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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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PROJECT DELIVERY
DIVISION

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February 8, 2002

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: APPROVAL OF FUND TRANSFER OF \$700,000 FROM THE STATE AND FEDERAL GRANT MATCH PROGRAM (PN: TX01) TO THE 7TH STREET EXTENSION PROJECT (PN: TH26) AND THE REPROGRAMMING OF \$700,000 IN STIP FUNDS FROM THE 7TH STREET EXTENSION PROJECT TO THE MAIN AVENUE BRIDGE PROJECT (PN: TF07)

LOCATION AND COUNCIL DISTRICT: 7th Street, Council District 1.

RECOMMENDATION:

This report recommends that the City Council adopt a resolution:

- Approving the transfer of \$700,000 from the State and Federal Grant Match Program (PN: TX01) to the 7th Street Extension Project (PN: TH26); and
- Directing staff to request the Sacramento Transportation Authority (STA) to reprogram \$700,000 of State Transportation Improvement Program (STIP) funds from the 7th Street Extension Project to the Main Avenue Bridge Project (PN: TF07).

CONTACT PERSON: Theresa Arnold, Grant Funding Manager, 264-5514

FOR COUNCIL MEETING OF: February 26, 2002

SUMMARY:

The California Transportation Commission (CTC) approved an allocation of \$3.3 million for the 7th Street Extension Project which is \$700,000 less than the programmed amount being sought by the City of Sacramento. The City must supplement the funds being provided by the CTC.

COMMITTEE/COMMISSION ACTION: None.

BACKGROUND INFORMATION:

On June 26, 2001, City Council approved a request for an additional \$4 million in State Transportation Improvement Program (STIP) funds from the 2002 STIP for the 7th Street Extension Project. On October 18, 2001, the Sacramento Area Council of Governments (SACOG) programmed the funds and authorized the City to seek an advanced allocation of funds from the CTC. Due to funding constraints the CTC was unable to advance the entire \$4 million from the 2002 STIP. However, they were able to allocate \$3.3 million from STIP reserves within the region. The 7th Street Extension Project has a funding shortfall of \$700,000, which can be covered with a transfer from the State & Federal Match Program (PN: TX01).

The STIP currently has a cash flow problem. The City will receive the \$700,000 of STIP funds in the later years of the STIP. Staff recommends that the funds be programmed to the Main Avenue Bridge project (PN: TF07). The state has programmed \$11,656,000 in Highway Bridge Replacement and Rehabilitation (HBRR) funds to this project. The City match requirement is \$3,000,000. The STIP funds would be used to reduce the City's match requirement.

FINANCIAL CONSIDERATIONS:

Transferring and reprogramming these funds ensures that the City will not lose allocated transportation funds.

The State and Federal Match program (PN: TX01) has a current budget of \$4,324,680 and an unencumbered balance of \$4,324,622, which is sufficient to cover the \$700,000 transfer to the 7th Street Extension Project (PN: TH26).

POLICY CONSIDERATIONS:

It is staff's understanding that the City will receive the \$700,000, however, it is not guaranteed until it is reprogrammed and approved by the SACOG Board and CTC. Approval of the \$700,000 transfer from the State and Federal Grant Match program (PN: TX01) will ensure that the City's highest priority transportation project is not delayed.

ENVIRONMENTAL CONSIDERATIONS:

On March 30, 1999, City Council adopted Resolution No. 99-155, which certified the Environmental Impact Report (EIR) and adopted the mitigation-monitoring plan for this project. The Notice of Determination was filed on April 6, 1999 with the County of Sacramento.

A Categorical Exclusion was prepared for compliance with the National Environmental Policy Act (NEPA) and was approved on November 15, 2001.

City Council
7th Street Extension Project (PN: TH26)
February 8, 2002


ESBD CONSIDERATIONS:

No goods or services are being purchased.

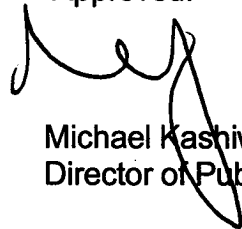
Respectfully submitted,


Francesca Lee Halbakken
Project Delivery Manager

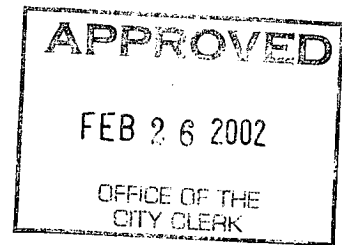
RECOMMENDATION APPROVED:


ROBERT P. THOMAS
City Manager

Approved:


Michael Kashiwagi
Director of Public Works

\\PW06\VOL1\PROJECTS\Active\TH26 7th St Extension\council\transfer \$700k.doc



RESOLUTION NO. 2002-095

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION APPROVING THE FUND TRANSFER OF \$700,000 FROM THE STATE AND FEDERAL GRANT MATCH PROGRAM (PN: TX01) TO THE 7TH STREET EXTENSION PROJECT (PN: TH26) AND THE REPROGRAMMING OF \$700,000 IN STIP FUNDS FROM THE 7TH STREET EXTENSION PROJECT TO THE MAIN AVENUE BRIDGE PROJECT (PN: TF07)

THE COUNCIL OF THE CITY OF SACRAMENTO RESOLVES THAT:

- 1. The FY2001/2002 Capital Improvement Program is amended by transferring \$700,000 from the State and Federal Grant Matching program (PN: TX01) to the 7th Street Extension project (PN: TH26) and adjusting budgets as follows:

201-500-TX01-4820	State and Federal Grant Match Program	(\$700,000)
201-500-TH26-4820	7 th Street Extension Project	\$700,000

- 2. Staff is directed to bring the reallocation request to the Sacramento Transportation Authority (STA) Board for approval.
- 3. Staff is also directed to request the Sacramento Transportation Authority and SACOG to reprogram \$700,000 of STIP funds from the 7th Street Extension Project (PN: TH26) to the Main Avenue Bridge Project (PN: TF07).

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____