



RESOLUTION ALLOCATING \$34,566,349 IN PROP K FUNDS, WITH CONDITIONS, FOR SIX REQUESTS, SUBJECT TO THE ATTACHED FISCAL YEAR CASH FLOW DISTRIBUTION SCHEDULES

WHEREAS, The Transportation Authority received eight Prop K requests totaling \$34,931,349, as summarized in Attachments 1 and 2 and detailed in the enclosed allocation request forms; and

WHEREAS, The requests seek funds from the following Prop K Expenditure Plan categories: Bus Rapid Transit/Transit Preferential Streets/MUNI Metro Network, Vehicles – Muni, Guideways – Muni, New Signals & Signs Signals & Signs and Bicycle Circulation/Safety; and

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

WHEREAS, Four of the eight requests are consistent with the relevant strategic plan and/or 5YPPs for their respective categories; and

WHEREAS, The San Francisco Municipal Transportation Agency's SFMTA's requests for the 67 40-foot and 50 60-foot Low Floor Hybrid Diesel Motor Coaches, New Signals Contract 63 - Additional Funds and Webster Street Pedestrian Signals - Additional Funds projects require 5YPP amendments as detailed in the enclosed allocation request forms; and

WHEREAS, After reviewing the requests, staff recommended allocating a total of \$34,931,349 in Prop K funds, with conditions, for eight projects, as detailed in the enclosed allocation request forms, which include staff recommendations for Prop K allocation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash



Flow Distribution Schedules; and

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

WHEREAS, At its February 22, 2017 meeting, the Citizens Advisory Committee was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, At its March 14, 2017 meeting, the Board approved an amendment to sever the request for the 23<sup>rd</sup> Avenue Neighborway project to allow additional time for Transportation Authority and SFMTA staff to meet with the District 1 Commissioner to address concerns raised about the project; and

WHEREAS, Subsequent to the March 14, 2017 Board meeting, the SFMTA withdrew its Prop K application for design funds for the Arguello Boulevard Traffic Signals Upgrade project in order to fund it with other sources;; now, therefore, be it

RESOLVED, That the Transportation Authority hereby amends the Prop K Vehicles-Muni, New Signals and Signs and Signals and Signs 5YPPs, as detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$34,566,349 in Prop K funds, with conditions, for six requests, as summarized in Attachment 3 and detailed in the enclosed allocation request forms; and be it further

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



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

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

RESOLVED, That as a condition of this authorization for expenditure, the Executive Director shall impose such terms and conditions as are necessary for the project sponsors to comply with applicable law and adopted Transportation Authority policies and execute Standard Grant Agreements to that effect; and be it further

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

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

Attachments (4):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2016/17

Enclosure:

1. Prop K/Prop AA Allocation Request Forms (8)



**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		Phase(s) Requested	District
						Expected Leveraging by EP Line <sup>3</sup>	Actual Leveraging by Project Phase(s) <sup>4</sup>		
Prop K	17M	SFMTA	67 40-foot and 50 60-foot Low Floor Hybrid Diesel Motor Coaches	\$ 30,096,835	\$ 146,614,000	84%	79%	Construction	Citywide
Prop K	22M	SFMTA	19th Avenue M-Line Track Replacement	\$ 1,278,000	\$ 6,390,000	78%	80%	Construction	7
Prop K	31	SFMTA	New Signals Contract 63 - Additional Funds	\$ 360,000	\$ 2,416,000	26%	85%	Construction	1, 3, 6, 7, 8
Prop K	31	SFMTA	New Signals Contract 64	\$ 126,514	\$ 700,000	26%	82%	Design	3, 5, 6, 8, 9, 10, 11
Prop K	33	SFMTA	Webster Street Pedestrian Signals - Additional Funds	\$ 185,000	\$ 1,685,000	41%	8%	Construction	2, 5
<del>Prop K</del>	<del>33</del>	<del>SFMTA</del>	<del>Arguello Boulevard Traffic Signal Upgrade</del>	<del>\$ 250,000</del>	<del>\$ 250,000</del>	<del>41%</del>	<del>0%</del>	<del>Design</del>	<del>1, 2</del>
Prop K	33	SFMTA	19th Avenue Signals Phase III	\$ 2,520,000	\$ 2,735,216	41%	8%	Construction	4, 7
<del>Prop K</del>	<del>39</del>	<del>SFMTA</del>	<del>23rd Avenue Neighborway</del>	<del>\$ 115,000</del>	<del>\$ 115,000</del>	<del>28%</del>	<del>0%</del>	<del>Planning</del>	<del>1</del>
<b>TOTAL</b>				<b>\$ 34,931,349</b>	<b>\$ 160,905,216</b>	<b>81%</b>	<b>77%</b>		
				<b>34,566,349</b>	<b>160,540,216</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: 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/AA Funds Requested	Project Description
17M	SFMTA	67 40-foot and 50 60-foot Low Floor Hybrid Diesel Motor Coaches	\$30,096,835	<p>The SFMTA has a contract with New Flyer, Inc. for procurement of 424 low floor hybrid diesel motor coaches. The contract base and amendment 1 are fully funded at about \$190 million for 159 buses. In September 2016, prior to having all of the funds secured, the SFMTA exercised contract modification 2 to procure another 265 buses at a cost of \$284.1 million. Modification 2 is occurring in two tranches. The current request includes \$4.4 million in Prop K funds, which along with \$47.9 million in prior Prop K funds, \$89.6 million in previously allocated regional and federal funds, and \$16.7 million in planned federal funds, fully funds the first tranche comprised of 148 vehicles at a total cost of about \$159 million. The subject request also includes \$26.6 million in Prop K funds to leverage \$98 million in planned federal funds to purchase the remaining 117 buses and provide warranty support through July 2023.</p>
22M	SFMTA	19th Avenue M-Line Track Replacement	\$1,278,000	<p>Funds will leverage over \$5 million in federal funds for replacement of track on the M-Ocean View light rail line from Rossmoor Drive to the Stonestown passenger platform on 19th Avenue. At Rossmoor Drive the scope also includes replacement of two concrete overhead catenary system poles, intrusion treatments to discourage vehicles from driving onto light rail tracks, and improvements to the median and pedestrian refuge island to improve pedestrian safety. Work will also be done at 19th Avenue and Junipero Serra Boulevard, including crosswalk re-alignment, a new pedestrian refuge area, and intrusion treatments. To minimize transit service impacts, the SFMTA will coordinate the construction schedule with the planned M-line service shutdowns in April and July 2017 required for the Twin Peaks Tunnel Track Replacement project. Construction is expected to be completed by February 2018.</p>

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

EP Line No./ Category	Project Sponsor	Project Name	Prop K/AA Funds Requested	Project Description
31	SFMTA	New Signals Contract 63 - Additional Funds	\$360,000	<p>In July 2016, the Transportation Authority allocated \$1.7 million in Prop K funds to construct six new traffic signals and three new flashing beacons at currently unsignalized intersections to improve traffic, pedestrian, and bicycle safety. The SFMTA is requesting additional funds to cover the unexpectedly high contract bid resulting from a bidding environment with a limited number of contractors combined with inflation, the rising cost of labor, and the increased complexity of traffic signal projects. The SFMTA has decided not to delay the project to re-bid, as it would risk a higher cost and delay implementation of safety improvements on Vision Zero corridors. All locations will have new pedestrian countdown signals (PCSs), accessible (audible) pedestrian signals (APSS), controllers, conduit, wiring, poles, and curb ramps. New flashing beacon locations will have new poles, wiring, and curb ramps. The project should be open for use by September 2017.</p>
31	SFMTA	New Signals Contract 64	\$126,514	<p>Requested funds will leverage \$573,486 in Prop A General Obligation Bond funds for the design of new traffic signals at nine intersections to improve traffic, pedestrian, and bicycle safety. The new traffic signals will include pedestrian countdown signals, accessible (audible) pedestrian signals, poles, curb ramps, and other signal infrastructure. The cost estimate reflects the rising construction costs of the recently bid signal projects. The SFMTA expects to complete design by March 2018 and construction by June 2019.</p>
33	SFMTA	Webster Street Pedestrian Signals - Additional Funds	\$185,000	<p>In July 2016, the Transportation Authority allocated \$1.4 million in Prop K funds and \$142,000 in Prop AA funds to upgrade traffic signals at seven intersections on Webster Street between McAllister and California Streets. Similar to the New Signals Contract 63 request noted above, the SFMTA is requesting additional funds to cover an unexpectedly high contract bid resulting from a bidding environment with a limited number of contractors combined with inflation, the rising cost of labor, and the increased complexity of traffic signal projects. The SFMTA has decided not to delay the project to re-bid, as it would also risk a higher cost. The signal upgrades will add pedestrian countdown signals and accessible (audible) pedestrian signals to existing traffic signals at six intersections, and installation of new poles, mast arms, and larger signal heads at all seven intersections. Project should be open for use by December 2017.</p>

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

EP Line No./ Category	Project Sponsor	Project Name	Prop K/AA Funds Requested	Project Description
33	SEMTA	Arguello Boulevard Traffic Signal Upgrade	\$250,000	<p><del>Funds will be used for design engineering to upgrade existing traffic signals at six intersections along Arguello Boulevard between Lake and Turk Streets, which is a Vision Zero High Injury Network corridor. The project scope includes signal visibility improvements (i.e., new poles, mast arms, and larger signal heads), installation of pedestrian countdown signals where they are lacking, and new accessible (audible) pedestrian signals. Work is being coordinated with the Arguello paving project and implementation of the Neighborhood Transportation Improvement Program (NTIP) planning project recommendations. The SEMTA expects to complete design by March 2018 and to complete construction in Summer 2019.</del></p>
33	SFMTA	19th Avenue Signals Phase III	\$2,520,000	<p>Funds will be used to construct traffic signal upgrades at five of the nine unsignalized intersections along 19th Avenue at Moraga, Wawona, Sloat, Winston and Rossmoor. Caltrans will cover the cost of signal upgrades at the four remaining intersections at Park Presidio/Lake, Park Presidio/Crossover Drive, Crossover Drive, and Crespi. Upgrades include 18 curb ramps, pole relocations, signal head upgrades, pedestrian countown indicators and installation of transit priority signal (TPS) equipment at the Rossmoor and Junipero Serra intersections. The TPS improvements will be constructed under the contract for the M-line Track Replacement project (see separate request on this agenda). Upgrades at the four other locations will be constructed as part of the 19th Avenue Combined City Project, which consists of Muni Forward and pedestrian safety improvements including 40 curb bulbs, reconfigurations of medians and corner radii, a left-turn lane modification at Winston, and water and sewer system improvements. The signal at Rossmoor is expected to be open for use by February 2018, with the remaining four intersections open for use by August 2019.</p>



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

EP Line No./ Category	Project Sponsor	Project Name	Prop K/AA Funds Requested	Project Description
39	SEMTA	23rd Avenue Neighborway	\$115,000	<del>Requested funds will be used for planning, public outreach, conceptual design, and environmental review of bicycle and pedestrian safety improvements along 23rd Avenue, which was identified as a high-priority route in the San Francisco Bicycle Strategy, and surrounding streets between Lake Street and Golden Gate Park. Building on the initial work done through the District 1 NTIP Planning project, the 23rd Avenue Neighborway project will develop a set of preferred treatments aimed at reducing vehicular traffic and speeds, giving priority to bicyclists and pedestrians, and reducing congestion. The SEMTA anticipates completing the planning phase by April 2018 and starting construction of the recommended improvements by early 2019.</del>
<b>TOTAL</b>			<del>\$34,931,349</del>	

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

34,566,349

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

EP Line No./ Category	Project Sponsor	Project Name	Prop K/AA Funds Recommended	Recommendations
17M	SFMTA	67 40-foot and 50 60-foot Low Floor Hybrid Diesel Motor Coaches	\$ 30,096,835	<p><b>5-Year Prioritization Program (5YPP) Amendment:</b> The recommendation is contingent on a Vehicles-Muni 5YPP amendment to re-program \$30,096,835 from the Replace 100 ETI 40' Trolley Coaches (2015/16) project to the subject project. With this 5YPP amendment there will be \$70,025,216 available for allocation for trolley coach procurements in FY 17/18 when the next procurements are planned. See attached 5YPP amendment for details.</p> <p>The recommendation is contingent upon approval by the Metropolitan Transportation Commission, anticipated March 22, 2017, to program \$164.2 million in Federal Transit Administration (FTA) formula funds to the subject project. The recommendation is also contingent upon a commitment by the SFMTA to maintain the new motor coaches in a state of good repair, including a mid-life overhaul program to allow them to meet or exceed expectations for their useful lives per FTA guidelines.</p>
22M	SFMTA	19th Avenue M-Line Track Replacement	\$ 1,278,000	<p>Contrary to Prop K policy that prohibits the advertisement of services or contracts to be funded by Prop K prior to allocation of funds by the Transportation Authority Board, the SFMTA advertised the project's construction contract in December 2016. We have reminded the SFMTA of this policy and advised SFMTA that it should not presume a positive Board action or that the Board may not modify the funding request.</p>
31	SFMTA	New Signals Contract 63 - Additional Funds	\$ 360,000	<p><b>5YPP Amendment:</b> Recommendation is contingent upon a concurrent amendment to the Prop K New Signals and Signs 5YPP to program \$248,486 from the New Traffic Signals (5 Locations) FY 16/17 design placeholder and \$111,514 deobligated from projects completed under budget to the subject project. See attached 5YPP amendment for details.</p>
31	SFMTA	New Signals Contract 64	\$ 126,514	
33	SFMTA	Webster Street Pedestrian Signals - Additional Funds	\$ 185,000	<p><b>5YPP Amendment:</b> Recommendation is contingent upon a concurrent amendment to the Prop K Signals and Signs 5YPP to program \$185,000 deobligated from projects completed under budget to the subject project. See attached 5YPP amendment for details.</p>
<del>33</del>	<del>SFMTA</del>	<del>Arguello Boulevard Traffic Signal Upgrade</del>	<del>\$ 250,000</del>	
33	SFMTA	19th Avenue Signals Phase III	\$ 2,520,000	

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

EP Line No./ Category	Project Sponsor	Project Name	Prop K/AA Funds Recommended	Recommendations
39	SEMTA	23rd Avenue Neighborway	\$ 115,000	The 2014 Bicycle Circulation/Safety 5YPP conditioned allocation of funds from the Bicycle Network Expansion and Upgrades line upon SEMTA providing, on an annual basis, a prioritized list of projects to be designed and constructed in a given fiscal year. For FY 2016/17, SEMTA plans on requesting Prop K funds from the Bicycle Network Expansion and Upgrades line for the subject project only.
<b>TOTAL \$</b>			<b>34,931,349</b>	

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

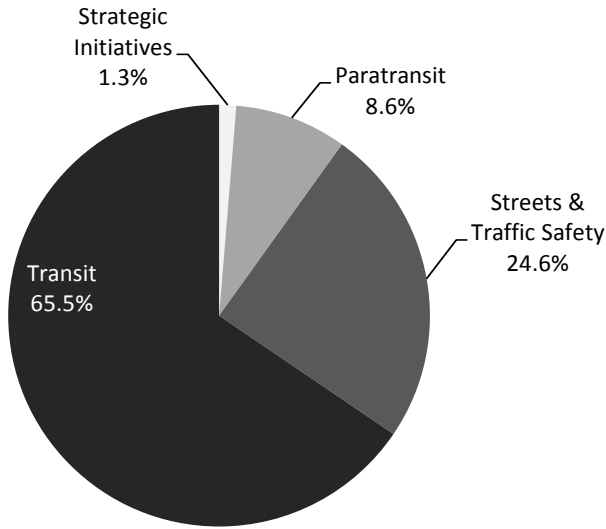
**34,566,349**

**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	\$ 93,191,193	\$ 44,488,051	\$ 34,950,761	\$ 13,307,281	\$ 445,100	\$ -
Current Request(s)	<u>\$ 34,566,349</u>	<u>\$ 30,000</u>	<u>\$ 23,367,809</u>	\$ 10,785,535	\$ 226,707	\$ 52,099
New Total Allocations	<u>\$ 127,757,542</u>	<u>\$ 44,518,051</u>	<u>\$ 58,318,570</u>	\$ 24,092,816	\$ 671,807	\$ 52,099

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

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



**Prop K Investments To Date**

