Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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FINANCE, BUDGET AND AUDIT COMMITTEE
OCTOBER 20, 2021

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 designee to claim $30,484,780 in fiscal year (FY) 2021-22 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program;

B. APPROVE the regional SGR Project List for FY2021-22; 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

As the Regional Entity for the SGR program in Los Angeles County, Metro is required to submit a combined SGR project list to Caltrans in September, 2021 to claim funding for FY2021-22. 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.

BACKGROUND

The SGR Program Guidelines state that eligible transit operators shall provide a proposed list of projects to Caltrans and their Regional Entity, as defined by Public Utilities Code (PUC) Sections 99313 and 99314. The Regional Entity is required to approve the list of projects and agree to comply with the program requirements. For Los Angeles County, Metro is the Regional Entity. Since the required documentation was not ready until September, 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. Pursuant to PUC Section 99312.1, the funds are distributed to eligible agencies using the State Transit Assistance Program (STA) formula. This formula distributes half of the funds according to population and half according to transit operator revenues. Similar to STA, within Los Angeles County, the revenue portion will be distributed according to the Metro Board-adopted FAP.

Metro and the Municipal Operators select projects individually, work with Caltrans to ensure eligibility and apply directly to Caltrans. As the Regional Entity, Metro reviews the applications and prepares a resolution with the list of projects for Board adoption. These new investments will lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions throughout Los Angeles County.

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 would positively impact the region by making an estimated $30.5 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 to the FY22 budget, as Metro is one of the regional recipients of these funds.

EQUITY PLATFORM

This program helps fund preventive maintenance and state of good repair activities for Metro and the Municipal Operators throughout Los Angeles County. By providing additional resources for transit service, this program will benefit existing and potential Metro riders. There are no equity concerns anticipated as a result of this action.

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 the loss of the region's FY21-22 SGR fund allocation.

NEXT STEPS

October 2021: 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

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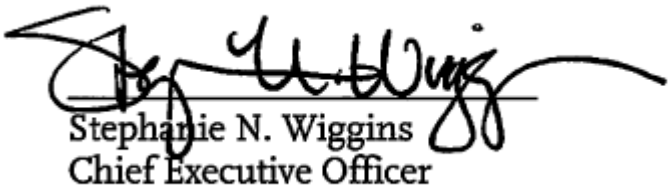

ATTACHMENT A
RESOLUTION TO ACCEPT AND DISTRIBUTE LOS ANGELES COUNTY SGR FUNDS

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2021-22

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 2021-22; 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 2021-22 Cycle

Agency	Project Title	Project Description	Estimated 99313 Costs	Estimated 99314 Costs	Total Project Costs
Antelope Valley Transit Authority	Purchase Replacement Commuter Buses	Funds toward the purchase 2 replacement commuter buses. Size – 45 foot commuter, Passenger count – 53 sitting + 10 standing, Accessibility – ADA, Fuel type = battery electric	$ -	$ 247,889	$ 752,259
City of Arcadia	Purchase Ten Replacement Transit Vehicles	Purchase ten CNG powered cutaway vehicles to replace the existing aging gasoline-powered vehicles. The new vehicles will be wheelchair accessible and ADA equipped.		$ 13,307	$ 27,466
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.		$ 15,212	$ 15,212
City of Culver City	FY21-22 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.		$ 206,082	$ 422,605
City of Gardena	Capital Bus Components and facility equipment	Replacement bus components and facility equipment		$ 206,082	$ 206,082
City of Los Angeles	Electrification of LADOT Commercial Street Bus Maintenance Facility	LADOT will use funds to purchase and install the necessary infrastructure to charge battery electric buses at the Commercial Street bus yard. This proposal fulfills the Mayor's and City Council's mandate to have a fully electric transit fleet by 2028 for the LA Green New Deal.		$ 487,016	$ 487,016
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.		$ 200,000	$ 559,478
City of Montebello	Money Room Rehabilitation	The Money Room Rehabilitation will include upgrades to financial equipment, HVAC upgrade and any additional materials required to improve operational use of facility.		$ 114,214	$ 114,214
City of Norwalk	Revenue Vehicle Purchase	Revenue Vehicle Purchase Norwalk Transit System (NTS) will purchase four (4) CNG buses to replace vehicles that have reached the end of their useful life. The SGR funds will be used as a match source for the federal funds also being used to fulfill this purchase.	$ -	$ 123,216	$ 2,565,876
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 exterior improvements to the facility.		$ 28,820	$ 157,878
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.		$ 217,512	$ 4,465,538
City of Santa Monica	Bus Replacement	Purchase Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.		$ 769,336	$ 4,241,406
City of Torrance	Torrance Transit SB1 State of Good Repair Rehab & Repair Vehicles FY2020	Repair and maintenance of the vehicles, including ZEB, 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.		$ 243,430	$ 825,943
Foothill Transit	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.		$ 1,068,407	$ 1,068,407
Long Beach Public Transportation Company	Bus Replacement	Replace buses that have met their useful life. Request funding to support the purchase of up to one 40 ft. Battery-electric buses that are fully ADA compliant with a passenger count of up to 38 passengers.		$ 463,084	$ 3,495,676
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 inefficiencies at the LBT1 property that makes it difficult to increase the zero-emission bus fleet and infrastructure. The 50-year old facility needs a full rehabilitation as it currently holds equipment that is over 20 years old. LBT will accrue funds over 4 yrs.		$ 435,000	$ 1,459,004
Los Angeles County	Charter Oak - Arrow Highway Bus Stop Improvments	Replace bus shelter, bench, trash receptacle, and illumination		$ 65,143	$ 65,143
Los Angeles County Metropolitan Transportation Authority	Metro Rail Vehicle and Wayside Rehabilitation and Repair	Rehabilitation and repair 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.	$ 14,950,689		$ 43,202,178
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*		$ 10,630,341	$ 22,634,812
Total			**$ 14,950,689**	**$ 15,534,091**	**$ 86,766,193**
	Total SB1 SGR funding requested in FY2021-22 Cycle		**$**	**30,484,780**	