

**Board Report**

File #: 2020-0607, **File Type:** Resolution**Agenda Number:** 11.

**FINANCE, BUDGET AND AUDIT COMMITTEE
OCTOBER 14, 2020****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 his designee to claim \$32,584,888 in fiscal year (FY) 2020-21 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 FY20-21; 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

The California Department of Transportation (Caltrans) issued final FY 2020-21 guidelines for the SGR Program in August, 2019. The Guidelines state that eligible transit operators shall provide a proposed list of projects to their Regional Entity, as defined by Public Utilities Code (PUC) Sections 99313 and 99314. For Los Angeles County, Metro is the Regional Entity. Metro is required to submit a combined project list to Caltrans by September 1, 2020. 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 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.

DISCUSSION

As defined in The Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB1), the SGR Program provides approximately \$105 million annually to transit operators in California for eligible transit maintenance, 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.

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 and would positively impact the region by making \$32.6 million available to support state of good repair efforts for Metro and the Municipal Operators.

Impact to Budget

Claiming SGR funds will have a positive impact to the FY21 budget, as Metro is one of the regional recipients of these funds.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendations support Metro Vision 2028 Strategic Goal 1.2: Optimize the speed, reliability and performance of the existing system by revitalizing and upgrading Metro's transit assets.

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 FY20-21 SGR fund allocation.

NEXT STEPS

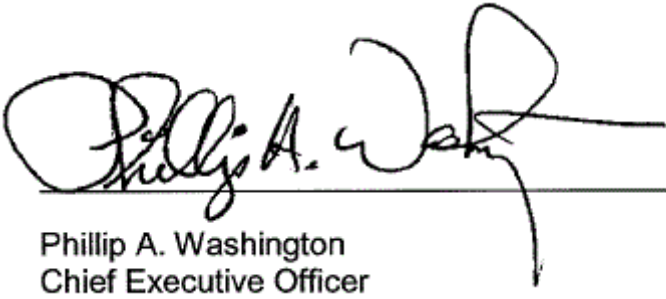
- October, 2020: Metro submits Board-adopted Resolution to Caltrans.

ATTACHMENTS

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

Prepared by: Timothy Mengle, Senior Director, OMB, (213) 922-7665

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



Phillip A. Washington
Chief Executive Officer

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

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2020-21
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 2020-21; 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

SB1 State of Good Repair Program, Fiscal Year 2020-2021 Cycle

| Agency | Project Title | Project Description | Estimated 99313 Costs | Estimated 99314 Costs | Other SB1 Costs | Total Project Costs |
|--|---|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Antelope Valley Transit Authority | Purchase Replacement Commuter Bus | Funds toward the purchase 2 replacement commuter buses. Size – 45 foot commuter, | | \$ 281,454 | \$ 1,002,803 | \$ 1,212,757 |
| City of Arcadia | Purchase Ten Replacement Transit Vehicles | Purchase ten powered cutaway vehicles to replace the existing aging gasoline-powered vehicles. The new vehicles will be wheelchair accessible and ADA equipped. | \$ - | \$ 15,189 | \$ 1,280,000 | \$ 1,294,159 |
| City of Commerce | Tire Replacement Transit Fleet | The SGR funds shall be used to replace bus tires within the City's transit fleet, up to 20 vehicles. | | \$ 18,572 | \$ - | \$ 18,572 |
| City of Gardena | Capital Bus Components/Facility Equipment | Replacement bus components and facility equipment. | | \$ 234,793 | \$ - | \$ 234,793 |
| City of Los Angeles | Electrical Infrastructure for Bus Charging at LADOT Bus Yard in Sylmar | The City of Los Angeles owns the bus yard in Sylmar, CA. LADOT will use the SGR money to install electrical infrastructure related to bus charging for the DASH and Commuter Express bus fleet as LADOT Transit plans to have an all electric fleet by 2030. | | \$ 546,648 | \$ - | \$ 560,000 |
| City of Montebello | Transportation Facility Improvements | Including but not limited to workspace furniture, lighting, carpeting, and other long-term maintenance designed to extend the life of the facility. | \$ - | \$ 359,478 | \$ - | \$ 359,478 |
| City of Montebello | Repair and Rehabilitation of Admin Building | Includes costs attributed to the maintenance of the Administrative Building, Grounds, Maintenance Equipment, and associated costs required to preserve or extend the asset's functionality and serviceability in a cost-effective | \$ - | \$ - | \$ - | \$ - |
| City of Norwalk | Fluid Inventory Management System & Maintenance Equipment Inventory System | NTS will be purchasing a fluid inventory management system and a vehicle maintenance equipment inventory system. The fluid inventory management system is a tangible piece of equipment that would be | | \$ 137,509 | \$ - | \$ 137,509 |
| City of Redondo Beach | Transit Operations Facility Improvements | Transit Operations facility improvements that may include interior improvements to the general office space, bathroom, and storage space for use by Transit Operations. The project may also include | | \$ 32,870 | \$ - | \$ 67,265 |
| City of Santa Clarita | 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. | \$ - | \$ 248,026 | \$ 2,600,000 | \$ 2,848,026 |
| City of Santa Monica | Bus Replacement | Purchase Zero-Emission Vehicles to replace CNG buses that have reached its useful life of 12 years. | | \$ 871,111 | \$ - | \$ 1,792,881 |
| City of Torrance | Torrance Transit SB1 State of Good Repair Rehab & Repair Vehicles FY2020 | 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 | | \$ 275,999 | \$ - | \$ 582,513 |
| Culver City | FY20-21 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. | | \$ 232,285 | \$ - | \$ 216,523 |
| Foothill Transit Zone | Bus Repair and Rehabilitation | Activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of buses. | | \$ 1,197,695 | \$ - | \$ 2,151,624 |
| Long Beach Public Transportation Company | 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 | | \$ 1,024,004 | \$ - | \$ 1,024,004 |
| Los Angeles County | East Azusa and East Los Angeles Bus Shelters Replacement | Replace 4 advertising bus stop shelters located in the unincorporated East Azusa and East Los Angeles area. Each bus stop shelter will consist of a bench, a trash receptacle and illumination from dusk to dawn. | \$ - | \$ 59,212 | \$ - | \$ 65,247 |
| Los Angeles County Metropolitan Transportation Authority | Metro Bus Vehicle Repair and Rehabilitation | Repair and Rehabilitation expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility. *Formerly Preventive Maintenance* | \$ - | \$ 12,004,471 | \$ - | \$ 168,036,000 |
| Los Angeles County Metropolitan Transportation Authority | 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. | \$ 15,045,572 | \$ - | \$ 103,415,376 | \$ 131,666,865 |
| Total | | | \$ 15,045,572 | \$ 17,539,316 | \$ 108,298,179 | \$ 312,268,216 |