PTAC Item 12

METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Partnership Technical Advisory Committee DATE: December 17, 2007

FR: Glen Tepke W.I.: 1512

RE: FY 2008-09 Transit Capital Priorities Process & Criteria

The attached memo presenting MTC staff's proposal for the FY 2008-09 Transit Capital Priorities (TCP) Process and Criteria, the guidelines for programming the FTA Section 5307 and FTA Section 5309 Fixed Guideway (FG) funds, was discussed by the Transit Finance Working Group (TFWG) at their December 5, 2007 meeting. The proposal is to maintain, with a couple of updates, the TCP policies adopted for the FY 2005-06 through FY 2007-08 programming cycle for FY 2008-09, primarily due to the short timeline for developing the program and amending it into the 2007 TIP while development of the 2009 TIP is underway. Members of the TFWG recognized the impact of the time constraints, and there was a consensus to support most elements of the proposal, with a few exceptions discussed below. MTC staff is requesting that the PTAC endorse the MTC staff proposal at today's meeting. The final version of the policy will be presented to the Programming and Allocations Committee and the TFWG at their meetings on January 9, 2008.

Fixed Guideway Caps

Staff representing Caltrain and Golden Gate Transit requested that the fixed guideway project caps for their agencies be increased to accommodate Caltrain's bridge replacement program and Golden Gate's higher ferry dredging costs. Other members of the TFWG did not support revising the caps. MTC staff continues to recommend retaining the caps from the current TCP policy, which are detailed in Table 1 of the TFWG memo, but will consider recommending temporary increases in caps on a project-by-project basis when the FY 2008-09 program is considered by the TFWG at their February 6 meeting, based on an evaluation of requested programming in light of the region's funding constraints.

Zero Emission Buses

The TFWG endorsed the MTC staff proposal (based on Commission direction from earlier this year) for a one-time $10 million set-aside to support the regional zero emission bus advanced demonstration project required by California Air Resources Board regulations, but raised the issue of how the $10 million should be allocated between the San Francisco-Oakland and San

Jose urbanized areas. The TFWG agreed to refer this issue to the regional Zero Emission Bus Working Group for resolution.

Petaluma and Benicia Eligibility

The members of the TFWG were generally supportive of the staff recommendation to include Petaluma Transit as a newly eligible operator in the TCP funding process, pending resolution of Petaluma's efforts to become eligible to receive FTA Section 5307 funds in the Petaluma urbanized area. However, a concern was raised that funding in the San Francisco-Oakland urbanized would be indirectly impacted, because Golden Gate Transit is eligible in both urbanized areas.

The members of the TFWG were also generally supportive of the staff recommendation to retain the current distribution formulas for the flexible and ADA set-asides for FY 2008-09, and opposed to Benicia Transit's request to be included in the distribution of the two set-asides in the Vallejo urbanized area. However, members of the TFWG asked for an estimate of the fiscal impact of Benicia's request. MTC staff continues to recommend retaining the current set-aside distribution formulas, and to revisit the formulas in the next programming cycle, when other significant changes to the current TCP policy are considered.

Benicia Transit withdrew its request to become eligible for FTA Section 5307 funding from the Concord urbanized area.

Revisions to FY 2007-08 Program

The TFWG did not reach a consensus on a policy for reducing FY 2007-08 programming should reductions be necessary to address apportionment shortfalls. MTC staff is anticipating a substantial shortfall in FY 2007-08, primarily in the San Francisco-Oakland urbanized area. The revisions to the TCP policy that were adopted by the Partnership in December 2005 for programming the $210 million FTA surplus specified that the first projects to be reduced in the event of a shortfall would be the projects funded with the portion of the surplus distributed as flexible set-aside. Most TFWG members favored retaining this policy, but SFMTA staff preferred having flexibility to decide which of their projects to reduce, potentially including making reductions to regular programming first, if necessary. MTC staff is seeking a consensus from PTAC and TFWG on the preferred approach to reducing FY 2007-08 programming in the event that redistributing programming across UAs and voluntarily deferring programming are insufficient to address the shortfall.

TFWG Item 6

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Memorandum

TO:	Transit Finance Working Group	DATE:	December 5, 2007
FR:	Glen Tepke	W.I.:	1512
RE:	FY 2008-09 Transit Capital Priorities Process & Criteria		

This memo presents MTC staff's proposal for the FY 2008-09 Transit Capital Priorities (TCP) Process and Criteria, the guidelines for programming the FTA Section 5307 and FTA Section 5309 Fixed Guideway (FG) funds. It also presents a proposed timeline for programming the FY 2008-09 Section 5307 and Section 5309 FG, and AB 664 funds. funds. MTC staff is requesting that the Transit Finance Working Group (TFWG) endorse the proposal at today's meeting, or, if more time is needed to reach consensus, by the working group's January 9 meeting.

The proposal is to maintain the TCP policies adopted for the FY 2005-06 through FY 2007-08 programming cycle for FY 2008-09. MTC staff is proposing to extend the TCP policy for a number of reasons:

- MTC staff is proposing to adopt a TCP policy for only one year rather than the normal three-year programming cycle because FY 2008-09 is the last year of FTA funding under the SAFETEA authorization, and a broader reevaluation of the TCP policy should be made in light of changes to FTA funding policies that may be included in the next federal authorization.

- Because of the need to lock down the 2007 TIP while the 2009 TIP is under development, the region needs to amend the FY 2008-09 TCP funds into the TIP by March 2008. Amending the TIP to include the FY 2008-09 projects would allow operators to exercise pre-award spending authority and consider capital projects during the FY 2009 budget process. Completing the programming and amending the TIP by March requires an aggressive schedule that would be difficult to meet if the full range of TCP issues were reopened for discussion.

- The Regional Transit Capital Inventory (RTCI) is intended to provide data on transit capital assets and needs that would enable the development of new approaches to programming TCP funds, but the RTCI database is not expected to be completed in time for use in supporting major revisions to the TCP policy for FY 2008-09

Following is a recap of key TCP policy issues that were addressed in the development of the FY 2005-06 through FY 2007-08 TCP Process and Criteria, including the consensuses reached at the March 9, 2005 TFWG meeting and the March 21, 2005 PTAC meeting, and MTC staff's recommendation regarding each issue. It should be noted that the delay in reaching a consensus on a proposed apportionment model and preventive maintenance policy, as well as the pressing timeline to program the FY 2005-06 through FY 2007-08 funds so that operators could use their pre-award spending authority, did not give the TFWG adequate time to fully investigate all of the TCP issues. Thus consensus on some of the issues was reached as temporary solutions until adequate time was available for more thorough deliberations. Consequently, the TFWG requested that some of these issues be revisited once the FY 2005-06 through FY 2007-08 TCP policy and related programming was completed.

Apportionment Model

Changes to urbanized area boundaries and the creation of new urbanized areas as a result of the 2000 Census required the development of a new approach to apportioning funds to operators eligible to claim funds in multiple UAs. At their November 29, 2004 meeting, the Partnership Board reached a consensus on the Multi-County Agreement model with a 10 % flexible set-aside distributed on apportioned ridership and FTA revenue factors (equally weighted). Attachment 1 summarizes the apportionment policy. MTC staff is proposing to continue to use the current apportionment model for FY 2008-09.

Preventive Maintenance

The Partnership Board also reached a consensus on the policy regarding preventive maintenance (PM) at their November 29, 2004 meeting. Attachment 2 summarizes the PM policy. MTC staff is proposing to retain the current PM policy.

Fixed Guideway Caps

Adjustments to the fixed guideway caps and the development of a longer term plan for the FTA Section 5309 Fixed Guideway (FG) program were the subject of considerable debate in the FY 2005-06 through FY 2007-08 TCP policy discussion. The present policy replaced $7.5 million fixed guideway caps for all operators with caps based on system size, resulting in increased caps for BART and Muni to $13 million per fixed guideway category, lowered the caps for ACE, GGBHTD, and Vallejo Transit to $2 million per fixed guideway category, and maintained the caps for Caltrain at $7.5 million per fixed guideway category. There was some concern about the impact that larger caps would have on fleet replacement. Therefore, in lieu of increasing all of the caps for BART and Muni, a consensus was reached to increase just three fixed guideway categories for BART and two fixed guideway categories for Muni. Caltrain's caps for two categories were subsequently increased to $13 million each for FY 2006-07 and FY 2007-08 only under the policy for programming $210 million in surplus FTA formula funds.

The end result was somewhat unsatisfactory for some operators who believed their system warranted higher fixed guideway caps. As a response to these comments, a consensus was reached to program all three years at the proposed caps but to leave the third year open to revisions should consensus be reached prior to FY 2007-08 programming year on an alternative proposal that more closely aligns funding with consistently reported needs.

MTC staff recommends that the current fixed guideway project caps (with Caltrain's caps returned to $7.5 million for all categories as planned) be retained for FY 2008-09. While the issue of fixed guideway project caps had the weakest consensus among the policy issues considered by the Partnership, during the last discussions, MTC staff suggests that the fixed guideway caps be reconsidered by the working group at such time that the Regional Transit Capital Inventory project provides more comparable data to inform the discussion. The proposed fixed guideway caps are summarized in Table 1.

Table 1

FG Operator	Project Category	Proposed Cap for Each Category
ACE (1)	All Eligible FG Categories	1,057,000
BART	Train Control	13,000,000
	Track Replacement/Rehab	13,000,000
	Power Delivery (Traction Power)	13,000,000
	All Other Eligible FG Categories	7,500,000
Caltrain	All Eligible FG Categories	7,500,000
GGBHTD	All Eligible FG Categories	2,000,000
SF Muni	Power Delivery (Overhead Reconstruction)	13,000,000
	Track Replacement	13,000,000
	All Other Eligible FG Categories	7,500,000
Vallejo	All Eligible FG Categories	2,000,000
VTA	All Eligible FG Categories	7,500,000

(1) Amount for ACE limited to Bay Area eligibility in SFO and Concord UA or 52.85% of regional total and was based on a gross project eligibility cap of $2 million.

Longer Planning Horizon for the FTA Section 5309 FG Program

Some operators expressed a preference for developing a long-term plan for programming FTA Section 5309 FG funds. MTC staff outlined several alternatives and noted the complications of each of the options given that fixed guideway projects are eligible for both FTA Section 5309 FG and FTA Section 5307 funds, and that any long term fixed guideway agreement would likely have an impact on the funding of other high scoring projects. MTC staff also outlined some of the funding risks the fixed guideway eligible operators would assume under the staff alternatives – including the need to reduce committed projects to programmatic levels if capital need exceeded available funds in a given year. Because of these uncertainties it was decided to defer developing a plan until after the three-year program has been competed, when other information regarding capital need is secured. MTC staff is proposing to defer consideration of a long-term plan for programming FTA Section 5309 FG funds until the RTCI database is available to provide the comparable and consistent data on fixed guideway capital needs that would be required to develop such a plan.

Safety and Security Project Scoring

In developing the current TCP policy, the TFWG considered increasing the score for safety and security projects, but ultimately recommended maintaining safety and security projects at a score 15 funding priority. The thought was that the universe of security and safety projects is so large that it would significantly impede the replacement of the region's revenue fleets if it were scored higher. The proposed 10% flexible set-aside would also give operators an option for making investments in these areas with FTA funds. MTC staff is proposing to retain the current project scores, which are included as Attachment 3.

Modifying Bus Useful Life Intervals

Currently, standard buses and over the road coaches are eligible for replacement in TCP at the end of their useful life, or 12 years for urban buses and 16 years for over-the-road coaches. The issue is whether some other measure, such as miles, should be used as a means to extend the life of certain fleets that may not be used as extensively as others to create more funding capacity in the formula programs. In developing the current TCP policy, the TFWG decided to postpone any changes to the existing policy until more time can be committed to this issue. MTC staff is proposing to defer consideration of this issue until the programming cycle following FY 2008-09. Depending on the availability of data, the RTCI database may include data on bus mileage or condition that could be used to develop an alternative policy.

Eliminate Or Modify the Used Bus And Rail Vehicle Policy

Under the current policy, operators procuring used revenue vehicles can replace the used vehicle in TCP, but the replacement value is based on the number of additional years the transit property operates the vehicle from the time of purchase. For instance if a property purchases a used vehicle and operates it for an additional 5 years, the property would be eligible to receive 5/12ths of the federal cost of the bus in TCP. A consensus was reached to maintain the existing policy for the FY 2005-06 through FY 2007-08 programming cycle. The TFWG requested that MTC facilitate discussions for possible revisions in the next programming cycle. MTC staff is proposing to retain the used vehicle policy for FY 2008-09.

Revisions to the ADA Set-Aside Formula

FTA allows regions to set-aside up to 10% of FTA Section 5307 funds to be used for ADA operating purposes. To determine the amount of funds that each operator receives for ADA operating, the region has historically used a formula that is roughly based on generations with an element of the rail operator portion allotted to bus operators because bus operators generally shoulder a greater share of the ADA operations. A consensus was reached to maintain the existing ADA set-aside formula. Table 2 below outlines the percentages by operator and urbanized area. MTC staff proposes to continue using the ADA Set-Aside formula for FY 2008-09.

Table 2

Operator	San Francisco-Oakland	San Jose	Concord	Antioch	Vallejo	Livermore	Gilroy MH
AC Transit	31%						
ACE	2%		14%				
BART	15%		46%	22%			
Caltrain	3%	15%					
CCCTA			32%				
Fairfield-Suisun Transit	Not Applicable						
GGBHTD	9%						
LAVTA			8%			100%	
Napa VINE					7%		
SF Muni	30%						
SamTrans	8%						
SR City Bus	Not Applicable						
Sonoma Cty Transit	Not Applicable						
Tri-Delta				78%			
Union City							
Vacaville	Not Applicable						
Vallejo Transit	2%				93%		
VTA		85%					100%
WestCat	1%						
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Revisions to the AB664 Program to Address Funding Shortfalls

AB664 Net Bridge Toll funds are programmed to match TCP-funded transit capital projects. Because AB 664 revenues have not increased as fast as demand, and because the AB 664 policy was amended to make projects funded with FTA Section 5309 FG eligible for matching funds, AB 664 funds no longer meet the programming demand. The region's AB664 Net Bridge Toll programming policy prioritizes projects in score order. All federal and state funds sources are considered equally, including FTA Section 5307, FTA Section 5309 FG, STP and CMAQ, and RTIP funds. In recognition of the numerous programming exceptions that occurred during the FY2005-06 through FY 2007-08 programming cycle, the policy was revised for those years to treat all FTA formula-funded projects equally regardless of TCP score.

MTC continues to support giving consideration to matching all projects slated to move forward in FY 2008-09, and is proposing to continue to program AB 664 funds to match all FTA formula-funded projects equally regardless of TCP score, and to constrain the need to available AB664 funds.

1% FTA Section 5307 Security Requirement

FTA regulations require each FTA Section 5307 grant applicant to spend 1% of their funds on eligible security projects. Most of the region's FTA 5307 recipients meet this requirement because security devices in revenue vehicles are an eligible security expense. Other operators may find it difficult to meet this requirement given the proposed regional funding priorities. A consensus was reached that would permit operators who are unable to meet this requirement with their high scoring capital projects, to set aside 1% of funds programmed to their projects for eligible security projects. MTC staff is proposing to continue this policy for FY 2008-09.

Following are new issues that may require modifications to the TCP policy for FY 2008-09:

Update to Bus/Van Pricelist

The updated bus/van pricelist that was approved by the TFWG at their November 7, 2007, meeting will be incorporated into the updated TCP policy, and used to program bus and van procurements in FY 2008-09. The updated pricelist is included as Attachment 4.

Zero Emission Buses

The regional Zero Emission Bus Advanced Demonstration Project, which is required by California Air Resources Board regulations, is being implemented by AC Transit and VTA, in conjunction with Golden Gate Transit, SamTrans and SFMTA. MTC staff originally proposed to devote $10 million of the region's Proposition 1B transit funds to the project, but in the final plan adopted by the Commission, this commitment was shifted to the FTA Section 5307 program. Accordingly, MTC staff is proposing a one-time $10 million set-aside off the top of the FY 2008-09 program from the SFO and SJ urbanized areas, which would be programmed to AC Transit and VTA for the ZEB project.

Petaluma and Benicia Eligibility

Changes in NTD reporting by two transit operators could potentially affect their eligibility for FTA funds.

Petaluma Transit has been attempting to become an FTA grantee, either directly or with another grantee serving as a pass-through. This issue is still under discussion with FTA and other operators. Petaluma Transit has met the region's other requirements for being eligible for 5307 programming by submitting Short-Range Transit Plans to MTC and filing its first National Transit Database report with FTA this year. MTC staff proposes to assume that Petaluma Transit will become eligible for FTA funds, and therefore include Petaluma as a new operator in the call for projects for FY 2008-09. Petaluma Transit would be eligible only in the Petaluma urbanized area. If Petaluma does not become an FTA grantee or pass-through recipient, any 5307 funds programmed to Petaluma would be reprogrammed to other eligible operators.

Benicia Transit is an FTA grantee currently eligible for capital programming in the Vallejo urbanized area. Benicia began filing NTD reports in 2006, reporting service in both the Vallejo and Concord UAs, and has requested to become eligible for capital programming from the

Concord UA, as well as from the Vallejo UA. MTC staff would like to get input from the TFWG on the question of whether the regional priority programming model should be amended to make Benicia eligible in the Concord UA.

Benicia has also requested to participate in the 10% flexible and 10% ADA set-asides in both the Vallejo and Concord UAs. MTC staff recommends that the distribution formulas for the flexible and ADA set-asides, which were developed in prior TFWG discussions, be maintained for FY 2008-09 and revisited in the next programming cycle, when other significant changes to the current TCP policy are considered.

Revisions to FY 2007-08 Program

The FY 2006-07 FTA apportionments were below the revenue estimates upon which the program was based in a number of urbanized areas, most notably SFO. The resulting shortfalls were addressed primarily by deferring programming for Golden Gate Transit's ferry replacement project to FY 2007-08.

Congress has not yet enacted the FY 2007-08 appropriations, but MTC staff anticipates another substantial shortfall, primarily in SFO. The approach to addressing the shortfall will be threefold:

- Redistributing eligible programming to UAs with surpluses, using the regional priority programming model; and, if this does not address the shortfall,
- Voluntarily deferring programming to FY 2008-09; deferred projects would be funded off the top as prior-year commitments, before programming the remainder of the FY 2008-09 funds; and, if this does not address the shortfall,
- Reducing programming for projects in UAs with remaining shortfalls.

The revisions to the TCP policy that were adopted by the Partnership in December 2005 for programming the $210 million FTA surplus specified that the first projects to be reduced in the event of a shortfall would be the projects funded with the portion of the surplus distributed as flexible set-aside. When the FY 2006-07 shortfall was under consideration, members of the TFWG recommended reconsidering this policy. MTC staff is seeking a consensus from the TFWG on the preferred approach to reducing FY 2007-08 programming in the event that redistributing programming across UAs and voluntarily deferring programming are insufficient to address the shortfall.

Timeline for Programming FY 2008-09 FTA Formula and AB 664 Funds

The proposed timeline for adopting the TCP policy and related programming is outlined below.

<table>
<tr><th>TCP Policy / Programming</th><th>Start Date</th><th>Finish/Due Date</th></tr>
<tr><td>TFWG TCP Policy Discussions</td><td>December 5, 2007</td><td>January 9, 2008</td></tr>
<tr><td>PTAC TCP Policy Discussions</td><td colspan="2">December 17, 2007</td></tr>
</table>

Call for projects	January 2, 2008	January 18, 2008
TCP Policy to PAC/Commission	January 9/23, 2008	
FTA/AB 664 program to TFWG	February 6, 2008	March 5, 2008
FTA/AB 664 programs to PAC/Commission and amend TIP	March 12/26, 2008	

Attachment 1: Transit Capital Priorities Apportionment Model

Multi-County Agreement Model

For multi-county operators, urbanized area (UA) apportionments in the formula programs are guided by negotiated agreements. Aside from the acknowledged agreements, funds are apportioned based on the regional priority model. As a reminder, the regional priority model prioritizes high scoring capital projects and apportions projects to eligible urbanized areas based on available funds.

There are three specific agreements that are being honored under the negotiated multi-county agreement model: the Caltrain Joint Powers Board Agreement, the Altamont Commuter Express (ACE) Service Cooperative Services Agreement and the Sonoma County-Santa Rosa City Bus Agreement.

Consideration for future agreements would include representation from each interested county, interested transit property, or an appointed designee, and be approved by all operators in the affected UA and MTC.

10% Set-aside Based on Apportioned Ridership and FTA Revenue Factors (weighted equally)

Prior to running the apportionment model, 10% of the FTA funds from each of the urbanized areas is redistributed based on apportioned ridership and FTA revenue factors. Descriptions of these formulas are outlined below.

> *Apportioned Ridership*: Ridership is apportioned based on how an operator reports their revenue miles to FTA. As an example, BART reports their revenue miles 71.28% in the San Francisco-Oakland UA, 26.14% in the Concord UA, and 2.58% in the Antioch UA. Instead of counting their total ridership, or 97.1 million, in each UA as in Option 2, ridership is apportioned to each UA based on the reporting factor.
>
> *FTA Revenue Factors*: The set-aside is distributed on FTA revenue factors - bus tier and fixed guideway tier. Factors included in the analysis are revenue vehicle miles, passenger miles, and operating cost. Small-urbanized area set-asides are distributed to eligible operators based on a rough estimation of population and population density.

Operators in the Santa Rosa UA have opted out of the 10% flexible set-aside element of the apportionment model.

Attachment 2: Preventive Maintenance Funding for Operating Purposes

Preventive maintenance will be considered a score 9 funding priority in Transit Capital Priorities, unless a fiscal need exists and can be demonstrated accordingly by the requesting operator based on the guidelines outlined below. MTC must declare that a fiscal need exists to fund preventive maintenance where such action would displace higher scoring capital projects ready to move forward in a given fiscal year. A fiscal need can be declared if the following conditions exist:

- An operator can demonstrate in a board-approved budget or budget assumption that a shortfall exists; this budget or budget assumption must consider MTC's latest adopted fund estimate and/or Short-Range Transit Plan forecasts for transit-specific revenues.
- An operator must demonstrate that all reasonable cost control and revenue generation strategies have been implemented and that a residual shortfall remains.
- An operator can demonstrate that the shortfall, if not addressed, would result in a significant service reduction.

The Commission will consider the severity of the shortfall and the scope and impact of the service cuts in determining whether fiscal need exists. Operators establishing a fiscal need must also adhere to the following four requirements in order to be eligible to receive funding for preventive maintenance:

1. Operators must successfully show a board approved bridging strategy that will sustain financial recovery beyond the year for which preventive maintenance is requested.
2. The bridging strategy should not rely on future preventive maintenance funding to achieve a balanced budget. In other words, should a service adjustment be required to balance the budget over the long run, preventive maintenance should not be invoked as a stop gap to inevitable service reductions.
3. Funds programmed to preventive maintenance should not be considered as a mechanism to sustain or replenish operating reserves.
4. Operators requesting FTA formula funds to meet operating shortfalls will be limited to two years preventive maintenance funding within a 12-year period.

Concepts for Preventive Maintenance Allowance – For an individual operator to make use of preventive maintenance funding, other operators in the region must be able to move forward with planned capital replacement. The following two mechanisms will ensure both protection of capital replacement and flexibility for preventive maintenance:

- <u>Capital Exchange</u> – In this option, an operator could elect to remove an eligible capital project from TCP funding consideration for the useful life of the asset in exchange for preventive maintenance funding. The funding is limited to the amount of capital funding an operator would have received under the current TCP policy in a normal economic climate. If an operator elects to replace the asset - removed from regional competition for funding under these provisions – earlier than the timeline established for its useful life, the replacement will be considered an expansion project.
- <u>Negotiated Agreement within an Urbanized Area –</u> In the second option, an operator may negotiate with the other operators to receive an amount of preventive maintenance funding, providing that a firewall is established between the affected urbanized area(s) and all other urbanized areas. This will ensure that other operators' high-scoring capital replacement projects are not jeopardized.

The requesting operator will enter into an MOU with MTC and, if applicable, other transit properties affected by the preventive maintenance agreement. The agreement will embody the four eligibility requirements outlined above as well as any other terms and conditions of the agreement.

It is the intent of this policy that funding for preventive maintenance will not increase the region's transit capital shortfall.

Attachment 3: Transit Capital Priorities (TCP) Project Scores

Category	Score
Revenue Vehicle Replacement	**16**
Vehicle Replacement - replacement of a revenue vehicle at the end of its useful life (see Section III, Paragraph 3.e., Table 1). Vehicles previously purchased with revenue sources other than federal funds are eligible for FTA formula funding as long as vehicles meet the replacement age. Vehicles are to be replaced with vehicles of similar size (up to 5' size differential) and seating capacity, e.g. a 40-foot coach replaced with a 40-foot coach and not an articulated vehicle. If an operator is electing to purchase smaller buses, or do a sub-fleet reconfiguration, the replacement sub-fleet will have a comparable number of seats as the vehicles being replaced. Paratransit vehicles can be replaced with the next larger vehicle providing the existing vehicle is operated for the useful life period of the vehicle that is being upgraded to. Any other significant upgrade in size will be considered as vehicle expansion and not vehicle replacement. For urgent replacements not the result of deferred maintenance and replacement of assets 20% older than the usual replacement cycle (e.g. 12 or 16 years for buses depending on type of bus), a project may receive an additional point.	
Revenue Vehicle Rehabilitation	**16**
Vehicle Rehabilitation - major maintenance, designed to extend the useful life of a revenue vehicle (+5 years for buses, +20 years for railcars, +20 years for heavy hull ferries)	
Used Vehicle Replacement	**16**
Used Vehicle Replacement - replacement of a vehicle purchased used (applicable to buses, ferries, and rail cars) is eligible for federal, state, and local funding that MTC administers. Funds in this category include FTA Section 5307, STP, CMAQ, STIP, and Net Toll Revenues. However, funding for replacement of the used vehicle will be limited to a proportionate share of the total project cost, equal to the number of years the used vehicle is operated beyond its standard useful life divided by its standard useful life (e.g. if a transit property retained and operated a used transit bus for 5 years, it is eligible to receive 5/12th of the allowable programming for the project). *Note: Used buses placed in service prior to December 20, 2000 are eligible for replacement in the TCP after the vehicle has been part of the operator's "active fleet" as defined by the Federal Transit Administration for at least five years.*	
Fixed Guideway Replacement / Rehabilitation	**16**
Rehabilitation/Replacement Fixed Guideway - projects replacing or rehabilitating fixed guideway equipment per categories outlined in Section II, Paragraph 3, Table 2 (rail, bridges, traction power system, wayside train control systems, overhead wires) at the end of its useful life.	
Ferry Propulsion Systems	**16**
Ferry Propulsion Replacement—projects defined as the mid-life replacement and rehabilitation of ferry propulsion systems in order that vessels are able to reach their 25-year useful life.	
Ferry Major Component	**16**
Ferry Major Components—projects associated with propulsion system, inspection, and navigational equipment required to reach the full economic life of a ferry vessel.	
Ferry Fixed Guideway Connectors	**16**
Ferry Fixed Guideway Connectors—floats, gangways, and ramps associated with the safe moorage and boarding of passengers to/from ferry vessels.	
Revenue Vehicle Communication Equipment	**16**
Communication Equipment - For operators who replace radios and base stations when the revenue vehicle/vessel is replaced, no additional system wide replacement will be funded through the regional capital priorities. For bus operators who elect the system wide replacement option, the regional participation in the project will be constrained by the radio allowance in the standard bus price (provided that the radio/base station is not replaced prior to the applicable replacement cycle). Maximum programming allowance outlined in Section III, Table 2.	
Non-TransLink® Fare Collection/Fareboxes	**16**
Revenue vehicle and wayside fare equipment are eligible for replacement as score 16. The maximum programming allowance for revenue vehicle fare equipment purchased separately from revenue vehicles is outlined in Section III, Table 2, providing the fare equipment is not replaced prior to the 12-year replacement cycle for buses. Fare equipment must be compatible with the TransLink® fare collection system.	
TransLink®	**16**
TransLink® - replacement of TransLink® fare collection equipment related to revenue vehicles and faregates.	

Safety	**15**
Safety/Security - projects addressing potential threats to life and/or property. The project may be maintenance of existing equipment or new safety capital investments. Adequate justification that the proposed project will address safety and/or security issues must be provided. The TFWG will be provided an opportunity to review proposed projects before a project is programmed funds in a final program.	
ADA/Non Vehicle Access Improvement	**14**
ADA - capital projects needed for ADA *compliance* . Does not cover routine replacement of ADA-related capital items. Project sponsor must provide detailed justification that the project is proposed to comply with ADA. Subject to TFWG review.	
Fixed/Heavy Equipment, Maintenance/Operating Facilities	**13**
Fixed/Heavy equipment and Operations/Maintenance facility - replacement/rehabilitation of major maintenance equipment, generally with a unit value over $10,000; replacement/rehabilitation of facilities on a schedule based upon the useful life of the components.	
Station/Intermodal Stations/Parking Rehabilitation	**12**
Stations/Intermodal Centers/Patron Parking Replacement/Rehab - replacement/rehabilitation of passenger facilities.	
Service Vehicles	**11**
Service Vehicles - replacement/rehabilitation of non-revenue and service vehicles based on useful life schedules.	
Tools and Equipment	**10**
Tools and Equipment - maintenance tools and equipment, generally with a unit value below $10,000.	
Office Equipment	**9**
Office Equipment - computers, copiers, fax machines, etc.	
Preventive Maintenance	**9**
Preventive Maintenance - ongoing maintenance expenses (including labor and capital costs) of revenue and non-revenue vehicles that do not extend the life of the vehicle. This includes mid-life change-out of tires, tubes, engines and transmissions that do not extend the life of the vehicle beyond the twelve years life cycle. *Note: Requests for preventive maintenance to meet budgetary shortfalls will be guided by the provisions outlined in Section V. Operators who wish to exchange a capital project for preventive maintenance funding in order to use their local funds to ease federal constraints or strictly as a financing mechanism may do so providing that the replacement asset funded with local funds is comparable to the asset being replaced and is maintained in service by the purchasing operator for its full useful life as outlined in Section V.*	
Operational Improvements/Enhancements	**8**
Operational Improvement/Enhancements - any project proposed to improve and/or enhance the efficiency of a transit facility.	
Operations	**8**
Operations—costs associated with transit operations such as the ongoing maintenance of transit vehicles including the cost of salaries. SCORE 9 (see Programming item 3c Operations).	
Expansion	**8**
Expansion - any project needed to support expanded service levels.	

Attachment 4: Regional Bus/Van Pricelist FY 2008-09

	Proposed FY09 Price				
	Total	**Federal**	**Local**	**Federal %**	**Local %**
Auto	26,000	21,695	4,305	83.44%	16.56%
Minivan Under 22'	48,000	40,052	7,948	83.44%	16.56%
Cut-Away/Van Under 26', 4 or 5-Year, Gas	72,000	58,770	13,230	81.62%	18.38%
Cut-Away/Van Under 26', 4 or 5-Year, Diesel	97,000	79,176	17,824	81.62%	18.38%
Cut-Away/Van Under 26', 4 or 5-Year, CNG	108,640	88,677	19,963	81.62%	18.38%
Cut-Away/Van Under 26', 7-Year, Gas	101,000	83,830	17,170	83.00%	17.00%
Cut-Away/Van Under 26', 7-Year, Diesel	136,000	112,880	23,120	83.00%	17.00%
Cut-Away/Van Under 26', 7-Year, CNG	152,000	126,159	25,841	83.00%	17.00%
Cut-Away/Van 26'+, 4 or 5-Year, Gas	76,000	62,034	13,966	81.62%	18.38%
Cut-Away/Van 26'+, 4 or 5-Year, Diesel	102,000	83,257	18,743	81.62%	18.38%
Cut-Away/Van 26'+, 4 or 5-Year, CNG	114,000	93,052	20,948	81.62%	18.38%
Cut-Away/Van 26'+, 7-Year, Gas	106,000	87,980	18,020	83.00%	17.00%
Cut-Away/Van 26'+, 7-Year, Diesel	143,000	118,689	24,311	83.00%	17.00%
Cut-Away/Van 26'+, 7-Year, CNG	160,000	132,799	27,201	83.00%	17.00%
Transit Bus 30' Diesel	445,000	358,917	86,083	80.66%	19.34%
Transit Bus 30' CNG	498,000	401,665	96,335	80.66%	19.34%
Transit Bus 30' Hybrid	601,000	484,740	116,260	80.66%	19.34%
Transit Bus 35' Diesel	458,000	369,320	88,680	80.64%	19.36%
Transit Bus 35' CNG	513,000	413,670	99,330	80.64%	19.36%
Transit Bus 35' Hybrid	619,000	499,146	119,854	80.64%	19.36%
Transit Bus 40' Diesel	471,000	379,730	91,270	80.62%	19.38%
Transit Bus 40' CNG	528,000	425,684	102,316	80.62%	19.38%
Transit Bus 40' Hybrid	637,000	513,562	123,438	80.62%	19.38%
Over-the-Road 40' Diesel	551,000	443,608	107,392	80.51%	19.49%
Over-the-Road 40' CNG	617,000	496,744	120,256	80.51%	19.49%
Over-the-Road 40' Hybrid	744,000	598,991	145,009	80.51%	19.49%
Over-the-Road 45' Diesel	595,000	479,032	115,968	80.51%	19.49%
Over-the-Road 45' CNG	666,000	536,194	129,806	80.51%	19.49%
Over-the-Road 45' Hybrid	803,000	646,492	156,508	80.51%	19.49%
Over-the-Road 60' Diesel	785,000	631,087	153,913	80.39%	19.61%
Over-the-Road 60' CNG	879,000	706,656	172,344	80.39%	19.61%
Over-the-Road 60' Hybrid	1,060,000	852,168	207,832	80.39%	19.61%
Articulated 60' Diesel	667,000	536,223	130,777	80.39%	19.61%
Articulated 60' CNG	747,000	600,537	146,463	80.39%	19.61%
Articulated 60' Hybrid	900,000	723,539	176,461	80.39%	19.61%