

**STAFF REPORT FOR CALENDAR ITEM NO.: 8
FOR THE MEETING OF: May 14, 2015**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approve the Operating Assistance Proposal dated April 15, 2015, and an Implementing Agency Resolution for the allocation of Regional Measure 2 Funds in an amount not to exceed \$4,533,205.

EXPLANATION:

On March 2, 2004, voters passed Regional Measure 2 (RM-2), raising the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. RM-2 establishes the allocation of RM-2 funding for the operation and maintenance of the Transbay Terminal Building, as well as the operation and maintenance of the Temporary Terminal. The amount identified in RM-2 legislation is \$3.0 million annually, escalated by 3.5 percent annually beginning in July 2004. As of July 2015, the escalated amount is \$4,533,205.

At midnight on August 6, 2010, the Transbay Joint Powers Authority took over management of the Transbay Terminal and became eligible to receive the operating and maintenance funds identified in the legislation. MTC requires that TJPA formally request the operating and maintenance funds each fiscal year, via submission of an Implementing Agency Resolution approved by the TJPA Board and an Operating Assistance Proposal.

TJPA staff, in consultation with AC Transit, has developed a proposed Fiscal Year 2015-16 (FY15-16) operating budget of \$5,015,605. That operating budget includes the following operating expenses:

- Temporary terminal facility management and security (\$1.24 million);
- Police services as necessary (\$10,000);
- Additional operating support for AC Transit's increased operating costs at the temporary terminal (\$2.6 million);
- Parking Control Officers (\$154,000) to manage traffic operations in the vicinity of the temporary terminal;
- Utilities (\$39,000);
- Insurance (\$51,300);
- Operating contingency (\$438,905) and
- Operating reserve fund (\$482,400).

Any balance of operating expenses not covered by the \$4,533,205 FY15-16 RM-2 operating allocation will be covered by rents from Greyhound and Amtrak and advertising revenue from the current contract with Fuel Outdoor.

RECOMMENDATION:

Approve the Operating Assistance Proposal dated April 15, 2015, and a Resolution of Project Compliance for the allocation of Regional Measure 2 Funds in an amount not to exceed \$4,533,205.

ENCLOSURES:

1. RM-2 Implementing Agency Resolution of Project Compliance
2. RM-2 Operating Assistance Proposal
3. Proposed FY15-16 Operating Budget

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred to as Regional Measure 2, required the Metropolitan Transportation Commission (MTC) to allocate toll bridge revenues in an annual amount not to exceed three million dollars (\$3,000,000), plus a 3.5-percent annual increase, to the California Department of Transportation (Caltrans), or the Transbay Joint Powers Authority (TJPA) after Caltrans transfers title to the Transbay Terminal Building to the TJPA, for operation and maintenance expenditures related to the Transbay Terminal Building (codified in California Streets and Highways Code section 30914(b)); and

WHEREAS, Caltrans transferred title to the Transbay Terminal Building to the TJPA at midnight on August 6, 2010; and

WHEREAS, At midnight on August 6, 2010, the TJPA closed the Transbay Terminal Building, opened the Temporary Transbay Terminal facility one block away on the block bounded by Howard, Main, Folsom, and Beale Streets, and transferred existing operations and maintenance from the Transbay Terminal Building to the Temporary Transbay Terminal facility in order to allow the TJPA to begin demolition of the Transbay Terminal Building and construction of the new Transbay Transit Center; and

WHEREAS, SB 916 provides that the first annual 3.5 percent increase shall be made on July 1, 2004. As of July 1, 2015, the amount of escalated funds equals \$4,533,205; now, therefore, be it

RESOLVED, That the Transbay Transit Center Program, including the Temporary Transbay Terminal facility, is consistent with the Regional Transportation Plan; and be it further

RESOLVED, That the TJPA is an eligible recipient of Regional Measure 2 funds; and be it further

RESOLVED, That the projected FY 2016 Temporary Transbay Terminal facility operating revenue is insufficient to pay the cost of the operation and maintenance of the facility without the requested Regional Measure 2 funding from MTC; and be it further

RESOLVED, That the TJPA Board approves and authorizes staff to submit to MTC the application for allocation of Regional Measure 2 funds for operations and maintenance expenses associated with the Temporary Transbay Terminal facility in the amount of \$4,533,205 for FY 2016, including its Operating Assistance Proposal (the "Application"), attached hereto and incorporated herein as though set forth at length; and be it further

RESOLVED, That the Operating Assistance Proposal demonstrates a fully funded operating plan for which the TJPA is requesting that MTC allocate Regional Measure 2 funds; and be it further

RESOLVED, That the projects and purposes for which the TJPA requests allocation of Regional Measure 2 funds in its Application are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) and the applicable regulations thereunder (14 California Code of Regulations Section 15000 *et seq.*) and the National Environmental Policy Act (42 USC Section 4321 *et seq.*) and the applicable regulations thereunder; and be it further

RESOLVED, That there is no legal impediment to the TJPA making allocation requests for Regional Measure 2 funds; and be it further

RESOLVED, That there is no pending or threatened litigation which might in any way adversely affect the project, or the ability of the TJPA to deliver the project; and be it further

RESOLVED, That there are no obligations of the TJPA having a statutory or first priority lien against the toll bridge revenues; and be it further

RESOLVED, That Regional Measure 2 funds received by the TJPA in prior years have been included in the TJPA's general fiscal audit for such years. The TJPA will include any Regional Measure 2 funds allocated under the Application in its general audit for the year in which the funds are requested; and be it further

RESOLVED, That the TJPA indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of the TJPA, its officers, employees or agents, or subcontractors or any of them under the requested allocation of Regional Measure 2 funds in the Application. In addition to any other remedy authorized by law, so much of the funding requested to be allocated under the Application as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim against MTC for damages; and be it further

RESOLVED, That the Executive Director is hereby delegated the authority to make non-substantive changes or minor amendments to the Application as she deems appropriate; and be it further

RESOLVED, That the Executive Director, consistent with this resolution and the Application, is hereby delegated the authority to execute such agreements, project reports, allocation packages, and other items, make certifications and assurances, and take actions as may be required in order to receive the Regional Measure 2 allocation requested in the Application.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of May 14, 2015.

Secretary, Transbay Joint Powers Authority

Regional Measure 2 Operating Assistance Proposal Project Summary Page

Project Information

Project

Title:

Briefly describe service (provide map as attachment). Include information about markets being served (both travel demand as well as interoperator connections).

Brief

Description:

The \$4 billion project will replace the former Transbay Terminal at First and Mission streets in San Francisco with a modern regional transit hub connecting eight Bay Area counties and the State of California through 11 transit systems: AC Transit, BART, Caltrain, Golden Gate Transit, Greyhound, Muni, SamTrans, WestCAT Lynx, Amtrak, Paratransit and future High Speed Rail from San Francisco to Los Angeles/Anaheim. An underground rail connection between the new Transbay Transit Center and 4th and King streets will be constructed. The Temporary Terminal, which serves commuter bus service during the construction of the new Transbay Transit Center, began operations as of midnight August 6, 2010.

	Start Time	End Time	Headways		Vehicles in service		Daily Rev Veh Hrs
			Peak	Off-peak	Peak	Off-peak	
Weekday	NA	NA	NA	NA	NA	NA	NA
Saturday	NA	NA	NA	NA	NA	NA	NA
Sunday	NA	NA	NA	NA	NA	NA	NA

Lead Agency:

Partnering Agency 1:

Partnering Agency 2:

Contact Information

first name last name

phone fax e-mail

address 1
address 2

city state zip

Regional Measure 2 Operating Assistance Proposal

Implementation Status

Proposed Service Start date

Environmental Clearance:

Type

Actual or expected date

Related Capital Funding

Please identify and discuss any capital funding requests that are needed to accompany the operating plan identified below. For example, please list related projects and legislated project numbers as appropriate and date of most recent IPR submittal.

The Transbay Transit Center Project is an eligible recipient for RM2 capital funds. It is RM2 project number 22, and has been allocated \$150,000,000 in RM2 capital funds to date. The most recent capital allocation occurred February 26, 2014.

**Regional Measure 2 Operating Assistance Proposal
Operating Plan, Service Parameters, and Performance Measures**

Enter the amount needed in each program year.
Use State fiscal years (July 1 - June 30).

Operating Plan - Request for RM2 Funds

	FY 11/12 Actuals	FY12/13 Actuals	FY13/14 Actuals	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Total
Operating Budget								
Estimated Annual Revenue Hrs.	NA	NA	NA	NA	NA	NA	NA	NA
Estimated Operating Cost/Revenue Hour	NA	NA	NA	NA	NA	NA	NA	NA
Total Operating Cost	4,768,697	4,840,349	4,950,298	4,752,708	5,015,605	5,191,151	5,372,841	34,891,650
-- Fare Revenue								
-- RM 2 Operating Assistance Request	3,740,989	3,491,022	3,716,381	4,379,908	4,533,205	4,691,867	4,856,082	29,409,454
-- TDA								-
-- Local Sales Tax								-
-- Private Sector Contributions	1,027,708	1,349,327	1,233,917	372,800	482,400	499,284	516,759	5,482,196
-- Other Subsidy								-
Total Subsidy	4,768,697	4,840,349	4,950,298	4,752,708	5,015,605	5,191,151	5,372,841	34,891,650
Total Revenues	4,768,697	4,840,349	4,950,298	4,752,708	5,015,605	5,191,151	5,372,841	34,891,650
Surplus/(Deficit)	-	-	-	-	-	-	-	-

Service Parameters -- THIS IS NOT APPLICABLE TO THIS PROJECT

	FY 11/12	FY12/13	FY13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Total
Estimated Annual Ridership	NA	NA	NA	NA	NA	NA	NA	NA
Average Weekday Ridership	NA	NA	NA	NA	NA	NA	NA	NA
Annual Revenue Hours	NA	NA	NA	NA	NA	NA	NA	NA
Annual Revenue Miles	NA	NA	NA	NA	NA	NA	NA	NA

Performance Measures -- THIS IS NOT APPLICABLE TO THIS PROJECT

	FY 11/12	FY12/13	FY13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Average
Required Measures Per MTC Resolution 3668								
Farebox Recovery Ratio	NA	NA	NA	NA	NA	NA	NA	NA
Passengers/Revenue Hour	NA	NA	NA	NA	NA	NA	NA	NA
Change in Passenger Per Hour	NA	NA	NA	NA	NA	NA	NA	NA
Other Measures								
Cost Per Rider	NA	NA	NA	NA	NA	NA	NA	NA
Subsidy Per Rider	NA	NA	NA	NA	NA	NA	NA	NA
Cost Per Revenue Hour	NA	NA	NA	NA	NA	NA	NA	NA

Transbay Joint Powers Authority
Proposed Fiscal Year 2015-16 Operating Budget Request

	FY 2014-15 Annual Operating Budget	FY 2015-16 Annual Operating Budget Request	Change from Original FY 2014- 15 Budget
OPERATING EXPENDITURES			
Professional & Specialized Services			
Temporary Terminal Facility Management & Security	1,204,000	1,240,000	36,000
Police Services as Needed	10,000	10,000	-
AC Transit Additional Operating Support	2,925,608	2,600,000	(325,608)
Parking Control Officers	150,000	154,000	4,000
Utilities	40,000	39,000	(1,000)
Insurance	50,300	51,300	1,000
Operating Contingency	-	438,905	438,905
Subtotal, Professional & Specialized Services	\$ 4,379,908	\$ 4,533,205	\$ 153,297
Reserves			
Operating Reserve	372,800	482,400	109,600
Subtotal, Reserves	\$ 372,800	\$ 482,400	\$ 109,600
TOTAL OPERATING EXPENDITURES	\$ 4,752,708	\$ 5,015,605	\$ 262,897
OPERATING REVENUE			
Regional Measure 2	4,379,908	4,533,205	153,297
AC Transit Reserve Contribution	-	-	-
Rents	319,800	427,400	107,600
Advertising	53,000	55,000	2,000
Subtotal, Operating Revenue	\$ 4,752,708	\$ 5,015,605	\$ 262,897
TOTAL OPERATING REVENUE	\$ 4,752,708	\$ 5,015,605	\$ 262,897