



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

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June 11, 2019

Consent Item 13

Title: Sacramento Area Council of Governments 2019 Regional Flexible Funding Program Grant Applications for the Del Rio Trail Project (K15165100) and the I Street Bridge Replacement Project (T15136000) and Budgetary Adjustment for the Del Rio Trail Project (K15165100)

Location: Districts 4, 5, 7, and 8

Recommendation: Adopt a Resolution: 1) approving the submission of grant applications to the Sacramento Area Council of Governments Regional Flexible Funding Program for the Del Rio Trail Project (K15165100) and the I Street Bridge Replacement Project (T15136000); and 2) authorizing the City Manager or the City Manager's designee to transfer \$481,000 (New Measure A Safety, Streetscape, Pedestrian, and Bicycle Fund, Fund 2039) from the expenditure budget in the State and Federal Grant Match Program (T15007200) to the expenditure budget in the Del Rio Trail Project (K15165100).

Contact: William Shunk, Senior Engineer (916) 808-2986; Jesse Gothan, Supervising Engineer (916) 808-6897; Nader Kamal, Interim Engineering Services Manager (916) 808-7035, Department of Public Works

Presenter: None

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: The Del Rio Trail Project is a planned multi-use trail that will run from the Sacramento River Parkway by Riverside Boulevard near William Land Park across the existing rail bridge to the south where it connects to an existing multi-use trail at Freeport Boulevard near the Sacramento Water Tower. The I Street Bridge Replacement project is a new bridge that will replace the existing I Street Bridge's motor vehicle crossing to West Sacramento with a new lift bridge upriver connecting C Street in West Sacramento to Railyards Boulevard.

In 2018, the City applied for \$10.9 million in construction funding for the Del Rio Trail Project and jointly with the City of West Sacramento applied for \$22.4 million in construction funding for the I Street Bridge Project through the Sacramento Area Council of Governments' (SACOG) Regional Program. SACOG partially funded these projects for \$6 million and \$7 million, respectively. On May 7, 2019, SACOG announced a call for projects for a \$54 million regional funding round. Given the limited funding, SACOG options were to provide its member agencies an opportunity to receive additional funds for projects that were partially funded in the 2018 funding round, pursue up to \$3 million per agency for state of good repair projects, or apply for up to \$250 thousand for transportation planning studies or project development costs. While the City currently has a \$179 million backlog in pavement rehabilitation, the funding caps of \$3 million and \$250 thousand for state of good repair projects and planning projects, regardless of population size, limited the two partially funded projects as the only option for the City to capture an equitable share of the regional pot. Staff therefore recommends resubmittal of the Del Rio Trail Project and the I Street Bridge Replacement Project for this funding program.

On March 26, 2019 an Environmental Impact Report for the Del Rio Trail Project was approved by City Council. Staff is requesting to transfer funding from the State and Federal Grant Match Program identified for the Del Rio Trail Project to begin preparing plans and securing the necessary property rights to construct the project in anticipation of NEPA approval.

Policy Considerations: The Del Rio Trail Project is consistent with the City General Plan goals and key policies of promoting safety and enhancing livability, sustainability, and economic vitality. The project promotes the development of a connected network (General Plan ERC 2.1.2), connections to other trails (General Plan ERC 2.4.3), providing multi-modal choices (General Plan M 1.2.1), and providing a continuous bikeway network (General Plan M 5.1.3). The project is consistent with the Mobility Element to create a well-connected transportation network through integration of recreation and community facilities with other public spaces and rights-of-way that includes Regional Transit facilities and service points.

The project is a near-term goal for the bikeway implementation plan and the highest ranked off-street trail in the transportation programming guide.

General Plan Policy M 4.1.5 states the City shall continue to work with adjacent jurisdictions to establish the appropriate responsibilities to fund, evaluate, plan, design, construct, and maintain new river crossings. The I Street Bridge Replacement Project will provide a new multi-modal bridge, crossing the river between C Street in West Sacramento to Railyards Boulevard in Sacramento.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The City approved an Environmental Impact Report for the Del Rio Trail Project in compliance with CEQA on March 26, 2019. The Environmental Impact Report for the I Street Bridge Replacement Project is scheduled to go before City Council on June 25, 2019.

National Environment Policy Act (NEPA): Caltrans is the lead agency for NEPA on both projects. They are awaiting resolution of a CEQA challenge on the Del Rio Trail Project and approval of the I Street Bridge Replacement Project Environmental Impact Report before issuing NEPA approvals for the projects.

Sustainability: Both projects are consistent with the City's General Plan goals to help improve the health of residents by promoting walking and bicycling, and to create a healthier urban environment by constructing bike paths. The projects will also reduce dependence on the private automobile, decrease the use of fossil fuels, and help meet air quality standards by providing an array of transportation choices near jobs for a balanced, healthy city.

Commission/Committee Action: None

Rationale for Recommendation: The \$6 million in construction funding that was awarded to the Del Rio Trail Project in the 2018 SACOG funding round will require the City to phase improvements until additional construction funding is secured. Staff has reviewed SACOG's Regional Flexible Funding Program and recommends that the City Council authorize submission of a grant application for the Del Rio Trail Project so that it can be constructed in a single phase.

The \$7 million in construction funding that was awarded to the I Street Bridge Replacement

Project will complement the California Department of Transportation (Caltrans) Highway Bridge Program (HBP) funds currently programmed for the project. The HBP has currently committed to funding 88.53% of the bridge program eligible costs. The funds programmed by SACOG for the bridge will be used to contribute to the funds required to complement the HBP funds and any costs deemed non-participating by the HBP program to address the project's construction funding gap.

Financial Considerations: Federal and State funding is typically the primary option for funding transportation projects as local funding is limited and often restricted.

Sufficient funding is available in the State and Federal Grant Match Program (T15007200) to transfer \$481,000 (New Measure A Safety, Streetscape, Pedestrian, and Bicycle Fund, Fund 2039) to the Del Rio Trail Project (K15165100) to begin the next phase of the project.

Local Business Enterprise (LBE): Not applicable.

Background: On May 7, 2019, SACOG announced a call for projects for the 2019 Regional Flexible Funding Program. This is a one-time funding round to complete the 2018/2019 funding cycle. SACOG estimates awarding \$54.5 million in funding with up to a 10% contingency.

The program is divided into three categories: 2018 Partial Projects, State of Good Repair, and Planning & Project Development. Applicants may only apply for one of the three program funding categories, each with its own unique eligibility, screening, and selection criteria as summarized below:

2018 Partial Projects

This funding category provides an opportunity to receive additional funds for a project that was partially funded during the 2018 funding round. Although there is no funding request maximum, projects that support SACOG's "focus on small and medium sized projects" will be viewed more favorably. In addition to meeting the standard federal-aid project eligibility and match requirements from the 2018 program guidelines, sponsors of projects partially funded in the 2018 funding round must demonstrate that they are still meeting all other commitments in their original project application. Eligibility requires they are adhering to the project schedule, fulfilling local match commitments, managing identified risks, and implementing reduced scopes if offered in their 2018 application. Each eligible partial project application will be scored on three selection criteria: Project Benefit, Project Leverage, and Project Readiness. With the Del Rio Trail Project and the I Street Bridge Replacement Project the City will be requesting \$4.9 million and \$15.4 million for a total of \$20.3 million.

State of Good Repair

This funding category provides for project awards up to \$3 million per project for a road rehabilitation project with complete streets features or for transit vehicle replacements. Only one application per agency can be submitted, regardless of population size or number of lane miles. The project must be ready to implement soon, with the construction phase or transit vehicle procurement programmed in the Metropolitan Transportation Improvement Program no later than June 2023. Applicants must provide an 11.47% match unless the State of Good Repair project is in a disadvantaged community; in that case, the match requirement is waived. Each eligible partial project application will be scored on two selection criteria: System maintenance need and multi-modal travel potential.

Planning & Project Development

This funding category provides up to \$250,000 for transportation planning studies or technical work towards a specified project development phase (e.g., environmental analysis, preliminary engineering, etc.) on a capital project that supports the implementation of the Metropolitan Transportation Plan & Sustainable Communities Strategy (MTP/SCS) priorities. Project sponsors with eligible work activities described in their application are guaranteed to receive some funding, but the total award (up to \$250,000) will be determined by their score from the project selection criteria. A planning project request must identify and/or prioritize future transportation projects that supports the implementation of MTP/SCS priorities. Special consideration will be given to projects focused on improving access to destinations and mobility for disadvantaged communities. A project development funding request for a capital project must complete a phase of technical work that will lead to an MTP/SCS investment priority project being delivered, or shelf ready, for later construction funding. Only one application per agency can be submitted

Staff Recommendation

The City represents 26% of the population of the four-county region. In order to get a meaningful share of the \$54 million relative to population size, the only potential option is the 2018 Partial Projects category. Two City projects were partially funded in the 2018 funding round and are eligible in this funding program:

Project Title	Funding Program	2018 Request	2018 Award
Del Rio Trail	Regional Program	\$10,890,000	\$6,000,000
I Street Bridge Replacement	Regional Program	\$22,437,000	\$7,000,000

The Del Rio Trail Project scored well with the SACOG working group in 2018 and the City will apply for the full \$4.9 million funding gap so that it can construct the project in a single phase. The funding gap of \$15.4 million for the I Street Bridge Replacement Project is significant yet critical to fund the delivery of a regional significant project. There are limited opportunities to address the funding gap and staff is researching additional construction funding sources for the I Street Bridge Replacement Project including the 2019 Better Utilizing Investments to Leverage Development (BUILD) grant and the anticipated 2020 SACOG regional funding program. Currently, the funding gap represents the required 11.5% HBP

RESOLUTION NO.

Adopted by the Sacramento City Council

SACRAMENTO AREA COUNCIL OF GOVERNMENTS 2019 REGIONAL FLEXIBLE FUNDING PROGRAM GRANT APPLICATIONS FOR THE DEL RIO TRAIL PROJECT (K15165100) AND THE I STREET BRIDGE REPLACEMENT PROJECT (T15136000) AND BUDGETARY ADJUSTMENT FOR THE DEL RIO TRAIL PROJECT (K15165100)

BACKGROUND

- A. On May 7, 2019, the Sacramento Area Council of Governments (SACOG) announced a call for projects for the 2019 Regional Flexible Funding Program. This is a one-time funding round to complete the 2018/2019 funding cycle. SACOG estimates awarding \$54.5M in funding with up to a 10% contingency.
- B. The program is broken down into three categories: 2018 Partial Projects, State of Good Repair, and Planning & Project Development. Applicants may only apply for one of the three program funding categories, each with its own unique eligibility, screening, and selection criteria. Staff has reviewed the guidelines for the program and recommends applying in the 2018 Partial Projects category with the Del Rio Trail Project (K15165100) and the I Street Bridge Replacement Project (T15136000).
- C. On March 26, 2019, an Environmental Impact Report for the Del Rio Trail Project (K15165100) was approved by City Council. Staff is requesting to transfer funding from the State and Federal Grant Match Program (T15007200) to the Del Rio Trail Project (K15165100) to begin preparing project plans and securing the necessary property rights to construct the project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Del Rio Trail Project (K15165100) and the I Street Bridge Replacement Project (T15136000) are approved for submission to the 2019 Regional Flexible Funding Program.
- Section 2. The City Manager or the City Manager's designee is authorized to transfer \$481,000 (New Measure A Safety, Streetscape, Pedestrian, and Bicycle Fund, Fund 2039) from the expenditure budget in the State and Federal Grant Match Program (T15007200) to the expenditure budget in the Del Rio Trail Project (K15165100).