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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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March 21, 2000

City Council
Sacramento, California



Honorable Members in Session:

SUBJECT: APPROVAL OF COOPERATIVE AGREEMENT FOR RECONCILIATION AND DISCONTINUATION OF MEASURE A CITY/COUNTY OF SACRAMENTO STATE HIGHWAYS PROGRAM, REIMBURSEMENT OF \$555,526 TO THE COUNTY OF SACRAMENTO, AND REALLOCATION OF \$3,679,284 IN UNOBLIGATED MEASURE A CONSTRUCTION FUNDS FROM THE STATE HIGHWAYS PROGRAM TO THE CONTINGENCY RESERVE

LOCATION AND COUNCIL DISTRICT:

Citywide

RECOMMENDATION:

This report recommends that the City Council adopt the attached resolution which:

- Approves the cooperative agreement between the City and the County of Sacramento for reconciliation and discontinuation of the City/County State Highways Program, and reimbursement of \$555,526 to the County of Sacramento;
- Approves reallocation of City's State Highways Program (PN: TH11) unobligated fund balance of \$3,679,284 to the Measure A Construction Fund 201 Contingency Reserve.

CONTACT PERSON: Angie Louie, Supervising Engineer, 264-7921

FOR COUNCIL MEETING OF: April 13, 2000

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Approval of Cooperative Agreement with SHP
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SUMMARY:

In 1989, the City and County established the Measure A State Highways Program (SHP) to pool City and County allocations of Transportation Sales Tax revenues for joint financing of State highway improvements identified in the Countywide Transportation Expenditure Plan. Under the SHP, the City and County annually allocated a total of \$6,000,000, with the City's lump sum contribution amounting to 36% or \$2,160,000, and the County's lump sum contribution amounting to 64% or \$3,840,000. In recent years, State and Federal funds have allowed the City and County to implement SHP projects without Measure A as the sole fund source, and without the need for joint contributions of Measure A funds. Staff, with concurrence from the County, recommends that the SHP be discontinued whereby annual lump sum allocations to the SHP are no longer made. Instead, each jurisdiction will independently allocate their Measure A funds in combination with other sources to finance State highway projects, or other Measure A projects, based on project need. City and County staff have reviewed each agency's jurisdictional benefit and fund contributions for completed joint State highway projects under the SHP, and have determined that the net balance owed the County from the City is \$555,526.

COMMITTEE/COMMISSION ACTION:

County staff will bring the cooperative agreement and recommendation to discontinue the State Highways Program before the Board of Supervisors for approval in April.

BACKGROUND INFORMATION:

Measure A, the one-half cent sales tax for transportation, was passed by the voters in November 1988. In 1989, the City and County established the Measure A State Highways Program (SHP) for the purpose of pooling City and County allocations of Transportation Sales Tax revenues to jointly finance State highway improvements identified in the Countywide Transportation Expenditure Plan. Under the SHP, the City and County annually allocated a total of \$6,000,000, with the City's lump sum contribution amounting to 36% or \$2,160,000, and the County's lump sum contribution amounting to 64% or \$3,840,000.

The total annual \$6,000,000 set aside by each agency has been used for State highway projects independently funded and administered by the City and County, as well as the following six projects which involved joint City and County funding agreements based on the SHP contribution percentages described above:

- State Route 16 at Sunrise Boulevard Traffic Signal
- State Route 99 at Stockton Boulevard Off-Ramp Improvements
- State Route 99 at Elk Grove Boulevard Park and Ride Lot
- State Route 50 at Hazel Avenue Interchange Improvements

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- State Route 99 Interchange Study for Sheldon Road and Cosumnes River Boulevard/Calvine Road
- State Route 99 Interchange at Cosumnes River Boulevard/Calvine Road

In recent years, the increased availability of State and Federal funding has made it possible for the City and County to implement SHP projects without relying on Measure A as the sole revenue source, and each agency has proceeded without the need for joint contributions of Measure A funds.

City staff, with concurrence from the County, recommends that the existing Measure A SHP be discontinued whereby annual lump sum allocations to the SHP are no longer made by each agency. Instead, each agency will independently annually allocate their Measure A funds in combination with other sources to finance State highway projects or other Measure A projects based on project need. For any future projects to be jointly funded by the City and County, separate cooperative agreements will be arranged.

City and County staff have reviewed and verified payments made under the joint funding arrangements for the six completed joint State highway projects identified in attached Exhibit A, determined the jurisdictional benefit associated with each project, and determined the City and County funding shares for each project based on jurisdictional benefit. Jurisdictional benefit of each project was determined by the geographic location of the improvements resulting for a project. Based on this reconciliation effort, the net balance owed to the County from the City is \$555,326 as shown in attached Exhibit A.

FINANCIAL CONSIDERATIONS:

The net balance owed to the County from the City is \$555,526. This reimbursement will be made from deferred revenue in 248-500-TJ88-3598.

The unobligated fund balance in the State Highways Program (PN:TH11) is \$3,679,284 as of March 21, 2000, and is recommended to be reallocated to the Measure A Construction Fund Contingency Reserve (201-710-7012-4999). These funds will be then be programmed to eligible Measure A projects in the FY 00/01 to 04/05 Transportation Capital Improvement Program, and amended into the final FY 00/01 Measure A Sales Tax Expenditure Plan to be approved by the Sacramento Transportation Authority in June 2000.

ENVIRONMENTAL CONSIDERATIONS:

Environmental considerations will be addressed in conjunction with the planning and design of any projects funded with Measure A funds, and the appropriate level of environmental review under the California Environmental Quality Act will be conducted prior to seeking approval of any project construction.

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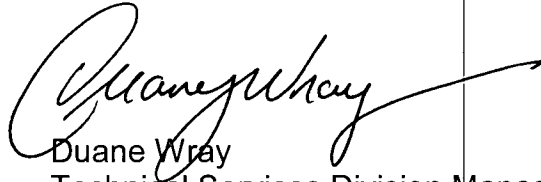
POLICY CONSIDERATIONS:

Discontinuation of the State Highways Program lump sum allocations and subsequent reallocation of Measure A funds to projects based on project need provides for an efficient use of Measure A funding to implement priority Measure A projects, leveraging state and federal dollars where possible.

ESBD CONSIDERATIONS:

None, since no goods or services are being procured with this action.

Respectfully submitted,



Duane Wray
Technical Services Division Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

Approved:



Michael Kashiwagi
Director of Public Works

MK/AL:eaj
s/ts wrk grp/f&p/fund prog & app/measure a/st high prog/shpcouncil rep 3-00

RESOLUTION NO. 2000-147

APPROVED
APR 13 2000
OFFICE OF THE
CITY CLERK

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION APPROVING A COOPERATIVE AGREEMENT FOR RECONCILIATION AND DISCONTINUATION OF MEASURE A CITY/COUNTY OF SACRAMENTO STATE HIGHWAYS PROGRAM, REIMBURSEMENT OF \$555,526 TO THE COUNTY OF SACRAMENTO, AND REALLOCATION OF \$3,679,284 IN UNOBLIGATED MEASURE A CONSTRUCTION FUNDS FROM THE STATE HIGHWAYS PROGRAM TO THE CONTINGENCY RESERVE

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. The City Manager and City Clerk are authorized to execute the Cooperative Agreement between the City and County whereby the Measure A State Highways Program is discontinued, and the City reimburses the County in the amount of \$555,526.
2. Reimbursement to the County be made from the following fund source:
248-500-TJ88-3598.
3. The unobligated fund balance from the State Highways Program (201-500-TH11-4820) be transferred to the Measure A Construction Contingency Reserve (201-710-7012-4999).
4. The Department of Public Works is authorized and directed to transmit the agreement and request for reallocation of the State Highways Program unobligated fund balance to the Sacramento Transportation Authority.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

EXHIBIT A

MEASURE A STATE HIGHWAYS PROGRAM PROJECTS WITH JOINT CITY/COUNTY FUNDING AGREEMENTS

Project Name	Shared Costs Per Agreements				Actual Payments Per Agreements		Jurisdictional Benefit % ⁽¹⁾		Shared Costs Based on Jurisdictional Benefit %		Balance Owed to City from County	Balance Owed to County from City
	Administered by	County (64%)	City (36%)	Total Shared Cost	Payment by City to County	Payment by County to City	County %	City %	County	City		
State Route 16 at Sunrise Boulevard Traffic Signal	County	\$122,378	\$83,344	\$205,722	\$83,344	\$0	100%	0%	\$205,722	\$0	\$83,344	\$0
State Route 99 at Stockton Boulevard Off-ramp Improvements	County	\$447,573	\$54,000	\$501,573	\$54,000	\$0	100%	0%	\$501,573	\$0	\$54,000	\$0
State Route 99 at Elk Grove Boulevard Park and Ride Lot	County	\$100,093	\$56,302	\$156,395	\$56,302	\$0	100%	0%	\$156,395	\$0	\$56,302	\$0
State Route 50 at Hazel Avenue Interchange Improvements	County	\$2,560,000	\$1,440,000	\$4,000,000	\$1,440,000	\$0	100%	0%	\$4,000,000	\$0	\$1,440,000	\$0
State Route 99 Interchange Study for Sheldon Road and Cosumnes River Boulevard/Calvine Road	County	\$277,288	\$155,974	\$433,262	\$155,974	\$0	64%	36%	\$277,288	\$155,974	\$0	\$0
State Route 99 Interchange at Cosumnes River Boulevard/Calvine Road	City	\$8,414,481	\$4,733,145	\$13,147,626	\$0	\$8,762,985	50%	50%	\$6,573,813	\$6,573,813	\$0	\$2,189,172
Total		\$11,921,813	\$6,522,765	\$18,444,578	\$1,789,620	\$8,762,985			\$11,714,791	\$6,729,787	\$1,633,646	\$2,189,172

NET BALANCE OWED TO COUNTY FROM CITY

\$555,526

Note
(1)

"Jurisdictional benefit" is determined by the geographic location of the improvements resulting from a project. For example, jurisdictional benefit would be 100% County for a project with improvements entirely outside of the City's boundaries. Jurisdictional benefit would be 50% County and 50% City if one-half of a project's improvements were located within the City's boundaries.

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____