



Board Report

File #: 2024-0903, File Type: Program

Agenda Number: 24.

FINANCE, BUDGET, AND AUDIT COMMITTEE OCTOBER 24, 2024

SUBJECT: CALIFORNIA SB1 STATE OF GOOD REPAIR PROGRAM

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE the Resolution in Attachment A to:

- A. AUTHORIZE the Chief Executive Officer (CEO) or designee to claim \$40,211,229 in fiscal year (FY) 2024-25 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 FY24-25; 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 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 into Caltrans' online SMART system. Caltrans staff review all submittals, ask follow-up questions if necessary, and send the final list of county projects to Metro in early September. The 2024-2025 project list is included in Attachment B.

Metro is required to submit the combined project list to Caltrans by September 1, 2024. 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. The final project list was not received by Metro until September 10, 2024, too late to include in the September Board cycle. 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 provide additional funding for state of good repair activities that will enhance the safety of Metro's and the Municipal Operators' customers and employees.

FINANCIAL IMPACT

Adoption of the SGR resolution would positively impact the region by making an estimated \$40.2 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 FY25 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. Projects include bus stop shelter replacements, zero-emission vehicles, charging facilities and repairs to existing vehicles and facilities. These projects will

enhance service frequency and reliability and provide customer experience benefits to Los Angeles County transit 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 loss of the region's FY24-25 SGR fund allocation.

NEXT STEPS

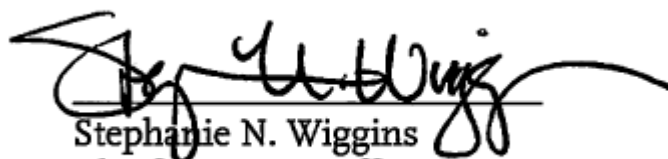
Upon approval, staff will submit the Resolution to Caltrans.

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



Stephanie N. Wiggins
Chief Executive Officer

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

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2024-25
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 2024-25; 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

Agency	Fund FY	Project Title	Project Description	Estimated 99313 Costs	Estimated 99314 Costs	Other SB1 Costs	Total Project Costs
Antelope Valley Transit Authority	24/25	Shared Charging Lot	Modernization of shared charging lot.	\$ -	\$ 357,817	\$5,376,133	\$ 5,733,950
City of Arcadia	24/25	Purchase 10 Replacement Vehicles	Purchase ten replacement transit vehicles, still deciding on fuel-type.	-	17,246	-	17,246
City of Commerce	24/25	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.	-	27,647	-	41,381
City of Culver City	24/25	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. Added 22/23 & 24/25 funds to this project.	-	294,710	-	717,315
City of Gardena	24/25	Capital Bus Components/Facility Equipment	Replacement bus components and facility equipment.	-	290,042	-	460,304
City of Los Angeles	24/25	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.	-	795,826	-	2,566,103
City of Montebello	24/25	Transit Center Upgrades	Projects including but not limited to, HVAC system replacement, painting, carpet & tile replacement, sewer system maintenance/repair, restroom renovation, and facility surveillance system upgrades. In addition, updates to workspace furniture, lighting, administrative office modifications, and other projects designed to extend the life of the facility. Includes the Admin/Operations building, Maintenance building, Corporate Yard building, and the facility's fuel island, bus wash, & money room.	-	448,543	-	898,672
City of Norwalk	24/25	Transit Facility Improvements	Repurposing a portion of FY19/20 funding toward operational and ped improvements. The pedestrian safety walkway will extend from the Transit Center's MetroLink platform around the existing parking lots/bus route to avoid any accidents. In addition, the southend access gate will be replaced with a functional RFID gate as the current gate is broken and can only be operated by hand. HVAC system for cust serv area to allow for increased protection from COVID.	-	167,171	-	167,171
City of Redondo Beach	24/25	Transit Vehicle and Equipment Purchase Project Beach Cities Transit fleet	Transit Vehicle and Equipment Purchase Project Beach Cities Transit fleet	-	34,820	-	34,820
City of Santa Clarita	24/25	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.	-	214,295	-	928,815
City of Santa Monica	24/25	Bus Replacement	Purchase approximately 58 Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.	-	1,107,849	-	6,004,460

Attachment B
Submitted Project Listing From Metro and Municipal Operators

City of Torrance	24/25	Preventive Maintenance	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.	-	332,741	-	332,741
Foothill Transit	24/25	Bus Repair and Rehabilitation	Activities, supplies, materials, labor, services, and associated costs required to repair and rehabilitate the rolling stock to preserve or extend the functionality and serviceability of the buses.	-	1,536,463	-	5,152,470
Long Beach Public Transportation Company	24/25	Articulated Bus Rehabilitation	Support the mid-life rehabilitation of the agency's articulated bus fleet.	-	1,335,180	-	1,335,180
Los Angeles County	24/25	Bus Stop Shelters Replacement Throughout LA County	Replace bus stop shelters located throughout the unincorporated Los Angeles County area. Each bus stop shelter will consist of a bench, a trash receptacle, and illumination from dusk to dawn.	-	76,490	-	76,490
Los Angeles County Metropolitan Transportation Authority	24/25	Metro Bus Vehicle Repair and Rehab	Repair and rehabilitation expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility.	-	15,856,136	-	47,696,651
Los Angeles County Metropolitan Transportation Authority	24/25	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.	17,318,253	-	-	76,264,988
Los Angeles County Total				\$ 17,318,253	\$ 22,892,976	\$5,376,133	\$ 148,428,757

California SB1 State of Good Repair Program

Finance, Budget & Audit Committee
October 24, 2024

Recommendation

APPROVE the Resolution in Attachment A to:

- A. AUTHORIZE the Chief Executive Officer (CEO) or designee to claim \$40,211,229 in fiscal year (FY) 2024-25 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program; and
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