



Memorandum

Date: May 16, 2017
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 06/13/2017 Board Meeting: Allocation of \$55,989,751 in Prop K Funds for Ten Requests and \$2,052,000 in Prop AA Funds for One Request, with Conditions, and Appropriation of \$75,000 in Prop K Funds for One Request

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Allocate \$54,741,500 in Prop K sales tax funds for nine requests:</p> <ul style="list-style-type: none"> • Transbay Transit Center - Electrical, Communications, Security & Integrated Networks (\$5,449,859 to TJPA) • Replace 100 40-ft Trolley Coaches (\$28,915,153 to the SFMTA) • Replace 19 60-ft Trolley Coaches (\$6,637,580 to the SFMTA) • 1570 Burke Avenue Facility Renovation (\$902,200 to the SFMTA) • Paratransit (\$10,193,010 to the SFMTA) • Public Sidewalk and Curb Repair (\$561,682 to SFPW) • Application-Based Residential Street Traffic Calming (Implementation) (\$727,325 to the SFMTA) • Application-Based Residential Street Traffic Calming (Planning) (\$213,525 to the SFMTA) • Tree Planting and Establishment (\$1,141,166 to SFPW) <p>Allocate \$1,248,251 in Prop K sales tax funds and \$2,052,000 in Prop AA vehicle registration fee funds for one request:</p> <ul style="list-style-type: none"> • Haight Street Resurfacing and Pedestrian Lighting (SFPW) <p>Appropriate \$75,000 in Prop K funds for one request</p> <ul style="list-style-type: none"> • NTIP Program Support <p>SUMMARY</p> <p>We have received six Prop K allocation requests from the San Francisco Municipal Transportation Agency (SFMTA), three requests from Public Works (SFPW), one request from the Transbay Joint Powers Authority (TJPA), and we are requesting Prop K funds for one project. The requests total about \$56 million in Prop K funds and \$2.05 million in Prop AA funds. Attachment 1 lists the requests including identifying supervisorial district(s) for each project. Attachment 2 provides a brief description of each project. Attachment 3 contains the staff recommendations including any special conditions.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contracts <input type="checkbox"/> Procurement <input type="checkbox"/> Other:
--	---

DISCUSSION

We have received eleven requests totaling \$58,116,751 in Prop K and Prop AA funds that we are recommending for allocation or appropriation. 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 includes a brief description of each project. A detailed scope, schedule, budget and funding plan for each project is included in the enclosed Allocation Request Forms. Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest.

FINANCIAL IMPACT

The recommended action would allocate \$55,989,751 and appropriate \$75,000 in Fiscal Year (FY) 2017/18 Prop K sales tax funds, and allocate \$2,052,000 in FY 2017/18 Prop AA vehicle registration fee funds. The allocations and appropriation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows that the recommended allocations and appropriation would be the first of FY 2017/18, and shows the recommended allocation, appropriation and cash flow amounts that are the subject of this memorandum.

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

CAC POSITION

The CAC will consider this item at its May 24, 2017 meeting.

SUPPLEMENTAL MATERIALS

Attachment 1 – Summary of Applications Received

Attachment 2 – Project Descriptions

Attachment 3 – Staff Recommendations

Attachment 4 – Prop K Allocation Summary – FY 2017/18

Enclosure 1 – Prop K/AA Allocation Request Forms (11)

Attachment 1: Summary of Applications Received

Source	EP Line No./ Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Current Prop AA Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District
							Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$ 5,449,859		\$ 117,625,646	86%	95%	Construction	6
Prop K	17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$ 28,915,153		\$ 144,575,765	84%	80%	Construction	Citywide
Prop K	17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$ 6,637,580		\$ 33,502,124	84%	80%	Construction	Citywide
Prop K	20M	SFMTA	1570 Burke Avenue Facility Renovation	\$ 902,200		\$ 35,502,200	90%	97%	Construction	10
Prop K	23	SFMTA	Paratransit	\$ 10,193,010		\$ 27,476,772	27%	63%	Operations	Citywide
Prop K, Prop AA	34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$ 1,248,251	\$ 2,052,000	\$ 9,472,073	79%	65%	Construction	5
Prop K	37	SFPW	Public Sidewalk and Curb Repair	\$ 561,682		\$ 809,469	48%	31%	Construction	Citywide
Prop K	38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$ 727,325		\$ 727,325	51%	0%	Design, Construction	Citywide
Prop K	38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$ 213,525		\$ 213,525	51%	0%	Planning	Citywide
Prop K	42	SFPW	Tree Planting and Establishment	\$ 1,141,166		\$ 1,141,166	57%	0%	Construction	Citywide
Prop K	44	SFCTA	N'TIP Program Support	\$ 75,000		\$ 75,000	40%	0%	Planning	Citywide
TOTAL				\$ 56,064,751	\$ 2,052,000	\$ 371,121,065	80%	84%		

Footnotes

¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2014 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2012 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit).

² Acronyms: SFCTA (San Francisco County Transportation Authority); SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works); TJPA (Transbay Joint Powers Authority).

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

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

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$5,449,859		Requested Prop K funds will support the \$117.6 million Electrical, Communications, Security & Integrated Networks construction trade package for the Transbay Transit Center. Major scope elements of the contract include systems for power distribution, lighting, communications infrastructure, emergency power and communications, fire and life-safety, security, public information, building controls and energy management. The award amount for this construction trade package contract when it was certified in 2015 was \$93.4 million. Change orders totaling \$24.2 million have been issued to-date, primarily for work that was included in the Phase 1 Program budget but not included in a trade package when bid such as the Rooftop Park electrical at \$19.8 million. Work will be substantially complete by March 2018 when the new terminal is open for use. There is \$1.9 million in Prop K funds that remains programmed (available for allocation) for Phase 1.
17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$28,915,153		Prop K funds will provide the local match to \$115.66 million in federal funds for the procurement of 100 40-foot New Flyer Inc. electric trolley coaches, replacing 40-foot trolley coaches that have reached the end of their useful lives. These new vehicles constitute the first of two tranches to replace the SFMTA's fleet of 185 40-foot trolleys to be procured from New Flyer under Contract Amendment 2 at a total cost of \$245 million. Prop K funding for the 40-foot trolley coach replacement will total \$53.1 million or about 21.6% of the cost, including this request and a future request for additional local match when Fiscal Year (FY) 2017/18 federal funds are programmed by the Metropolitan Transportation Commission (anticipated in early 2018). SFMTA expects delivery of the 100th 40-foot trolley coach by January 2019.
17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$6,637,580		The SFMTA has requested Prop K funds to provide the local match to federal, state, and regional funds for the procurement of 19 60-foot articulated New Flyer electric trolley coaches, replacing 60-foot trolley coaches that have reached the end of their useful lives. The trolley coaches constitute the third and final tranche of 93 60-foot trolleys that the SFMTA is procuring from New Flyer at a total cost of \$163.4 million. Prop K funding for 60-foot trolley coach fleet replacement, including this request, totals \$31.9 million or about 20% of the cost. The SFMTA expects delivery of the last vehicle by February 2018.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
20M	SFMTA	1570 Burke Avenue Facility Renovation	\$902,200		<p>Prop K funds will leverage \$34.6 million in Prop A General Obligation (GO) Bond funds to renovate the 45 year old, SFMTA-owned 103,231 square-foot Central Warehouse at 1570-1580 Burke Avenue. The project includes seismic and structural work, tenant improvements to house the SFMTA overhead lines maintenance division, and to modernize and optimize the facility as the central store and distribution center for parts and supplies for the bus and trolley maintenance divisions. Previous Prop K allocations totaling almost \$5 million supported the original purchase of the building as well as planning and design phases for this project. Prop K is needed for the construction phase to cover costs that are ineligible for GO bonds, including the short-term storage of materials during construction (\$634,000), two new forklifts (\$80,000) to assist in moving materials during construction, and contingency (\$188,200). The SFMTA expects that construction will be complete by September 2018.</p>
23	SFMTA	Paratransit	\$10,193,010		<p>Prop K funds will provide approximately 37% of the budget to support contract costs associated with the \$27.5 million FY 2017/18 Paratransit program. The SFMTA provides paratransit services to persons with disabilities via a broker contract. The contract includes procuring and managing subcontracts with paratransit service providers, monitoring service quality and client interface, administering client eligibility, managing the sale of fare instruments, and acting as the principal customer service representative on behalf of the SFMTA.</p>
34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$1,248,251	\$ 2,052,000	<p>SFPW is requesting Prop K and Prop AA funds for the street resurfacing and pedestrian lighting elements of the multi-agency Upper Haight Transit Improvement and Pedestrian Realm project. Prop K funds would support resurfacing on Haight Street from Stanyan to Central, as well as one block of Masonic from Haight to Waller. Prop AA funds would be used to install pedestrian-scale lighting between Stanyan and Clayton. The overall complete streets project also includes 14 pedestrian and/or transit bulbs, lane configurations, curb ramps, signal improvements and sewer replacement. The project is expected to begin construction in early 2018 and be open for use by March 2020.</p>

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
37	SFPW	Public Sidewalk and Curb Repair	\$561,682		<p>Prop K funds will leverage \$247,790 in state funds to repair approximately 80 sidewalk locations and 5,616 linear feet of curb damaged by trucks, old age, vehicular accidents, and poor original construction. In past years, SFPW has used Prop K funds to repair sidewalks around City street trees. With the passage of Prop E in November 2016, SFPW now has \$19 million from an annual General Fund setaside to maintain all street trees in the public right-of-way, with nearly \$4 million of the funding to be used for repairs of sidewalk damage and buckling caused by the roots of mature City-maintained trees. SFPW has a backlog of more than 640 requested sidewalk repair locations not related to street tree damage. Additional locations will be determined by SFPW inspections, public complaints, and reports of trip-and-fall accidents. All work will be performed in FY 2017/18.</p>
38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$727,325		<p>Requested Prop K funds will fund the design and construction of approximately 75 traffic calming devices on 42 blocks around the city, including 66 speed humps, 4 speed cushions, 1 traffic circle, 2 raised crosswalks, and 2 areas with striping/signage. Locations were identified through evaluation of the 87 applications submitted to the SFMTA's Application-Based Residential Street Traffic Calming program in summer 2016. Acceptance into the program and prioritization for implementation is based on rankings of speeds, traffic counts, collision data, and land use types within a short proximity to the street (e.g. schools, transit stops, bike lanes, and parks). Construction will begin before the end of the calendar year and be done by June 2018. See page 107 of the enclosure for list of locations.</p>
38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$213,525		<p>Funds will support citywide program outreach, evaluation and prioritization of all eligible applications (up to 100 per year), planning recommendations for traffic calming devices, project development including balloting and targeted community outreach where needed, and conceptual engineering of traffic calming measures for approximately 50 site-specific locations. Application materials are available in English, Spanish and Chinese at www.sfmta.com, and must be submitted to SFMTA or before June 30, 2017. SFMTA staff will evaluate whether the street is eligible for acceptance into the program (i.e. on a residential street with a demonstrated speeding program). Eligible applications will then be ranked to determine the locations most in need of traffic calming, with the highest ranked locations getting prioritized based on funding availability. See the Implementation phase request (above) for more information about how locations are prioritized.</p>

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
42	SFPW	Tree Planting and Establishment	\$1,141,166		With these funds, SFPW crews will plant approximately 762 trees and water them regularly for three years to ensure successful establishment. This is an increase of 100% over FY 2016/17 planting levels. Previously, SFPW used Prop K funds for both street tree planting and maintenance of mature trees. With the passage of Prop E, SFPW now has sufficient funding from an annual General Fund setaside for tree maintenance, and will now use Prop K funds exclusively for tree planting. Priority planting sites will focus on neighborhoods with the greatest number of existing empty tree wells and lowest canopy coverage, such as Bayview Hunters Point, the Excelsior and Portola.
44	SFCTA	NTIP Program Support	\$75,000		Prop K funds will enable Transportation Authority staff to support commissioners' efforts to identify potential Neighborhood Transportation Improvement Program (NTIP) planning and capital projects; to develop proposed scope, schedule, and budget information to support allocation of NTIP grants; and to provide ongoing NTIP support as projects are implemented.
TOTAL			\$56,064,751	\$ 2,052,000	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	Recommendations
5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$ 5,449,859		Prop K Strategic Plan Amendment: The recommended allocation is contingent on an administrative amendment to the Prop K Strategic Plan to re-program unceded funds from prior allocations to the subject project.
17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$ 28,915,153		
17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$ 6,637,580		
20M	SFMTA	1570 Burke Avenue Facility Renovation	\$ 902,200		5-Year Prioritization Program (5YPP) Amendment: The recommended allocation is contingent on a concurrent Facilities - Muni 5YPP amendment to transfer cost savings of \$902,200 in design phase to items related to the temporary storage of material currently stored in the Burke facility during the construction phase. See attached 5YPP amendment for details. Special Condition: The Transportation Authority will not release the funds for temporary storage (\$634,000) or contingency (\$188,200) until the SFMTA has confirmed the cost of the lease of storage space, and a budget and rationale for release of all or a portion of the contingency.
23	SFMTA	Paratransit	\$ 10,193,010		
34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$ 1,248,251	\$ 2,052,000	5YPP Amendment: The recommended allocation is contingent upon a concurrent amendment to the Street Resurfacing, Rehabilitation and Maintenance 5YPP to add the subject project with funds from the Pavement Renovation Placeholder and unprogrammed capacity. See the enclosed 5YPP amendment for details. Special Condition: Allocation of Prop AA funds is contingent upon Transportation Authority Board approval of the 2017 Prop AA Strategic Plan. Approval is anticipated on May 23, 2017.
37	SFPW	Public Sidewalk and Curb Repair	\$ 561,682		
38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$ 727,325		
38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$ 213,525		
38	SFMTA	Tree Planting and Establishment	\$ 1,141,166		5YPP Amendment: The recommended allocation is contingent upon a concurrent amendment to the Tree Planting and Maintenance 5YPP to reprogram \$581,995 from Tree Maintenance to Tree Planting and Establishment. With the passage of Prop E, SFPW will receive \$19 million in FY 2017/18 for tree maintenance, which is sufficient funding to maintain the trees in the public right-of-way. See enclosed 5YPP amendment for details.
42	SFPW	NTIP Program Support	\$ 75,000		
TOTAL			\$ 56,064,751	\$ 2,052,000	

¹ See Attachment 1 for footnotes.

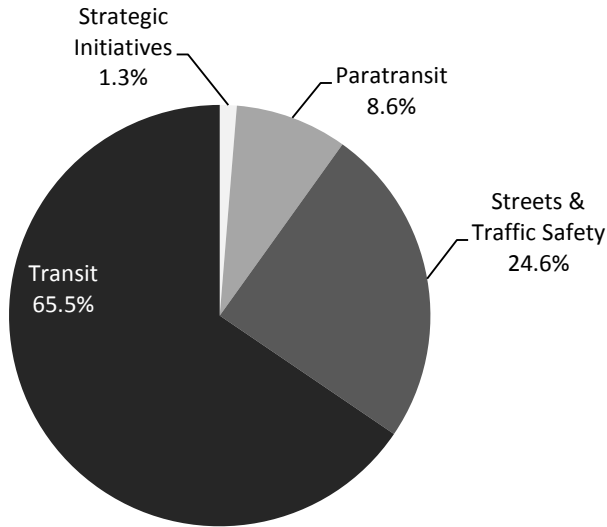
**Attachment 4.
Prop K Allocation Summary - FY 2017/18**

PROP K SALES TAX						
		CASH FLOW				
	Total	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Prior Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Request(s)	\$ 56,064,751	\$ 27,492,079	\$ 27,439,282	\$ 645,389	\$ 97,600	\$ 97,600
New Total Allocations	\$ 56,064,751	\$ 27,492,079	\$ 27,439,282	\$ 645,389	\$ 97,600	\$ 97,600

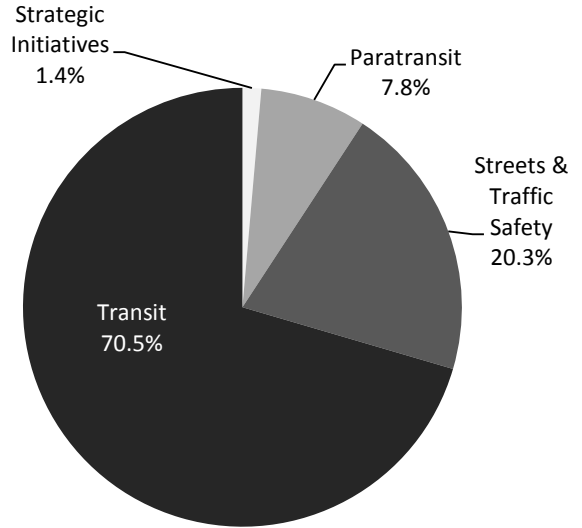
The above table shows maximum annual cash flow for all FY 2017/18 allocations approved to date, along with the current recommended allocation(s).

With these funds, CSDM projects will pl

Investment Commitments, per Prop K Expenditure Plan



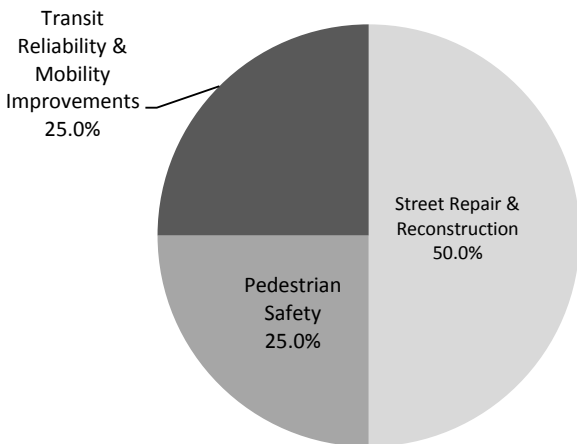
Prop K Investments To Date



PROP AA VEHICLE REGISTRATION FEE						
	Total	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Prior Allocations						
Current Request(s)	\$ 2,052,000	\$ 500,000	\$ 1,050,000	\$ 502,000	\$ -	\$ -
New Total Allocations	\$ 2,052,000	\$ 500,000	\$ 1,050,000	\$ 502,000	\$ -	\$ -

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

Investment Commitments, per Prop AA Expenditure Plan



Prop AA Investments To Date

