

Date: December 20, 2023
W.I.: 1255
Referred by: PAC
Revised: 1/24/24-C; 2/28/24-C;
3/27/24-C; 6/26/24-C;
7/24/24-C; 10/23/24-DA;
6/25/25-C; 6/25/25-DA
7/23/25-C

ABSTRACT

Resolution No. 4615, Revised

This resolution approves the allocation of Regional Measure 3 funds for Muni Fleet Expansion & Facilities Program, sponsored by San Francisco Municipal Transportation Agency.

This Resolution includes the following attachments:

Attachment A – Allocation Summary

Attachment B – Conditions of Allocation

Attachment C – Project and Subproject Details, Funding Plan, and Schedule

Attachment D – RM3 Cash Flow Plan

This resolution allocates \$3.5 million in RM3 funds to the San Francisco Municipal Transportation Agency (SFMTA) for the construction phase of the Potrero Modernization Project (RM3 Project #10.1).

This resolution was revised on January 24, 2024, to allocate \$33.5 million in RM3 funds to SFMTA for the construction phase of the Light Rail Vehicle (LRV) Procurement project (RM3 Project #10.2 for \$6.5 million) and 40’/60’ hybrid buses project (RM3 Project #10.3 for \$27 million).

This resolution was revised on February 28, 2024 to allocate \$6.2 million in RM3 funds to SFMTA for the environmental and early design phases for the Kirkland Yard Electrification Project (RM3 Project #10.4 for \$3.8 million), and for the design phase for the Battery Electric Bus Procurement Project (RM3 Project #10.5 for \$2.38 million).

This resolution was revised on March 27, 2024, to allocate \$12.6 million in RM3 funds to SFMTA for the Project Approval and Environmental Document (PA&ED) phase of the Presidio Modernization Project (RM3 Project #10.6).

ABSTRACT

MTC Resolution No. 4615, Revised

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This resolution was revised on June 26, 2024, to allocate \$6.718 million in RM3 funds to SFMTA for the Construction/Procurement phase of the Vintage Streetcar Rehabilitation (RM3 Project #10.7) and \$11.34 million for the Construction/Procurement phase of the New Flyer Midlife Overhaul Project (RM3 Project #10.8).

This resolution was revised on July 24, 2024, to allocate \$2.694 million in RM3 funds to SFMTA for the design phase of the Kirkland Yard Electrification Project (RM3 Project #10.4). This resolution was also revised to include the RM3 subproject numbers for each allocation.

This resolution was revised on October 23, 2024 via Delegated Authority, to recommend a second allocation for \$640,000 in RM3 funds to SFMTA for the design phase for the Battery Electric Bus Procurement Project (RM3 Project #10.5). These revisions also include updates to this subproject's funding plan and schedule.

This resolution was revised on June 25, 2025, to allocate \$8.9 million in RM3 funds to SFMTA for the construction/vehicle procurement phase of the Battery Electric Bus Procurement Project (RM3 Project #10.5).

This resolution was revised on June 25, 2025 via Delegated Authority to extend the expiration dates of the following projects: 1) 40'/60' hybrid buses project (RM3 Project #10.3 for \$27 million for construction) from June 30, 2025, to June 30, 2028; 2) Kirkland Yard Electrification Project (RM3 Project #10.4, Allocation No. 24460902 for \$2.69 million and Allocation No. 25461509 for \$3.8 million for the environmental and design phases) from June 30, 2025 to June 30, 2026; and 3) New Flyer Midlife Overhaul Project (RM3 Project #10.8 for \$11.34 million for the construction/procurement) from June 30, 2025 to June 30, 2027. These revisions also include updates to these subprojects' funding plan, schedule and cash flow.

This resolution was revised on July 23, 2025 to allocate \$2.85 million in RM3 funds to SFMTA for the construction/vehicle procurement phase of the Battery Electric Bus Procurement Project (RM3 Project #10.5).

Further discussion of this action is contained in the Programming and Allocations Summary Sheets dated December 13, 2023, January 10, 2024, February 14, 2024, March 13, 2024, June 12, 2024, July 10, 2024, June 11, 2025, and July 9, 2025.

Date: December 20, 2023
W.I.: 1255
Referred by: PAC

RE: Approval of Allocation of Regional Measure 3 Funds for Muni Fleet Expansion & Facilities Program.

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4615

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on June 5, 2018, a special election was held in the City and County of San Francisco, and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma (individually, each a “County” and, collectively, the “Counties”) to approve a toll increase of three dollars (\$3.00) phased in over time, including a one dollar (\$1.00) toll increase on January 1, 2019, a one dollar (\$1.00) toll increase on January 1, 2022, and a one dollar (\$1.00) toll increase on January 1, 2025, for vehicles traveling on the state-owned bridges located in the San Francisco Bay Area (“Regional Measure 3”); and

WHEREAS, on September 26, 2018, BATA adopted Resolution No. 126 accepting certified statements from the Registrar of Voters of the City and County of San Francisco and each of the Counties and observing that a majority of all voters voting on Regional Measure 3 (“RM3”) at such special election voted affirmatively for RM3; and

WHEREAS, RM3 establishes the RM3 Expenditure Plan and identifies specific capital projects and programs and operating programs eligible to receive RM3 funding as identified in Sections 30914.7(a) and (c) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the RM3 Expenditure Plan by bonding or transfers to MTC; and

WHEREAS, MTC adopted RM3 Policies and Procedures for the implementation of the RM3 Expenditure Plan, specifying the allocation criteria and project compliance requirements for RM3 funding (MTC Resolution No. 4404, Revised); and

WHEREAS, the Muni Fleet Expansion & Facilities Program is identified as capital project number 10 under the RM3 expenditure plan and is eligible to receive RM3 funding as identified in Streets and Highways Code Sections 30914.7(a); and

WHEREAS, the San Francisco Municipal Transportation Agency (SFMTA) is the project sponsors for the Program; and

WHEREAS, SFMTA has submitted a request for the allocation of RM3 funds for the Potrero Modernization Project; and

WHEREAS, SFMTA has submitted an initial Project Report (IPR), as required pursuant to Streets and Highways Code Section 30914.7(d); and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the project and phase for which the SFMTA is requesting RM3 funding and the amount recommended for allocation by MTC staff; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, lists the required project specific conditions which must be met prior to execution of the allocation and any reimbursement of RM3 funds; and

WHEREAS, Attachment C to this resolution, attached hereto and incorporated herein as though set forth at length, includes MTC staff's review of SFMTA's IPR for each project; and

WHEREAS, Attachment D attached hereto and incorporated herein as though set forth at length, lists the cash flow of RM3 funds and complementary funding for the deliverable RM3 project segment or product; and

WHEREAS, the claimants to which funds are allocated under this resolution have certified that the projects and purposes listed and recorded in Attachment A are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code

Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.); now, therefore, be it

RESOLVED, that MTC approves MTC staff's review of SFMTA's IPR for each project as set forth in Attachment C; and, be it further

RESOLVED, that MTC approves the allocation and reimbursement of RM3 funds in accordance with the amount, reimbursement schedule, and allocation expiration dates for the phases and activities as set forth in Attachment A; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon SFMTA complying with the provisions of the RM3 Policies and Procedures as set forth at length in MTC Resolution No. 4404, Revised; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds are further conditioned upon the project specific conditions set forth in attachment B; and, be it further

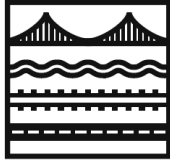
RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon the availability and expenditure of any complementary funding as set forth in Attachment D; and, be it further

RESOLVED, that a certified copy of this resolution shall be forwarded to the project sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on December 20, 2023.



Regional Measure 3

Allocation of Funds

Allocation Summary

RM3 Project Number	10.5
Project Title	Battery Electric Bus Procurement
Project Sponsor	San Francisco Municipal Transportation Agency

Activities to be funded with Allocation #1 and #2:

This allocation will support the project's design phase, estimated at total cost of \$3,085,000, so that RM3 funds will be paying for 77.2% of design costs. The Battery Electric Bus (BEB) procurement design phase will need to address working with multiple vendors, two types of 40' BEBs (one from New Flyer, one from Gillig) and 60' BEBs from New Flyer. As with most technology-driven projects, the design phase will carry into the procurement phase of the project.

On October 23, 2024, via Delegated Authority, an additional \$640,000 was added to this scope to include a third Original Equipment Manufacturer (OEM) vendor and support the expansion of BEB procurement beyond existing contracts. The total estimated cost for PSE is now estimated to be \$3,726,000.

Funding Information:

Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
24461505	28-Feb-24	PSE	FY 2023-24	30-Jun-26	2,381,000
25461510	23-Oct-24	PSE	FY 2024-25	30-Jun-26	640,000
Cumulative Total - Allocation 1 & 2					\$ 3,021,000

Activities to be funded with Allocation #3

Procure three (3) 60' and nine (9) 40' battery electric buses (BEBs), including all necessary accessories (e.g., tools & equipment, spare parts, training, and data monitoring subscription) following FTA Buy America requirements.

Funding Information:

Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
25461511	25-Jun-25	CON	FY 2024-25	30-Jun-27	\$ 8,886,580
Cumulative Total - Allocation 3					\$ 8,886,580

Activities to be funded with Allocation #4					
Procure three (3) 40-ft and three (3) 60-ft battery electric buses from Solaris, along with associated spare parts, special tools, telematics licenses, and training.					
Funding Information:					
Allocation	Approval		Reimbursement	Expiration	Allocation
Instruction No.	Date	Phase	Year	Date	Amount
26461512	23-Jul-25	CON	FY 2025-26	30-Jun-28	\$2,847,420
Cumulative Total - Allocation 4					\$ 2,847,420
Cumulative Total - Project 10.5					\$ 14,755,000



Regional Measure 3

Allocation of Funds

Conditions of Allocation

RM3 Project Number	10.5
Project Title	Battery Electric Bus Procurement
Project Sponsor	San Francisco Municipal Transportation Agency

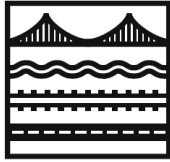
The allocation and reimbursement of RM3 funds for the above project are conditioned upon the following:

Conditions of Allocation #1	
This allocation is contingent upon completion of the following:	
1	None

Conditions of Allocation #2	
1	None

Conditions of Allocation #3	
This allocation is contingent upon completion of the following:	
1	None

Conditions of Allocation #4	
This allocation is contingent upon completion of the following:	
1	This allocation is conditioned on approval of the allocation request by SFMTA Board of Directors, expected on August 5th, 2025.☐

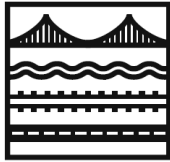


Regional Measure 3

Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	10.5	
Project Title	Battery Electric Bus Procurement	
Lead Sponsor(s)	Other Sponsor(s)	Implementing Agency
San Francisco Municipal Transportation Agency (SFMTA)		SFMTA
Legislated Project Description		RM3 Legislated Funding (in \$1,000s)
(10) MUNI Fleet Expansion and Facilities. Fund replacement and expansion of the San Francisco Municipal Transportation Agency’s MUNI vehicle fleet and associated facilities. The project sponsor is the San Francisco Municipal Transportation Agency. One hundred forty million dollars		\$140,000
Sponsor Programming and Allocation Request Action		
Approval of the Initial Project Report and Allocation Request by the SFMTA Board of Directors on January 16th, 2024.		
Approval of the second Project Report and Allocation Request by the SFMTA Board of Directors on October 1st, 2024.		
Approval of the third Project Report and Allocation Request by the SFMTA Board of Directors on May 6th, 2025.		
Approval of the fourth Project Report and Allocation Request by the SFMTA Board of Directors, expected on August 5th, 2025. This allocation is conditioned on Board action.		
Detailed Project/Subproject Description		
SFMTA will purchase six 60’ and eleven 40’ battery electric buses (BEBs), along with all required accessories, from multiple manufacturers through statewide procurement contracts or as options through existing procurement contracts, as authorized under Federal Transit Administration statutes and regulations. Vehicles manufacturers include Gillig, New Flyer, and Solaris, new to the American market. SFMTA would like to evaluate Gillig’s 40’ BEBs, as these were not available during the time of the 40’ battery bus pilot program. Other vehicles in the procurement will be provided by New Flyer as it has demonstrated the best overall performance in the battery bus pilot program. In addition to Gillig and New Flyer, the SFTMA has identified Solaris, a major European bus manufacturer, as a third viable BEB vendor. After exploring various BEB manufacturers from statewide procurement contracts and given the limited number of US BEB manufacturers—notably, several bus manufacturers have folded or exited the US market—the SFMTA recognized resounding interest to attract a new OEM to the US market to expand options and address the increasing cost in procurement of BEBs. Since Solaris is ineligible for federal funding for procurement due to the FTA’s Buy America requirements, RM3 funding is crucial in allowing the SFMTA to develop future BEB procurement strategies at scale. The total project cost is estimated at \$44,387,000.		

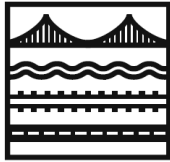


Regional Measure 3 Allocation of Funds

Project Title	Battery Electric Bus Procurement
Project Sponsor	San Francisco Municipal Transportation Agency

Project Schedule

Phase	Funding Source	Committed? (Yes/No)	Total Amount (\$1,000s)	Start	End
ENV				1/1/2023	6/1/2024
			\$-		
PSE	RM3 Allocation #1	Yes	\$2,381	6/1/2024	9/1/2025
	RM3 Allocation #2	Yes	\$640		
	Transportation Sustainability Fee	Yes	\$388		
	Low Carbon Fuel Standards (LCFS)	Yes	\$317		
	<i>Subtotal PSE</i>		\$3,726		
ROW				N/A	N/A
CON	RM3 Allocation #3	Yes	\$ 8,887	3/1/2026	6/31/2027
	RM3 Allocation #4	Yes	\$ 2,847		
	FTA TCP	Yes	\$ 15,134		
	Operating	Yes	\$ 2,847		
	General Fund	Yes	\$ 700		
	Low Carbon Fuel Standards (LCFS)	No	\$ 198		
	Prop L	Yes	\$ 10,000		
	General Fund	Yes	\$ 49		
	<i>Subtotal CON</i>		\$ 40,662		
Capital Funding Total			\$ 44,388		



Regional Measure 3

Allocation of Funds

Cash Flow Plan

RM3 Project Number	10.5
Project Title	Battery Electric Bus Procurement
Project Sponsor	San Francisco Municipal Transportation Agency

Cash Flow Plan for RM3 Deliverable Segment(s) - Funding by planned year of expenditure

Funding Source	Phase	Prior	2024-25	2025-26	2026-27	2027-28	Future committed	Total Amount (\$ thousands)
	ENV							\$ -
								\$ -
								\$ -
ENV Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM3 Allocation #1	PSE	\$ 64	\$ 351	\$ 1,400	\$ 566			\$ 2,381
RM3 Allocation #2	PSE				\$ 640			\$ 640
Transportation Sustain	PSE	\$ 388						\$ 388
Low Carbon Fuel Stand	PSE	\$ 125						\$ 125
LCFS match for Allocat	PSE	\$ 192						\$ 192
PSE Subtotal		\$ 769	\$ 351	\$ 1,400	\$ 1,206	\$ -	\$ -	\$ 3,726
RM3 Allocation #3	CON			\$ 7,500	\$ 1,387			\$ 8,887
RM 3 Allocation #4	CON				\$ 2,847			\$ 2,847
FTA - TCP	CON			\$ 12,644	\$ 2,490			\$ 15,134
General CFD Fund 10.5	CON			\$ 700				\$ 700
Operating	CON		\$ 2,847					\$ 2,847
Low Carbon Fuel Stand	CON			\$ 198				\$ 198
Prop L	CON		\$ 10,000					\$ 10,000
General Fund	CON				\$ 49			
CON Subtotal		\$ -	\$ 25,694	\$ 42,084	\$ 13,595	\$ -	\$ -	\$ 81,373
RM 3 Funding Subtotal		\$ 64	\$ 351	\$ 8,900	\$ 5,440	\$ -	\$ -	\$ 14,691
Capital Funding Total		\$ 769	\$ 26,045	\$ 43,484	\$ 14,801	\$ -	\$ -	\$ 44,388