



Board Report

File #: 2023-0597, File Type: Program

Agenda Number: 7.

FINANCE, BUDGET, AND AUDIT COMMITTEE OCTOBER 18, 2023

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 designee to claim \$34,650,803 in fiscal year (FY) 2023-24 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program;
- B. APPROVE the regional SGR Project List for FY23-24; 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

In order to receive SGR grant funds for Metro and other eligible operators in Los Angeles County, Metro, as the Regional Entity, is required to submit an adopted Board resolution approving the combined project list and certifying that Metro will comply with all conditions and requirements set forth in the Certifications and Assurances documents.

BACKGROUND

As defined in the Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB1), the SGR Program provides approximately \$125.6 million in this cycle to transit operators in California for eligible transit repair, 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.

DISCUSSION

The Caltrans guidelines state that eligible transit operators shall submit their own project requests directly to Caltrans and provide a list of those projects to their Regional Entity, as defined by Public Utilities Code (PUC) Sections 99313 and 99314. For Los Angeles County, Metro is both the Regional Entity and a direct recipient of these funds.

Program requirements and deadlines are discussed at the Bus Operator Subcommittee (BOS) meetings. Metro staff are available to provide guidance if requested. However, each individual agency is ultimately responsible for selecting their own projects and submitting their requests to Caltrans.

Metro is required to submit the combined project list to Caltrans by September 1, 2023. 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 the end of 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.

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 would positively impact the region by making an estimated \$34.7 million available to support state of good repair efforts for Metro and the Municipal Operators. The actual amount is dependent upon SB1 revenues received during the year.

Impact to Budget

Claiming SGR funds will have a positive impact on the FY24 budget, as Metro is one of the regional recipients of these funds.

EQUITY PLATFORM

This program helps fund rehabilitation and state of good repair activities for Metro and the Municipal Operators throughout Los Angeles County. By providing additional resources for transit service, this program will benefit existing and potential Metro riders. There are no equity concerns anticipated as a result of this action.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal:
Goal # 5: Provide responsive, accountable, and trustworthy governance within the Metro Organization.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the resolution in Attachment A. Staff does not recommend this alternative because it would risk the loss of the region's FY23-24 SGR fund allocation.

NEXT STEPS

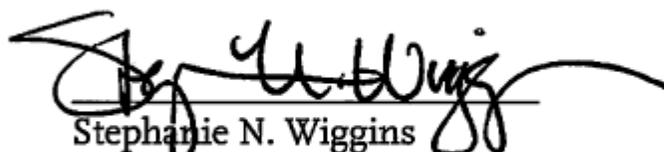
In October 2023, Metro will submit a certified copy of the Board-adopted resolution to Caltrans.

ATTACHMENTS

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

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Stephanie N. Wiggins
Chief Executive Officer

RESOLUTION TO ACCEPT AND DISTRIBUTE LOS ANGELES COUNTY SGR FUNDS

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2023-24

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 2023-24; 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: _____

Submitted Project Listing From Metro and Municipal Operators

Agency	Funding FY	PPNo	Project Title	Project Description	Estimated 99313 Costs	Estimated 99314 Costs	Other SB1 Costs	Total Project Costs
Antelope Valley Transit Authority	23/24	PP001	Purchase Local Transit Bus	Funds toward the purchase of 1 local transit bus. Size – 35-foot size Passenger count – 32 +1 Accessibility – ADA, Fuel type = battery electric.		\$ 208,307	\$ -	\$ 752,259
City of Arcadia	23/24	PP001	Purchase 10 Replacement Vehicles	Purchase ten replacement transit vehicles, still deciding on fuel-type.		\$ 10,722	\$ -	\$ 10,722
City of Commerce	23/24	PP001	Tire Replacement Transit Fleet	The SGR Funds will be used to replace bus tires within the City's transit fleet, up to 15 vehicles. New project for each funding fiscal year.		\$ 13,734	\$ -	\$ 13,734
City of Culver City	23/24	PP001	23/24 Transit Vehicle Repair	Repair of heavy-duty transit bus vehicle fleet. Does not include oil changes and other activities associated with the standard preventive maintenance checklist.		\$ 173,795	\$ -	\$ 173,795
City of Gardena	23/24	PP001	Capital Bus Components/Facility Equipment	Replacement bus components and facility equipment.		\$ 170,262	\$ -	\$ 685,750
City of Los Angeles	23/24	PP002	Electrification of LADOT Washington Ave Bus Maintenance Facility	LADOT seeks funding to electrify the Washington Ave. Bus Maintenance Facility to support an all-electric bus fleet.		\$ 463,373	\$ -	\$ 1,770,277
City of Montebello	23/24	PP001	Repair and Rehabilitation of Transit Facilities	The SGR funding will support costs attributed to the maintenance and upkeep of the Transit Facilities, Maintenance Equipment, and associated costs required to preserve or extend the asset's functionality and serviceability	\$ -	\$ 264,034	\$ -	\$ 264,034
City of Norwalk	23/24	PP001	Acquisitions of NTS BEB Fleet	NTS will retire 14 CNG buses that have reached their useful life by 2025. Funding will be used toward the acquisition of the NTS BEB Fleet. *Will update other funding when	\$ -	\$ 100,798	\$ -	\$ 100,798
City of Redondo Beach	23/24	PP001	Transit Vehicle and Equipment Purchase Project Beach Cities Transit fleet	Purchase rolling stock for transit vehicle replacement in the BCT fleet and purchase/installation of associated equipment.	\$ -	\$ 25,909	\$ -	\$ 25,909
City of Santa Clarita	23/24	PP001	Transit Maintenance Facility Hydrogen Fueling Station	Replace and/or upgrade the existing fueling station to accommodate Hydrogen fuel to meet the California 100% Zero Emission Bus (ZEB) rule.		\$ 173,322	\$ -	\$ 173,322
City of Santa Monica	23/24	PP001	Bus Replacement	Purchase approximately 58 Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.	\$ -	\$ 655,205	\$ -	\$ 5,244,524
City of Torrance	23/24	PP001	Torrance Transit SB1 State of Good Repair Rehab & Repair Vehicles	Repair and maintenance of the vehicles after an accident or through wear and tear during prolonged service. Funds will also be used to maintain the physical exterior of the buses such as decals, paint, molding, etc. to ensure protection from the elements and maximum usage during the vehicles expected useful operating life.		\$ 201,936	\$ 201,936	\$ 1,229,815
Foothill Transit	23/24	PP001	Bus Repair and Rehabilitation	Activities, supplies, materials, services, and associated costs required to repair and rehabilitate the rolling stock to preserve or extend the functionality and serviceability of the buses.		\$ 917,347	\$ -	\$ 3,616,007

Submitted Project Listing From Metro and Municipal Operators

Long Beach Public Transportation Company	23/24	PP001	LBT1 Facility Rehabilitation	The project will support the rehabilitation of LBT's operating and maintenance facility (LBT1) in support of the agency's transitioning facility needs as it grows to be a zero-emissions hub. LBT's recent facility assessment identified inefficiencies at the LBT1 property that makes it difficult to increase the zero-emission bus fleet and infrastructure. The 50-year old facility needs a full rehabilitation as it currently holds equipment that is over 20 years old. LBT will accrue funds over 4 yrs.		\$ 355,934	\$ -	\$ 1,814,938
Long Beach Public Transportation Company	23/24	PP002	Bus Rehabilitation	Support the mid-life rehabilitation of agency's compressed natural gas (CNG) bus fleet	\$ -	\$ 412,152	\$ -	\$ 412,152
Los Angeles County	23/24	PP001	Bus Stop Shelters Replacement Throughout LA County	Replace up to 3 bus stop shelters located throughout the Los Angeles County areas. Each bus stop shelter will consist of bench, a trash receptacle, and illumination from dusk to dawn.		\$ 69,651	\$ -	\$ 69,651
Los Angeles County Metropolitan Transportation Authority	23/24	PP001	Metro Bus Vehicle Repair and Rehab	Repair and rehabilitation expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility.		\$ 14,689,765	\$ -	\$ 37,324,577
Los Angeles County Metropolitan Transportation Authority	23/24	PP002	Metro Rail Vehicle and Wayside Rehabilitation and Repair Preventive Maintenance	Rehabilitation and repair preventive maintenance expenses of Metro Light and Heavy Rail rolling stock and wayside facilities. This is non-routine maintenance to maintain safety and reliability of the system.	\$ 15,744,557	\$ -	\$ -	\$ 58,946,735
Los Angeles County Total					\$ 15,744,557	\$ 18,906,246	\$ 201,936	\$ 112,628,999