

# **Board Report**

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

File #: 2021-0579, File Type: Informational Report Agenda Number: 14.

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

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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**

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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

APPROVING THE PROJECT LIST FOR FY 2021	-22
FOR THE CALIFORNIA STATE OF GOOD REPAIR PR	OGRAM

**RESOLUTION #** 

**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
		Funds toward the purchase 2 replacement commuter buses. Size – 45 foot commuter, Passenger count – 53			
		sitting + 10 standing, Accessibility – ADA, Fuel type =			
Antelope Valley Transit Authority	Purchase Replacement Commuter Buses	battery electric Purchase ten CNG powered cutaway vehicles to	\$ -	\$ 247,889	\$ 752,259
City of Amadia		replace the existing aging gasoline-powered vehicles.			
	Purchase Ten Replacement Transit Vehicles	The new vehicles will be wheelchair accessible and		\$ 13,307	\$ 27,466
City of Arcadia	Verlicies	ADA equipped.  The SGR Funds shall be used to replace bus tires		φ 13,30 <i>1</i>	\$ 27,466
City of Commerce	Tire Replacement Transit Fleet	within the City's transit fleet, up to 20 vehicles.		\$ 15,212	\$ 15,212
		Repair of heavy-duty transit bus vehicle fleet. Does not			
lau		include oil changes and other activities associated with			
City of Culver City	FY21-22 Transit Vehicle Repair Capital Bus Components and facility	the standard preventive maintenance checklist.		\$ 206,082	\$ 422,605
City of Gardena	equipment	Replacement bus components and facility equipment		\$ 206,082	\$ 206,082
City of Gardena	oquipmont	LADOT will use funds to purchase and install the		Ψ 200,002	Ψ 200,002
		necessary infrastructure to charge battery electric			
		buses at the Commercial Street bus yard. This proposal fulfills the Mayor's and City Council's mandate			
	Electrification of LADOT Commercial	to have a fully electric transit fleet by 2028 for the LA		407.040	407.040
City of Los Angeles	Street Bus Maintenance Facility	Green New Deal. Including but not limited to workspace furniture, lighting,		\$ 487,016	\$ 487,016
		carpeting, and other long-term maintenance designed			
City of Montebello	Transportation Facility Improvements	to extend the life of the facility.  The Money Room Rehabilitation will include upgrades		\$ 200,000	\$ 559,478
		to financial equipment, HVAC upgrade and any			
City of Montohollo	Manay Dage Dahak !!!!-!!-	additional materials required to improve operational use		A 44 04 4	A44044
City of Montebello	Money Room Rehabilitation	of facility.  Revenue Vehicle Purchase		\$ 114,214	\$ 114,214
		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			
City of Norwalk	Revenue Vehicle Purchase	fulfill this purchase.	\$ -	\$ 123,216	\$ 2,565,876
		Transit Operations facility improvements that may include			
		interior improvements to the general office space,			
		bathroom, and storage space for use by Transit			
City of Redondo Beach	Transit Operations Facility Improvements	Operations. The project may also include exterior improvements to the facility.		\$ 28,820	\$ 157,878
•	Transit Maintenance Facility Hydrogen	Replace and/or upgrade the existing fueling station to		,	,
City of Santa Clarita	Fueling Station	accommodate Hydrogen fuel to meet the California 100% Zero Emission Bus (ZEB) rule.		\$ 217,512	\$ 4,465,538
-		Purchase Zero-Emission Vehicles to replace CNG		,	
City of Santa Monica	Bus Replacement	buses that have reached it's useful life of 12 years.  Repair and maintenance of the vehicles, including ZEB,		\$ 769,336	\$ 4,241,406
		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			
	Torrance Transit SB1 State of Good	and maximum usage during the vehicles expected			
City of Torrance	Repair Rehab & Repair Vehicles FY2020	useful operating life.  Activities, supplies, materials, labor, services, and		\$ 243,430	\$ 825,943
		associated costs required to repair and rehabilitate the			
Foothill Transit	Bus Repair and Rehabilitation	rolling stock to preserve or extend the functionality and serviceability of the buses.		\$ 1,068,407	\$ 1,068,407
FOOTIIII TTAIISIT	Dus Repair and Renabilitation	serviceability of the buses.		φ 1,000,407	φ 1,000,40 <i>1</i>
		Replace buses that have met their useful life. Request			
Long Beach Public Transportation		funding to support the purchase of up to one 40 ft. Battery-electric buses that are fully ADA compliant with			
Company	Bus Replacement	a passenger count of up to 38 passengers.		\$ 463,084	\$ 3,495,676
		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			
Long Beach Public Transportation		facility needs a full rehabilitation as it currently holds			
Company	LBT1 Facility Rehabilitation	equipment that is over 20 years old. LBT will accrue funds over 4 yrs.		\$ 435,000	\$ 1,459,004
	Charter Oak - Arrow Highway Bus Stop	Replace bus shelter, bench, trash receptacle, and		,	
Los Angeles County	Improvments	illumination		\$ 65,143	\$ 65,143
		Rehabilitation and repair expenses of Metro Light and Heavy Rail rolling stock and wayside facilities. This is			
Los Angeles County Metropolitan	Metro Rail Vehicle and Wayside	non-routine maintenance to maintain safety and			
Transportation Authority	Rehabilitation and Repair	reliability of the system.  Repair and Rehabilitation expenses at all Metro Bus	\$ 14,950,689		\$ 43,202,178
Los Angeles County Metropolitan	Metro Bus Vehicle Repair and	Operating Divisions and the Central Maintenance			
Transportation Authority	Rehabilitation	Facility. *Formerly Preventive Maintenance*		\$ 10,630,341	\$ 22,634,812
Total			\$ 14,950,689	\$ 15,534,091	\$ 86,766,193
	T-4-LOD4 00D 6	equested in FY2021-22 Cycle	\$	30,484,780	