



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
December 9, 2008

Honorable Mayor and
Members of the City Council

**Title: 2008-09 Allocation of Proposition 1B Local Street and Road
Funds to Projects**

Location/Council District: Various locations in the City for the Street Overlays and Seals Program; Sacramento Intermodal Facility Track Relocation - District 1; Ramona Avenue Extension – Districts 3 and 6; Sacramento City College/Curtis Park Village Pedestrian Overcrossing – District 4.

Recommendation: Adopt a **Resolution** authorizing the City Manager to submit to the State Department of Finance the following projects to receive \$6,947,680 in 2008-09 Proposition 1B Local Street and Road Funds:

1. Sacramento Intermodal Facility Track Relocation Project (T15029005) – \$3,500,000
2. Ramona Avenue Extension (T15018400) – \$1,500,000
3. Sacramento City College/Curtis Park Village Pedestrian Overcrossing (T15065700) – \$1,447,680
4. Street Overlays and Seals Program (R15072000) – \$500,000

Contact: Nicholas Theocharides, Engineering Manager, 808-5065; Fran Halbakken, Operations Manager, 808-7194

Presenters: None

Department: Transportation

Division: Engineering Services

Organization No: 15001131

Description/Analysis

Issue: Proposition 1B provided \$19.925 billion in bond funds for a variety of transportation priorities including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities. The City applied for

its 2007-08 allocation of \$7,536,411 of Proposition 1B Street and Road Funds in September 2008. To provide economic stimulus, the recently enacted 2008 State Budget Act allocated an additional \$187 million in to cities statewide on a first-come, first-served basis. Of this amount, the City of Sacramento is eligible to receive \$6,947,680. If all cities request their eligible funds, the total amount would be \$447 million, so not all cities will be able to receive funding in this fiscal year.

In order to receive these funds, projects must meet specified conditions for encumbering and expending funds and the City Council must approve a recommended list of eligible projects to be submitted to the State.

Policy Considerations: The action requested supports the City's Strategic Plan goals of improving and expanding public safety and achieving sustainability and enhancing livability. It also supports City and statewide objectives of stimulating economic activity by advancing infrastructure design and construction.

Environmental Considerations:

California Environmental Quality Act (CEQA): This action is not subject to CEQA. Independent environmental documentation is to be completed with each of the individual projects and programs.

Sustainability Considerations: Each of the projects and programs recommended for funding are consistent with the City's Sustainability Master Plan. The projects conform to the Air Quality Focus Area by improving transportation infrastructure and encouraging walking and bicycle riding as an alternative to motor vehicle use.

Other: None

Commission/Committee Action: None

Rationale for Recommendation: The State Guidelines for the 2008-09 allocation of Proposition 1B Local Street and Road Program funds require that funds be encumbered before July 1, 2009, and can only be used for projects that are not fully funded currently. To determine appropriate projects, staff focused on transportation projects that are high City priorities, can meet the encumbrance and funding requirements, and have financial needs consistent with the fund guidelines.

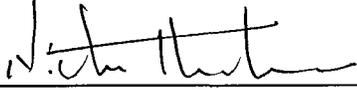
Staff recommends that the \$6,947,680 be allocated to four projects that meet all the criteria.

1. Sacramento Intermodal Transportation Facility Track Relocation Project -- \$3.5 million. This funding will reduce the funding gaps for the project's estimated \$50 million design and construction costs, and provide funds in this fiscal year to complete the environmental engineering, final design, and permitting phases of this project and help keep the project on schedule.

2. Ramona Avenue Extension Project -- \$1.5 million. This funding will allow staff to complete final design and environmental engineering for which initial funding has been committed, and will make the project competitive for future grant funding opportunities for the construction phase.
3. Sacramento City College transit station pedestrian overcrossing -- \$1,447,680. This funding will allow for final design, permitting, and coordination with the Union Pacific Railroad. Staff believes that the completion of construction documents at this time will make the project a strong candidate for future grant funding opportunities for the construction phase
4. Street Overlays and Seals Program - \$500,000. This funding will fully fund projects identified in FY 2009 and reduce the increase in the backlog of streets that require maintenance to prevent them from needing more costly reconstruction. Specifically, the addition of these funds to the program will allow for the maintenance of the Stockton Boulevard and Broadway intersection.

Financial Considerations: Proposition 1B Local Street and Road funds in the amount of \$187 million to cities statewide are available for allocation to projects on a first-come, first-served basis. \$6,947,680 is eligible to the City of Sacramento. Upon City Council approval of the recommended list of projects and amounts, assuming funding is still available, the State Department of Finance will approve the list and authorize the State Controller's office to disburse funds to the City for allocation to the projects. In September 2008, the City established a new fund to receive Proposition 1B funds.

Emerging Small Business Development (ESBD): Not Applicable

Respectfully Submitted by: 
Nicholas Theocharides
Engineering Services Manager

Approved by: 
Jerry Way
Director of Transportation

Recommendation Approved:

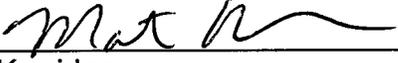

Ray Kerridge
City Manager

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Attachment 1

Background Information:

Proposition 1B provided \$19.925 billion in bond funds for a variety of transportation priorities including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities. The State appropriated \$500 million to cities for 2007-08. Each City's share is based on population. The City of Sacramento was allocated and submitted funding requests for \$7,536,411 for the 2007-08 allocation in September 2008 and established a new fund for Proposition 1B funds.

Proposition 1B Local Road and Street funds are to be spent on projects that will assist in reducing local traffic congestion and reduce further deterioration of infrastructure, improving traffic flows, or increasing traffic safety that may include but are not limited to, street and highway pavement maintenance, rehabilitation, installation, construction and reconstruction of necessary associated facilities such as drainage and traffic control devices, or the maintenance, rehabilitation, installation, construction and reconstruction of facilities that expand ridership on transit systems, safety projects to reduce fatalities, or as a local match to obtain state or federal transportation funds for a similar purpose.

To provide economic stimulus, the recently enacted 2008 Budget Act and Chapter 269, Statutes of 2008 (AB88), appropriated for 2008-09 a total of \$63 million to counties and \$187 million to cities, available on a first-come, first-served basis. Of this total, the City of Sacramento's share is \$6,947,680. This allocation is subject to a number of reporting and fund management conditions, as well as the following:

- City shall have received its full allocation for the 2007-08 fiscal year
- City shall agree that funds from the 2008-09 fiscal year allocation will be used for projects that are not currently fully funded with a dedicated funding source or sources
- Funds must be encumbered before July 1, 2009

If all cities request their eligible funds, the total amount would be \$447 million, so not all cities will be able to receive funding in this fiscal year. Funds will be distributed in a first-come, first-served basis.

The State Guidelines for the 2008-09 allocation of Proposition 1B Local Street and Road Program funds require that funds be encumbered before July 1, 2009, and can only be used for projects that are not fully funded with other sources. To determine appropriate projects, staff focused on transportation projects that are high City priorities, can meet the encumbrance and funding requirements, and have financial needs consistent with the fund guidelines.

Based on this analysis, staff recommends funding be allocated the following four projects.

1. **Sacramento Intermodal Transportation Facility, Track Relocation Project - \$3.5 million.** This project consists of realignment and straightening of approximately 3,300 feet of the Union Pacific Railroad mainline tracks between the Sacramento River and 7th Street in downtown Sacramento. Total design and construction costs for this project are estimated at approximately \$50 million. The City has been designated federal and state transportation funds for the project, but not all needed funding for the project has been secured. In addition, the state and federal funds that are currently designated are not available for allocation in this fiscal year. Receipt of the \$3.5 million in Proposition 1B funds will help address the project's funding gap and provide funding right away to complete the environmental engineering, final design, and permitting of the project and keep it on schedule. Design work will include plans, specifications and estimates for grading, site work, site remediation, utility relocations, passenger rail tracks, freight rail tracks, signals, passenger platforms, tunnels accessing the platforms and crossing the rail corridor, overcrossing foundations, walkways, site circulation and other related items.
2. **Ramona Avenue Extension Project -- \$1.5 million.** The new road extension is approximately 2,100 feet and will provide access to the CSUS campus as well as alleviate traffic at the Howe Avenue/Folsom Boulevard intersection. This road extension is also projected to be a catalyst for redevelopment of the parcels south of the railroad tracks that currently have limited access. Approximately \$600,000 in federal transportation funds has been allocated and is currently being used to begin the design and environmental engineering for the project. An additional \$1.5 million in Proposition 1B funds will allow for the completion of final design, environmental engineering, and permitting for the project. Design work will include plans, specifications, environmental clearance and estimates for grading, road construction, utility relocations, signals, a flood gate, a railroad grade crossing, and a retaining wall. Completion of the construction documents will position the project to be competitive for construction funding, estimated at roughly \$7 to \$8 million.
3. **Sacramento City College/Curtis Park Village Pedestrian Overcrossing -- \$1,447,680.** This project proposes to construct a pedestrian and bicycle overcrossing structure that would provide linkage from the Regional Transit Light Rail station at Sacramento City College to the proposed Curtis Park Village development to the east. The City received a \$500,000 Community Design Grant for a feasibility study for the project. The final design phase will encompass site design, structure design, and coordination with the Los Rios Community College District, Union Pacific Railroad, Sacramento Regional Transit and the Curtis Park Village developer. Completion of the construction documents will position the project to be competitive for future grant opportunities for construction funding, estimated at roughly \$4 to \$5 million.
4. **Street Overlays and Seals Program -- \$500,000.** The additional Proposition 1B funds will provide necessary funding to complete projects identified in FY 2009 and to reduce the increase in the backlog of streets that require maintenance and prevent them from needing more costly reconstruction. Specifically, the addition of

these funds to the program will allow for the maintenance of the Stockton Boulevard and Broadway intersection in FY 2009.

Upon City Council approval of the recommended project list and funding, the list and funding amounts will be submitted to the State Department of Finance for review and approval. Upon approval, it will direct the State Controller's Office to disburse funds in the amount of \$6,947,680 to the City for allocation to the projects.

RESOLUTION NO.

Adopted by the Sacramento City Council

Allocation of Proposition 1B Local Street and Road Funds to Projects

BACKGROUND

- A. Proposition 1B provided \$19.925 billion in bond funds for a variety of transportation priorities including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities.
- B. The 2008 Budget Act and Chapter 269, Statutes of 2008 (AB88), appropriated a total of \$187 million to cities in Proposition 1B funds in 2008-09. Of the \$187 million, the City of Sacramento's share is \$6,947,680. The City's share is based on population.
- C. Proposition 1B Local Road and Street funds are to be spent on projects that will assist in reducing local traffic congestion and further deterioration, improving traffic flows, or increasing traffic safety that may include but not limited to, street and highway pavement maintenance, rehabilitation, installation, construction and reconstruction of necessary associated facilities such as drainage and traffic control devices, or the maintenance, rehabilitation, installation, construction and reconstruction of facilities that expand ridership on transit systems, safety projects to reduce fatalities, or as a local match to obtain state or federal transportation funds for a similar purpose.
- D. The 2008-09 allocation of Proposition 1B funds are to be encumbered by June 30, 2009.
- E. The Sacramento Intermodal Facility Track Relocation Project is a high priority project in need of funding for the completion of final design and construction.
- F. The Ramona Avenue Extension Project is a high priority project in need of funding to complete final design, environmental, and permitting work to be competitive for future construction funding opportunities.
- G. The Sacramento City College Pedestrian Overcrossing is a high priority project in need of funding to pay for completion of final design, environmental, and permitting work to be competitive for future construction funding opportunities.
- H. The City's Street Overlays and Seals Program has a growing backlog of streets needing maintenance to prevent them from requiring more costly reconstruction.

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

- Section 1. That the City Manager is authorized to submit to the State Department of Finance a request for \$6,947,680 in 2008-09 Proposition 1B Local Street and Road funds.
- Section 2. Upon the City receiving these funds, the City Manager is authorized to appropriate the funds to the Proposition 1B fund as follows:
- a. Sacramento Intermodal Facility Track Relocation Project (T15029005) – \$3,500,000
 - b. Ramona Avenue Extension Project (T15018400) – \$1,500,000
 - c. Sacramento City College/Curtis Park Village Pedestrian Overcrossing (T15065700) – \$1,447,680
 - d. Street Overlays and Seals Program (R15072000) – \$500,000