

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org



CONSENT
February 9, 2010

**Honorable Mayor and
Members of the City Council**

Title: Accept and Appropriate Funds for Intermodal and Railyards Projects and Approve an Addendum to Railyards Specific Plan Environmental Impact Report

Location/Council District: Area north of H Street between Sacramento River and 6th Street (District 1)

Recommendation: Adopt a **Resolution:** (1) authorizing the City Manager to: (a) execute funding agreements and program supplements; (b) accept funds from federal and state funding programs for the Sacramento Intermodal project (T15029000); and (c) appropriate funds into the projects; and (2) approving an addendum to the Railyards Specific Plan Environmental Impact Report (Railyards EIR) for a 42-inch water transmission line.

Contact: Hinda Chandler, Senior Architect, 808-8422

Presenters: None

Department: Transportation

Division: Office of the Director

Organization No: 15001041

Description/Analysis

Issue: The City has been awarded approximately \$53 million in federal and state funds for the construction of the Track Relocation and for design and construction of the Depot Retrofit project. In order to utilize the funds, acceptance and appropriation of funds and authorization to establish revenue and expenditure budgets is needed for the remaining approximate \$33.8 million that has not been previously authorized.

Policy Considerations: The actions requested herein are consistent with the Sacramento City Code title 3 and with the City of Sacramento Strategic Plan

goals of achieving sustainability, enhancing livability, and expanding economic development throughout the city.

Environmental Considerations:

California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): Funding allocations and execution of agreements are administrative activities that will not have a significant effect on the environment and do not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines Section 15061 (b) (3); 15378 (b)(2) or as defined by the National Environmental Policy Act (NEPA). Capital projects using these funds will or have undergone appropriate environmental review.

This report also includes an addendum to the Railyards EIR to ensure that a new water line that replaces an existing line, which will be constructed as part of the Track Relocation project, is adequately addressed. The realignment of the water main involves installing a new 42-inch water transmission main, from the south entrance of the Sacramento River Water Treatment Plant, extending south along Bercut through the Railyards, to the future Intermodal and Depot parking lot, connecting to the existing system at 5th and I Street.

The Community Development Department has reviewed the proposed project and on the basis of the whole record before it, has determined that there is no substantial evidence that the project, as identified in the attached addendum, would have a significant effect on the environment beyond that which was evaluated in the Railyards Specific Plan Center EIR-SCH#2006032058. The addendum to the certified EIR has been prepared pursuant to Title 14, Section 15164 of the California Code of Regulations; the Sacramento Local Environmental Regulations (Resolution 91-892) adopted by the City of Sacramento.

A copy of this document, the certified EIR and all supportive documentation may be reviewed or obtained at the City of Sacramento, Community Development Department, Planning Division, 300 Richards Boulevard, Sacramento, California 95811 or online at:
<http://www.cityofsacramento.org/dsd/projects/railyards/index.cfm>.

Sustainability Considerations: These projects contribute to the development of a multimodal regional transportation center, encourage transit pedestrian and bicycle transportation and create a more efficient circulation system.

Commission/Committee Action: None

Rationale for Recommendation: Acceptance and appropriation of funds is necessary to award and construct the projects. The approval of the

environmental impact report addendum is necessary for full disclosure of potential environmental effects.

Financial Considerations: This report provides for allocation of federal and state funding for the Sacramento Intermodal Project (T1502900). Consistent with the City's Budget Resolution (Resolution 2009-406, section 10.12 (a)) the actual revenue and expenditure budgets referenced below will not be recorded in the City's financial system (eCAPS) until the City and appropriate parties have entered into all required agreements. The following chart reflects the various appropriations recommended in this report:

Capital Improvement Project (CIP)
CIP Allocations to "Sub Projects"¹

CIP#	CIP Name	Fund #	Fund Name	Revenue/Expense Budgets
T15029003	Depot Retrofit	3703	FTA 5300 ²	\$1,404,480
T15029005	Track Relocation	3703	ARRA ³ & CMAQ ⁴	\$25,084,000
T15029005	Track Relocation	3703	FRA ⁵	\$2,092,000
T15029005	Track Relocation	3704	Prop 1B TCIF ⁶	\$5,266,000
Total Intermodal Project (T15029000) Appropriation				\$33,846,480

Notes:

¹Sub projects are created for Administrative Management of CIPs pursuant to Section 10.2 (3) of Res. 2009-406

²FTA - Federal Transit Administration Section 5300 Funds

³ARRA – American Recovery and Reinvestment Act

⁴CMAQ – Congestion Mitigation and Air Quality Program

⁵FRA – Federal Railroad Administration

⁶TCIF – Trade Corridor Improvement Fund. The City received a total of \$25,266,000. Authorization to allocate \$20,000,000 in this fund was previously approved.

Disadvantaged Business Enterprise (DBE): The Track Relocation and Depot Retrofit Projects are federally, state and locally funded project. For federal projects, DBE project participation requirements apply.

Respectfully Submitted by: Francesca Lee Halbakken
Francesca Lee Halbakken
Operations Manager

Approved by: Jerry Way
Jerry Way
Director of Transportation

Recommendation Approved:

Ray Kerridge
RAY KERRIDGE
City Manager

Table of Contents:

Report	Pg 1
Attachments	
1 Background	Pg 5
2 Project Location Map	Pg 8
3 Intermodal Project Funding Table	Pg 9
4 Resolution - Funding	Pg 10
5 Resolution – Addendum to Railyards Specific Plan EIR	Pg 12
Exhibit A –Railyards Specific Plan EIR Addendum	
Exhibit B – Mitigation Monitoring Plan	

Attachment 1**Background**

The financial actions requested in this report are all similar and need to be taken at this time to fund construction of the Track Relocation project, which is proposed to bid and start construction in Spring 2010, and to fund design of the Depot's structural retrofit work. The actions involve accepting the funding allocated from various federal and state funding programs; approving program supplements and agreements for the funding; and placing the monies in the appropriate project accounts so that contracts and agreements can be awarded to implement the projects. For information, the project location is shown in Attachment 2 (page 8) and a funding plan for the Intermodal project's development phase and Track Relocation phase is provided in Attachment 3 (page 9).

Track Relocation

This is the initial phase of the Sacramento Intermodal Transportation Facility project, which is the region's top priority transportation project. Components of the project include: realignment of heavy rail tracks, construction of new passenger platforms, pedestrian tunnels, service tunnel, grade separate access to the platforms, walkway to the Depot, utility relocations and other related work. The City has been actively pursuing funding for this project and has been fortunate to secure the federal and state allocations noted below for construction, which are the ones that Council is being asked to accept and appropriate at this time. Other funding has been previously appropriated and allocated through separate Council actions.

Federal Construction Funding

○ 2009 Congestion Mitigation Air Quality funds	\$4,484,000
○ 2008 FRA Rail Relocation funds	392,000
○ 2009 FRA Rail Relocation funds	950,000
○ 2010 FRA Rail Relocation funds	750,000
○ 2010 ARRA Economic Stimulus funds	<u>20,600,000</u>
Total	\$27,176,000

State Funding

○ 2009 Prop 1B Trade Corridor Program funds	\$ 25,266,000*
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*Authorization for \$20 million was previously provided through City Council action.

Depot Retrofit

This project involves: a) upgrading the structure of the nationally-listed historic Depot to meet current codes and to prevent damage during a seismic event; and b) upgrading the electrical system of the building, which is deteriorated beyond repair and cannot handle any new loads. Since Federal Transit Administration (FTA) funding designated for this project is passed-through to the City from Sacramento Regional Transit (RT),

the FTA designated recipient in the region, the City will enter into a pass-through agreement with RT. Council approval requested at this time is to authorize the City Manager to execute the agreement when it is received in order to keep the project moving. Council took a similar step when a previous allocation of FTA funds was received. Thus, the project funding proposed to be accepted and appropriated into the project is as follows:

Federal Funding

- 2008 FTA Section 5300 Bus Funds \$1,404,480

42" Water Transmission Line

A new water transmission line to serve development was included in the Railyards Specific Plan and assessed in the 2007 Railyards Specific Plan Environmental Impact Report (RSP EIR). During Track Relocation design, the alignments of major new utility lines and of existing utility relocations through the project site have been laid out. It has been determined to be more efficient and cost effective to install the proposed 42 inch water transmission line through the Railyards and Intermodal area now instead of protecting in-place existing 2-30 inch, 80-year old water lines, which are reaching the point when they would need to be replaced. The portion of the line through the rail right-of-way (ROW) will be funded by federal Track Relocation funds, while the remainder will be locally funded.

The water transmission line will extend from the Sacramento Water Treatment Plant south along the Bercut Road alignment and the west side of the Central Shops Boiler Shop, cross under the rail corridor, continue south on the west side of the proposed new Intermodal terminal site and then turn east south of the existing Depot to 5th Street where it will connect to an existing water transmission line. The Track Relocation project will handle all the construction, including tie-ins and abandonments. In order to abandon the existing lines, some main installation work in Old Sacramento may be required. This would be necessary to ensure the City provides dual feed to areas currently fed by the twin 30 inch pipelines.

The impacts of this alignment have been reviewed and are not considered to be significant nor different than previously considered for the water line placements in the 2007. Therefore, an addendum is proposed as the means to document its environmental review. Since the Intermodal's federal environmental document determined that utility relocations that were part of the track relocation would not result in adverse impacts and was less specific than the RSP EIR on the water line, its assessment does not need to be modified.

Project Funding Details

This report provides for allocation of federal and state funding for the Sacramento Intermodal Project (T1502900) and related sub-CIPs. Typically funds are placed in the "parent" CIP, such as the Intermodal Project (T15029000), and then allocated to the

sub-CIP in the “family”, such as Track Relocation (T15029005).

Intermodal Project: The total amount of federal funding authorized for the Intermodal Project (T15029000), excluding the Depot Retrofit sub-CIP discussed below, is \$35,127,525 (\$3,931,525 for project development + \$1,350,000 for final design + \$29,846,000 for construction). The current amount of federal funding obligated and appropriated to the project is \$7,951,525. An additional \$806,067 in federal funding has been received and is pending budget amendment pursuant to prior City Council action (Res. 2009-087).

Track Relocation - Through means of this Council action, \$27,176,000 (Fund 3703) of federal funds will be obligated and then allocated to Track Relocation construction (T15029005). These funds are from sources intended for Track Relocation, except for Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding which can be used for other projects.

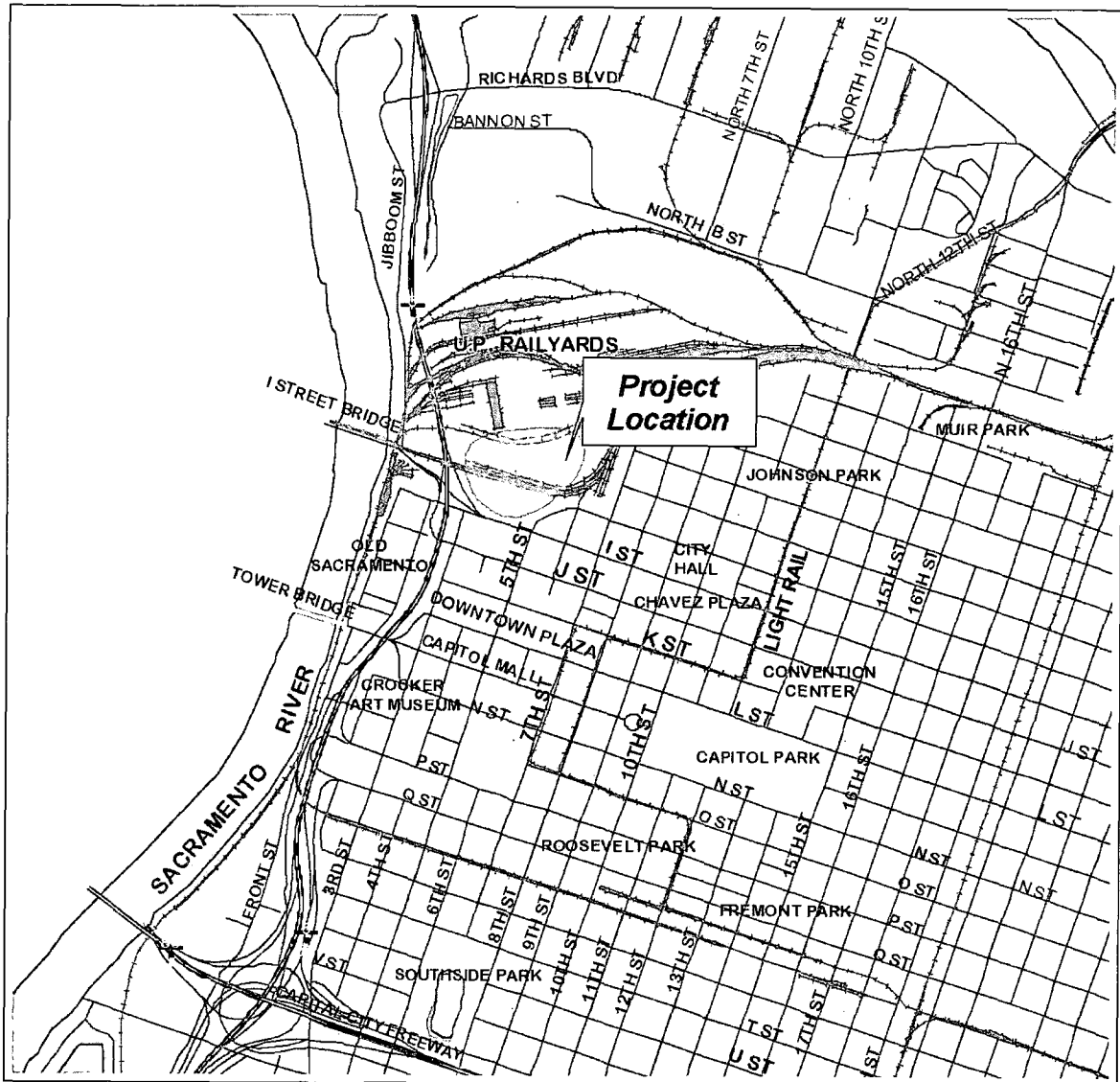
The total amount of state funding authorized for the project is \$28,766,000 (\$1,400,000 for design + \$2,100,000 for utility relocation + \$20,000,000 for track relocation construction + \$5,266,000 for West Tunnel). The current amount of state funding obligated and appropriated to the project is \$3,500,000 in Proposition 1B Streets and Local Roads funds. Through means of this and previous Council action, \$25,266,000 (Fund 3704) will be obligated as soon as state paperwork is received for the Intermodal project and then allocated to Track Relocation construction (T15029005).

The federal and state funds supply the required matches for each other. Additional local funds in the project total approximately \$4 million. All of the funding noted above is for the project, excluding site acquisition.

Depot Retrofit - The total amount of federal funding authorized for the Retrofit (T15029003) is \$2,736,980 for engineering and environmental work. The current amount of federal funding obligated and appropriated to the project is \$1,332,500. Through means of this Council action, \$1,404,480 (Fund 3703) will be obligated as soon as federal paperwork is received and then allocated to the Depot Retrofit project (T15029003). A match of approximately 20% will be provided with state and local funds.

Attachment 2

Location Map for
**SACRAMENTO INTERMODAL
TRANSPORTATION FACILITY (SITF)
(PN:CF41)**



Map Contact S. Tobin
Date: October, 2003

1000 0 1000 2000 Feet



Attachment 3

Intermodal Project Funding

1.21.10

Project Phase and Funding Year	Fund Type	Environmental / Engineering	Construction
Project Development	Intermodal - Overall Project Planning, Concept Design, Environmental Review at Program Level for Phases 1, 2 & 3 and at Project Level for Phases 1 & 2		
	<i>Note: Pre-2008 Funds are Spent</i>		
<u>Pre 2008</u>	<u>Federal</u>		
2002	Demo - Demonstration - TEA21	600,000	
2003	RSTP - STP Local	300,000	
2004	Demo - Demonstration - TEA21	2,331,525	
2004	RSTP - STP Local	<u>700,000</u>	
	Subtotal	3,931,525	
	<u>Local</u>		
2002	Local Funds - SHRA	481,000	
2003	Railyards Redevelopment	<u>359,000</u>	
	Subtotal	840,000	
	Total	4,771,525	
Phase 1	Track Relocation		<i>Note: Funds designated specifically for Track Relocation are shaded.</i>
	<u>Federal</u>		
2005-07	FHWA 1301-Projects of National & Regional Significance	1,350,000	
2009	CMAQ - Congestion Mitigation		4,484,000
2009	FRA - 9002-08 Rail Relocation Non-Competitive		392,000
2009	FRA - 9002-09 Rail Relocation Authorization		950,000
2009	Economic Stimulus Funds - STIP		20,600,000
2010	FRA - 9002-10 Rail Relocation Authorization		750,000
2010	Amtrak Funding for Service Tunnel	0	2,670,000
	Subtotal	1,350,000	29,846,000
	<u>State</u>		
2009	Prop 1B - Trade Corridor Improvement Fund		20,000,000
2009	Prop 1B - Local Street and Road Funds	1,400,000	2,100,000
	Subtotal	1,400,000	22,100,000
	<u>Local</u>		
2008	Sacramento Co Measure A - TranSystems Original Agreement	2,925,567	
2009	Community Reinvestment CIP	329,029	
2009	Sacramento Co Measure A-Advance 4/2009	<u>170,971</u>	
	Subtotal	3,425,567	
	Subtotal for Track Relocation	6,175,567	51,946,000
Phase 1	West Tunnel		
	<u>State</u>		
2009	Prop 1B - Trade Corridor Improvement Fund		5,266,000
	<u>Local</u>		
2009	Parks & Rec Transfer	300,000	
2009	Thomas Enterprises	215,000	
2010	SACOG Community Design Grant	0	1,000,000
	Subtotal	515,000	6,266,000
Phase 1	Water Transmission Line		
	<u>Local</u>		
2010	Department of Utility Funds		3,000,000
Track Relocation Project Totals	For Track Relocation and West Tunnel, Including Site Prep, Track, Platforms, Pathways, Central Tunnel, Service Tunnel, West Tunnel ramps & 42" Water Transmission Line	6,690,567	61,212,000
Total of Phase 1 Environmental /Engineering & Construction		67,902,567	

Attachment 4**RESOLUTION NO.**

Adopted by the Sacramento City Council

Authorizing Approval of Funding Agreements and Appropriating Funds to the Sacramento Intermodal Project (T15029000)

BACKGROUND

- A. The City was awarded the following federal and state funds for the Intermodal Project which is intended to be used for construction expenses for track relocation:

Federal Construction Funding

○ 2009 Congestion Mitigation & Air Quality funds	\$4,484,000
○ 2008 FRA Rail Relocation funds	392,000
○ 2009 FRA Rail Relocation funds	950,000
○ 2010 FRA Rail Relocation funds	750,000
○ 2010 ARRA Economic Stimulus funds	20,600,000
	Total. \$27,176,000*

*Authorization to appropriate \$2,670,000 was previously approved.

State Funding

○ 2009 Prop 1B Trade Corridor Program funds	\$25,266,000**
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**Authorization to appropriate \$20,000,000 was approved in a prior City Council action.

- B. The City was awarded \$1,404,480 in Federal Transit Administration Section 5300 funds to be used for the design and construction of the Depot Retrofit Project:

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

1. The City Manager is authorized to execute funding agreements, program supplements and other funding documents, as needed, related to these funding allocations for the Sacramento Intermodal Project (T15029000) with the Federal Highway Administration, Federal Railroad Administration, and the California Department of Transportation.
2. The City Manager is authorized to execute agreements with Sacramento Regional Transit for the Federal Transit Administration funding for the Sacramento Intermodal Project (T15029000)
3. When the federal paperwork is approved, staff is directed to establish

revenue and expenditure budgets for the Intermodal (T15029000) project as reflected below:

Capital Improvement Project (CIP)
CIP Allocations to "Sub Projects"¹

CIP#	CIP Name	Fund #	Fund Name	Revenue/Expense Budgets
T15029003	Depot Retrofit	3703	FTA 5300 ²	\$1,404,480
T15029005	Track Relocation	3703	ARRA ³ & CMAQ ⁴	\$25,084,000
T15029005	Track Relocation	3703	FRA ⁵	\$2,092,000
T15029005	Track Relocation	3704	Prop 1B TCIF ⁶	\$5,266,000
Total Intermodal Project (T15029000) Appropriation				\$33,846,480

Notes:

¹Sub projects are created for Administrative Management of CIPs pursuant to Section 10.2 (3) of Res. 2009-406

²FTA - Federal Transit Administration Section 5300 Funds

³ARRA – American Recovery and Reinvestment Act

⁴CMAQ – Congestion Mitigation and Air Quality Program

⁵FRA – Federal Railroad Administration

⁶TCIF – Trade Corridor Improvement Fund. The City received a total of \$25,266,000. Authorization to allocate \$20,000,000 in this fund was previously approved.

Attachment 5

RESOLUTION NO.

Adopted by the Sacramento City Council

Approving an Addendum to the Railyards Specific Plan Environmental Impact Report

CERTIFYING THE ADDENDUM TO THE ENVIRONMENTAL IMPACT REOPORT AND ADOPTING THE MITIGATION MONITORING PROGRAM FOR THE RAILYARDS SPECIFIC PLAN (P05-097)

BACKGROUND

- A. On November 13, 2007 the City Planning Commission conducted a public hearing on, and forwarded to the City Council a recommendation to approve with conditions the Railyards Specific Plan.
- B. On December 11, 2007, the City Council conducted a public hearing, for which notice was given pursuant Sacramento City Code Section 16.24.097, 17.208.020(C), 17.212.035, 17.216.035, and 17.200.010(C)(2)(a, b, and c)(publication, posting, and mail 500'), and received and considered evidence concerning the Railyards Specific Plan

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

Section 1. The City Council finds as follows:

- A. On December 11, 2007, pursuant to the California Environmental Quality Act (Public Resources Code §21000 *et seq.* ("CEQA"), the CEQA Guidelines (14 California Code of Regulations §15000 *et seq.*), and the City of Sacramento environmental guidelines, the City Council certified an environmental impact report (EIR) and, having reviewed and considered the information contained in the EIR, adopted findings of fact and findings of overriding consideration, adopted a mitigation monitoring program, and approved the Railyards Specific Plan (P05-097).
- B. The subject project involves the following Project Modifications:
 - Realignment of the water main which includes a 42 inch water main to be installed as part of the subject project.
- C. The initial study on the Project Modification determined that the

proposed changes to the original Project did not require the preparation of a subsequent EIR. An addendum to the previously certified EIR was then prepared to address proposed Project Modification.

- Section 2. The City Council has reviewed and considered the information contained in the previously certified EIR for the Project, the previously adopted findings of fact and findings of overriding consideration and the addendum. The City Council finds that the previously certified EIR and the addendum constitute an adequate, accurate, objective, and complete review of the proposed Project Modification and finds that no additional environmental review is required based on the reasons set forth below:
- A. No substantial changes are proposed by the Project Modification that will require major revisions of the previously certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
 - B. No substantial changes have occurred with respect to the circumstances under which the Project Modification will be undertaken which will require major revisions to the previously certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
 - C. No new information of substantial importance has been found that shows any of the following:
 - 1. The Project Modification will have one or more significant effects not discussed in the previously certified EIR;
 - 2. Significant effects previously examined will be substantially more severe than shown in the previously certified EIR;
 - 3. Mitigation measures previously found to be infeasible would in fact be feasible and would substantially reduce one or more significant effects of the Project Modification; or
 - 4. Mitigation measures which are considerably different from those analyzed in the previously certified EIR would substantially reduce one or more significant effects on the environment.
- Section 3. Based on its review of the previously certified EIR for the Project, the previously adopted findings of fact and findings of overriding consideration

and the addendum, the City Council finds that the EIR and addendum reflect the City Council's independent judgment and analysis, certifies the EIR and the addendum for the Project Modification, and readopts the findings of fact and findings of overriding consideration .

Section 4. The mitigation monitoring program for the Project is adopted for the Project Modification, and the mitigation measures shall be implemented and monitored as set forth in the program, based on the following findings of fact:

- A. The mitigation monitoring program has been adopted and implemented as part of the Project;
- B. The addendum to the EIR does not include any new mitigation measures, and has not eliminated or modified any of the mitigation measures included in the mitigation monitoring program;
- C. The mitigation monitoring program meets the requirements of CEQA Section 21081.6 and the CEQA Guidelines section 15091.

Section 5. Upon approval of the Project, the City's Environmental Planning Services shall file or cause to be filed a Notice of Determination with the Sacramento County Clerk and, if the project requires a discretionary approval from any state agency, with the State Office of Planning and Research, pursuant to section 21152(a) of the Public Resources Code and the State EIR Guidelines adopted pursuant thereto.

Section 6. Pursuant to Guidelines section 15091(e), the documents and other materials that constitute the record of proceedings upon which the City Council has based its decision are located in and may be obtained from, the Office of the City Clerk at 915 I Street, Sacramento, California. The City Clerk is the custodian of records for all matters before the City Council.

Section 7. Exhibits A and B are hereby incorporated into and made part of this resolution.

Table of Contents:

Exhibit A: Addendum to Railyards Specific Plan Environmental Impact Report
Exhibit B: Mitigation Monitoring Plan

Exhibit A

Addendum to Railyards Specific Plan EIR
(3 pages)

Exhibit B

Mitigation Monitoring Plan
(81 pages)