

File No. 151148

Committee Item No. 14

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance

Date December 9, 2015

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date December 4, 2015

Completed by: Victor Young Date _____

1 [Agreement - Peninsula Corridor Joint Powers Board - Administration of Capital Funding -
2 Peninsula Corridor Electrification Project - Up to \$39,000,000]

3 **Resolution authorizing the Director of Transportation to execute an agreement between**
4 **the City and County of San Francisco and the Peninsula Corridor Joint Powers Board**
5 **regarding administration of capital funding for the design and construction of the**
6 **Communications-Based Overlay Signal System Positive Train Control Project and the**
7 **Peninsula Corridor Electrification Project.**

8
9 WHEREAS, In 1988, the Santa Clara County Transit District (now known as the Santa
10 Clara Valley Transportation Authority), the San Mateo County Transit District, and the City
11 (collectively, Member Agencies) entered into a Joint Powers Agreement (JPA) creating the
12 Peninsula Corridor Joint Powers Board (JPB) for the purpose of conducting planning studies
13 related to Peninsula commute service (PCS); and

14 WHEREAS, In 1991, the Member Agencies expanded the powers of the JPB to enable
15 it to plan, oversee and operate the PCS following transfer of the system assets from the State
16 of California to local control, and allocate among the parties the administrative, capital and
17 operating expenses attendant to ownership of the Peninsula Corridor right-of-way and
18 operation; and

19 WHEREAS, The JPB is proceeding with the design and installation of the
20 Communications-Based Overlay Signal System Positive Train Control Project (CBOSS-PTC),
21 which will track train locations and prevent unsafe train movements through the use of
22 equipment on board the locomotives and in the field; and

23 WHEREAS, The JPB is also designing and plans to install the Peninsula Corridor
24 Electrification Project (PCEP), which would electrify the Caltrain Corridor from the 4th and
25 King Station in San Francisco to approximately the Tamien Station in San Jose, convert

1 diesel-hauled to electric multiple unit trains, and thereby increase service by up to six Caltrain
2 trains per peak hour per direction; and

3 WHEREAS, The JPA provides that the three Member Agencies of the JPB share
4 equally the costs of capital projects when those costs are not covered by outside sources; and

5 WHEREAS, In furtherance of the Initial Investment Strategy set forth in a Memorandum
6 of Understanding among the Member Agencies, dated January 25, 2013, the City agreed to
7 work with the other Member Agencies to identify the appropriate amounts and types of local
8 resources that may be used to support the completion of the CBOSS-PTC and PCEP
9 projects; and

10 WHEREAS, In November 2014, the voters approved a \$500,000,000 Transportation
11 and Road Improvement General Obligation Bond (2014 GO Bond); and

12 WHEREAS, The City has designated \$39,000,000 for CBOSS-PTC and PCEP using
13 the 2014 GO Bond sale proceeds; and

14 WHEREAS, In May 2015, the SFMTA Board of Directors adopted Resolution No.
15 15-070, which recommended, among other things, that the Board of Supervisors appropriate
16 \$7,800,000 from GO Bond sale proceeds to the SFMTA to be used to satisfy a portion the
17 City's contribution to Caltrain for upgrades for the CBOSS-PTC Project; and

18 WHEREAS, On June 18, 2015, the City approved Ordinance No. 93-15, which
19 appropriated \$7,760,000 from the first issuance and sale of the 2014 GO Bond to satisfy a
20 portion of the City's contribution to the JPB for the CBOSS-PTC project; and

21 WHEREAS, While this initial disbursement of \$7,760,000 will be used by the JPB for
22 CBOSS-PTC, other disbursements of GO Bond proceeds for PCEP are planned for the future
23 as additional GO Bonds are issued and sold; and

24 WHEREAS, The SFMTA will be the fiscal agent for disbursement of the GO Bond
25 proceeds; and

1 WHEREAS, The proposed Agreement sets forth the terms and conditions for
2 disbursement of the already issued GO Bond proceeds for CBOSS-PTC and future
3 disbursements of PCEP up to a total of \$39,000,000 pending City Board of Supervisors
4 approval and appropriation of future issuances of GO Bonds; and

5 WHEREAS, On November 3, 2015, the SFMTA Board of Directors authorized the
6 Director of Transportation to execute the Agreement between the City and County of San
7 Francisco and the Peninsula Corridor Joint Powers Board Regarding Administration of Capital
8 Funding for the Design and Construction of the Communications-Based Overlay Signal
9 System Positive Train Control Project and the Peninsula Corridor Electrification Project; and

10 WHEREAS, On November 3, 2015, the SFMTA Board recommended that the Board of
11 Supervisors approve this agreement; now, therefore, be it

12 RESOLVED, That the Board of Supervisors authorizes the Director of Transportation to
13 execute the Agreement between the City and County of San Francisco and the Peninsula
14 Corridor Joint Powers Board Regarding Administration of Capital Funding for the Design and
15 Construction of the Communications-Based Overlay Signal System Positive Train Control
16 Project and the Peninsula Corridor Electrification Project.

| | |
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| <p>Item 14 File 15-1148</p> | <p>Department: Municipal Transportation Agency (MTA)</p> |
| <p>EXECUTIVE SUMMARY</p> | |
| <p style="text-align: center;">Legislative Objectives</p> | |
| <ul style="list-style-type: none"> • The proposed resolution authorizes the Director of Transportation to execute an agreement between SFMTA and the Peninsula Corridor Joint Powers Board regarding administration of capital funding for the design and construction of the Communications-Based Overlay Signal System Positive Train Control (CBOSS) and the Peninsula Corridor Electrification Project (PCEP). The agreement will commence upon approval by the Board of Supervisors and will terminate on December 31, 2020, which is the expected completion date of CBOSS and PCEP. | |
| <p style="text-align: center;">Key Points</p> | |
| <ul style="list-style-type: none"> • CBOSS will track train locations and prevent unsafe train movements through the use of equipment on-board moving trains. CBOSS commenced in February 2012 and is estimated to be completed in November 2016. PCEP will electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station in San Jose, and convert diesel-hauled trains to electric multiple unit trains, thereby increasing up to six additional Caltrain trains in service per peak hour per direction. PCEP commenced in July 2014 and is expected to be completed in 2020. | |
| <p style="text-align: center;">Fiscal Impact</p> | |
| <ul style="list-style-type: none"> • The total estimated cost to implement (1) the Communications-Based Overlay Signal System Positive Train Control (CBOSS) project is \$231,000,000, and (2) the Peninsula Corridor Electrification Project (PCEP) is \$1,531,000,000. Funding for these projects will be provided by members of the Joint Powers Board, State of California, Federal Government, the Metropolitan Transportation Commission, and the Bay Area Air Quality Management District • SFMTA's responsibilities under the agreement are to act as fiscal agent and disburse up to \$39,000,000 of Proposition A Transportation and Road Improvement General Obligation Bond proceeds to the Joint Powers Board, including an initial outlay of \$7,760,000 in previously appropriated Bond proceeds for the CBOSS. | |
| <p style="text-align: center;">Recommendation</p> | |
| <ul style="list-style-type: none"> • Approve the proposed resolution. | |

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

In 1988, the San Francisco Municipal Transportation Agency (SFMTA), acting on behalf of the City and County of San Francisco, the San Mateo County Transit District, and the Santa Clara Valley Transportation Authority entered into a Joint Powers Agreement creating the Peninsula Corridor Joint Powers Board (Joint Powers Board) to operate CalTrain and conduct planning studies related to Peninsula commute service. Through this agreement, the members of the Joint Powers Board have agreed to share the costs of capital projects that are not covered by outside sources.

The Joint Powers Board is proceeding with the design and installation of two projects, the Communications-Based Overlay Signal System Positive Train Control (CBOSS) and the Peninsula Corridor Electrification Project (PCEP). CBOSS will track train locations and prevent unsafe train movements through the use of equipment on-board moving trains. CBOSS commenced in February 2012 and is anticipated to be completed in November 2016. PCEP will electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station in San Jose, and convert diesel-hauled trains to electric multiple unit trains, thereby increasing up to six additional Caltrain trains in service per peak hour per direction. PCEP commenced in July 2014 and is expected to be completed in 2020.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution authorizes the Director of Transportation to execute an agreement between SFMTA and the Peninsula Corridor Joint Powers Board regarding administration of capital funding for the design and construction of the CBOSS and the PCEP.

The agreement will commence upon approval by the Board of Supervisors and will terminate on December 31, 2020, which is the expected completion date of CBOSS and PCEP.

SFMTA's responsibilities under the agreement are to act as fiscal agent and disburse up to \$39,000,000 of Proposition A Transportation and Road Improvement General Obligation Bond proceeds to the Joint Powers Board, including an initial outlay of \$7,760,000 in bond proceeds previously appropriated by the Board of Supervisors for the CBOSS (see Fiscal Impact Section below). SFMTA will disburse funds to the Joint Powers Board as costs are incurred and invoices are submitted by the Joint Powers Board.

Responsibilities of the Joint Powers Board include implementation of the CBOSS and the PCEP, recordkeeping and reporting, and submission of requests for reimbursement of costs to SFMTA.

The City will have no obligation to make funding allocations under this agreement should the City fail to appropriate funds for CBOSS or PCEP. The agreement will automatically terminate without expense of any kind to the City, if at the end of any fiscal year the funds are not appropriated for the succeeding fiscal year. In the event of default by the Joint Powers Board, the City may withhold any portion of Bond funds not yet disbursed, and may also demand immediate return of any previously disbursed Bond funds that have been claimed or expended by the Joint Powers Board in breach of the agreement.

FISCAL IMPACT

The total estimated cost to implement (1) the Communications-Based Overlay Signal System Positive Train Control (CBOSS) project is \$231,000,000, and (2) the Peninsula Corridor Electrification Project (PCEP) is \$1,531,000,000. Funding for these projects will be provided by members of the Joint Powers Board, State of California, Federal Government, the Metropolitan Transportation Commission, and the Bay Area Air Quality Management District.

The City’s share of estimated costs to implement both of these projects is \$60,000,000, \$39,000,000 are Proposition A Transportation and Road Improvement General Obligation Bond funds, previously approved by the San Francisco voters in November 2014. The balance of \$21,000,000 was previously authorized by the San Francisco County Transportation Authority (SFCTA)¹. Both projects are included in San Francisco’s 10-Year Capital Plan.

On June 9, 2015, the Board of Supervisors appropriated \$7,760,000 of the \$39,000,000 in Proposition A Transportation and Road Improvement General Obligation Bond funds for CBOSS (File 15-0459), with \$31,240,000 remaining to be appropriated.

The total CBOSS budget is \$231,000,000, of which \$167,205,858 has been expended and \$63,794,142 remains unexpended, as shown in Table 1 below.

Table 1: Budget and Expenditures to Date for CBOSS

| Project Category | Budget | Expenditures to Date | Remaining Unexpended Budget |
|--------------------------|----------------------|-----------------------------|------------------------------------|
| Consultants and Staffing | \$49,726,798 | \$48,078,155 | \$1,648,643 |
| Design and Construction | 138,135,673 | 116,733,999 | 21,401,674 |
| Contract Options | 35,647,734 | 2,393,704 | 33,254,030 |
| Contingency | 7,489,795 | - | 7,489,795 |
| Total | \$231,000,000 | \$167,205,858 | \$63,794,142 |

The total PCEP budget is \$1,531,000,000. The PCEP budget consists of \$958,000,000 for design and construction of electrification infrastructure, and \$573,000,000 to purchase new train cars to replace the aging train cars. The Joint Powers Board has expended \$22,121,550 to date for PCEP costs, including environmental and real estate consultants, and Joint Power Board staff costs.

¹ The additional \$21,000,000 from SFCTA was authorized through SFCTA resolutions 15-28, 14-29, 13-17 and 07-52.

RECOMMENDATION

Approve the proposed resolution.

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

Cohen

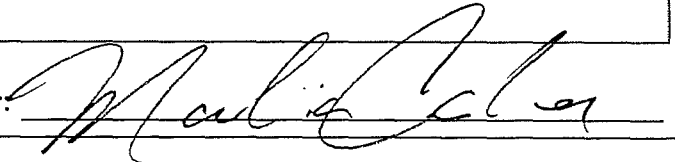
Subject:

[]

The text is listed below or attached:

Resolution designating the MTA as the City's fiscal agent to disburse the 2014 General Obligation Bond Funds for City's contribution

Signature of Sponsoring Supervisor:



For Clerk's Use Only:

