

**Metropolitan Transportation Commission
Programming and Allocations Committee**

March 7, 2018

Agenda Item 2c

MTC Resolution No. 4273, Revised

Subject: Program of projects for FY2017-18 Cap and Trade Low Carbon Transit Operating Program, and policy for project savings on the Transit Performance Initiative Program.

Background: The Low Carbon Transit Operating Program (LCTOP) receives 5% of the state's Cap and Trade auction revenues. Funds are allocated annually, with half of the program distributed to transit operators based on revenue, and half distributed to regions based on population. In April 2016, the Commission adopted Resolution No. 4130, Revised, the updated regional Cap and Trade Funding Framework, which established the distribution framework for MTC's population-based funds: one-third each to North Counties/ Small Operators, Clipper and Fare Policy, and investment in key transit corridors (i.e., Transit Performance Initiative).

The State Controller's Office (SCO) released FY2017-18 LCTOP amounts on February 7, 2018, totaling \$97 million in funding statewide. Approximately \$9.5 million in population-based funds was made available to MTC and \$25.2 million in revenue-based funds were made available directly to operators in the region.

For MTC's share (\$9.5 million), projects are programmed based on the Cap and Trade Funding Framework; approximately \$3.1 million is being distributed to each of the following three project categories. See Attachment A of Resolution No. 4273, Revised for further detail.

- 1) North Counties/Small Operators. North county and small operators will implement a variety of projects, including service expansion and new bus procurement. About \$1.8 million, or 56% of the funds, are proposed to be used to support electric bus purchases.
- 2) Clipper. Funds will be used as a local match to replace obsolete equipment at the end of its lifecycle, system enhancements, and operations and maintenance of the Clipper system.
- 3) Transit Performance Initiative. The Cap and Trade Funding Framework sets aside minimum amounts over five years for SFMTA, VTA, and AC Transit, based on ridership and service area population, provided that those operators have eligible, ready-to-go projects. For FY2017-18, staff recommends programming the funds from this category to each of these three operators, proportional to their minimum amounts. Operators will apply these funds to projects that improve service and reliability on key light rail and bus corridors, consistent with the goals of this category.

Transit Performance Initiative Project Savings Policy

Four previous cycles of Transit Performance Initiative – Investment Program have been awarded through federal STP/CMAQ funds. The third round also included \$1.1 million in LCTOP funds, and as noted above, one-third of the region’s population-based LCTOP funds are directed to Transit Performance Initiative projects on an annual basis. Two projects from the TPI Investment program, SFMTA’s N-Judah Mobility Maximization and LAVTA’s Dublin Boulevard Transit Performance Initiative, have recently achieved project savings and requested to use the savings for additional scope items. No MTC policy currently exists for TPI project savings. Staff proposes the following policy, included as Attachment B to Resolution No. 4273, Revised:

Savings following project completion may be used to expand the scope of the project, if the expanded scope provides additional quantifiable benefits to the original transit corridor. The expanded scope must be approved by MTC staff prior to expenditure. All other project savings will be returned to MTC proportionally for investment in other TPI projects.

If approved, staff would update the commission on any such actions through the semi-annual TPI updates.

Issues:

Schedule: Project sponsors are responsible for submitting applications to Caltrans by March 30, 2018. Staff recommends that MTC approval of Resolution No. 4273, Revised is conditioned on local support documentation being submitted to Caltrans. Pending Commission approval, staff will submit Resolution No. 4273, Revised to Caltrans as documentation of the region’s contribution of population-based funds to the various LCTOP projects. Caltrans and the Air Resources Board are scheduled to approve the list of projects and submit to SCO by June 30, 2018.

Disadvantaged Communities: LCTOP requires 50% of funds spent in a jurisdiction to benefit a Disadvantaged Community, if any are located in that jurisdiction. As the recipient of population-based funds for the region, MTC must ensure this requirement is met overall for the region’s funds. Additionally, the agencies receiving MTC’s population-based funds must meet this requirement for their own jurisdiction. These requirements will be met through the list of projects in Attachment A of Resolution No. 4273, Revised, with over 75% of funds going to projects that benefit Disadvantaged Communities.

Recommendation: Refer Resolution No. 4273, Revised to the Commission for approval.

Attachments: MTC Resolution No. 4273, Revised

Date: March 22, 2017
W.I.: 1515
Referred by: PAC
Revised: 03/22/17-ED
04/26/17-C
05/24/17-ED
03/28/18-C

ABSTRACT

Resolution No. 4273, Revised

This resolution adopts the allocation requests for the Cap and Trade Low Carbon Transit Operations Program for the San Francisco Bay Area.

This resolution includes the following attachments:

Attachment A – Cap and Trade Low Carbon Transit Operations Program – Population-based Funds Project List

This resolution was amended through Executive Director’s Administrative Authority on March 22, 2017 to update the name of the GGBHTD project.

This resolution was revised via Commission Action on April 26, 2017 to replace the SFMTA Geary Bus Rapid Transit Phase 1 project with the AC Transit San Pablo and Telegraph Rapid Bus Upgrades project.

This resolution was amended through Executive Director’s Administrative Authority on May 24, 2017 to replace the City of Union City Convert New Cutaway Vans from Gasoline to Gasoline-Hybrid project with the AC Transit East Bay Bus Rapid Transit project.

This resolution was revised via Commission Action on March 28, 2018 to add the FY 2017-18 LCTOP Population-based Funds Project List to Attachment A, and to add the Transit Performance Initiative Project Savings Policy as Attachment B.

Further discussion of these actions is contained in the Programming and Allocations Summary Sheets dated March 8, 2017, April 12, 2017, and March 7, 2018.

Date: March 22, 2017
W.I.: 1515
Referred by: PAC

RE: Cap and Trade Low Carbon Transit Operations Program

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4273

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, Plan Bay Area (“Plan”), the region’s integrated long-range transportation and land use plan adopted by MTC, provides the planning foundation for transportation improvements and regional growth throughout the San Francisco Bay Area through 2040; and

WHEREAS, the Plan includes a \$3.1 billion reserve from future Cap and Trade funding; and

WHEREAS, the Plan identifies the expected uses of Cap and Trade funding as including but not limited to transit operating and capital rehabilitation/replacement, local streets and roads rehabilitation, goods movement, and transit-oriented affordable housing, consistent with the Plan's focused land use strategy; and

WHEREAS, the Plan states that Cap and Trade revenues will be allocated to specific programs through a transparent and inclusive regional public process; and

WHEREAS, the Plan calls for the process to ensure that at least 25 percent of the Cap and Trade revenues will be spent to benefit disadvantaged communities in the Bay Area; and

WHEREAS, Senate Bill 852 (Statutes 2014) establishes the Low Carbon Transit Operations Program (LCTOP) from the Greenhouse Gas Reduction Fund; and

WHEREAS, MTC is the recipient of the population-based funding in LCTOP funds pursuant to Public Utilities Code Section 99313 and 99314; and

WHEREAS, MTC has adopted Resolutions 4123 and 4130, a Programming Framework for the Cap and Trade funds and Transit Core Capacity Challenge Grant program; and

WHEREAS, staff has prepared a LCTOP population-based funding allocation request list, Attachment A, for submittal to Caltrans based on the distribution formula in Resolution 4130, said attachment attached hereto and incorporated herein as though set forth at length; and

WHEREAS, MTC is an eligible project sponsor and may receive state funding from the LCTOP now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, MTC wishes to implement the LCTOP program of projects attached hereto as Attachment A; now, therefore, be it

RESOLVED, that MTC adopts LCTOP program of projects, attached hereto as Attachment A, and finds it consistent with the RTP; and, be it further

RESOLVED, that MTC agrees to comply with all conditions and requirements set forth in the applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and, be it further

RESOLVED, that MTC hereby authorizes the submittal of the project nominations and allocation requests to the Department in LCTOP funds attached hereto as Attachment A; and, be it further

RESOLVED, that the Executive Director is authorized to make changes to Attachment A, including revisions to existing allocation requests up to \$1,000,000, and authorize new

allocations up to \$1,000,000 to conform to sponsor requests, and Caltrans and State Controller's actions.

METROPOLITAN TRANSPORTATION COMMISSION



Jake Mackenzie, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on March 22, 2017.

FY 2016-17 Low Carbon Transit Operations Program Requests
 Based on State Controller's Office Letter dated 2/1/2017

Agency	Project(s)	FY 2016-17 LCTOP Population-Based Funding	Date
CCCTA	Martinez Shuttle	\$ 228,378	3/22/17
ECCTA	Pittsburg eBART Connector Service Demonstration Project	\$ 137,935	3/22/17
LAVTA	Las Positas College Easy Pass Fare Voucher Program	\$ 94,419	3/22/17
NVTA	Vine ZEB Procurement Program	\$ 65,105	3/22/17
AC Transit (from Union City) ⁴	East Bay Bus Rapid Transit Project	\$ 33,064	5/24/17
WCCTA	Continue Expanded Service on Route 11	\$ 30,450	3/22/17
GGBHTD ¹	Purchase Sixty-seven (67) 40-Foot Diesel-Electric Hybrid Buses	\$ 74,635	3/22/17
Marin Transit ¹	MCTD 2016 Transit Service Expansion	\$ 45,803	3/22/17
City of Fairfield ²	Local Bus Fleet Replacement - Diesel-Electric Hybrid Buses	\$ 67,091	3/22/17
Solano County Transit ²	SolTrans Electric Bus Purchase	\$ 129,018	3/22/17
City of Petaluma ³	Weekday Afternoon Service Enhancements	\$ 27,715	3/22/17
City of Santa Rosa ³	Increased Frequency on Trunk Routes - Santa Rosa CityBus Operating	\$ 80,639	3/22/17
Sonoma County Transit ³	Electric Bus Purchase	\$ 122,069	3/22/17
North Counties / Small Operators Subtotal		\$ 1,136,320	
MTC	Clipper Fare Payment System	\$ 1,118,681	3/22/17
AC Transit	San Pablo and Telegraph Rapid Bus Upgrades	\$ 1,118,681	4/26/17
TOTAL		\$ 3,373,683	

* MTC approval conditioned on local support documentation submitted to Caltrans

1. Marin County received \$120,438, and distributed between Marin Transit and GGBHTD as noted.
2. Solano County received \$196,109, and distributed between City of Fairfield and Solano County Transit as noted.
3. Sonoma County received \$230,423, and distributed between City of Petaluma, City of Santa Rosa, and Sonoma County Transit as noted.
4. City of Union City received \$33,064 and released funds back to MTC. These funds have been re-programmed to AC Transit for FY16-17 as noted. When MTC distributes population-based funds for the FY17-18 LCTOP program according to the Cap and Trade Funding Framework (MTC Resolution No. 4130, Revised), the same amount will be redirected from the Transit Performance Initiative category to the North Counties/Small Operators category, provided that sufficient funds are available.

FY 2017-18 Low Carbon Transit Operations Program Requests
Based on State Controller's Office Letter dated 2/7/2018

Agency	Project(s)	FY 2017-18 LCTOP Population-Based Funding	Date
CCCTA	New Service and Additional Weekend Trips (Martinez DAC)	\$ 375,378	3/28/18
CCCTA	Low/No Electric Bus	\$ 265,319	3/28/18
ECCTA	Continue Service -- New Route 381	\$ 386,968	3/28/18
LAVTA	Purchase Four (4) 40-foot Battery-Electric Buses	\$ 264,885	3/28/18
NVTA	Vine Zero Emission Bus (ZEB) Procurement Program	\$ 182,646	3/28/18
Union City ¹	Paratransit Vehicle Replacement	\$ 125,822	3/28/18
WCCTA	Purchase and Install New AVL/CAD/APC System	\$ 85,426	3/28/18
GGBHTD ²	Purchase Sixty-four (64) 40-foot Diesel-Electric Hybrid Buses	\$ 202,999	3/28/18
Marin Transit ²	MCTD 2016 Transit Expansion [Third year]	\$ 134,881	3/28/18
City of Fairfield ³	Electric Bus Infrastructure Upgrade Project	\$ 189,628	3/28/18
Solano County Transit ³	SolTrans Electric Bus Purchase	\$ 360,542	3/28/18
City of Petaluma ⁴	Enhanced Weekday Afternoon Transit Service	\$ 77,990	3/28/18
City of Santa Rosa ⁴	Maintain Increased Frequency on Trunk Routes and Improve Route 15 Service - Santa Rosa CityBus Operating	\$ 226,261	3/28/18
Sonoma County Transit ⁴	Electric Bus Purchase	\$ 342,183	3/28/18
North Counties / Small Operators Subtotal		\$ 3,220,928	
MTC	Clipper Fare Payment System	\$ 3,138,381	3/28/18
SFMTA	Mission Bay Loop	\$ 1,440,568	3/28/18
VTA	North First Street Light Rail Speed and Safety Improvement Project - Phase 1	\$ 874,631	3/28/18
AC Transit	East Bay Bus Rapid Transit	\$ 579,338	3/28/18
AC Transit	South Alameda County Major Corridors Travel Time Improvement Project	\$ 210,780	3/28/18
TOTAL		\$ 9,464,626	

* MTC approval conditioned on local support documentation submitted to Caltrans

1. City of Union City amount includes \$33,064 in funds from Transit Performance Initiative category as discussed in note 4 of FY2016-17 table.
2. Marin County received \$337,880, and distributed between Marin Transit and GGBHTD as noted.
3. Solano County received \$550,170, and distributed between City of Fairfield and Solano County Transit as noted.
4. Sonoma County received \$646,434 and distributed between City of Petaluma, City of Santa Rosa, and Sonoma County Transit as noted.

March 28, 2018
WI: 1515
Referred by: PAC
Attachment B
Resolution No. 4273

Transit Performance Initiative Project Savings Policy

The following policy is adopted for projects funded through the Transit Performance Initiative Investment Program, including those projects funded with federal STP/CMAQ funds and Low Carbon Transit Operations Program funds:

Savings following project completion may be used to expand the scope of the project, if the expanded scope provides additional quantifiable benefits to the original transit corridor. The expanded scope must be approved by MTC staff prior to expenditure. All other project savings will be returned to MTC proportionally.

Staff will update the Commission on any such actions through the semi-annual Transit Performance Initiative updates.