



# CITY OF SACRAMENTO

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DEPARTMENT OF ENGINEERING  
915 I STREET SACRAMENTO, CALIFORNIA 95814  
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

CITY MANAGER'S OFFICE  
**RECEIVED**  
APR 9 1980

R. H. PARKER  
CITY ENGINEER  
J. F. VAROZZA  
ASSISTANT CITY ENGINEER

April 9, 1980

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: PROPOSED POLICY CHANGE ON LOCAL-STATE RESPONSIBILITIES ON LOCAL ROAD CROSSINGS AND CONNECTIONS TO FREEWAYS

SUMMARY:

Attached is a letter to the Budget and Finance Committee and a memorandum from the Department of Transportation which reflects a proposed change in local-state cost sharing policies for crossings and connections to freeways and expressways. It was recommended that staff be instructed to respond to the District 3 Director of Transportation in opposition to the proposed policy change. The Budget and Finance approved the recommendation as follows:

AYES = 4

NOES = 0

RECOMMENDATION:

It is recommended that the City Council instruct staff to respond to the Director of Transportation in opposition to the proposed policy change.

Respectfully submitted,

R. H. PARKER  
City Engineer

Recommendation Approved:

Walter J. Slize, City Manager

**APPROVED**  
BY THE CITY COUNCIL

APR 15 1980

OFFICE OF THE  
CITY CLERK

April 15, 1980

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# CITY OF SACRAMENTO

## DEPARTMENT OF ENGINEERING

915 I STREET SACRAMENTO, CALIFORNIA 95814  
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

R. H. PARKER  
CITY ENGINEER

J. F. VAROZZA  
ASSISTANT CITY ENGINEER

April 1, 1980

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

SUBJECT: PROPOSED POLICY CHANGE ON LOCAL-STATE RESPONSIBILITIES ON LOCAL  
ROAD CROSSINGS AND CONNECTIONS TO FREEWAYS

### SUMMARY:

Attached is a memorandum from the Department of Transportation which reflects a proposed change in Local-State cost sharing policies for crossings of and connections to freeways and expressways. It is recommended that staff be instructed to respond to the policy change by providing comments to the District 3 Director of Transportation.

### BACKGROUND:

The proposed policy change will shift cost for new or upgraded freeway interchanges from the State to the local agency. The change is summarized in a table entitled "Policy on Cost Allocation, Public Road Connections and Crossings of Freeways". This table follows Page 7 of the letter from Adriana Gianturco to the California Transportation Commission. The change has been proposed by Caltrans because in their words the changes need to reflect the financial and planning realities that face both the State and local agency. The effect of this policy change will certainly relieve the State of financial responsibilities for upgrading interchanges and would lay all of the cost on the local agency.

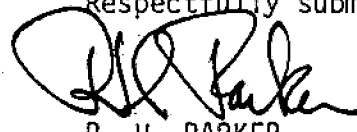
### FINANCIAL:

The financial implications of this change are severe. Existing freeway interchanges in the Sacramento area would not be upgraded using State money and with current estimates of upgrading some interchanges, such as Mack Road, running between 5 and 10 million dollars, these kinds of cost are well beyond the capability of local government. Therefore, this policy change would really stop all upgrading of interchanges unless they were funded by FAU funds.

RECOMMENDATION:

The City is strongly opposed to any change in policy that would shift the financial burden of upgrading freeway interchanges on to local government. Therefore, it is recommended that the Budget and Finance Committee forward to the full City Council a recommendation to instruct staff to respond to the District 3 Director of Transportation in opposition to the proposed policy change.

Respectfully submitted,



R. H. PARKER  
City Engineer

Recommendation Approved:



William H. Edgar, Assistant City Manager

RHP/JFV/hma

## DEPARTMENT OF TRANSPORTATION

DISTRICT 3

P. O. BOX 911, MARYSVILLE 95901

Telephone (916) 674-4233



March 14, 1980

RECEIVED  
MAR 19 1980CITY OF SACRAMENTO  
ENGINEER'S OFFICE

Mr. Ronald H. Parker  
City Engineer  
of Sacramento  
915 I Street, Room 207  
Sacramento, CA 95814

Dear Mr. Parker:

At the California Transportation Commission's February 28, 1980 meeting, Caltrans submitted a report recommending that policy on local/State responsibilities on local road crossings of and connections to freeways and expressways be modified to reflect proportionate sharing based on benefits. A copy of the report is attached.

The Transportation Commission is deferring action on the recommendation pending the input of local and regional agencies. Caltrans is responsible for notifying the agencies and summarizing the responses.

If you have any comments that you would like on the Transportation Commission to consider when taking action on the proposed modified policy, please send them to me at the above address no later than May 1, 1980.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leo J. Trombatore".

LEO J. TROMBATORE  
District Director of Transportation

Attach.

# Memorandum

To : Chairman and Members  
California Transportation Commission

Date : February 8, 1980

File No.: Resolution No. G-44

## ACTION REQUIRED

From : **DEPARTMENT OF TRANSPORTATION**  
**Director's Office**

Subject: Local/State Cost Sharing Policies for Crossings  
of and Connections to Freeways and Expressways

## RECOMMENDATION

It is recommended that attached Resolution No. G-44 be adopted. This would modify current policy covering local/State cost responsibilities on local road crossings of and connections to freeways and expressways. Under the revised policy, State participation would be proportionate to the State highway benefits of a proposed project; i.e., the extent the project solved an existing State highway problem.

The principal changes concern additions or modifications after freeway construction. Under current policy, the local agency is responsible for providing the rights-of-way (including utility relocation) for new connections or separations, plus an amount representing the normal construction cost of the roadway if the freeway were not in existence -- the State pays all remaining construction costs. Under the modified policy the local agency is responsible for all right-of-way costs and construction costs to the extent local traffic is benefited. The State would participate only to the proportionate extent that an existing State highway problem was solved.

Where a pedestrian grade separation is warranted subsequent to freeway construction, present policy is that the State's share of the total right-of-way and construction cost shall not exceed 50 percent. Under the modified policy, the local agency would have to assume all costs.

Under present policy, the cost of subsequent revisions to interchanges or crossings is shared on the same basis as the initial freeway construction. For the most part, this makes the State responsible for the cost of widening separations and modifications of interchanges. Under the modified policy, the State would assume only the proportionate share of the costs that benefit the State highway facility.

## BACKGROUND

California Transportation Commission approval of new connections is required by Section 100.2 of the Streets and Highways Code. This applies both to new local roads connecting to existing freeways and to local roads established after route adoption on unconstructed freeways. This code section requires the Commission to adopt a resolution when consenting to a new connection. The resolution is to fix the terms and conditions on which such connection shall be made.

Until 1961, the terms and conditions under which new connections were granted were handled on an individual basis without an overall policy. In August 1961, the California Highway Commission approved a report by the State Highway Engineer outlining a cost allocation policy on public road crossings and connections of freeways. A minor modification of the policy was made in September 1967. The policies were reviewed by the Department and the Commission in September 1973 at which time it was concluded that the policies regarding financing appeared equitable and no change was recommended.

## CURRENT COST ALLOCATION POLICY

The current policy on new connections evolved over a period of years in response to concerns expressed by the prior Highway Commission. The basic concept of State responsibility was that the existence of a freeway should not be a barrier to community development and should not result in increased local road costs to local agencies. The local agencies had the responsibility to develop master plans to optimize freeway-local road interrelationships with land uses. Following is the policy on freeways as currently constituted:

### A. Existing Roads and Streets at the Time of Freeway Route Adoption

The State shall pay the entire cost of interchange or separation facilities involving local roads which exist at the time of route adoption where the need for such facilities has been established to the satisfaction of the Department prior to award of contract for freeway construction.

### B. New Public Road Crossings or Connections Approved by the Commission prior to Construction of the Freeway

The State shall pay the entire cost of interchange or separation facilities approved by the Commission prior to award of contract for freeway construction.

C. Additional Crossings of or Connections of Roads which are Approved Subsequent to Award of Contract for Construction of the Freeway.

Where an additional crossing of or connection to a freeway by a local road is approved by the Commission, the local agency shall pay for the normal construction cost which would be required for the local roadway if the freeway were not in existence. The local agency shall also acquire at its expense right-of-way necessary for the proposed construction, including that required for ramps and frontage roads. The State shall pay for all other costs necessary to provide a satisfactory traffic facility. (These costs will include necessary grading, structures, drainage, etc., required by the elevation or depression of the local road within and adjacent to the freeway).

Where an existing separation is converted to an interchange, the local agency shall acquire the necessary right-of-way and the State shall pay all other necessary costs.

Additional freeway crossings or connections covered by Sections B and C must be justified on the basis of traffic needs. Right-of-way acquired or reserved prior to Commission approval of a new road crossing or connection will not be considered an obligation for Commission approval.

D. Extraordinary Costs

Where the construction of a new local road connection requires such extraordinary costs as for a separation across a railroad parallel to the freeway, or a bridge across a stream parallel to the freeway, the cost of the separation or bridge shall be borne by the local agency.

Under this policy, the State is assuming the responsibility and expense for construction of necessary freeway crossings and connections of local roads where such crossings or connections are existing or approved prior to freeway construction, and a proportionate share of the cost of crossings and connections of additional roads approved subsequent to freeway construction. This responsibility will normally continue during the life of the freeway. Any subsequent cost of necessary revisions will be similarly assumed subject to allocation by the Commission.

It has always been understood that if the local agency wants to contribute more than is required under this policy, this reduction of State costs could advance the priority of funding the State's share.

### PROPOSED REVISED POLICY

The current procedures for determining the local share of State highway projects were developed in the period when the highway program consisted primarily of new freeway and expressway construction. Access-controlled State highways were the intruders disrupting the community's status quo and, therefore, the costs of reestablishing local facilities were borne by the State.

In recent years, program emphasis has changed. There are very few new freeway and expressway links in the 1979 STIP. First priority is given to maintenance and rehabilitation of the existing highway system. Next priority is given to operational improvements on the existing system to improve traffic flow and to encourage movement of more people in fewer vehicles. The third priority is given to closing critical gaps on existing highways and freeways.

In the face of spiraling costs and relatively constant revenues, it is necessary to expend available funds in the most cost-effective manner. We can no longer afford to assume responsibility for costs associated with local growth and development. Those responsible for traffic growth should proportionately pay for the solution to the problem.

Retaining the current cost allocation policy described in the section above is no longer realistic. This is to some extent recognized by local agencies as evidenced by numerous local agency contributions to fund all or portions of interchange, separation, or reconstruction projects. This usually occurs when there are substantial local benefits resulting from early construction of a project.

Many new interchange connection and separation requests have a low priority from a State highway standpoint. This applies in varying degrees to modification and upgrading of existing interchanges, depending upon the benefits to the State highway.

Thus, application of the current policy to new local agency requests under today's conditions usually results in a "wish list" not realistically capable of being funded. To avoid unnecessary requests and to encourage local agencies to take a more complete approach to the impacts of land use development, a revised policy is needed.

It is believed the new policy should follow the concepts embodied in the following narrative statements:

1. The State will assume the responsibility and expense for the right-of-way and construction of necessary freeway crossings and connections of existing local roads at the time of freeway construction. (Basically no change in policy)



2. If a new connection or separation is approved at the time of freeway construction, but the local road is not constructed in the vicinity of the proposed freeway, the local agency will assume the responsibility for right-of-way and construction costs. The State may assume a proportionate share of the cost of facilities that serve regional or statewide needs.
3. The local agencies will assume the responsibility and expense for right-of-way and construction of freeway crossings (including pedestrian separations) and connections of local roads built subsequent to freeway construction. The State may assume a proportionate share of the costs to the extent that the State facility is benefited.
4. The State will assume a proportionate share of the cost of modifying existing freeway crossings and connections of local roads to the extent that State facility traffic is benefited.

In cases 3 and 4 above, it is proposed that the State provide the 8 percent matching share of those costs that are eligible for Interstate participation, as FAI participation is warranted only when there is a benefit to the freeway. If FAU funds are used, the State will normally provide the 14 percent matching share, subject to the modifications allowed under Resolution G-38 (CTC Policy Regarding the Use of Federal-aid Urban Funds on State Highway Projects). A local agency cannot use FAP apportionments in meeting its share of the cost responsibility.

Attached Resolution No. G-44 outlines the proposed new policy in detail. Also attached is a tabulation comparing current and proposed policies under each of several situations.

For purposes of cost allocation, sound walls, signals, and/or ramp metering, landscaping and other roadway appurtenances when required, are considered to be part of the separation, interchange, or modification projects.

It is not possible to establish precise formulas or mathematical criteria for determining the State's pro rata share of costs under the proposed policy. The determination of benefits to the State highway will vary with each situation. In some cases, it will be practical to calculate safety and delay benefits. Other calculable elements might include energy consumption and air quality aspects. Most situations probably will have some subjective elements not adaptable to quantification. Thus, each new connection, separation, or interchange modification should be reviewed on a case-by-case basis.

## OTHER ISSUES

### Retroactivity

For presently approved new public road connections, it is proposed that there will be no changes in commitments which were made at the time the connections were approved by the Commission. Similarly, for presently-executed freeway agreements, there will be no changes from the cost allocation policy in effect at the time of execution as far as the construction of new interchanges and separations are concerned and any second-stage construction specifically identified on freeway agreement maps. However, funding of these still must stand in priority order in relation to the overall State highway program. They will be neither at an advantage or a disadvantage compared to the new policy.

### Freeway Agreements

Because the current policy provided a uniform and specific division of responsibility on new connections, the entire project planning process was completed before submission of a new connection to the Commission for approval. This included necessary engineering studies, the environmental document, public hearing, and execution of the freeway agreement by the local agency. State execution of the freeway agreement was withheld pending Commission approval of the new connection.

It is proposed under the new policy to require the local agency to execute the freeway agreement after Commission approval of a new connection. Since the new policy will afford flexibility in cost responsibilities, approval of the terms and conditions of the new connection should precede freeway agreement execution by both parties.

### Environmental Document

At its September 1973 meeting, the prior Highway Commission approved the policy that the local agencies are responsible for preparation of the necessary environmental reports to meet CEQA and NEPA except in those cases where the new connection is, or can be covered, by the environmental document for a freeway project. This is because the impacts of new connections are primarily local. The local agencies are also responsible for the holding of any necessary public hearings.

It is proposed that this procedure be retained. As a matter of practice, Caltrans usually maintains control as the designated Lead Agency in the environmental process. The local agencies undertake the studies and prepare the environmental documents on behalf of Caltrans. In some instances, it may be appropriate to delegate the Lead Agency role when the proposed new connection is only a portion of a larger local agency project.

### Expressways

The policy as it applies to expressways is similar but without the cost-sharing complexities of freeways. New connections to expressways consist of at-grade intersections. Under present practice, such at-grade connections are usually approved on the basis of no cost to the State. This is also applicable when converting an existing private road opening to an expressway to a public road connection. No change is proposed.

The improvement or upgrading of intersections on expressways already is usually a cooperative process. Most often this involves the signalization and/or channelization of an intersection. Signal costs are shared on the basis of the number of State/local agency legs at the intersection, although the State can assume all costs if there is an urgent safety problem and the local agency is not in a position to fund its normal share.

Improvement of intersections on expressways is no different from similar improvements on conventional highways. Costs are usually modest and are funded from the HB-1 (safety) or HB-44 (operational improvement) programs. Accordingly, it is not considered necessary to have a special Commission policy for upgrading expressway intersections.

### CONCLUSION

A revised policy on interchanges and separations on freeways is needed to reflect the financial and planning realities that face both the State and local agencies. We can no longer afford to bear the entire cost of local traffic growth. The proposed revised policy essentially distributes costs on the basis of proportionate benefits to each party.

The revised policy as embodied in the attached resolution has not been publicly discussed outside the Department. It is suggested that the Commission defer action for a month or so to give local and regional agencies and other interested parties an opportunity to provide comments to the Commission.

*Adriana Gianturco*

ADRIANA GIANTURCO  
Director of Transportation

POLICY ON COST ALLOCATION  
PUBLIC ROAD CONNECTIONS & CROSSINGS OF FREEWAYS

CONDITION	CURRENT POLICY	PROPOSED POLICY
1. Existing roads and streets at the time of freeway route adoption.	State pays the entire cost of interchange or separation facilities (and associated local road revisions).	State pays the entire cost of interchange or separation facilities (and associated local road revisions).
2. New public road connections or crossings approved after route adoption but prior to construction of freeway.	State pays the entire cost of interchange or separation facilities (and associated local road revisions).	State pays the entire cost of interchange or separation facilities (and associated local road revisions) if the local road exists prior to award of the freeway contract. Otherwise, the local agency pays the entire cost of interchange or separation facilities. State may assume costs of the proportional share of facilities that serve regional or statewide needs (i.e., regional or State parks).
3. New public road connections or crossings (including pedestrian separations) approved after freeway construction or addition of ramps at an existing separated crossroad, including any necessary structure and roadway widening.	Local agency is responsible for right-of-way and utility relocation costs, plus an amount representing the normal construction cost of the roadway if the freeway were not in existence.  State pays all remaining construction costs.  On pedestrian separations, the State share of the total costs shall not exceed 50%.	Local agency pays all costs of right-of-way and construction.  State may assume a proportional share of costs to the extent that State facility is benefited. State will provide 8% matching funds if Interstate participating. If FAU funds are used the State will provide the 14% matching share. Local agency cannot use FAP apportionments in meeting responsibility.
4. Widening crossings, modifying ramps on roads or upgrading ramps after freeway construction.	Responsibility for costs is shared on the same basis as initial construction.	State may assume a proportional share of costs to the extent that State facility is benefited. State will provide 8% matching funds if Interstate participating. If FAU funds are used the State will provide the 14% matching share. Local agency cannot use FAP apportionments in meeting cost responsibility.

RESOLUTION NO. G-44  
POLICY REGARDING LOCAL/STATE COST RESPONSIBILITIES  
FOR CROSSINGS OF AND CONNECTIONS TO FREEWAYS AND EXPRESSWAYS

WHEREAS, policy regarding local/State cost responsibilities on local road crossings of and connections to freeways and expressways was basically established by the prior California Highway Commission in August 1961; and

WHEREAS, program emphasis in recent years has changed from new freeway and expressway construction to maintaining and improving the existing State highway system; and

WHEREAS, those responsible for traffic growth should contribute to the cost of providing highway facilities to accommodate such growth; and

WHEREAS, it is the consensus of the California Transportation Commission that State and local governments should share in the costs of crossings, connections, and modifications to the extent that each is benefited.

NOW, THEREFORE, BE IT RESOLVED that the California Transportation Commission adopts the following policies covering local/State cost responsibilities on local road crossings of and connections to freeways and expressways on the State Highway System:

1. Existing Roads and Streets at the Time of Freeway Route Adoption

The State shall pay the entire cost of interchange or separation facilities involving local roads which exist at the time of route adoption where the need for such facilities has been established to the satisfaction of the Department prior to award of the contract for freeway construction.

2. New Public Road Crossings or Connections Approved Prior to Construction of the Freeway

The State shall pay the entire cost of interchange or separation facilities approved prior to award of the contract for freeway construction provided that the connecting local roads have previously been constructed across or to the freeway. If the local road has not been so constructed, the local agency shall pay the entire cost of the interchange or separation facilities. The State may assume a proportionate share of the cost of facilities that serve regional or statewide needs.

3. Additional Crossings of or Connections of Roads Which Are Approved Subsequent to Award of the Contract for Construction of the Freeway

The local agencies shall assume the responsibility for all right-of-way and construction costs of crossings, including pedestrian and nonmotorized facilities, and new connections approved subsequent to award of the construction contract of the freeway. The State may assume a proportionate share of the costs to the extent that the State facility is benefited.

4. Modification or Upgrading of Existing Freeway Interchanges or Local Road Crossings

The State will assume a proportionate share of the costs of modifying or upgrading existing interchanges and local road crossings on freeways to the extent that State facility traffic is benefited.

5. Funding Criteria

Local agencies are responsible for funding their share of costs, as outlined above, from sources available to them, including FAU funds. A local agency cannot use FAP apportionments in meeting its share of the cost. In addition, the State will provide the 8 percent matching share of those costs that are eligible for Interstate participation. If FAU funds are used, the State will provide the normal 14 percent matching share of all eligible FAU costs of the total project subject to the modifications allowed under Resolution G-38, Policy Regarding the Use of Federal-aid Urban Funds on State Highway Projects.

6. Expressways

New at-grade public road connections to existing expressways will be approved on the basis of no cost to the State.

7. Retroactivity

The above policies are not retroactive. There will be no changes in commitments made in new freeway connections previously approved by the Commission. For presently executed freeway agreements, there will be no changes in the cost allocation policy in effect at the time of execution insofar as construction of new interchanges and separations are concerned and any second-stage construction specifically identified on the freeway agreement maps. However, funding of these commitments must still stand in priority order and be included in the annual STIP process.