

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	04/08/19	Open	Action	03/28/19

Subject: Authorization for the Execution of the Low Carbon Transit Operations Program (LCTOP) and Certifications and Assurances for Fiscal Year 2018/19

ISSUE

Whether or not to: 1) authorize the submittal of project nominations and allocation requests to Caltrans for Fiscal Year 2017/18 and 2018/19 Low Carbon Transit Operations Program (LCTOP) for the South Line Phase 2 Light Rail Expansion, Connect Card Implementation, Golden 1 Center Special Event Service, and Folsom Late Evening Light Rail Service projects, and 2) authorize execution of the certifications and assurances for fiscal year 2017/18 and 2018/19 LCTOP.

RECOMMENDED ACTION

Adopt Resolution No. 19-04-_____, Authorizing the Execution of the Low Carbon Transit Operations Program (LCTOP) Project(s) and Certifications and Assurances, and Submittal of Project Nominations and Allocation Requests to Caltrans, for Fiscal Year 2017/18 and 2018/19 Low Carbon Transit Operations Program.

FISCAL IMPACT

Approval of authority to apply for and receive funds will enable SacRT to access \$102,260 in FY 2017/18 and \$3,555,662 in FY 2018/19 LCTOP funds to continue operating the South Line Phase 2 Light Rail Extension, Connect Card Implementation, Golden 1 Center Special Event Service, and Late Evening Folsom Light Rail Service projects.

DISCUSSION

The Low Carbon Transit Operations Program was created in 2014 by Senate Bill 862 to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities (DACs). Eligible LCTOP projects support new or expanded bus or rail service, expand intermodal transit facilities; increase transit mode share; and/or support the purchase of zero emission buses (ZEBs) and related equipment/infrastructure. Each project is required to reduce greenhouse gas emissions. For transit agencies serving disadvantaged communities, at least 50% of the LCTOP monies received must be spent on projects that benefit disadvantaged communities, However, SB 1119 waives the 50% requirement for: a) LCTOP funded transit service connecting other transit service serving DACs; b) fare subsidies; c) network/fare integration; and d) purchase of ZEBs and supporting infrastructure. Assembly Bill 1550 creates additional requirements for low income communities and residents. Beginning in FY 2015/16, Senate Bill 862 continuously appropriates five percent of the annual Cap and Trade auction to LCTOP.

SacRT's share of FY 2017/18 and FY 2018/19 LCTOP funding is \$3,657,922, which includes \$102,260 unspent FY 2017/18 and \$153,352 FY 2018/19 LCTOP funds from the City of Folsom,

Approved:

Presented:

Final 04/01/19

General Manager/CEO

Director, Office of Management and Budget

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Folsom’s transit service area was annexed into SacRT’s transit service area effective January 1, 2019.

LCTOP funds are divided between four continuing projects:

- 1) The South Line Phase 2 Light Rail Extension project started operations in August 2015. SacRT is requesting FY 2018/19 LCTOP funds to help cover FY 2019/20 operations costs of this light rail expansion project.
- 2) The Connect Transit Card project commenced operations in November 2016. SacRT is requesting FY 2018/19 LCTOP funds to help cover operations cost in FY 2019/20.
- 3) The Golden 1 Center Special Event Service commenced operations in October 2016. SacRT is requesting FY 2018/19 LCTOP funds to help cover operations costs in FY 2019/20.
- 4) The Folsom Late Night Light Rail Service began operations in June 2018. SacRT is requesting FY 2017/18 and FY 2018/19 LCTOP funds to help cover operations costs in FY 2019/20.

SacRT’s service area includes multiple disadvantaged communities and low income communities. Except for the Folsom service, all of the above projects are located in, or near, one or more disadvantaged communities or low income communities. SacRT meets all LCTOP statutory requirements for these communities.

The LCTOP program requires a SacRT Board Resolution approving projects for which SacRT is requesting LCTOP funds. The Resolution includes the amount of LCTOP funds requested, a description of the project, and the contributing sponsors. In addition, the Resolution is required to approve the self-certification that SacRT will meet all requirements of the LCTOP guidelines, including reporting deadlines (Exhibit B- “Certifications and Assurances”).

Staff recommends that the Board: 1) authorize the submittal of project nominations and allocation requests to Caltrans for Fiscal Year 2017/18 and 2018/19 Low Carbon Transit Operations Program (LCTOP) for the South Line Phase 2 Light Rail Expansion, Connect Card Implementation, Golden 1 Center Special Event Service, and Folsom Late Night Light Rail Service, for the amounts indicated in Exhibit A; and 2) approve certification that SacRT will meet all requirements of the FY 2018/19 LCTOP guidelines (Certifications and Assurances).

RESOLUTION NO. 19-04-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

April 8, 2019

AUTHORIZING THE EXECUTION OF THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) PROJECT(S), AND CERTIFICATIONS AND ASSURANCES, AND SUBMITTAL OF PROJECT NOMINATIONS AND ALLOCATION REQUESTS TO CALTRANS FOR FISCAL YEAR 2017/18 AND 2018/19 LOW CARBON TRANSIT OPERATIONS PROGRAM

WHEREAS, the Sacramento Regional Transit District is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the Sacramento Regional Transit District wishes to implement the LCTOP projects listed in Exhibit A; and

WHEREAS, the Sacramento Regional Transit District wishes to delegate authorization to execute these documents and any amendments thereto to Henry Li, SacRT's General Manager/CEO.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby agrees to comply with all conditions and requirements, including Disadvantaged Community and Low Income Community requirements, set forth in the applicable statutes, regulations, and guidelines for all LCTOP funded transit projects.

THAT, the Board hereby authorizes the submittal of the project nominations and allocation requests to the Department in FY 2017/18 and FY 2018/19 LCTOP funds for the projects listed in Exhibit A.

THAT, the Board hereby agrees to comply with all the conditions and requirements set forth in the Certifications and Assurances listed in Exhibit B for all Fiscal Year 2017/18 and FY 2018/19 LCTOP funded transit projects.

THAT, the Board hereby authorizes Henry Li, SacRT General Manager/CEO be authorized to execute all required documents of the LCTOP program and any amendments thereto with the California Department of Transportation.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Exhibit A

SACRAMENTO REGIONAL TRANSIT DISTRICT FY 2017/18 AND FY 2018/19 LOW CARBON OPERATIONS PROGRAM (LCTOP) ALLOCATION REQUEST PROJECT LIST

1) South Line Phase 2 Light Rail Expansion

FY 18/19 LCTOP Funds requested: \$ 3,330,603

Description: Operate the Phase 2 segment in FY 2019/20

Contributing Sponsor: SACOG

DAC Status: In or near multiple DACs, low income communities

2) Connect Transit Card

FY 18/19 LCTOP Funds requested: \$ 50,845

Description: Operate universal fare card system in the Sacramento region in FY 2019/20

Contributing Sponsor: SACOG

DAC Status: In or near multiple DACs, low income communities

3) Golden 1 Center Special Event Service

FY 18/19 LCTOP Funds requested: \$ 20,862

Description: Operate Light Rail Service after major events at the downtown Golden 1 Center in FY 2019/20

Contributing Sponsor: SACOG

DAC Status: In or near multiple DACs, low income communities

4) Folsom Late Night Light Rail Service

FY 17/18 LCTOP Funds requested: \$ 102,260

FY 18/19 LCTOP Funds requested: \$ 153,352

Description: Operate late night Light Rail Service along the Folsom segment of the Gold Line in FY 2019/20

Contributing Sponsors: SACOG, City of Folsom

DAC Status: Not in or near a DAC, low income community



FY 2018-2019 LCTOP (Exhibit B)
Certifications and Assurances

Lead Agency: Sacramento Regional Transit District
South Line Phase 2 Light Rail Extension- Operations, Golden One Center Special
Project Title: Event Service, Connect Card Operations, Folsom Light Rail Expanded Evening
Service
Prepared by: Joe Paglieroni

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.



FY 2018-2019 LCTOP (Exhibit B)

8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).

Certifications and Assurances

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
 - d. Project Outcome Reporting as defined by CARB Funding Guidelines.
2. Other Reporting Requirements: CARB is developing Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and



FY 2018-2019 LCTOP (Exhibit B)

Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with

Certifications and Assurances

Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs subject to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

A. Record Retention

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.



FY 2018-2019 LCTOP (Exhibit B)

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the Lead Agency’s contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor’s LCTOP funded projects at Caltrans’ discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Henry Li

(Print Authorized Agent)

General Manager/CEO

(Title)

(Signature)

(Date)