



Memorandum

Date: 06.27.17 **RE:** Transportation Authority Board
June 27, 2017

To: Transportation Authority Board: Commissioners Peskin (Chair), Tang (Vice Chair), Breed, Cohen, Farrell, Fewer, Kim, Ronen, Safai, Sheehy and Yee (11)

From: Tilly Chang – Executive Director *TTC*

Subject: **INFORMATION** – Executive Director’s Report

REGIONAL, STATE AND FEDERAL ISSUES

Regional Measure 3 (RM3) – Legislation Continues to Advance: Senate Bill (SB) 595, Senator Beall’s bill authorizing RM3, is continuing to move through the legislative process. We are working with our state delegation, Metropolitan Transportation Commission (MTC) Commissioners and staff, the San Francisco Municipal Transportation Agency (SFMTA) and other city partners to advance San Francisco’s priorities. At the MTC Legislation Committee earlier this month, staff presented a draft framework for RM3 that they developed at the request of the state legislators. We expect to see a revised framework and additional policy proposals walked in to the MTC Commission meeting tomorrow for discussion. MTC will not be taking action on the framework. The ultimate decision-making will be left to the state legislature. SB 595 will have to be heard by the Assembly Transportation Committee by July 14 to continue to move towards passage, and we expect there to be many amendments made to the bill – which is still a placeholder bill with few specifics – by that time. If the bill is approved, we still expect that RM3 would be put on the ballot in June or November of 2018.

Caltrain 3-County Sales Tax – Legislation Introduced: Last week Senator Hill, representing parts of San Mateo and Santa Clara counties, amended SB 797 to authorize a vote in San Francisco, San Mateo and Santa Clara Counties to raise 1/8th of a cent sales tax to fund Caltrain capital and operating needs. Currently, Caltrain has no dedicated funding source, which hampers near- and longer-term planning and development of the system. However, with RM3 likely moving forward to a 2018 ballot, and two potential local measures under discussion in San Mateo and San Francisco counties, we will need to consider this carefully through our Transportation 2045 local process. Furthermore, a discussion about any policy changes the Caltrain should seek as part of the revenue measure may take additional time. We are continuing to track the authorizing legislation, SB 797, and are working with our regional partners on this measure.

CPUC Rulemaking – Transportation Authority to File for Party Status: As we reported at the June 13 meeting, we plan to submit a motion to the California Public Utilities Commission (CPUC) to become a party to the Transportation Networking Companies (TNC) rulemaking process. Both the SFMTA and San Francisco International Airport have previously become official “parties” to the rulemaking process and have provided comments related to several tracks of the rulemaking. The Transportation Authority recently published the report, “TNCs Today”, which outlined the estimated number of intra-city trips and total vehicle miles traveled by TNCs. Overall, the report demonstrates that TNCs operate in the most congested areas of the city at peak periods of the day and week. Most importantly, TNCs Today demonstrates the value of accurate trip data in understanding the potential impacts of TNC services on

the transportation system in dense cities like San Francisco. We plan to submit comments to the CPUC next month related to Track 3, 'TNC Data', discussing the value of the data for short and long-range transportation and climate planning purposes.

Caltrain Electrification Moves Forward – Full Notices-to-Proceeds Issued to Contractors: With the signing of the Full Funding Grant Agreement (FFGA) by the Federal Transit Administration in late May, Caltrain issued a full notice-to-proceed to Balfour Beatty International for the design-build electrification contract and to Stadler US for the fabrication of the vehicles in early June. Both contractors are gearing up to complete design and are developing updated schedules to reflect the delay in the issuance of the FFGA from the original February date. Caltrain anticipates that the cost of the delay will be less than the \$16 million originally anticipated. For its part, the CBOSS-Positive Train Control project has been restarted after a four-month hiatus resulting from the termination of the contractor by Caltrain due to poor performance. Caltrain has awarded a short-term contract to Alstom, a subcontractor under the original contract, to move the project forward while it procures a new contractor to finish the job. Caltrain expects to have the new contractor on board in September. We anticipate bringing an update on these projects to the Board in the September, when we expect to have updated cost and schedule information.

Downtown Extension (DTX) – Analysis of Alternative Tunneling Methods Underway: With funding provided by the Transportation Authority, the Transbay Joint Powers Authority (TJPA) has started identifying and evaluating alternatives for cut and cover on the current approved DTX alignment with the goal of significantly reducing socio-economic impacts along the alignment. One charrette has already taken place, with the participation of our staff and consultants, including a tunneling expert we brought on for this purpose. A follow-up workshop will take place this coming Friday. So far the results are promising. TJPA is planning on completing a high-level feasibility analysis by late August and we hope to present an update to the Board in September.

SB 1 California Transportation Commission (CTC) Implementation Workshops – State Moves Quickly to Implement: Following approval of the Road Repair and Accountability Act of 2017, also known as SB 1, the CTC and other state agencies have been gearing up to quickly start directing new state funds to transportation projects. Many of the programs that will receive SB 1 funds are existing programs such as the Active Transportation Program (ATP) and State Highway Operations and Protection Program and supplementing existing gas tax subventions for local streets and road repair. Existing programs like the ATP will likely see the first allocations of funds from SB 1, as it's a relatively straight forward process to develop guidelines to augment existing programs. Other programs like the Solutions for Congested Programs program are new and will require more time for the CTC to develop and seek input. The CTC kicked off SB 1 implementation with two days of workshops in mid-June to learn about legislative intent and seek input on development of guidelines. There was a heavy emphasis on transparency and accountability which will be applied across all SB 1 programs. We are coordinating with San Francisco sponsors and MTC to share information about SB 1, to provide input on draft guidelines, and to begin identifying San Francisco priority projects that would be good candidates for discretionary projects.

LOCAL ISSUES

ConnectSF – Futures Task Force Holds First Workshop: ConnectSF is a multi-part long-range transportation planning effort among the Planning Department, Transportation Authority, SFMTA and the Office of Economic and Workforce Development. As part of the initial ConnectSF Vision phase, staff convened over 80 residents, advocates, neighborhood and business representatives, as well as city staff. In the day and a half workshop last week, Futures Task Force members participated in scenario planning techniques to identify key uncertainties and sketch out potential scenarios for San Francisco's transportation future. Following outreach and refinement of the scenarios over the next few months,

including to more diverse community groups across the city, the Futures Task Force will meet again this fall to discuss implications of a draft preferred scenario (vision). Thereafter, the city team will use the vision to inform follow-on modal studies and development of the Transportation Authority's next Countywide Transportation Plan, the San Francisco Transportation Plan 2050. We appreciate the Commissioners' recommendations of district leaders to participate in the Futures Task Force.

Neighborhood Transportation Improvement Program (NTIP) Update: Transportation Authority staff are continuing our work with Commissioners' offices and sponsor agency staff to develop lists of potential NTIP Capital projects for Districts 7, 8, and 11. Next month, the Board will consider a Prop K request for the District 10 NTIP Planning project to look at strategies to improve transit services, maintain access, and mitigate congestion impacts for growing areas of the district, and an information item on the Vision Zero Ramps project in the South of Market area which is a District 6 NTIP Planning project. I am pleased to see the planned and underway NTIP projects advancing.

PROJECT DELIVERY

SF joins C40 Cities in London to Discussion Congestion Management: At a time when cities are leading the fight against climate change, I was pleased to participate with Commissioner Kim and staff from Chair Peskin's and Commissioner Cohen's office, in a Congestion Management conference in London last week. We joined with elected officials and staff from Canada, Europe, South America and New Zealand to discuss transportation policies and practices to curb solo and diesel automobile use and to promote sustainable modes. We are grateful to sponsors C40 and NRDC for sponsoring two of our delegates and to Transport for London for meeting with us on a host of topics including the experience of delivering Crossrail, London's 15 billion pound project that is nearing completion. This mega project is on-time and on-budget despite having a tremendously ambitious scope and complex urban environment.

SF State Gator Pass Roll-Out Beginning – Unlimited Muni Rides and Discount BART Rides: With support from the Transportation Fund for Clean Air program programmed by the Transportation Authority, as well as MTC, the SFMTA, and BART, San Francisco State University (SF State) has started rolling out its "Gator Pass" student transit pass, which will provide unlimited Muni rides as well as a 25% discount on BART rides to and from the Daly City Station to the entire student body. The discount is funded by a fee approved by the students last year. Targeting the BART discount narrowly on school-related travel to the nearest station will allow the program to offer a deeper discount of 25% off the normal ticket price. SF State has already distributed over 7,000 new student ID cards with built in Clipper Cards specially programmed for the Gator Pass and they will activate the discount on campus "Move-in Day" on August 19. We hope that this program can be a model for other student transit passes and staff have already started discussing potential passes with other San Francisco institutions.

Prop K Sales Tax-Funded NTIP – Raised Crosswalk Opens at Bessie Carmichael Elementary: The SFMTA, in collaboration with San Francisco Public Works, has opened a raised crosswalk across from Sherman Street between the entrance to the school and the pathway through the Victoria Manalo Draves Park. The project was one of the long-term projects identified by a site assessment with school administrators and community members to improve safety and encourage students to walk and bike to school. A previous survey had found that danger of intersections and crossings to be the second highest perceived barrier to walking or biking to Bessie Carmichael.

Prop K Sales Tax Allocations – Year-End Update: In FY 2016/17, the Transportation Authority allocated over \$135 million in Prop K funds. This year brings the total Prop K allocations since the program's inception in April 2004 to over \$1.6 billion of the \$2.5 billion programmed over the 30-year Expenditure Plan. We know from past analysis that each Prop K dollar invested leverages over \$4 in other federal, state and local funds – making for over \$6.2 billion in invested in San Francisco's transportation system. As

shown in the attached Prop K Capital Program Summary, over \$534 million in Prop K funds have been allocated but not yet reimbursed. Projects that account for most of the unreimbursed balance are also the largest cash flow drivers for our debt program, including Muni buses (\$112 million), Radio Replacement/Central Control and Communications (\$61 million), bus rapid transit projects (\$38 million), Muni facilities projects (\$21 million), and paving projects (\$21 million). More information on all of the projects that Prop K has funded to date can be found at MyStreetSF.com, the Transportation Authority's interactive project map.

MANAGEMENT AND ADMINISTRATION

Annual Fiscal Audit – Work Underway: Three weeks ago, our independent auditors, the firm of Vavrinek, Trine, Day & Co., LLP, began the Transportation Authority's annual fiscal audit for Fiscal Year 2016/17. The auditors have finished the first half of the audit and have no findings at this point. They will return in September in order to complete the audit by October. We will be bringing the audit report to the Board in December. I anticipate another clean audit report.

Attachment:

1. Prop K Capital Program Summary

PROP K CAPITAL PROGRAM SUMMARY

INCEPTION TO JUNE 2017

