

## SBCAG STAFF REPORT

**SUBJECT:** SB1 State of Good Repair Program Call for Projects

**MEETING DATE:** November 19, 2020

**AGENDA ITEM:** 4K

**STAFF CONTACT:** Dylan Tonningsen

### RECOMMENDATION:

Adopt the project selection procedures, scoring criteria and application for the SB1 State of Good Repair Program over the next four fiscal years (FY 21/22 – 24/25) and initiate a countywide call for projects.

### DISCUSSION:

Senate Bill (SB) 1 created a transit-funding program, called the State of Good Repair Program, which provides \$105 million annually to regional transportation planning agencies and transit operators for eligible transit maintenance, rehabilitation and capital projects. The SOGR program is funded from a portion of the Transportation Improvement Fee on vehicles registered on or after January 1, 2018. The program is administered at the State level by the State Controller's Office and Caltrans. Half of the funding is allocated according to population formula to Regional Transportation Planning Agencies and half to transit operators according to transit operator revenues. Funds allocated based on population shall be allocated to projects in the region based on the local needs. SBCAG receives approximately \$668,000 annually based on population. Eligible transit operators will also receive annual fare box based revenue apportionments of approximately \$168,000. SBCAG does not have any authority for the fare box funds, only for the population-based funding. SBCAG must annually create and submit a regional project list to Caltrans with projects proposed for funding in the upcoming fiscal year for the population-based funds.

SBCAG staff convened the transit operators on October 19<sup>th</sup> to review the program goals and guidelines, eligible agencies and projects, available funding and approval schedule. Similar to Cycle 1, SBCAG staff proposed a multi-year call for projects based on need. There were no proposed changes to the program. With support of the transit operators, SBCAG staff will conduct a multi-year countywide needs based call for projects for the population-based share of the funds. This four-year program will program approximately \$2.6M in total funding for Fiscal Years 21/22 to 24/25. The next call for projects would occur in FY 24/25.

Population based revenues, can be applied for by any eligible operator who operates transit service or any operator who is able to be sponsored by a local agency. The eligible entities include the cities of Guadalupe, Lompoc, Santa Maria, Solvang, SBMTD and the Clean Air Express. Easy Lift and Santa Maria Organization of Transportation Helpers (SMOOTH) will be eligible to apply through their respective eligible sponsor as sub-recipients. SBMTD and City of Santa Maria are identified as project sponsors for Easy Lift and SMOOTH respectively.

In collaboration with transit operators, SBCAG staff developed the following documents for the Cycle 2 call for projects: Project Selection Schedule (**Attachment A**), Project Selection

Procedures (**Attachment B**), Project Scoring Criteria (**Attachment C**) and Project Application (**Attachment D**).

After the SBCAG Board approves project selection procedures in November, SBCAG staff will conduct a call for projects for Cycle 2. Applications will be due by January 2021. SBCAG staff will then convene transit operators in February 2021 to review and evaluate projects with recommendations to the Board in March 2021. Once approved, nominations will be submitted to the State for approval.

**COMMITTEE REVIEW:**

SBCAG staff presented the project selection procedures, scoring criteria and application to TTAC for comment and approval at their November 5, 2020 meeting. TTAC unanimously recommended approval by the Board.

**ATTACHMENTS:**

- A. State of Good Repair Call for Projects Schedule
- B. State of Good Repair Project Selection Procedures
- C. State of Good Repair Project Scoring Criteria
- D. State of Good Repair Project Application

# ATTACHMENT A

## State of Good Repair (SGR) Call for Projects FFYs 2021/22 – FFY 2024/25

### Project Selection Schedule

~ \$650,000 - \$700,000/year in Population (99313) Funding

TASK	DATE
SBCAG and transit operators review apportionment procedures and project scoring criteria which is adopted by the SBCAG Board of Directors	October 19, 2020
SBCAG's Transportation Technical Advisory Committee (TTAC) recommended approval of SGR apportionment procedures and scoring criteria	November 5, 2020
SBCAG Board adopts SOGR apportionment procedures and scoring criteria	November 19, 2020
SBCAG issues a Call for Projects	November 19, 2020
Final SGR guidelines adopted by Caltrans	December 2020
Project applications for SOGR program due to SBCAG by transit operators and local agencies	January 2021
Scoring Committee meets to review applications	February
SBCAG Board adopts regional project list	March
Regional Project List due to Caltrans by SBCAG	March
State Controller's Office allocates funds for the quarter	May
State Controller's Office allocates funds for the quarter	August
Regional Project List due to Caltrans by SBCAG	September 1 <sup>st</sup>

# ATTACHMENT B

## State of Good Repair Project Selection Procedures – 2020

**Eligible recipients of Senate Bill 1 (SB1) State of Good Repair (SOGR) funds are agencies eligible under STA PUC 99313. Eligible sub-recipients are transit operators (including commuter rail and bus) eligible for an allocation under STA PUC 99314. Agencies are permitted to sub-allocate funds to entities operating community transit services that would otherwise be ineligible to receive SGR funds.**

1. Per SB1, SOGR funds may be used for capital projects that maintain the public transit system in a state of good repair. This includes transit capital projects; design, acquisition, and construction of new vehicles or facilities; transit services that complement local efforts to improve infrastructure; preventative maintenance; and rehabilitation or replacement of rolling stock. SOGR does not fund transit operations, transit agency administration, and program management. Preplanning, planning, and environmental costs may not be applied for as a stand-alone project, and when included as part of a larger project can comprise no more than 20% of the total project costs.
2. SBCAG staff and Eligible Transit Operators recommend SBCAG conduct a four-year call for projects due to the reasonable assumption that revenues will be available under SB1 annually. This cycle call for projects will cover FYs 21/22, 22/23, 23/24 and 24/25. At the beginning of every subsequent programming cycle, SBCAG shall notify transit operators of the estimated amount of funding available for the next four year period. The program will span four years, and be updated every other year through a call for projects process.
3. SBCAG will submit a regional list of projects recommended for funding to the State Controller annually in September.
4. SBCAG and transit operators will collaborate on the development of a project scoring system that will be adopted by the SBCAG Board of Directors in November 2020. SBCAG staff recommends and transit operators support using a county-wide needs based approach. A project scoring system will also be adopted by the Board in November 2020, and will be used to determine the most immediate needs within the Santa Barbara region.
5. SBCAG will host a call for projects using the adopted scoring criteria and schedule. Eligible recipients may submit a maximum of two applications, and request no more than 50% of total funding available (including both applications, if an agency submits two). Eligible subrecipients (Easy Lift and SMOOTH) may submit only one application through their eligible sponsor (SBMTD and Santa Maria Area Transit).
6. SBCAG will convene a committee of transit operators to score and review applications, and aid in the development of a project list. Geographic equity will be taken into account over the next two cycles (and going forward).
7. SBCAG's TTAC committee, providing that a meeting is held in the month of project list adoption, shall adopt a recommendation of concurrence or rejection of a grantee's funding

recommendation via approval of the regional project list, which shall be communicated to the SBCAG Board.

8. If the SBCAG Board of Directors concurs with the regional project list, SBCAG staff shall proceed with submittal to Caltrans. If the SBCAG Board rejects the recommended regional project list, SBCAG will revise and bring back for approval the following month. This is not recommended, as it may result in a partial loss of funding due to a late submittal to the State.
9. The SBCAG Board reserves the right to modify these procedures in consultation with the designated grantees at any time to promote the most efficient and effective use of SB1 SGR funding in Santa Barbara County.
10. This process shall be conducted consistent with state laws and regulations and in such a way that all materials pertaining to the screening and scoring of projects, discussion of funding recommendations by policy boards, and staff reports to policy boards on any aspect of this process, shall be readily available to members of the public.

Scoring Criteria for SGR Project Selection

ATTACHMENT C

Project Categories	Points Possible
<b>1. Rehabilitation Transit Capital: projects or services to maintain, repair, or modernize a transit operator’s existing vehicle fleet or facilities.</b>	<b>100</b>
A) Project Qualifications - serves continuing transit needs by rehabilitating or maintaining existing vehicles and/or infrastructure	40
B) Cost Efficiency - effective and cost efficient use of public funds	15
C) Consistency Requirements - consistent with required Federal, state and local planning documents. Projects able to demonstrate public support will score the highest.	10
D) Urgency of Need – demonstrated by how soon a facility or vehicle will reach its useful life benchmark, or how many useful life benchmarks have been or will be surpassed.	25
E) Delivery Schedule - able to expend funds within 4 years of receiving funds	10
<b>2. Replacement Transit Capital: design, acquisition and/or construction of new facilities or purchase of new vehicles that improve existing transit service.</b>	<b>100</b>
A) Project Qualifications - replacement of existing vehicles or facilities on existing service to meet transit user needs	40
B) Cost Efficiency - effective and cost efficient use of public funds	15
C) Consistency Requirements - consistent with required Federal, state and local planning documents. Projects able to demonstrate public support will score the highest.	10
D) Urgency of Need – demonstrated by how soon a facility or vehicle will reach its useful life benchmark, or how many useful life benchmarks have been or will be surpassed.	25
E) Delivery Schedule - able to expend funds within 4 years of receiving funds	10
<b>3. Transit Services that Complement Local Efforts: projects that complement local efforts for repair and improvement of local transportation infrastructure.</b>	<b>100</b>
A) Project Qualifications - proposed project helps fully utilize new or rehabilitated transportation infrastructure	40
B) Cost Efficiency - effective and cost efficient use of public funds	15
C) Consistency Requirements - consistent with required Federal, state and local planning documents. Projects able to demonstrate public support will score the highest.	10
D) Urgency of Need – demonstrated by how soon a facility or vehicle will reach its useful life benchmark, or how many useful life benchmarks have been or will be surpassed.	25
E) Delivery Schedule - able to expend funds within 4 years of receiving funds	10

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## **SECTION 1: SCREENING CRITERIA**

To be eligible for funding consideration, all projects requesting SGR funds must submit information to SBCAG demonstrating they meet the following criteria:

### **1. Rehabilitation Transit Capital**

#### ***A) Project Qualifications***

Capital projects or services to maintain or repair a transit operator's existing vehicle fleet or facilities, including rehabilitation or modernization, are eligible. Describe how the project serves the continuing transit needs of residents, including maintaining current service levels, service reliability, or safety. Identify which vehicles or facilities are being repaired or modernized, and how.

#### ***B) Cost Efficiency***

The project must be supported by:

1. A reasonable and competitive cost estimate based on the best available data.
2. Adequate financial planning with all sources of funding identified.
3. Logical cash flow and sensible phasing.
4. Cost efficiency measures used can be, but are not limited to:
  - Farebox Recovery Ratio
  - Cost per Passenger
  - Cost per Revenue Hour
  - Subsidy per passenger
  - Subsidy per passenger mile traveled
  - Passenger Miles Traveled per Vehicle Revenue Mile
  - Passenger Miles Traveled per Vehicle Revenue Hour
  - Vehicle Revenue Miles per Capita
  - Vehicle Revenue Hours per Capita
  - Passenger Miles Traveled Per Capita
  - Passenger Trips Per Capita

#### ***C) Consistency Requirements***

1. The project must be consistent with the RTP and other adopted local or regional plans (Congestion Management Programs, Short Range Transit Plans, State Implementation Plan, etc.)
2. The project must be consistent with State eligibility requirements for State of Good Repair projects.
3. Projects that can demonstrate public support (i.e. signed petitions, proof of public meeting attendance specific to the project, online or written comments in support, or media articles) will be considered favorably and be awarded more points if such documents are included in the application.

**D) Urgency of Need**

The project or vehicle is close to or has already surpassed its useful life benchmark. A useful life benchmark is a measure of how many years that a vehicle or asset can continue to be in service and remain in a state of good repair. The closer the useful life benchmark is, the higher the project will score. A project will score higher if multiple useful life benchmarks are surpassed or soon to be surpassed.

An applicant may use the Federal Transit Administration's default Useful Life Benchmarks, or their own internal ones (provided they have developed internal criteria for their fleet's useful life benchmarks).

**E) Delivery Schedule**

The project can be completed in a timely manner – in three years after the receipt of funds or less. The quicker the delivery time, the more highly the project will score.

**2. Replacement Transit Capital**

**A) Project Qualifications**

Design, acquisition and construction of new vehicles or facilities that maintain existing transit services are eligible. This includes purchase of rolling stock, construction of stations and terminals, and purchase of security equipment. Describe how the replacement vehicles and/or facilities are needed to maintain existing service, increase system reliability, or increase safety.

**B) Cost Efficiency**

The project must be supported by:

1. A reasonable and competitive cost estimate based on the best available data.
2. Adequate financial planning with all sources of funding identified.
3. Logical cash flow and sensible phasing.
4. Cost efficiency measures used can be, but are not limited to:
  - Farebox Recovery Ratio
  - Cost per Passenger
  - Cost per Revenue Hour
  - Subsidy per passenger
  - Subsidy per passenger mile traveled
  - Passenger Miles Traveled per Vehicle Revenue Mile
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An applicant may use the Federal Transit Administration's default Useful Life Benchmarks, or their own internal ones (provided they have developed internal criteria for their fleet's useful life benchmarks).

**E) Delivery Schedule**

The project can be completed in a timely manner – in three years after the receipt of funds or less. The quicker the delivery time, the more highly the project will score.

**3. Transit Services that Complement Local Efforts**

**A) Project Qualifications**

Describe how this project complements or integrates with recent improvements or efforts to repair/improve local transportation infrastructure. Identify both the proposed transit improvement and the corresponding infrastructure. If the infrastructure is in progress or not yet begun, identify the completion timeline for the project.

**B) Cost Efficiency**

The project must be supported by:

1. A reasonable and competitive cost estimate based on the best available data.
2. Adequate financial planning with all sources of funding identified.
3. Logical cash flow and sensible phasing.
5. Cost efficiency measures used can be, but are not limited to:
  - Farebox Recovery Ratio
  - Cost per Passenger
  - Cost per Revenue Hour
  - Subsidy per passenger
  - Subsidy per passenger mile traveled

- Passenger Miles Traveled per Vehicle Revenue Mile
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- Vehicle Revenue Miles per Capita
- Vehicle Revenue Hours per Capita
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An applicant may use the Federal Transit Administration's default Useful Life Benchmarks, or their own internal ones (provided they have developed internal criteria for their fleet's useful life benchmarks).

**E) Delivery Schedule**

The project can be completed in a timely manner – in three years after the receipt of funds or less. The quicker the delivery time, the more highly the project will score.

ATTACHMENT D



**APPLICATION FORM**  
**SB1 State of Good Repair Transit Funding**

Project Submittal Sheet

**PROJECT TITLE:**

**PROJECT APPLICANT:**  
(Agency name & address)

**CONTACT PERSON:**  
(Name, Title, phone, e-mail)

**SUB-RECIPIENT** (if applicable):

**BRIEF DESCRIPTION OF PROJECT:** Describe the scope of work that would be funded under the proposed project. Include geolocation information if available. Please keep your answer to 250 characters or fewer, and nontechnical (easy for the public to understand).

**PROJECT CATEGORY:** Please select one.

Maintenance

Modernization

Rehabilitation

Repair

Replacement

**PROJECT LOCATION:** Must be as specific as possible (i.e. street names, project termini).

**SCHEDULE OF PROJECT COMPLETION:** Please include expected start and completion dates.

<u>Schedule Dates</u>	<u>Anticipated Schedule</u>
Begin PA & ED :	MM/DD/YYYY
End PA & ED :	MM/DD/YYYY
Begin PS & E :	MM/DD/YYYY
End PS & E :	MM/DD/YYYY
Begin Right of Way :	MM/DD/YYYY
End Right of Way :	MM/DD/YYYY
Begin Construction :	MM/DD/YYYY
End Construction :	MM/DD/YYYY
Begin Vehicle/Equipment Order :	MM/DD/YYYY
End Vehicle/Equipment Order :	MM/DD/YYYY
Begin Closeout Phase :	MM/DD/YYYY
End Closeout Phase :	MM/DD/YYYY

**USEFUL LIFE IN YEARS** (if applicable):

**CURRENT CONDITION OF ASSET:** Please select one.

Poor

Marginal

Fair/Adequate

Good

Excellent

**FUNDING REQUESTED:**

99313:

99314:

Local Match (if applicable):

Please identify matching fund source:

Total Project Cost: \_\_\_\_\_

**PROJECT'S ESTIMATED BENEFITS/PERFORMANCE OUTCOMES:** Based on industry standards, i.e. increased ridership, reduced operating/maintenance costs, reduced emissions, or increased system reliability. *Please include anticipated performance increase as a percentage from current performance level.*

Submitted By:

\_\_\_\_\_  
Please Print Full Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date