Attached?**  Yes  No

**Other Items Attached?**  Yes  No

San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

5YPP/STRATEGIC PLAN INFORMATION

Type of Project in the Prop K  
5YPP/Prop AA Strategic Plan? Project Drawn From Placeholder

Is the requested amount greater  
than the amount programmed in  
the relevant 5YPP or Strategic  
Plan? Less than or Equal to Programmed Amount

Prop K 5YPP Amount: \$ 711,480 Prop AA  
Strategic Plan  
Amount:

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Elk Street at Sussex Street Pedestrian Safety Improvements [NTI]

**ENVIRONMENTAL CLEARANCE**

**Environmental Type:** Categorically Exempt

**PROJECT DELIVERY MILESTONES**

Enter dates below for ALL project phases, not just for the current request, based on the best information available. For PLANNING requests, please only enter the schedule information for the PLANNING phase.

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)				
Environmental Studies (PA&ED)	Oct-Dec	2016	Oct-Dec	2016
Right-of-Way				
Design Engineering (PS&E)	Oct-Dec	2016	Apr-Jun	2017
Advertise Construction	Jul-Sep	2017		
Start Construction (e.g. Award Contract)	Oct-Dec	2017		
Operations (i.e., paratransit)				
Open for Use			Jul-Sep	2018
Project Completion (means last eligible expenditure)			Oct-Dec	2018

**SCHEDULE DETAILS**

Provide dates for any COMMUNITY OUTREACH planned during the requested phase(s). Identify PROJECT COORDINATION with other projects in the area (e.g. paving, MUNI Forward) and relevant milestone dates (e.g. design needs to be done by DATE to meet paving schedule). List any timely use-of-funds deadlines (e.g. federal obligation deadline). If a project is comprised of MULTIPLE SUB-PROJECTS, provide milestones for each sub-project. For PLANNING EFFORTS, provide start/end dates for each task.

Jan-Mar 2017: Identify Preferred Alternative / Environmental Clearance, including outreach to Glen Park Neighborhood Association and Engineering Public Hearing(s) for project legislation/approval

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

**FUNDING PLAN - FOR CURRENT REQUEST**

Enter the funding plan for the phase(s) that are the subject of the CURRENT REQUEST. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ 80,000		\$ -	\$ 80,000
<b>Total:</b>	<b>\$ 80,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,000</b>

**FUNDING PLAN - FOR ENTIRE PROJECT (ALL PHASES)**

Enter the funding plan for all phases (planning through construction) of the project. This section may be left blank if the current request covers all project phases. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ 405,000		\$ -	\$ 405,000
<b>Total:</b>	<b>\$ 405,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 405,000</b>

**COST SUMMARY**

Show total cost for ALL project phases (in year of expenditure dollars) based on best available information. Source of cost estimate (e.g. 35% design, vendor quote) is intended to help gauge the quality of the cost estimate, which should improve in reliability the farther along a project is in its development.

Phase	Total Cost	Prop K - Current Request	Prop AA - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$ -	\$ -		
Environmental Studies (PA&ED)	\$ -	\$ -		
Right-of-Way	\$ -	\$ -		
Design Engineering (PS&E)	\$ 80,000	\$ 80,000	\$ -	25% of Construction Cost Estimate
Construction (CON)	\$ 325,000	\$ -	\$ -	Preliminary Construction Estimates for Bulbouts and Flashing Beacon
Operations (Paratransit)	\$ -	\$ -		
<b>Total:</b>	<b>\$ 405,000</b>	<b>\$ 80,000</b>	<b>\$ -</b>	

% Complete of Design:  as of   
 Expected Useful Life:  Years



**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**PROPOSED REIMBURSEMENT SCHEDULE FOR CURRENT REQUEST** (Instructions as noted below)

Use the table below to enter the proposed reimbursement schedule for the current request. Prop K and Prop AA policy assume these funds will not be reimbursed at a rate greater than their proportional share of the funding plan for the relevant phase unless justification is provided for a more aggressive reimbursement rate. If the current request is for multiple phases, please provide separate reimbursement schedules by phase. If the proposed schedule exceeds the years available, please attach a file with the requested information.

<b>Fund Source</b>	<b>FY 2016/17</b>	<b>FY 2017/18</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21+</b>	<b>Total</b>
Prop K	\$ 80,000		\$ -	\$ -	\$ -	<b>\$ 80,000</b>
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

Project Name: Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

MAJOR LINE ITEM BUDGET

ENVIRONMENTAL STUDIES, RIGHT-OF-WAY, DESIGN

SUMMARY BY MAJOR LINE ITEM - DESIGN		
Budget Line Item	Totals	% of phase
1. Total Labor	\$ 75,000	
2. Consultant	\$ -	
3. Other Direct Costs	\$ -	
4. Contingency	\$ 5,000	7%
<b>TOTAL PHASE</b>	<b>\$ 80,000</b>	

TOTAL LABOR COST BY AGENCY	
SFMTA	\$ 10,000
SFPW	\$ 65,000
<b>TOTAL</b>	<b>\$ 75,000</b>

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

**CONSTRUCTION (Subject of future request/Commitment to Allocate)**

PRELIMINARY CONSTRUCTION ESTIMATE

Diamond Heights Blvd and Sussex St  
 Bulb-out Const. @ NE and SE Corners

Prepared By: CG  
 Checked By:  
 Date:

Assumptions: Substantial/Full intersection base repair, No Sewer or Water work

Bid Item	Bid Item Description	Estimated Quantity	Unit	Unit Price	Extension
R-1	Full Depth Planning Per 2" Depth of Cut	1,120	SF	\$2.00	\$2,240.00
R-2	Asphalt Concrete (Type a, 1/2 Inch Maximum With Medium Grading)	14	TON	\$200.00	\$2,800.00
R-3	8-Inch Thick Concrete Base	1,120	SF	\$13.00	\$14,560.00
R-4	10-Inch Thick Concrete Pavement	5,000	SF	\$19.00	\$95,000.00
R-5	3-1/2-Inch Thick Concrete Sidewalk	2,205	SF	\$13.00	\$28,665.00
R-6					
R-7	6-Inch Wide Concrete Curb	116	LF	\$32.00	\$3,712.00
R-8	Combined 6-Inch Concrete Curb and 12-Inch Wide Concrete Gutter		LF	\$50.00	\$0.00
R-9	Combined 6-Inch Concrete Curb and 2-Foot Wide Concrete Gutter	30	LF	\$60.00	\$1,800.00
R-10	Concrete Curb Ramp With Concrete Detectable Surface Tiles	4	E.A.	\$3,500.00	\$14,000.00
R-11	Cast-In-Place Concrete Detectable Surface Tiles		SF	\$40.00	\$0.00
R-12	Adjust City-Owned Manhole Frame And Casting To Grade	4	E.A.	\$300.00	\$1,200.00
R-13	Adjust City-Owned Hydrant And Water Main Valve Box Casting To Grade	2	E.A.	\$100.00	\$200.00
R-14	Mobilization (5% Maximum of sum of Bid Items Above)		LS		\$8,208.85

Construction \$172,385.85  
 Construction Contingency @ 30% \$51,715.76  
 Total Const. Cost \$224,102.00

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

TRANSPORTATION AUTHORITY RECOMMENDATION

This section is to be completed by Transportation Authority Staff.

Last Updated: 10/20/2016 Res. No: 17-xx Res. Date: 10/29/2016

Project Name: Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

Grant Recipient: San Francisco Municipal Transportation Agency - DPT

		Action	Amount	Phase
<b>Funding Recommended:</b>		Prop K Allocation	\$ 80,000	Design Engineering (PS&E)
		<b>Total:</b>	<b>\$ 80,000</b>	

Total Prop K Funds: \$ 80,000

Total Prop AA Funds: \$ -

Justification for multi-phase recommendations and notes for multi-sponsor recommendations:

Fund Expiration Date: 12/31/2017 Eligible expenses must be incurred prior to this date.

		Action	Amount	Fiscal Year	Phase
<b>Future Commitment:</b>		Prop K Allocation	\$325,000	2016/17	Construction (CON)
	Trigger:	Completion of design			

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**

**This section is to be completed by Transportation Authority Staff.**

**Last Updated:** 10/20/2016      **Res. No:** 17-xx      **Res. Date:** 10/29/2016

**Project Name:** Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

**Grant Recipient:** San Francisco Municipal Transportation Agency - DPT

**Deliverables:**

1. With the first quarterly progress report, provide 1-2 digital photos of typical before conditions.
2. Provide confirmation of the scope with the quarterly progress report following selection of the preferred alternative.
3. Upon project completion, provide evidence of completion of 100% design (e.g. copy of certifications page).

**Special Conditions:**

1. The Transportation Authority will only reimburse SFMTA up to the approved overhead multiplier rate for the fiscal year that SFMTA incurs charges.
- 2.

**Notes:**

1. The Transportation Authority will work with SFMTA staff to advance the NTIP Capital funding request for the construction phase upon completion of design.
- 2.

Metric	Prop K	Prop AA
Actual Leveraging - Current Request	0.00%	No Prop AA
Actual Leveraging - This Project	0.00%	No Prop AA

**SFCTA Project**    P&PD  
**Reviewer:** \_\_\_\_\_

**SGA PROJECT NUMBER**

**Sponsor:** San Francisco Municipal Transportation Agency - DPT

**SGA Project Number:** 140-9xxxxx      **Name:** Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

**Phase:** Design Engineering (PS&E)      **Fund Share:** 100.00%

Cash Flow Distribution Schedule by Fiscal Year						
Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$80,000					\$80,000

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

FY of Allocation Action: 2016/17

Current Prop K Request: \$ 80,000

Current Prop AA Request: \$ -

Project Name: Elk Street at Sussex Street Pedestrian Safety Improvements [NTIP Capital]

Grant Recipient: San Francisco Municipal Transportation Agency - DPT

1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

<p><b>Required for Allocation Request Form Submission</b> Initials of sponsor staff member verifying the above statement</p>
<p><b>KEL (Kimberly Leung)</b></p>

**CONTACT INFORMATION**

**Project Manager**

**Grants Section Contact**

Name: Kimberly Leung

Joel Goldberg

Title: Associate Engineer, SSD Livable Streets

Manager Capital Grants and Procurement

Phone: 415.701.4653

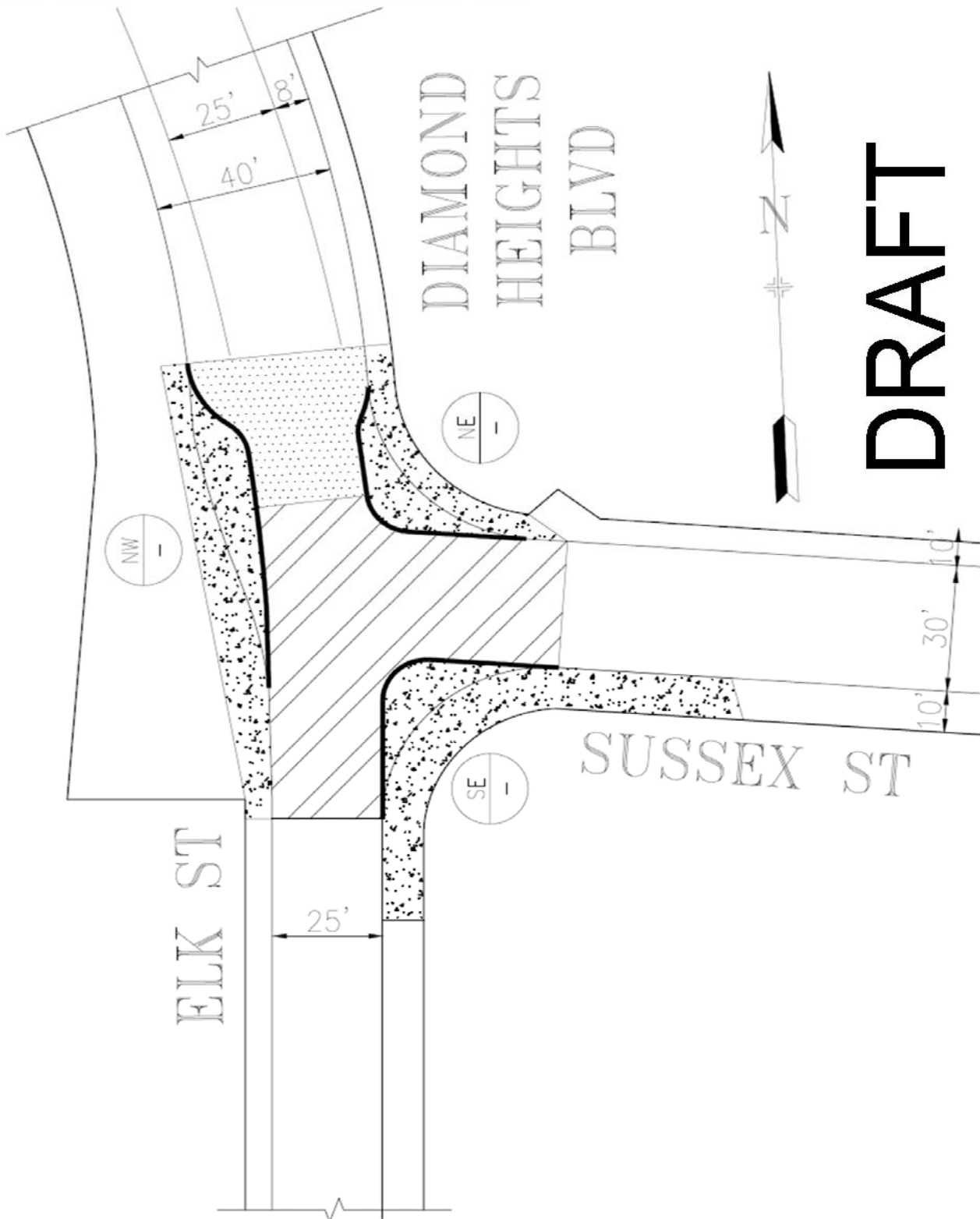
415.701.4499

Email: [kimberly.leung@sfmta.com](mailto:kimberly.leung@sfmta.com)

[joel.goldberg@sfmta.com](mailto:joel.goldberg@sfmta.com)

MAPS AND DRAWINGS

Proposed Bulbouts





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San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form

FY of Allocation Action: 2016/17

Project Name: Vision Zero Ramp Intersection Study Phase 2

Grant Recipient: San Francisco County Transportation Authority

EXPENDITURE PLAN INFORMATION

Prop K EP category: Transportation/Land Use Coordination: (EP-44)

Prop K EP Line Number (Primary): 44 Current Prop K Request: \$ 100,000  
Prop K Other EP Line Numbers: \_\_\_\_\_

Prop AA Category: \_\_\_\_\_

Current Prop AA Request: \$ -

Supervisorial District(s): District 06

REQUEST

Brief Project Description (type below)

Develop a prioritized set of short-, medium-, and long-term safety improvements at up to ten ramp intersections in the South of Market area. This planning project includes community outreach and a Technical Advisory Committee that will include Caltrans and the San Francisco Municipal Transportation Agency (SFMTA).

Detailed Scope, Project Benefits and Community Outreach (type below)

See attached.

Project Location (type below)

Ramp intersections on US 101, I-280 and I-80 in the South of Market

Project Phase (select dropdown below)

Planning/Conceptual Engineering (PLAN)

Map or Drawings Attached? Yes

Other Items Attached? Yes

5YPP/STRATEGIC PLAN INFORMATION

Type of Project in the Prop K 5YPP/Prop AA Strategic Plan? Project Drawn From Placeholder

Is the requested amount greater than the amount programmed in the relevant 5YPP or Strategic Plan? Less than or Equal to Programmed Amount

Prop K 5YPP Amount: \$ 150,000 Prop AA Strategic Plan Amount: \_\_\_\_\_

## SCOPE OF WORK: Vision Zero Ramp Intersection Study Phase 2

### INTRODUCTION

Improving safety is a top priority in San Francisco. Thirteen city agencies have passed “Vision Zero” resolutions committing to elimination of traffic injuries and fatalities by 2024 (see [www.visionzerosf.org](http://www.visionzerosf.org)). Efforts to achieve Vision Zero have so far focused primarily on safety improvements to local city streets, and have not systematically addressed improving safety for all users where city streets intersect freeway ramps. Freeway ramp intersections in San Francisco have 1.5 times more severity-weighted<sup>1</sup> injuries per intersection than non-ramp intersections and three of the top five intersections (ranked by the number of severity-weighted injuries) citywide were ramp intersections.

The problem is particularly acute in the South of Market (SoMa) area, home to eight of the top ten ramp intersections in the city between 2008 and 2012 for frequency of injury collisions.<sup>2</sup> The ramp intersections in this area (see attached map) experienced nearly 300 traffic injuries combined 2008-2012, or about one every five days on average. In 2014, one ramp intersection alone (5<sup>th</sup> and Harrison Street), saw four traffic fatalities. These injuries are occurring in close proximity to sensitive land uses, such as the Bessie Carmichael Elementary School at 7<sup>th</sup> and Harrison Streets, which has had more traffic injuries and fatalities within a half mile radius than any school in California.<sup>3</sup>

The Vision Zero Ramp Intersection Study Phase 2 will develop a prioritized set of safety improvements at up to ten ramp intersections, to be selected among the approximately twenty intersections contained in the proposed South of Market Area study area (see attached map).

Through the Pedestrian Safety in SoMa Phase 1 – Youth and Family Zone Study as part of the Neighborhood Transportation Improvement Program, the San Francisco County Transportation Authority (SFCTA) is already developing short-term improvements for five intersections within SoMa and Youth and Family Special Use District (SUD). The five identified intersections are:

- 5<sup>th</sup> Street and Harrison Street
- 5<sup>th</sup> Street and Bryant Street
- 8<sup>th</sup> Street and Harrison Street
- 9<sup>th</sup> Street and Bryant Street
- 10<sup>th</sup> Street and Bryant Street.

The Phase 1 study would propose low-cost, easy to implement and short-term improvements, including pedestrian and transit bulb-outs, high visibility crosswalk striping, signal upgrades, leading pedestrian signal timing, and wayfinding signage. The proposed improvements will be shared with key stakeholders including local community-based organizations in the SoMa area. For Phase 2, the additional funding would allow development of more systematic, permanent safety fixes at a larger set of intersections through a robust community outreach process.

A strong partnership with Caltrans, which owns and operates ramp facilities and also awarded \$248,683 in Caltrans Planning Grant to this Study, is critical to the success of the Study. The project team will coordinate with Caltrans staff throughout the Study on the approach to developing and evaluating improvement concepts. The team will also work closely with neighborhood groups and organizations in the study area through an extensive public outreach effort. The SoMa is a diverse community with high proportions of

<sup>1</sup> Based on SWITRS traffic injury data from 2008-2012. San Francisco agencies, following guidance from the Department of Public Health, weights (e.g. multiplies) fatal and severe injuries by three when prioritizing locations for safety improvement.

<sup>2</sup> Ranking based on the number of severity-weighted injuries.

<sup>3</sup> Source: University of California, Berkeley, Transportation Injury Mapping System, Summary Table of California Schools ranked by number of collisions 2007-2009. Marshall Elementary school, on 15<sup>th</sup> Street in San Francisco, tied with Bessie Carmichael for the top ranked school out of more than 10,000 California schools.

low-income populations – several study area intersections are within a regional Community of Concern and/or an area identified in the CalEnviroScreen tool as disadvantaged community (see attached map).

In summary, the proposed study would improve safety in a disadvantaged community suffering from very frequent traffic injuries and fatalities, and ultimately support progress towards the Vision Zero goal. It would also improve the livability of San Francisco’s fastest-growing residential neighborhood; support economic development by improving conditions in an area with rapidly growing employment; and enhance multimodal connectivity by promoting access for non-motorized users and the disabled.

**RESPONSIBLE PARTIES**

The SFCTA will lead the study with consultant assistance. The San Francisco Municipal Transportation Agency (SFMTA), which operates San Francisco’s local street system and Muni, will also participate in the study. The SFCTA will provide overall project and consultant management, and will be primarily responsible for all project deliverables, including consultant procurement,. The SFMTA will participate as part of the project team, provide input into all deliverables, and approve conceptual design recommendations. Caltrans will serve as a technical advisor, participate in walking audits and design charrettes, and provide input into recommended solutions.

**OVERALL PROJECT OBJECTIVES**

The Study objectives include:

- Improving the safety of all road users and help achieve progress towards the city’s overall goal of eliminating serious fatalities and injuries.
- Improving access for vulnerable road users, especially pedestrians, bicyclists, the elderly and disabled.
- Ensuring efficient public transit travel through ramp intersections, in line with the City’s Transit First Policy, and to support economic development in the study area.
- Anticipating growth areas and providing needed safety improvements to protect road users in advance of development.
- Balancing the need for regional and freeway-bound travel with the need for multimodal local travel.

**STUDY TASKS**

**1. Administrative Start-Up and Project Management**

**Task 1.1: Project Kick-off, Scope Refinement, and Technical Advisory Committee formation**

The SFCTA will hold a kick-off meeting with Caltrans staff to discuss Caltrans Planning Grant procedures and project expectations. The SFCTA will also host a kickoff meeting with a project Technical Advisory Committee comprised of staff from Caltrans, the SFMTA, the Planning Department, and the San Francisco Public Works. The SFCTA will develop a project charter to establish agency roles and responsibilities.

**Task 1.2: Procure Consultant**

The SFCTA will procure a consultant to assist with study tasks and deliverables.

**Task 1.3: Project Reporting and Invoicing**

The SFCTA will manage the project and the consultant on an ongoing basis, including submitting quarterly project reports and invoices as required by Caltrans.

- **Responsible Party:** SFCTA

Task	Deliverable
1.1	<ul style="list-style-type: none"> <li>• <i>Kick-off meeting notes</i></li> </ul>

	<ul style="list-style-type: none"> <li>• <i>Finalized scope of work</i></li> <li>• <i>Project charter</i></li> <li>• <i>Technical Advisory Committee (TAC) roster</i></li> <li>• <i>TAC notes</i></li> </ul>
1.2	<i>Copy of executed consultant contract</i>
1.3	<i>Quarterly reports, invoices</i>

## 2. Community Outreach and Engagement

### Task 2.1 Community Engagement Plan

The project team will create an outreach plan describing how the project will engage study area travelers and the surrounding communities in the planning process. This engagement plan will include strategies to reach the diverse communities within and surrounding the study area and include multilingual outreach methods. The engagement plan will also identify the information we hope to obtain through outreach, including an understanding of how community members prioritize different objectives (e.g. safety versus traffic congestion), and a sense of which types of improvements they find most and least desirable.

We expect that the engagement plan will include presentations to the Vision Zero Task Force, a group representing organizations and elected officials working to eliminate traffic deaths, other pedestrian and bicycle safety advocacy groups, and presentations for community groups active in the South of Market Area including the South of Market Community Action Network, United Playaz, the San Francisco Chapter of the National Filipino Association, and the Bessie Carmichael Elementary School Parent Teacher Organization. The study will also include, at a minimum, two public workshops at key points during the planning process, for example the development of improvement concepts and the alternatives evaluation stages.

### Task 2.2 Community Outreach Events and Meetings

The project team will execute the engagement plan developed in Task 2.1, including at least two community meetings. The project team will seek participation via multiple methods such as reaching out to community groups and stakeholders, flyer, email, and direct outreach at community events.

Additional outreach meetings will be held throughout the study period with project stakeholders and community groups to refine the study goals and existing needs among other topic areas. The SFCTA will also maintain a project web page and other online presences.

- **Responsible Party:** SFCTA, with SFMTA and Consultant support

Task	Deliverables
2.1	<ul style="list-style-type: none"> <li>• <i>Memorandum 1: Community engagement plan</i></li> </ul>
2.2	<ul style="list-style-type: none"> <li>• <i>Memorandum 2: Summary of First Community Outreach Meeting</i></li> <li>• <i>Memorandum 3: Summary of Second Community Outreach Meeting and Additional Outreach Activities</i></li> </ul>

## 3. Study Goals, Framework, and Existing Conditions Summary

### Task 3.1 Study Goals and Framework

The Study will produce a set of planning goals to guide the prioritization of locations for improvement and the development of improvement concepts. The primary goal of the Plan is improving safety for all road users. Secondary goals are likely to include improving access for vulnerable road users (e.g. pedestrians, bicyclists, disabled), improving transit performance, improving vehicle circulation, and preparing for new

development. The Study will develop a framework to develop and evaluate concepts that meet the study goals. The framework will include identification of a set of performance measures for use in the evaluation. Performance measures will address all transportation modes, including pedestrian, bicycle, traffic, and transit. The framework will also be used to prioritize treatments for implementation, along with other considerations. The framework will be shared with community groups and the study TAC to seek their input, and a revised framework will be prepared.

**Task 3.2 Existing Conditions Summary**

Following development of the framework, SFCTA will document the existing transportation network and land uses in and around the study area identified in the attached map, focusing on up to ten of the approximately twenty ramp intersections in the study area. Study intersections will be selected and prioritized based on the frequency and severity of traffic collisions, improvement need, risk of collision, and other factors.

This effort will include gathering information on existing conditions including roadway and sidewalk geometries, traffic volumes, collision data, transit ridership and performance, and pedestrian and bicycle volumes. Available data will be compiled from both internal sources and other agencies, and additional data will be collected as needed; this will include any relevant data being collected for the Freeway Corridor Management Study being undertaken simultaneously by the SFCTA.

The product of this task will be a description of the study goals, framework, and performance measures and an existing conditions summary of the proposed ten study intersections.

- **Responsible Party:** SFCTA, with SFMTA and Consultant support

Task	Deliverable
3.1	<i>Memorandum 4: Study Goals and Framework</i>
3.2	<i>Memorandum 5: Existing Conditions Summary</i>

**4. Improvement Concept Development**

The SFCTA and SFMTA will engage the TAC, including Caltrans, in identifying safety improvement concepts first by developing a potential toolkit of measures grouped by relative cost/time to implementation, such as:

- Short-term changes such as adjustments to signal timing or striping made within existing right of way and with existing signal infrastructure. SFMTA will be primarily responsible for confirming any short-term changes, and in some cases, may be able to share short-term improvement concepts developed prior to study inception.
- Medium-term changes such as changes to signal hardware or implementation of concrete bulbouts or median islands.
- Longer-term changes that could require reconfiguring the ramp geometry.

Several meetings (up to five) will be held to discuss the toolkit and identify early on and agree on the appropriate contexts for implementation. Following development of the toolkit, SFCTA and SFMTA will organize a workshop and walking audit to review conditions at study intersections and brainstorm improvement concepts. Attendees (including Caltrans, SFCTA, and SFMTA staff) would break into teams to propose possible concepts for each intersection, and teams would share results at the conclusion of the session. Following the charrette, the study team will refine proposed improvement concepts, including developing graphic sketches, and will expand to include additional concepts if needed. References to be used in identifying potential improvements include the Caltrans Complete Intersections guide and the NACTO Urban Street Design Guide.

- **Responsible Party:** SFCTA (medium and long term concepts), SFMTA (short term concepts), with Consultant support

Task	Deliverable
4	<i>Memorandum 6: Proposed Improvement Concepts</i>

## 5. Concept Evaluation, Selection, Refinement, and Cost Estimates

### Task 5.1: Evaluate improvement concepts

The Study will evaluate the improvement concept alternatives identified in Task 4 according to the evaluation framework and performance measures identified in Task 3, for up to ten intersections. The analysis will consider the performance of all modes, and will include a circulation analysis using the existing data and counts gathered in Task 4, as well as any relevant analysis developed through the Freeway Corridor Management Study. Potential evaluation tools to be used in the circulation analysis include Synchro and SimTraffic. Based on this evaluation, the SFCTA will recommend a preferred set of projects. A phased set of improvements (short, medium, and long-term) will be provided for each location.

### Task 5.2: Refine concepts, develop conceptual designs and cost estimates

Based on the evaluation in Task 5.1 and results of public outreach, the Study will refine the design concepts for the recommended improvements. Conceptual plan view drawings will be developed for these improvements in order to develop planning-level cost estimates. The Study will produce planning-level cost estimates for all recommended projects in the preferred alternative based on individual cost elements and their per-unit costs.

- **Responsible Party:** SFCTA, with Consultant and SFMTA support

Task	Deliverable
5	<i>Memorandum 7: Evaluation of Improvement Concepts and Proposed Conceptual Designs</i>

## 6. Funding and Implementation Strategies

The project team will develop cost estimates and generate a funding strategy for all recommended projects. The strategy will identify funding sources likely to be available for the selected projects, including competitive sources and discretionary sources that local agencies could prioritize.

The project team will also develop an implementation strategy with executable steps for each recommended project, including additional project development, environmental clearance, and other permitting or institutional process steps required. The Study will identify packages of projects for up to ten locations to support future Caltrans approvals.

- **Responsible Party:** SFCTA, with SFMTA and Consultant

Task	Deliverable
6	• <i>Memorandum 8: Funding and Implementation Strategy</i>

## 7. Final Report and Presentation

The Study will summarize previous interim deliverables in a final report, including an executive summary. In addition, the Study will develop a final slide presentation to accompany the final report for purposes of

community outreach and the approval process. The report will be presented to the Transportation Authority board for adoption.

- **Responsible Party:** SFCTA, with SFMTA and Consultant support

Task	Deliverable
7	<i>Final report and slide set</i>

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Vision Zero Ramp Intersection Study Phase 2

**ENVIRONMENTAL CLEARANCE**

**Environmental Type:** TBD

**PROJECT DELIVERY MILESTONES**

Enter dates below for ALL project phases, not just for the current request, based on the best information available. For PLANNING requests, please only enter the schedule information for the PLANNING phase.

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)	Jan-Mar	2017	Oct-Dec	2018
Environmental Studies (PA&ED)				
Right-of-Way				
Design Engineering (PS&E)				
Advertise Construction				
Start Construction (e.g. Award Contract)				
Operations (i.e., paratransit)				
Open for Use				
Project Completion (means last eligible expenditure)			Jan-Mar	2019

**SCHEDULE DETAILS**

Provide dates for any COMMUNITY OUTREACH planned during the requested phase(s). Identify PROJECT COORDINATION with other projects in the area (e.g. paving, MUNI Forward) and relevant milestone dates (e.g. design needs to be done by DATE to meet paving schedule). List any timely use-of-funds deadlines (e.g. federal obligation deadline). If a project is comprised of MULTIPLE SUB-PROJECTS, provide milestones for each sub-project. For PLANNING EFFORTS, provide start/end dates for each task.

See below. Final products must be submitted to Caltrans no later than February 28th, 2019. Final requests for reimbursement must be submitted by April 27th, 2019.

Tasks Number	Name	Start		End	
		Month	Calendar Year	Month	Calendar Year
<b>1</b>	<b>Administrative Start-Up and Project Management</b>				
1.1	Project Kick-off	Jan	2017	Feb	2017
1.2	Procure Consultant	Jan	2017	Feb	2017
1.3	Project Management	Jan	2017	Mar	2019
<b>2</b>	<b>Community Outreach and Engagement</b>				
2.1	Community Engagement Plan	Mar	2017	May	2017
2.2	Community Outreach Events and Meetings	June	2017	May	2018
<b>3</b>	<b>Study Goals, Framework, and Existing Conditions Summary</b>				
3.1	Study Goals, Framework	Jan	2017	Apr	2017
3.2	Existing Conditions Summary	Apr	2017	Aug	2017
<b>4</b>	<b>Improvement Concept Development</b>				
5	Concept Evaluation, Selection, Refinement, and Cost Estimates	Nov	2017	Aug	2018
<b>6</b>	<b>Funding and Implementation Strategies</b>				
6	Funding and Implementation Strategies	Sept	2018	Oct	2018
<b>7</b>	<b>Final Report and Presentation</b>				
7	Final Report and Presentation	Oct	2018	Nov	2018



**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**Project Name:** Vision Zero Ramp Intersection Study Phase 2

**FUNDING PLAN - FOR CURRENT REQUEST**

Enter the funding plan for the phase(s) that are the subject of the CURRENT REQUEST. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ 100,000	\$ -	\$ -	\$ 100,000
Prop AA	\$ -	\$ -	\$ -	\$ -
Caltrans Planning Grant	\$ -	\$ -	\$ 248,683	\$ 248,683
	\$ -	\$ -	\$ -	\$ -
<b>Total:</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 248,683</b>	<b>\$ 348,683</b>

**FUNDING PLAN - FOR ENTIRE PROJECT (ALL PHASES)**

Enter the funding plan for all phases (planning through construction) of the project. This section may be left blank if the current request covers all project phases. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ -	\$ -	\$ -	\$ -
Prop AA	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
<b>Total:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COST SUMMARY**

Show total cost for ALL project phases (in year of expenditure dollars) based on best available information. Source of cost estimate (e.g. 35% design, vendor quote) is intended to help gauge the quality of the cost estimate, which should improve in reliability the farther along a project is in its development.

Phase	Total Cost	Prop K - Current Request	Prop AA - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$348,683	\$ 100,000		based on estimated cost
Environmental Studies (PA&ED)	\$ -	\$ -		
Right-of-Way	\$ -	\$ -		
Design Engineering (PS&E)	\$ -	\$ -	\$ -	
Construction (CON)	\$ -	\$ -	\$ -	
Operations (Paratransit)	\$ -	\$ -		
<b>Total:</b>	<b>\$348,683</b>	<b>\$ 100,000</b>	<b>\$ -</b>	

% Complete of Design:  as of   
 Expected Useful Life:  Years

**PROPOSED REIMBURSEMENT SCHEDULE FOR CURRENT REQUEST** (instructions as noted below)

Use the table below to enter the proposed reimbursement schedule for the current request. Prop K and Prop AA policy assume these funds will not be reimbursed at a rate greater than their proportional share of the funding plan for the relevant phase unless justification is provided for a more aggressive reimbursement rate. If the current request is for multiple phases, please provide separate reimbursement schedules by phase. If the proposed schedule exceeds the years available, please attach a file with the requested information.

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$ 25,000	\$ 50,000	\$ 25,000	\$ -	\$ -	\$ 100,000
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority  
 Prop K/Prop AA Allocation Request Form

Project Name: Vision Zero Ramp Intersection Study Phase 2

MAJOR LINE ITEM BUDGET

PROJECT BUDGET - PLANNING

BUDGET SUMMARY								
Agency	Task 1 - Project Initiation and Project Management	Task 2 - Agency Coordination and Community Outreach	Task 3 - Study Goals, Framework, and Existing Conditions	Task 4 - Improvement Concept Development	Task 5 -Concept Evaluation, Selection, Refinement, and Cost Estimates	Task 6 -Funding and Implementation Strategies	Task 7 -Final Report and Presentation	Total
SFMTA	\$ 2,166	\$ 4,308	\$ 5,744	\$ 8,268	\$ 11,140	\$ 10,770	\$ 7,921	\$ 50,317
SFCTA	\$ 15,745	\$ 17,692	\$ 14,452	\$ 16,047	\$ 32,396	\$ 13,630	\$ 21,049	\$ 131,012
Consultant	\$ 9,839	\$ 52,710	\$ 18,278	\$ 21,210	\$ 47,047	\$ 7,350	\$ 10,920	\$ 167,354
<b>Total</b>	<b>\$ 27,750</b>	<b>\$ 74,710</b>	<b>\$ 38,474</b>	<b>\$ 45,525</b>	<b>\$ 90,583</b>	<b>\$ 31,750</b>	<b>\$ 39,890</b>	<b>\$ 348,683</b>

DETAILED LABOR COST ESTIMATE - BY AGENCY						
SFMTA	Hours	Base Hourly Rate	Overhead Multiplier	Fully Burdened Hourly Cost	Full-Time Equivalent (FTE)	Total
Principal Engineer	20	\$ 92.46	2.80	\$ 259	0.01	\$ 5,178
Associate Engineer	250	\$ 59.47	2.88	\$ 171	0.12	\$ 42,744
Contingency (5%)						\$ 2,396
<b>Total</b>	<b>270</b>				<b>0.13</b>	<b>\$ 50,317</b>

SFCTA	Hours	Base Hourly Rate	Overhead Multiplier	Fully Burdened Hourly Cost	FTE	Total
Deputy Director	124	\$ 94.31	2.50	\$ 235.78	0.06	\$ 29,237
Senior Planner	664	\$ 57.55	2.50	\$ 143.88	0.32	\$ 95,536
Contingency (5%)						\$ 6,239
<b>Total</b>	<b>788</b>				<b>0.38</b>	<b>\$ 131,012</b>

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**  
**This section is to be completed by Transportation Authority Staff**

**Last Updated:** 10.20.16      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Vision Zero Ramp Intersection Study Phase 2

**Grant Recipient:** San Francisco County Transportation Authority

	<b>Action</b>	<b>Amount</b>	<b>Phase</b>
<b>Funding Recommended:</b>	Prop K Appropriation	\$ 100,000	Planning/Conceptual Engineering (PLAN)
	<b>Total:</b>	<b>\$ 100,000</b>	

**Total Prop K Funds:** \$ 100,000      **Total Prop AA Funds:** \$ -

**Justification for multi-phase recommendations and notes for multi-sponsor recommendations:** \_\_\_\_\_

**Fund Expiration Date:** 06/30/2019      **Eligible expenses must be incurred prior to this date.**

	<b>Action</b>	<b>Amount</b>	<b>Fiscal Year</b>	<b>Phase</b>
<b>Future Commitment:</b>				

Trigger: \_\_\_\_\_

**Deliverables:**

1. Quarterly progress reports shall contain a percent complete by task in addition to the requirements in the Standard Grant Agreement.
2. With the quarterly progress report submitted following the completion of elements of Task 2, provide a copy of the community engagement plan (June 2017) and memorandums summarizing outreach meetings and additional outreach activities (June 2017 - May 2018).
3. With the quarterly progress report submitted following the completion of Task 3 (anticipated by August 2017), provide memorandums on the Study goals and framework, and existing conditions.
4. With the quarterly progress report submitted following the completion of Task 4 (anticipated by November 2017), provide a memorandum on the proposed improvement concepts.
5. With the quarterly progress report submitted following the completion of Task 5 (anticipated by August 2018), provide a memorandum on the evaluation and proposed conceptual designs.
6. With the quarterly progress report submitted following the completion of Task 6 (anticipated by October 2018), provide a memorandum on the funding and implementation strategies for all recommended projects.
6. Prior to SFCTA Board adoption, staff will present a draft final report, including key findings, recommendations, and funding/implementation strategy to the Plans and Programs Committee. Upon project completion (anticipated by November 2018) the Board will accept or approve the final report.

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**TRANSPORTATION AUTHORITY RECOMMENDATION**  
**This section is to be completed by Transportation Authority Staff**

**Last Updated:** 10.20.16      **Res. No:** \_\_\_\_\_      **Res. Date:** \_\_\_\_\_

**Project Name:** Vision Zero Ramp Intersection Study Phase 2

**Grant Recipient:** San Francisco County Transportation Authority

**Special Conditions:**  
1. \_\_\_\_\_

**Notes:**  
1. \_\_\_\_\_

Metric	Prop K	Prop AA
Actual Leveraging - Current Request	71.32%	No Prop AA
Actual Leveraging - This Project	See Above	See Above

**SFCTA Project**    P&PD  
**Reviewer:** \_\_\_\_\_

**SGA PROJECT NUMBER**

**Sponsor:** San Francisco County Transportation Authority

**SGA Project Number:** 144-xxxxxxx      **Name:** Vision Zero Ramp Intersection Study Phase 2

**Phase:** Planning/Conceptual Engineering (PLAN)      **Fund Share:** 28.68%

Cash Flow Distribution Schedule by Fiscal Year						
Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$25,000	\$50,000	\$ 25,000			\$100,000

**San Francisco County Transportation Authority  
Prop K/Prop AA Allocation Request Form**

**FY of Allocation Action:** 2016/17

**Current Prop K Request:** \$ 100,000  
**Current Prop AA Request:** \$ -

**Project Name:** Vision Zero Ramp Intersection Study Phase 2

**Grant Recipient:** San Francisco County Transportation Authority

1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

<p><b>Required for Allocation Request Form Submission</b>                  Initials of sponsor staff member verifying the above statement</p>
<p>CDP</p>

**CONTACT INFORMATION**

**Project Manager**

**Grants Section Contact**

Name: Colin Dentel-Post

Seon Joo Kim

Title: Senior Transportation Planner

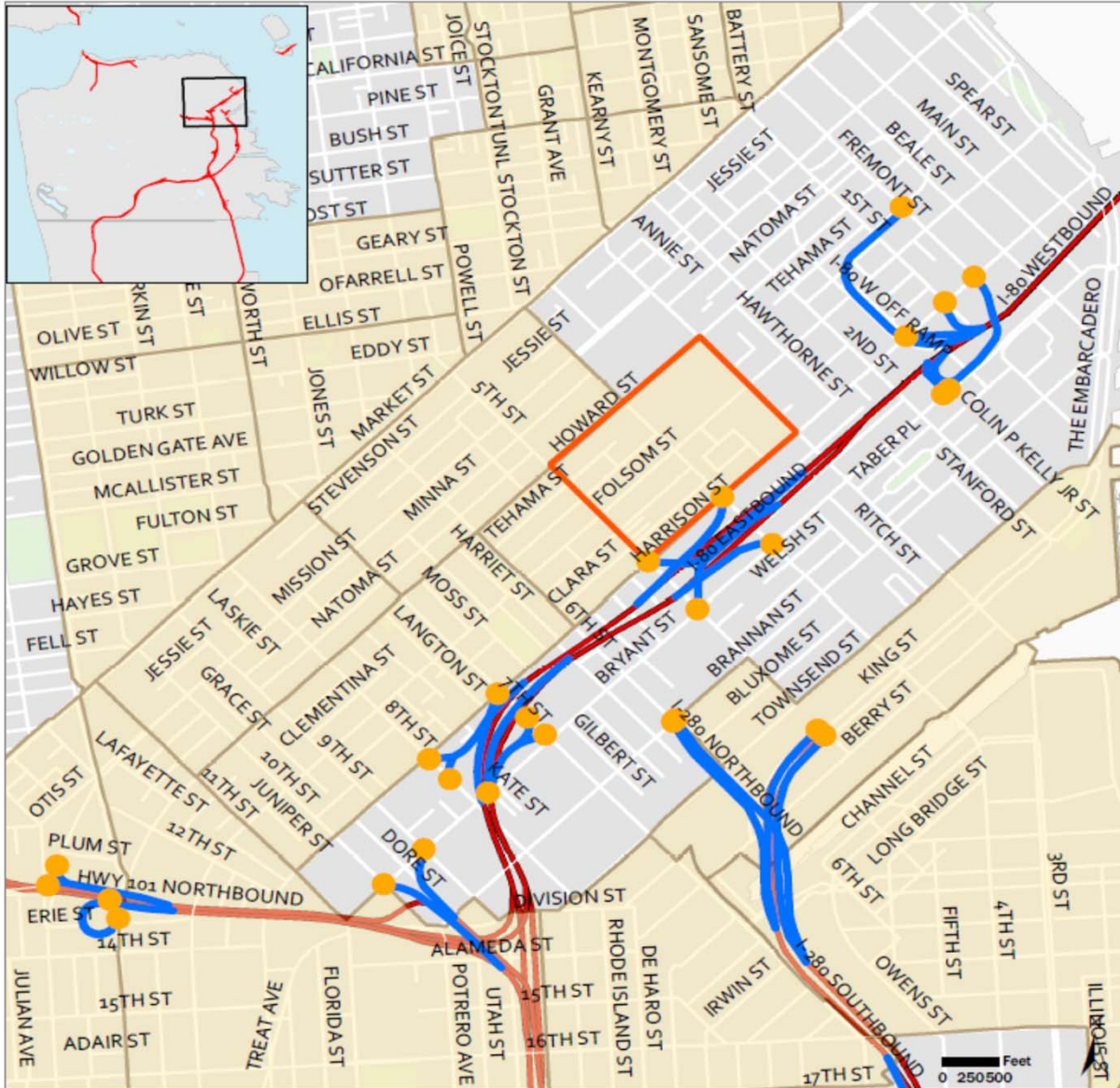
Senior Transportation Planner

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**Freeway Ramps and Ramp Intersections for Safety Analysis in SoMa, San Francisco**

- Legend**
- Study
  - Study
  - CalEnviroScreen-Designated Disadvantaged Areas (2014)
  - Communities of Concern (2011)

Note: Entire map is within the Eastern Neighborhoods Priority Development Area.





# Memorandum

**Date:** 11.09.16 **RE:** Plans and Programs Committee  
November 15, 2016

**To:** Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

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

**Through:** Tilly Chang – Executive Director *TTC*

**Subject:** **ACTION** – Recommend Allocation of \$3,149,000 in Prop K Funds, with Conditions, for Three Requests and Appropriation of \$100,000 in Prop K Funds for One Request, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules, and a Commitment to Allocate \$325,000 in Prop K Funds

## Summary

As summarized in Attachments 1 and 2, we have four requests totaling \$3,249,000 in Prop K funds to present to the Plans and Programs Committee. The San Francisco Municipal Transportation Agency (SFMTA) has requested \$1.28 million to overhaul the propulsion gearboxes that deliver power to the City's cable car system. The gearboxes have been in use since 1984 and have reached the end of their useful lives. The SFMTA has also requested \$1.79 million for the planning, design and construction phases for traffic calming measures recommended in eleven area-wide traffic calming plans which would complete implementation of the traffic calming "backlog". The SFMTA has requested \$80,000 for the design of pedestrian improvements at the intersection of Elk and Sussex Streets, adjacent to Glen Canyon Park, with a commitment to allocate \$325,000 for the construction phase of the project when design is complete in June 2017. Finally, we are requesting \$100,000 for the Vision Zero Ramp Intersection Study Phase 2, which will recommend short-, medium-, and long-term safety improvements at up to ten freeway ramp intersections in the South of Market area.

## BACKGROUND

We have received four requests for a total of \$3,249,000 in Prop K funds to present to the Plans and Programs Committee at its November 15, 2016 meeting, for potential Board approval on November 29, 2016. As shown in Attachment 1, the requests come from the following Prop K categories:

- Guideways–Muni
- Traffic Calming
- Pedestrian Circulation/ Safety
- Transportation/ Land use Coordination

Transportation Authority Board adoption of a Prop K 5-Year Prioritization Program (5YPP) is a prerequisite for allocation of funds from these programmatic categories.

## DISCUSSION

The purpose of this memorandum is to present four Prop K requests totaling \$3,249,000 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 are included in the attached Allocation Request Forms.

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

Transportation Authority staff and project sponsors will attend the Plans and Programs Committee meeting to provide brief presentations on some of the specific requests and to respond to any questions that the commissioners may have.

## ALTERNATIVES

1. Recommend allocation of \$3,149,000 in Prop K funds, with conditions, for three requests and appropriation of \$100,000 in Prop K funds for one request, subject to the attached Fiscal Year Cash Flow Distribution Schedules, and a commitment to allocate \$325,000 in Prop K funds, as requested.
2. Recommend allocation of \$3,149,000 in Prop K funds, with conditions, for three requests and appropriation of \$100,000 in Prop K funds for one request, subject to the attached Fiscal Year Cash Flow Distribution Schedules, and a commitment to allocate \$325,000 in Prop K funds, with modifications.
3. Defer action, pending additional information or further staff analysis.

## CAC POSITION

The CAC was briefed on this item at its October 26, 2016 meeting and unanimously adopted a motion of support for the staff recommendation.

## FINANCIAL IMPACTS

This action would allocate \$3,149,000 and appropriate \$100,000 in Fiscal Year (FY) 2016/17 Prop K sales tax funds, with conditions, for four requests. The allocations and appropriation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the attached Allocation Request Forms.

Attachment 4, Prop K Allocation Summary – FY 2016/17, shows the total approved FY 2016/17 allocations and appropriations to date, with associated annual cash flow commitments as well as the recommended allocations and cash flows that are the subject of this memorandum.

Sufficient funds are included in the proposed FY 2016/17 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 \$3,149,000 in Prop K funds, with conditions, for three requests and appropriation of \$100,000 in Prop K funds for one request, subject to the attached Fiscal Year Cash Flow Distribution Schedules, and a commitment to allocate \$325,000 in Prop K funds.

## Attachments (5):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2016/17
5. Prop K/Prop AA Allocation Request Forms (4)