



Memorandum

Date: January 16, 2018
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 2/13/2018 Board Meeting: Allocation of \$5,806,422 in Prop K Funds for Five Requests, with Conditions

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Allocate \$5,086,422 in Prop K sales tax funds to the San Francisco Municipal Transportation Agency for three requests: <ol style="list-style-type: none"> 1. Replace 30 30-foot Hybrid Diesel Motor Coaches (\$356,422) 2. Track Replacement and Upgrade (\$4,480,000) 3. Lower Great Highway Pedestrian Improvements [NTIP Capital] (\$250,000) • Allocate \$720,000 in Prop K sales tax funds to San Francisco Public Works for Two Requests: <ol style="list-style-type: none"> 4. Alemany Interchange Improvements Phase 2 [NTIP Capital] (\$400,000) 5. Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital] (\$320,000) <p>SUMMARY</p> <p>We are presenting five requests totaling \$5,806,422 in Prop K sales tax funds to the Board for approval. Attachment 1 lists the requests, including requested phase(s) and supervisorial district(s) for each project. Attachment 2 provides a brief description of each project. Attachment 3 contains the staff recommendations.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Fund Allocation <input checked="" 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"/> Other: <hr/>
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DISCUSSION

Attachment 1 summarizes the subject allocation 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. Attachment 5 includes the Allocation Request Form for each project, with more detailed information on scope, schedule, budget and funding. Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest.

FINANCIAL IMPACT

The recommended action would allocate \$5,806,422 in Fiscal Year (FY) 2017/18 Prop K sales tax funds. The allocation would be subject to the Fiscal Year Cash Flow Distribution Schedules

Agenda Item 6

contained in the attached Allocation Request Forms.

Attachment 4 shows the total approved FY 2017/18 allocations and appropriations to date, with associated annual cash flow commitments as well as the recommended allocations and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the 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 January 23, 2018 meeting.

SUPPLEMENTAL MATERIALS

Attachment 1 – Summary of Applications Received

Attachment 2 – Project Descriptions

Attachment 3 – Staff Recommendations

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

Enclosure – Prop K/AA Allocation Request Forms (5)

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(s)
							Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$ 356,422		\$ 356,422	84%	0%	Design	Citywide
Prop K	22M	SFMTA	Track Replacement and Upgrade	\$ 4,480,000		\$ 22,393,000	78%	80%	Design, Construction	Citywide
Prop K	40	SFPW	Alemany Interchange Improvement Phase 2 [NTIP Capital]	\$ 400,000		\$ 400,000	25%	0%	Design	9
Prop K	40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$ 250,000		\$ 250,000	25%	0%	Design, Construction	4
Prop K	39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$ 320,000		\$ 528,000	25%	39%	Construction	9, 10
TOTAL				\$ 5,806,422	\$ -	\$ 23,927,422	75%	76%		

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 2017 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit).
- ² Acronyms: SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works).
- ³ "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K 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	Project Description
17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$356,422	The SFMTA is requesting funds to issue a request for proposals, review bids, select a vendor and negotiate a contract for replacement of 30 30-foot hybrid diesel motor coaches that have reached the end of their useful lives. The new buses will improve reliability and reduce maintenance costs of a fleet serving community routes such as 35-Eureka, 36-Teresita, 37-Corbett and 56-Rutland. SFMTA expects to award the contract in December 2018.
22M	SFMTA	Track Replacement and Upgrade	\$4,480,000	Funds will leverage nearly \$18 million in federal funds to rehabilitate track and track support systems for Muni light rail lines. This project will improve system reliability and productivity, and reduce operational noise, vibration and the potential for derailment at locations prone to high levels of wear. Phase 1 will focus on approximately 15 intersections requiring repair and upgrade of the fastening and support systems, and will be implemented by SFMTA labor. Phase 2 will focus on approximately 5 intersections requiring replacement of worn specialized track, and will be implemented under contract. See page 17 of the enclosure for potential locations. Both phases of the project will be done concurrently, with Phase 1 construction beginning in Spring 2018 and Phase 2 construction beginning in Fall 2018. SFMTA anticipates project completion in 2023.
40	SFPW	Alemany Interchange Improvement Phase 2 [NTIP Capital]	\$400,000	Requested funds will be used for the design phase of safety and accessibility improvements across and along Alemany Boulevard, between Putnam St. and Bayshore Blvd as recommended in an earlier NTIP planning project. The project includes a new multi-use path connecting San Bruno Avenue to the Alemany Farmers Market, as well as new and modified signalized crossings, new curb ramps, and other pedestrian safety improvements. SFPW anticipates the project could be open for use in Spring 2020.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$250,000	NTIP Capital funds will be used to engage the community, evaluate feasibility, and implement a suite of traffic calming improvements on the Lower Great Highway between Lincoln Way and Sloat Boulevard, including measures that address traffic diversion from the Great Highway. Near-term improvements (e.g., daylighting at intersections and informal trails, painted safety zones) will be constructed by Summer 2018. Mid-term improvements (e.g., angled parking, medians, and speed humps) are anticipated to be complete by Spring 2019.
39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$320,000	Construction of bicycle and pedestrian safety improvements at the Bayshore/Cesar Chavez/Potrero intersection as recommended in an earlier NTIP study. Segment F is a shared pedestrian path through an undeveloped city-owned lot. Segment G is an eastbound pathway that travels down a steep grade under the Highway 101 southbound on-ramp. The project will create a safe pathway for bikes and pedestrians that minimizes conflict between users. Segments will be widened, regraded with proper drainage, with adequate clearance at the highway overpass and landscaped buffers between path and roadway. SFMTA anticipates that the project will be open for use by December 2018.
TOTAL			\$5,806,422	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Recommendations
17M	SFMTA	Replace 30 30-foot Hybrid Diesel Motor Coaches	\$ 356,422	5-Year Prioritization Program (5YPP) Amendment: Recommended allocation is contingent upon a concurrent amendment to the Vehicles Muni 5YPP to program \$356,422 deobligated from previous vehicle procurement projects to the subject project. See attached 5YPP amendment for details.
22M	SFMTA	Track Replacement and Upgrade	\$ 4,480,000	5YPP Amendment: Recommended allocation includes a concurrent Guideways 5YPP amendment to reprogram \$3,550,887 in FY2017/18 funds from Twin Peaks Tunnel Trackway Improvements to the subject project, and reprogram an equivalent amount of FY2018/19 funds from the Muni Metro Rail Replacement Program to Twin Peaks Tunnel Trackway Improvements. The Twin Peaks tunnel project has been delayed by at least a year. See attached 5YPP amendment for details.
40	SFPW	Alemanly Interchange Improvement Phase 2 [NTIP Capital]	\$ 400,000	5YPP Amendment: Fully funding this request would require an amendment to the Pedestrian Circulation and Safety 5YPP to program \$276,603 in deobligated funds from projects completed under budget to the subject project. See attached 5YPP amendment for details.
40	SFMTA	Lower Great Highway Pedestrian Improvements [NTIP Capital]	\$ 250,000	Multi-phase Allocation: Given strong interest by the sponsoring commissioner in delivering the projects as quickly as possible, and the relatively straightforward design of similar improvements at multiple locations, we are recommending concurrent allocation of design and construction funds.
39, 40	SFPW	Bayshore Blvd/Cesar Chavez St/Potrero Ave Intersection Improvements (The Hairball) [NTIP Capital]	\$ 320,000	Intent to Allocate: Recommended allocation fulfills an Intent to Allocate (approved by the Board in February 2017) \$320,000 in Prop K funds for the construction phase of the project contingent upon completion of design and with a 50/50 split from District 9 and District 10 NTIP Capital funds. 5YPP Amendment: Recommended allocation is contingent upon a concurrent amendment to the Bicycle Circulation/Safety 5YPP to program \$2,931 from cumulative remaining programming capacity to the subject project.
TOTAL \$			5,806,422	

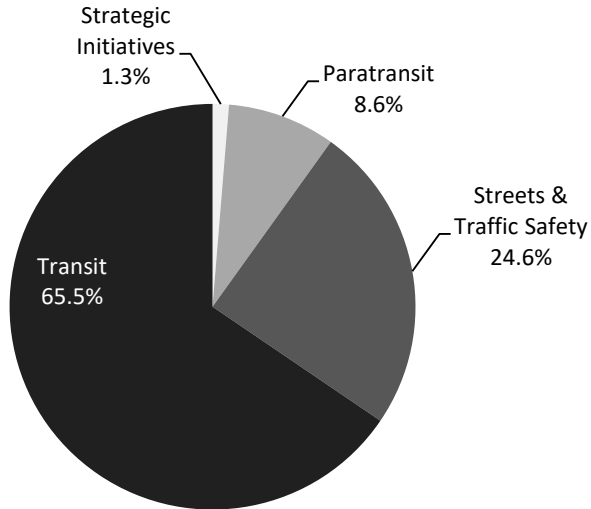
¹ See Attachment 1 for footnotes.

**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	\$ 75,394,115	\$ 34,255,084	\$ 40,005,643	\$ 645,389	\$ 97,600	\$ 97,600
Current Request(s)	\$ 5,806,422	\$ 1,129,733	\$ 1,575,154	\$ 689,231	\$ 689,231	\$ 689,230
New Total Allocations	\$ 81,200,537	\$ 35,384,817	\$ 41,580,797	\$ 1,334,620	\$ 786,831	\$ 786,830

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

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date

