

June 2025 Recommended RM3 Allocation – Project Summaries

MUNI Fleet Expansion and Facilities Projects

RM3 provides \$140 million in toll funds to RM3 Project 10, MUNI Fleet Expansion and Facilities. This RM3 programmatic category funds replacement and expansion of the San Francisco Municipal Transportation Agency's MUNI vehicle fleet and associated facilities. One allocation under this category is proposed this month:

SFMTA – Battery Electric Bus Procurement Project (\$8.89 million)

This month, SFMTA is requesting \$8,886,580 to allow it to certify procurement contracts with Gillig and New Flyer and pay invoices for three (3) 60' and nine (9) 40' battery electric buses. With this overall project (Project 10.5), SFMTA will purchase six (6) 60' and twelve (12) 40' battery electric buses (BEBs), including all necessary accessories (e.g., tools & equipment, spare parts, training, and data monitoring subscription). BEBs will be procured from three manufacturers: Gillig and New Flyer following the FTA Buy America requirements, and Solaris, a major European bus manufacturer and new OEM (Original Equipment Manufacturer) to the US market. The purchase from Solaris is intended to help expand purchasing 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 Buy America procurement alone is estimated to cost \$31.9 million. As manufacturers like Gillig and New Flyer are increasingly requiring transit agencies to secure full contract amounts in advance—due to a rise in contract cancellations and funding delays—this shift has created significant challenges within the industry. SFMTA will issue Purchase Orders shortly after contract award for prototype buses from each Contractor.

The RM3-funded BEB procurement is part of the SFMTA's phased and long-term Zero Emission Bus Rollout Plan and its Facilities Framework. While this funding request does not include charging infrastructure—which is being advanced separately and is required

ahead of bus delivery—near-term facility upgrades include 12 additional charging stations at the Woods Yard and six at Islais Creek to support the BEBs funded by RM3.

Total project costs are estimated to be \$44.4 million. RM3 funds were previously approved for design, and there will be an upcoming allocation request in FY 2025-2026 to finalize procurement with Solaris, accounting for a total of \$14.8 million, or 33% of project total costs. Procurement is estimated to be completed in 2027.

Interstate 80 Westbound Truck Scales Project

RM3 provides \$105 million in toll funds to RM3 Project 22, Interstate 80 Westbound Truck Scales Project. One allocation rescission and two allocations are proposed this month for a net total allocation of \$3.9 million.

STA – I-80 Westbound Truck Scales (\$3.9 million)

The Solano Transportation Authority (STA) is the project sponsor for RM3 Project 22, Interstate 80 Westbound Truck Scales. In April 2021, MTC approved and issued a \$5.3 million LONP for final design of the Interstate 80 Westbound Truck Scales project. In June 2023, MTC allocated \$31 million in RM3 funds: \$5.3 million in design funds consistent with the LONP, and an additional \$25.5 million for the right of way phase. In September 2024, MTC allocated \$64.5 million in RM3 funds for the construction phase of the project.

STA requests rescinding \$4.8 million in RM3 funds from the right-of-way phase and to allocate \$2.7 million for the design phase and \$5.9 million for the construction phase for the Interstate 80 Westbound Truck Scales project. Since the project will be delivered using the Construction Manager/General Contractor (CM/GC) method, STA negotiated the final Agreed to Price with Kiewit. The final price requires additional funds for the design and construction phases from RM3. STA also determined that right-of-way acquisition and utility relocation costs were lower than anticipated. STA requests a rescission from the ROW phase to accommodate the increased costs in the design and construction phases. Final design is on track for completion in July 2025 and construction is to be completed by March 3030.