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DEPARTMENT OF TRANSPORTATION

CITY OF SACRAMENTO
CALIFORNIA

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ENGINEERING SERVICES DIVISION

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May 25, 2005

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: APPROVAL TO ADVANCE AND APPROPRIATE FEDERAL AND LOCAL FUNDS
TO VARIOUS PROJECTS**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

This report recommends that the City Council adopt a resolution directing staff to take all necessary actions with the Sacramento Area Council of Governments (SACOG) and Caltrans to program and appropriate federal and local funds to various projects.

**CONTACT PERSONS: Theresa Arnold, Special Projects Engineer, 808-5514
Hector Barron, Supervising Engineer, 808-2669**

FOR COUNCIL MEETING OF: June 21, 2005

SUMMARY:

In order to take advantage of some available federal funds, staff is recommending that \$2,235,796 in federal funds be appropriated to four projects and \$138,882 in local funds be appropriated to two of the these projects as local match.

COMMITTEE/COMMISSION ACTION: None.

BACKGROUND INFORMATION:

Caltrans reports that local project delivery statewide has used only 25% of available federal funding as of March 2005 (halfway through the federal fiscal year) and has asked for additional delivery to use remaining budget authority before the fiscal year closes and the budget authority

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expires. In fact, state law provides that Caltrans can take and use for itself any leftover federal budget authority come July, if local agencies have not delivered projects to use it.

In light of this, SACOG issued a call for projects to program approximately \$20 million in regional funds. They offered these funds as an advance to local agencies with the requirement that the funds must be paid back to the region through some mutually agreeable mechanism. There were numerous other requirements that a project had to meet to be considered for funding such as, the project needed to be air quality exempt, federally eligible and deliverable by August 12, 2005. Local agencies were given just a few weeks notice to respond. Staff reviewed all of our federal projects and submitted the four projects that met SACOG's requirements conditioned on Council approval.

In response to this call for projects, SACOG received \$40 million in requests. The staff of the local agencies met with SACOG to prioritize the projects for funding. The projects were divided into two tiers. Tier 1 projects will receive federal funding. Tier 2 projects will receive funding if sufficient federal funds are available.

Projects Submitted for Advance Federal Funding – Tier 1

Stockton Boulevard Streetscaping, Phase 2 (PN: TY16) – \$500,000 – This project is currently in construction and needs additional funding to cover construction costs for the increase in quantities for various contract items (i.e. curb, gutter, sidewalk, driveways, etc.) in an effort to meet ADA compliance around older commercial buildings and residences along the boulevard. These funds will also subsidize the cost for unexpected underground conditions in an old original Sacramento roadway. In addition, this project would receive \$98,882 in local funding to match the federal funds.

Richards Boulevard at SR160 Intersection Improvements (PN: TU22) - \$435,796 – This project is nearly ready to advertise and does not have sufficient funding because of requirements that the Public Utilities Commission has placed on the project.

Projects Submitted for Advance Federal Funding – Tier 2

I-80 Bike Bridge at the West Canal (PN: HC21) – \$300,000 – This project is currently in design and needs additional funding to cover the additional design costs due to requirements that Caltrans is placing on the project. In addition, this project would receive \$40,000 in local funding to match the federal funds.

Street Overlay and Seals Program (PN: RH31) – \$1,000,000 – These funds would be for a new project to construct overlays in FY06. The specific streets are still being identified.

Payback Plan

SAGOG is requiring that local agencies identify how the advanced federal funds will be paid back to SACOG. Staff has requested, subject to Council approval, that the pay back mechanism be from the City's unidentified AB3090 Replacement Projects listed in the State Transportation Improvement Program (STIP). The City currently has \$4.389 million in AB3090

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Replacement Projects and if approved by Council, will use \$2,235,796 of these funds as payback to SACOG for the federal fund advance. Staff recommends the AB3090 Replacement Projects as the payback mechanism because we would not expect to have access to these funds until 2009. Staff will ask Council to program the remaining AB3090 funds to other projects at a later date.

FINANCIAL CONSIDERATIONS:

The Stockton Boulevard Streetscaping, Phase 2 project (PN: TY16) has a budget of \$7,023,586. Appropriating \$500,000 in federal funds (Fund 511) and \$98,882 from Major Street Contingency (Fund 209) will increase the project budget to \$7,622,468.

Richards Boulevard at SR160 Intersection Improvements (PN: TU22) has a budget of \$679,559. Appropriating \$435,796 in federal funds (Fund 511) will increase the project budget to \$1,115,355.

The I-80 Bike Bridge at the West Canal (PN: HC21) has a budget of \$775,500. Appropriating \$300,000 in federal funds (Fund 511) and transferring \$40,000 from TDA Federal and State Grant Match (PN: HC26) (Fund 235) will increase the project budget to \$1,095,500.

The Street Overlay and Seals Program (PN: RH31) has a budget of \$438,777. Appropriating \$1,000,000 in federal funds (Fund 511) will increase the project budget to \$1,438,777.

ENVIRONMENTAL CONSIDERATIONS:

The current request for programming and fund appropriations is not subject to the provisions of CEQA under the general rule (Section 15061(b)(3)) that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Prior to final approval, the I-80 Bike Bridge at the West Canal (PN: HC21) and the Street Overlay and Seals Program (PN: RH31) will be subject to environmental review in compliance with CEQA and NEPA.

Environmental documents have been prepared in accordance with the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA) for the Stockton Boulevard Streetscaping, Phase 2 project (PN: TY16) and the Richards Boulevard at SR160 Intersection Improvements project (PN: TU22).

POLICY CONSIDERATIONS:

Leveraging of local funds with federal funding is consistent with Council priorities of fiscal soundness. Programming of funds is consistent with the City's Strategic Plan goal to improve and diversify the transportation system.

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ESBD CONSIDERATIONS:

Not applicable as no goods or services are being purchased as a part of this action.

Respectfully submitted,



Nicholas Theocharides
Engineering Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

Approved:



for: Marty Hanneman
Director, Department of Transportation

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RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVAL TO ADVANCE AND APPROPRIATE FEDERAL AND LOCAL FUNDS TO VARIOUS PROJECTS

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

1. Staff is directed to seek an advance of federal funds from SACOG for four projects:

Stockton Boulevard Streetscaping, Phase 2 (PN: TY16)	\$500,000
Richards @ SR160 Intersection Improvements (PN: TU22)	\$435,796
I-80 Bike Bridge at West Canal (PN: HC21)	\$300,000
Street Overlay and Seals Program (PN: RH31)	\$1,000,000

2. The City Manager is authorized to send a letter to SACOG specifying that the repayment of the advance of federal funds will come from the City's unidentified AB3090 Replacement Projects listed in the State Transportation Improvement Program (STIP). There is currently \$4.389 million in AB3090 projects. This amount will be reduced by the amount of federal funds that SACOG advances to the City.
3. The City Manager is authorized to execute a Program Supplement for the Stockton Boulevard Streetscaping, Phase 2 (PN: TY16); Richards @ SR160 Intersection Improvements (PN: TU22); I-80 Bike Bridge at West Canal (PN: HC21); and Street Overlay and Seals Program (PN: RH31) when received by staff.
4. When the federal paperwork is approved, staff is directed to take the following budget actions:
 - a. Amend the Capital Improvement Program revenue and expenditure budgets by appropriating \$500,000 (Fund 511) to the Stockton Boulevard Streetscaping, Phase 2 project (PN: TY16).
 - b. Amend the Capital Improvement Program revenue and expenditure budgets by appropriating \$435,796 (Fund 511) to the Richards @ SR160 Intersection Improvements (PN: TU22).

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- c. Amend the Capital Improvement Program revenue and expenditure budgets by appropriating \$300,000 (Fund 511) to the I-80 Bike Bridge at West Canal (PN: HC21).
 - d. Amend the Capital Improvement Program revenue and expenditure budgets by appropriating \$1,000,000 (Fund 511) to the Street Overlay and Seals Program (PN: RH31).
5. The FY 04/05 Capital Improvement Program budget is amended by appropriating \$98,882 (209-710-7012) from the Major Street Construction Tax Contingency to the Stockton Boulevard Streetscaping, Phase 2 project (PN: TY16); and
6. The FY 04/05 Capital Improvement Program budget is amended by transferring \$40,000 (Fund 235) from the TDA Federal and State Grant Match (PN: HC26) to the I-80 Bike Bridge at West Canal project (PN: HC21).

MAYOR

ATTEST:

CITY CLERK

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