

**Board Report**

File #: 2019-0639, **File Type:** Resolution**Agenda Number:** 21.

**FINANCE, BUDGET AND AUDIT COMMITTEE
SEPTEMBER 18, 2019****SUBJECT: CALIFORNIA SB1 STATE OF GOOD REPAIR PROGRAM****ACTION: APPROVE RECOMMENDATIONS****RECOMMENDATION**

APPROVE the Resolution in Attachment A to:

- A. AUTHORIZE the Chief Executive Officer (CEO) or his designee to claim \$30,066,491 in fiscal year (FY) 2019-20 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program; and
- B. APPROVE the regional SGR Project List for FY19-20; and
- C. CERTIFY that Metro will comply with all conditions and requirements set forth in the SGR Certification and Assurances document and applicable statutes, regulations and guidelines.

ISSUE

The California Department of Transportation (Caltrans) issued final FY 2019-20 guidelines for the SGR Program in August, 2019. The Guidelines state that eligible transit operators shall provide a proposed list of projects to their Regional Entity, as defined by Public Utilities Code (PUC) Sections 99313 and 99314. For Los Angeles County, Metro is the Regional Entity. Metro is required to submit a combined project list to Caltrans by September 1, 2019. The submittal package must include an adopted Board resolution approving the Project List and certifying that Metro will comply with all conditions and requirements set forth in the certifications and assurances documents. Since the required documentation was not ready until August, Caltrans has accepted a draft resolution with the project list submittal pending receipt of a Board-adopted resolution. Therefore, staff is seeking Board approval of the resolution contained in Attachment A.

DISCUSSION

As defined in The Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB1), the SGR Program provides approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects to help keep transit systems in a state of good repair. These new investments will lead to cleaner transit vehicle fleets,

increased reliability and safety, and reduced greenhouse gas emissions.

Pursuant to PUC Section 99312.1, the funds for the SGR Program are distributed to eligible agencies using the State Transit Assistance Program formula. This formula distributes half of the funds according to population and half according to transit operator revenues. Within Los Angeles County, the revenues will be distributed according to the Metro Board-adopted FAP.

DETERMINATION OF SAFETY IMPACT

The requested actions will have no impact on the safety of our customers or employees.

FINANCIAL IMPACT

Adoption of the SGR resolution and would positively impact the region by making \$30.7 million available to support state of good repair efforts for Metro and the Municipal Operators.

Impact to Budget

Claiming SGR funds will have a positive impact to the FY20 budget, as Metro is one of the regional recipients of these funds.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendations support Metro Vision 2028 Strategic Goal 1.2: Optimize the speed, reliability and performance of the existing system by revitalizing and upgrading Metro's transit assets.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the resolution in Attachment A. Staff does not recommend this alternative because it would risk loss of the region's FY19-20 SGR fund allocation.

NEXT STEPS

- September, 2019: Metro submits Board-adopted Resolution to Caltrans.

ATTACHMENTS

Attachment A - Resolution to Accept and Distribute Los Angeles County SGR Funds
Attachment B - Submitted Project Listing From Metro and Municipal Operators

Prepared by: Timothy Mengle, Senior Director, OMB, (213) 922-7665

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A
RESOLUTION TO ACCEPT AND DISTRIBUTE LOS ANGELES COUNTY SGR FUNDS

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2019-20
FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM

WHEREAS, Senate Bill 1 (SB1), the Road Repair and Accountability Act 2017, establishing the State of Good Repair (SGR) program to fund eligible transit maintenance, rehabilitation and capital project activities that maintain the public transit system in a state of good repair; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (Metro) is an eligible project sponsor and may receive and distribute State Transit Assistance – State of Good Repair funds to eligible project sponsors (local agencies) for eligible transit capital projects;

WHEREAS, Metro will be distributing SGR funds to eligible project sponsors (local agencies) under its regional jurisdiction; and

WHEREAS, Metro concurs with and approves the attached project list for the State of Good Repair Program funds:

NOW, THEREFORE, BE IT RESOLVED, that Metro hereby approves the SB1 State of Good Repair Project List for FY 2019-20; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Metro that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit capital projects.

NOW, THEREFORE, BE IT RESOLVED, that the CEO is hereby authorized to submit a request for Scheduled Allocation of the SB1 State of Good Repair funds and to execute the related grant applications, forms and agreements.

AGENCY BOARD DESIGNEE:

BY: _____

Attachment B

Submitted Project Listing From Metro and Municipal Operators

SB1 State of Good Repair Program, Fiscal Year 2019-2020 Cycle

Agency	Project Title	Project Description	Estimated 99313 Costs	Estimated 99314 Costs	Other SB1 Costs	Total Project Costs
Antelope Valley Transit Authority	Purchase Expansion Bus	Funds toward the purchase of one replacement commuter bus	\$ -	\$ 294,416	\$ 581,085	\$ 875,501
City of Commerce	Preventive Maintenance	The SGR funds shall be used for preventive maintenance expenses.	\$ -	\$ 20,024	\$ -	\$ 20,024
City of Gardena	FY20 Preventative Maintenance	The preventative maintenance undertaken under this grant includes repairs and maintenance of SGR funded assets including its facility, equipment, and vehicles.	\$ -	\$ 249,483	\$ 3,417,552	\$ 3,667,035
City of Los Angeles	LADOT DASH Transit Bus Replacement	Los Angeles Department of Transportation (LADOT) DASH Transit 30' Battery-Electric Transit Bus	\$ -	\$ 620,000	\$ 205,000	\$ 825,000
City of Montebello	Rehabilitation of Transportation Center	The City's Transportation Center was constructed in the 1990s. The SGR funding would support projects such as replacement of HVAC system, concrete and asphalt repairs, painting, carpet replacement and other projects designed to extend the life of the facility.	\$ -	\$ 173,058	\$ 377,267	\$ 550,325
City of Norwalk	Purchase of one (1) Parallelogram Lift	The City of Norwalk Transit System will apply its FY19/20 SGR allocation to the purchase of a parallelogram lift. The parallelogram lift will allow for proper maintenance and inspection of fleet and vehicles, the project is within the scope of the use of SB1 SGR funds.	\$ -	\$ 145,114	\$ -	\$ 145,114
City of Redondo Beach	Transit Operations Facility Improvements	Transit Operations facility improvements that may include interior improvements to the general office space, bathroom, and storage space for use by Transit Operations. The project may also include exterior improvements to the facility.	\$ -	\$ 34,395	\$ -	\$ 34,395
City of Santa Monica	Bus Replacement	Purchase Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.	\$ -	\$ 921,770	\$ -	\$ 921,770
City of Torrance	Torrance Transit SB1 State of Good Repair Preventive Maintenance FY2020	Torrance Transit will utilize SB1 State of Good Repair Funds to supplement our annual preventive maintenance program for buses.	\$ -	\$ 291,257	\$ -	\$ 291,257
Culver City	Culver CityBus FY20 Preventive Maintenance	Preventive Maintenance on the Culver CityBus fleet of 56 CNG Transit Buses in fixed route revenue service during FY19-20.	\$ -	\$ 245,367	\$ -	\$ 245,367
Foothill Transit Zone	Bus Heavy & Preventive Maintenance	Activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of buses.	\$ -	\$ 20,000,000	\$ -	\$ 20,000,000
Foothill Transit Zone	CNG to Electric Bus Replacement	Replace 20 CNG buses that have reached the end of useful life with 20 new all electric buses.	\$ -	\$ 4,000,000	\$16,000,000	\$ 20,000,000
Foothill Transit Zone	CNG to Electric Bus Replacement	Replace 25 CNG buses that have reached the end of useful life with 25 new CNG buses.	\$ -	\$ 3,740,000	\$14,960,000	\$ 18,700,000
Foothill Transit Zone	Farebox Rehabilitation	Replace obsolete parts with parts supported by the manufacturer. Replace existing smart card reader with improved security features, real-time communication ready, improved wireless communication with central servers.	\$ -	\$ 3,900,000	\$ -	\$ 3,900,000
Long Beach Public Transportation Company	Bus Replacement	Replace buses that have met their useful life. Request funding to support the purchase of up to (10) 40 ft. Battery-electric buses that are fully ADA compliant with a passenger count of up to 38 passengers.	\$ -	\$ 1,074,836	\$ -	\$ 1,074,836
Los Angeles County	El Camino Village Bus Shelters Replacement	Replace 5 advertising bus stop shelters located in the unincorporated El Camino Village area. Each bus stop shelter will consist of a bench, a trash receptacle and illumination from dusk to dawn.	\$ -	\$ 64,827	\$ -	\$ 64,827
Los Angeles County Metropolitan Transportation Authority	Metro Rail Vehicle and Wayside Preventive Maintenance	Preventive maintenance expenses of Metro Light and Heavy Rail rolling stock and wayside facilities.	\$ 13,205,917	\$ -	\$ -	\$ 168,036,000
Los Angeles County Metropolitan Transportation Authority	Metro Bus Preventive Maintenance	Preventive maintenance expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility.	\$ -	\$ 12,666,297	\$ -	\$ 253,049,000
Total			\$ 13,205,917	\$ 48,440,844	\$35,540,904	\$ 492,400,451