

1 [Apply for, Accept, and Expend Grant - Active Transportation Program - \$1,298,000]

2
3 **Resolution authorizing the filing of an application for funding assigned to the California**
4 **Transportation Commission (CTC); filing of an application for funding assigned to the**
5 **Metropolitan Transportation Commission (MTC); committing any necessary matching**
6 **funds; stating assurance to complete the projects; and authorizing the Department of**
7 **Public Works to accept and expend \$1,298,000 in Active Transportation Program grant**
8 **funds awarded through CTC and/or MTC.**

9
10 WHEREAS, The Active Transportation Program (herein referred to as PROGRAM) was
11 created in September 2013 through Senate Bill 99 and Assembly Bill 101 to consolidate
12 existing federal and state transportation programs, including the Transportation Alternatives
13 Program (TAP), Bicycle Transportation Account (BTA), and State Safe Routes to School
14 (SR2S); and

15 WHEREAS; The PROGRAM's funding is being awarded through two different
16 competitive mechanisms: \$179,550,000 in state and federal funds will be awarded through the
17 Statewide Competitive PROGRAM led by the California Transportation Commission (CTC)
18 and \$30,223,000 (herein referred to as REGIONAL DISCRETIONARY FUNDING) will be
19 awarded through the Regional Competitive PROGRAM led by the Metropolitan Transportation
20 Commission (MTC); and

21 WHEREAS; The PROGRAM includes federal funding administered by the Federal
22 Highway Administration (FHWA) and federal or state funding administered by the California
23 Transportation Commission (CTC) such as Surface Transportation Program (STP) funding,
24 Congestion Mitigation and Air Quality Improvement (CMAQ) funding, Transportation
25

1 Alternatives (TA)/Active Transportation Program (ATP) funding, and Regional Transportation
2 Improvement Program (RTIP) funding; and

3 WHEREAS, The Moving Ahead for Progress in the 21st Century Act (Public Law 112-
4 141, July 6, 2012) and any extensions or successor legislation for continued funding
5 (collectively, MAP-21) authorize various federal funding programs including, but not limited to
6 the Surface Transportation Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and
7 Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149) and the Transportation
8 Alternatives Program (TA) (23 U.S.C. § 213); and

9 WHEREAS, Applications for the Statewide Competitive PROGRAM were due in May
10 2014 and Regional Competitive PROGRAM applications are due in July 2014, prior to the
11 announcement of decisions in the Statewide PROGRAM; and

12 WHEREAS, MTC encouraged Statewide PROGRAM applicants to also submit
13 applications for REGIONAL DISCRETIONARY FUNDING in the Regional PROGRAM, so that
14 they could be considered for funding if applicants are not awarded a grant by CTC; and

15 WHEREAS, The Department of Public Works (herein referred to as DPW) submitted
16 two applications on May 21, 2014 to CTC for the Redding Safe Routes to School Project
17 (\$784,000) and the John Yehall Chin Safe Routes to School Project (\$514,000) (herein
18 referred to as PROJECTS) that total \$1,298,000 to fund environmental studies and
19 preliminary engineering under the Statewide Competitive PROGRAM; and

20 WHEREAS, DPW is also submitting two applications for the PROJECTS to MTC for
21 \$1,298,000 in REGIONAL DISCRETIONARY FUNDING assigned to MTC for programming
22 discretion for the Regional Competitive PROGRAM; and

23 WHEREAS, State statutes, including California Streets and Highways Code §182.6,
24 §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding
25

1 programs for the programming discretion of the Metropolitan Planning Organization (MPO)
2 and the Regional Transportation Planning Agency (RTPA); and

3 WHEREAS, Pursuant to MAP-21 and any regulations promulgated thereunder, eligible
4 project sponsors wishing to receive federal or state funds for a regionally-significant project
5 shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review
6 and inclusion in the federal Transportation Improvement Program (TIP); and

7 WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay
8 region; and

9 WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC
10 Resolution No. 3606, revised) that sets out procedures governing the application and use of
11 REGIONAL DISCRETIONARY FUNDING; and

12 WHEREAS, DPW is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING;
13 and

14 WHEREAS, As part of the application for REGIONAL DISCRETIONARY FUNDING,
15 MTC requires a resolution adopted by the responsible implementing agency stating the
16 following:

- 17 1. The commitment of any required matching funds;
- 18 2. That the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is
19 fixed at the programmed amount, and therefore any cost increase cannot be
20 expected to be funded with additional REGIONAL DISCRETIONARY FUNDING;
- 21 3. That the PROJECTS will comply with the procedures, delivery milestones and
22 funding deadlines specified in the Regional Project Funding Delivery Policy (MTC
23 Resolution No. 3606, revised);

- 1 4. The assurance of the sponsor to complete the PROJECTS as described in the
2 application, subject to environmental clearance, and if approved, as included in
3 MTC's federal Transportation Improvement Program (TIP);
- 4 5. That the PROJECTS will have adequate staffing resources to deliver and complete
5 the PROJECTS within the schedule submitted with the project application; and
- 6 6. That the PROJECTS will comply with all project-specific requirements as set forth in
7 the PROGRAM;
- 8 7. That DPW has assigned, and will maintain a single point of contact for all FHWA-
9 and CTC-funded transportation projects to coordinate within the agency and with
10 the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA,
11 and CTC on all communications, inquires or issues that may arise during the federal
12 programming and delivery process for all FHWA- and CTC-funded transportation
13 and transit projects implemented by DPW;
- 14 8. In the case of an RTIP project, state law requires PROJECTS be included in a local
15 congestion management plan, or be consistent with the capital improvement
16 program adopted pursuant to MTC's funding agreement with the countywide
17 transportation agency; and

18 WHEREAS, That DPW is authorized to submit an application for REGIONAL
19 DISCRETIONARY FUNDING for the PROJECT; and

20 WHEREAS, There is no legal impediment to DPW making applications for the funds;
21 and

22 WHEREAS, There is no pending or threatened litigation that might in any way
23 adversely affect the proposed PROJECTS, or that might impair the ability of DPW to
24 implement the PROJECTS; and

1 WHEREAS, The Director of DPW or his or her designee is authorized to execute and
2 file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECTS
3 as referenced in this resolution; and

4 WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in
5 conjunction with the filing of the application; and

6 WHEREAS, The grants do not require an ASO amendment; and

7 WHEREAS, The grant budgets include indirect costs in the amount of \$512,494.30;
8 now, therefore, be it

9 RESOLVED, That DPW is authorized to execute and file an application for funding for
10 the PROJECTS for REGIONAL DISCRETIONARY FUNDING under MAP-21 or continued
11 funding; and, be it

12 FURTHER RESOLVED, That DPW by adopting this resolution does hereby state that:

- 13 1. DPW will commit any required matching funds;
- 14 2. DPW understands that the REGIONAL DISCRETIONARY FUNDING for the
15 projects is fixed at the MTC-approved programmed amount, and that any cost
16 increases must be funded by DPW from other funds, and that DPW does not
17 expect any cost increases to be funded with additional REGIONAL
18 DISCRETIONARY FUNDING;
- 19 3. DPW understands the funding deadlines associated with these funds and will
20 comply with the provisions and requirements of the Regional Project Funding
21 Delivery Policy (MTC Resolution No. 3606, revised) and DPW has, and will
22 retain the expertise, knowledge and resources necessary to deliver federally-
23 funded transportation projects, and has assigned, and will maintain a single
24 point of contact for all FHWA- and CTC-funded transportation projects to
25 coordinate within the agency and with the respective Congestion Management

Item 1 File 14-0655	Department: Municipal Transportation Agency (MTA)
EXECUTIVE SUMMARY	
Legislative Objectives	
<ul style="list-style-type: none"> • The proposed resolution (File 14-0655) would approve a contract between the San Francisco Municipal Transportation Agency (SFMTA) and Brookville Equipment Corporation to repair and upgrade 16 former SEPTA Presidents' Conference Committee (historic) streetcars. The contract is for an amount not to exceed \$34,482,428 and a term of six years. 	
Key Points	
<ul style="list-style-type: none"> • According to SFMTA staff, the 16 historic streetcars require an overhaul due to normal wear and tear from continuous daily service since the historic streetcars' last overhaul in 1994. The SFMTA staff states that the repairs and upgrades to the historic streetcars will result in safety and reliability improvements and extension of the useful life of the streetcars for a minimum of 10 years. • On April 5, 2013 the SFMTA issued a Request for Proposals (RFP) for the repair and upgrade of the 16 historic streetcars. An impartial committee of SFMTA staff reviewed three proposals and determined the proposal from Brookville Equipment Co. to be the most competitive. • On May 20, 2014 the SFMTA Board of Directors adopted a resolution to authorize the Director of Transportation to execute a contract not to exceed \$34,482,428 and a term not to exceed six years with Brookville Equipment Corporation for the repair and upgrade of the 16 historic streetcars. 	
Fiscal Impact	
<ul style="list-style-type: none"> • The proposed contract to repair the historic streetcars is not to exceed \$34,482,428. SFMTA has budgeted an additional \$5,179,280 for associated costs. Therefore the total project cost is \$39,661,708. • The proposed total project cost of \$39,661,708 would be funded with a Federal grant, bridge toll funds and Proposition K Sales Taxes. 	
Recommendation	
<ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.118(b) states that agreements entered into by a department, board or commission requiring anticipated expenditures by the City and County of ten million dollars or more shall be subject to approval of the Board of Supervisors by resolution.

Background

The San Francisco Municipal Transportation Agency (SFMTA) operates the Municipal Railway (Muni), which owns and operates 50 historic streetcars. Mr. Louis Maffei, Senior Light Rail Vehicle Equipment Engineer at SFMTA, reports that these streetcars are in revenue service 21 hours per day every day of the year. The historic streetcars operate on the F Market & Wharves line which provides service on Market Street and the Embarcadero. According to the SFMTA's Transportation Effectiveness Project, the historic streetcars are used by an average of 23,208 riders per weekday.

According to the Federal Transit Authority¹ (FTA) the minimum useful life of a streetcar is 25 years with each major overhaul adding an additional ten years of useful life. Mr. Maffei reports that the historic streetcars were manufactured in 1946 and the last overhaul was completed in 1994, or 20 years ago; therefore the historic streetcars are past the FTA minimum extended life spans.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution (File 14-0655) would approve a contract not to exceed \$34,482,428 between the SFMTA and Brookville Equipment Co. to upgrade and repair 16 historic streetcars. The term of the contract is not to exceed six years from the effective date.

SFMTA reports the upgrades and repairs will extend the historic streetcars' useful life by 10-20 years. The proposed upgrades and repairs involve the complete disassembly and reassembly of the historic streetcars. According to Mr. Maffei, specific repairs and upgrades were selected based on (a) the need to meet SFMTA safety and communication policies, (b) regulatory requirements, and (c) upgrades that would result in time savings for maintenance staff. Examples of the proposed upgrades and repairs include:

- Removal of toxic materials such as asbestos and lead paint.
- Upgrades to the braking systems.
- Installation of video cameras and recorders for security purposes.
- Replacement of combustible materials with flame and smoke compliant materials.
- Installation of upgraded communications equipment.

¹ Federal Transit Authority Grant Management Guidelines C 5010.1C and CFT49, Part 661

On April 5, 2013 the MTA issued a Request for Proposals (RFP) for the upgrade and repair of 16 out of 50 historic streetcars. Four proposals were submitted. One proposal was considered non-compliant by the City’s Attorney’s Office due to exceptions taken to the contract terms and conditions. A panel of SFMTA staff reviewed the remaining three proposals. As shown below, Brookville Equipment Co. received the highest score.

Table 1: RFP Evaluation Scores by Proposal

Technical Proposal	60	33	51	22
Oral Presentation	20	13	15	10
Price Proposal	20	14	18	20
Total Score	100	59	84	53
Proposed Contract Price		\$45,479,381	\$34,482,428	\$31,476,139

Source: SFMTA

Impact on Service

To provide minimal disruption of service, no more than 3 out of the 16 historic streetcars to be upgraded and repaired will be delivered to Brookville Equipment Co. at one time. Additionally, SFMTA will perform safety and performance tests on one historic streetcar at a time prior to returning it to service. Therefore, a maximum of four historic streetcars will be out of service at any one time. Mr. Maffei asserts that the remaining 46 out of 50 active historic streetcars will sufficiently meet projected service demands.

Project Timeline

According to the terms of the contract, all upgrades and repairs must be completed on all 16 historic streetcars by no later than 6 years subsequent to approval of the contract. According to Mr. Maffei, if the contract is approved by August 2014, it is anticipated that the first historic streetcar will be returned to SFMTA by August 2016 and the 16th streetcar by August 2018. The projected project timeline is detailed in Table 2 below.

Table 2: Proposed Project Timeline

Project Plan	September 2014
Delivery of 1 st streetcar to SMFTA	August 2016
Completion of 1 st streetcar, including testing	November 2016
Delivery of 2 nd streetcar to SFMTA	November 2016
Delivery of remaining 14 streetcars	One streetcar every 1.5 months
Delivery of 16 th streetcar to SFMTA	August 2018

Source: SFMTA

FISCAL IMPACT

As noted above, the total not to exceed amount of the proposed contract with Brookville Equipment Co. is \$34,482,428. A budget for the proposed project costs is shown in Table 3 below.

Table 3: Proposed Project Costs

Streetcars to be Overhauled	\$1,990,381	16	\$31,846,096
Streetcar Shipping	\$39,653	16	634,448
Training			150,000
Spare Parts and Special Tools			500,000
California Sales Tax (8.75% on materials only)			1,351,884
Subtotal Brookville Equipment Contract			\$34,482,428

Source: SFMTA

Brookville Equipment Co. will receive payments from SFMTA after the completion of critical milestones as detailed in Table 4 below.

Table 4: Proposed Payment Schedule

Approval of Project Plan			\$1,624,027
Completion of Vehicle Disassembly			3,248,054
Completion of all Rehabilitation Work	\$1,015,017	16	16,240,272
Successful Testing of Historic Streetcars	\$609,010	16	9,744,163
Completion of Training			142,500
Delivery of Spare Parts and Special Tools			500,000
Final Acceptance of Contract Deliverables			1,631,528
California Sales Tax (8.75%)			1,351,884
Total			\$34,482,428

Source: SFMTA

¹ Amounts are rounded

SFMTA has budgeted additional associated costs for the project that total \$5,179,280 as shown in Table 5 below. These costs are not included in the proposed contract with Brookville Equipment Co.

Table 5: Associated Expenditures

SFMTA Engineering and Project Management Staff Salaries	\$3,962,026
SFMTA Project Design Staff Salaries	692,254
CH2M Hill Consultant Support	500,000
Travel Costs	25,000
Subtotal of Other Associated Cost Items	\$5,179,280

Source: SFMTA

The total project cost including the Brookville Equipment Co. contract of \$34,482,428 (Table 3 above) and the associated expenditures of \$5,179,280 (Table 5 above) is \$39,661,708. The \$39,661,708 of project costs would be funded from three sources including a federal grant, bridge toll funds and Proposition K sales taxes as detailed in Table 6 below.

Table 6: Project Funding by Source

FTA Section 5307 Federal Grant ²	\$31,729,367
RM2 Bridge Toll Funds ³	1,001,413
Proposition K ⁴ Funds	6,930,928
Total Funding	\$39,661,708

Source: SFMTA

RECOMMENDATION

Approve the proposed resolution.

² The Urbanized Area Formula Funding Program (49 U.S.C. 5307), administered by the Federal Transit Administration, provides funding to urbanized areas for transit capital and operating assistance. FTA Section 5307 Federal Grant funds cannot exceed 80 percent of the net project cost.

³ Bay Area voters passed Regional Measure 2 (RM2) on March 2, 2004, which raised the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. This additional funding is used to fund transportation projects within the region that have been determined to reduce congestion as identified in SB 916 (Chapter 715, Statutes of 2004).

⁴ San Francisco voters passed Proposition K on November 4, 2003, which increased the local sales tax by a half-cent to provide funding for transportation projects identified in the San Francisco County Transportation Authority's 30-Year Expenditure Plan.