



Memorandum

Date: 10.29.15 **RE:** Finance Committee
November 3, 2015

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

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

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Approving a Resolution Authorizing the Executive Director to Execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any Amendments Thereto Between the Transportation Authority and the California Department of Transportation for Receipt of Federal and State Funds, including an Agreement for the Bay Area Rapid Transit District Travel Smart Rewards Pilot Program, the South of Market Freeway Ramp Intersection Safety Improvement Study, and the Planning, Programming and Monitoring Program

Summary

The Transportation Authority regularly receives federal and state transportation funds under ongoing grant programs as well as congressional earmarks. These grant funds are typically administered by the California Department of Transportation (Caltrans), which requires that various types of funding agreements be executed between the project sponsor and Caltrans before the project sponsor can claim (e.g., seek reimbursement) the grant funds. Caltrans also requires a Board resolution identifying the person or persons authorized to execute these funding agreements and the title of the grant. Guidelines established by the Metropolitan Transportation Commission and Caltrans require that certain funding agreements be signed by the project sponsor and returned to Caltrans within 60 days. Caltrans may disencumber and/or de-obligate funds if the deadline is not met. We are recommending updating an approval of a blanket authorizing resolution that will enable us to meet the deadlines required for execution of the current agreements, as well as future agreements for state and federal grant funds awarded to the Transportation Authority, consistent with the implementation of the Transportation Authority's Board-approved work program.

BACKGROUND

The Transportation Authority regularly receives federal and state transportation funds under ongoing grant programs as well as congressional earmarks. These grant funds are typically administered by the California Department of Transportation (Caltrans), which requires that various types of funding agreements be executed between the project sponsor and Caltrans before the project sponsor can claim (e.g., seek reimbursement) the grant funds. Caltrans also requires an updated Board resolution identifying the person or persons authorized to execute these funding agreements and the title of the grant. This resolution was last updated in September 2014 through Resolution 15-05.

DISCUSSION

The purpose of this memorandum is to brief the Finance Committee on this Caltrans requirement and seek a recommendation to approve a resolution authorizing the Executive Director to execute funding agreements between the Transportation Authority and Caltrans for receipt of federal and state funds, and to explicitly authorize a funding agreement for several grants that we anticipate receiving this year.

Guidelines established by the Metropolitan Transportation Commission and Caltrans require that certain funding agreements for state and federal funds be signed by the project sponsor and returned, along with a local agency resolution that identifies the official authorized to execute the agreement, to Caltrans within 60 days. Caltrans may disencumber and/or de-obligate funds if the deadline is not met. We are recommending updating an approval of a blanket authorizing resolution that will enable us to meet the deadlines required for execution of the current agreements, as well as future agreements for state and federal grant funds awarded to the Transportation Authority, consistent with the implementation of the Transportation Authority's Board-adopted work program. During Fiscal Years (FY) 2015/16 and 2016/17, we anticipate receiving the following federal and state funds from Caltrans: the Bay Area Rapid Transit District (BART) Travel Smart Rewards Pilot Program, the South of Market (SoMa) Freeway Ramp Intersection Safety Improvement Study, and the Planning, Programming and Monitoring (PPM) Program for FY 2016/17.

(BART) Travel Smart Rewards Pilot Program: We are partnering with BART on a pilot project to address train crowding in downtown San Francisco by incentivizing riders to shift their travel to the shoulders of the peak period or other stations and routes. The pilot project will involve creating a BART loyalty program whereby riders receive rewards for using BART during off-peak periods. Traveler responses to the incentives will be monitored closely using transit smart card (Clipper) data and project staff will adjust incentives in response to traveler route and time-of-day choices. In September 2015, we received approval of the federal Value Pricing Program grant authorization by Caltrans for \$508,000. A program supplemental agreement with Caltrans will be executed prior to seeking reimbursement of grant funds.

SoMa Freeway Ramp Intersection Safety Improvement Study: The SoMa Market Freeway Ramp Intersection Safety Improvement Study will develop proposals to improve safety at ramp intersections in SoMa neighborhood. Traffic collisions are very frequent at ramp intersections in this area, home to eight of the top ten ramp intersections in the city ranked by severity-weighted injuries citywide (2008-2012). Rapid development in SoMa is compounding the urgency of the safety problem. Improving safety in tandem with growth is critical to avoiding increases in traffic conflicts. The study will develop a prioritized set of safety improvements to projects to up to ten ramp intersections in the south of Market area. The San Francisco Municipal Transportation Agency is already developing short-term improvement concepts (e.g., signal timing, striping, and signage changes) at some intersections, and the additional funding would allow development of more systematic, permanent safety fixes to benefit existing and future residents and employees. This work will directly complement the ongoing Freeway Corridor Management Study, which is examining operational changes to the freeway mainline and ramps along the portion of U.S. 101 that traverses SoMa. We are submitting a grant application to Caltrans for approximately \$200,000 by the end of this month. If approved, grant funds are anticipated to be authorized in early Spring 2016.

PPM Program: The state PPM Program funds a number of eligible Congestion Management Agency activities each year. Due to reduced funding levels in the State Transportation Improvement Program, we did not receive any PPM Program funds in FY 2015/16. However, the San Francisco 2016 Regional Transportation Improvement Program priorities, which were approved by the Transportation Authority

Board last month, propose to re-confirm programming of \$447,000 in FY 2016/17 and \$667,000 in FY 2017/18 to the Transportation Authority.

Procurements for each project and mid-year budget amendments, where applicable, will be handled as separate items.

ALTERNATIVES

1. Recommend approving a resolution authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of Federal and State funds, including an agreement for the BART Travel Smart Rewards Pilot Program, the SoMa Freeway Ramp Intersection Safety Improvement Study, and the PPM Program, as requested.
2. Recommend approving a resolution authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of Federal and State funds, including an agreement for the BART Travel Smart Rewards Pilot Program, the SoMa Freeway Ramp Intersection Safety Improvement Study, and the PPM Program, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC considered this item at its October 28, 2015 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

Board approval of the recommended action would facilitate compliance with Caltrans funding agreement deadlines and enable the Transportation Authority to seek reimbursement of federal and/or state grant funds administered by Caltrans.

RECOMMENDATION

Recommend approving a resolution authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of federal and state funds, including an agreement for the BART Travel Smart Rewards Pilot Program, the SoMa Freeway Ramp Intersection Safety Improvement Study, and the PPM Program.