

Meeting Date: 11/3/2015

Report Type: Consent

Report ID: 2015-00920

Title: Transfer Funds to the R Street from 16th Street to 18th Street Improvements Project

Location: R Street from 16th Street to 18th Street, District 4

Recommendation: Pass a Resolution transferring \$250,000 (Fund 2007) from the Major Streets Improvement Project (T15148000) to the R Street from 16th Street to 18th Street Improvements Project.

Contact: Zuhair Amawi, Associate Civil Engineer (916) 808-7620; Nicholas Theocharides, Engineering Services Manager (916) 808-5065, Department of Public Works

Presenter: None

Department: Public Works Department

Division: Engineering Services Admin

Dept ID: 15001111

Attachments:

1-Description/Analysis

2-Resolution

3-Exhibit A (Location Map)

City Attorney Review

Approved as to Form

Gerald Hicks

10/20/2015 11:10:13 AM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 10/8/2015 11:34:05 AM

Description/Analysis

Issue: Construction of the R Street from 16th Street to 18th Street Improvements Project is nearly complete. In order to maximize federal reimbursement, the City needs to submit its FY14/15 indirect rate for approval by Caltrans following the City's acceptance of the Comprehensive Audited Fiscal Report (CAFR) for FY14/15, which normally occurs in January or February following the fiscal year end. Transferring \$250,000 to the project budget will allow for project payments to be made until the City can file the final federal project completion report with Caltrans and the federally eligible indirect costs are reimbursed.

Policy Considerations: The project supports the City's General Plan goals of improving the transportation system, expanding public safety, achieving sustainability through reduced dependence on private automobile, and enhancing livability and economic vitality. The proposed City Council action is consistent with the City's policy which requires all agreements and transfers of funds over \$100,000 be approved by the City Council.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): On July 13, 2010, the City Council approved a Mitigated Negative Declaration and adopted the Mitigation Reporting Plan for the R Street Improvements Project from 16th Street to 18th Street (Resolution 2010-406) pursuant to the requirements of CEQA.

The project is federally funded. As a result, it is also subject to the National Environmental Policy Act (NEPA). On August 5, 2010, the State of California Department of Transportation (Caltrans) and the Federal Highway Administration (FHWA) issued a Categorical Exclusion for the project in compliance with NEPA.

The current action implements the project as approved and is ministerial in nature, is an on-going administrative activity for a previously-approved project and would not result in any new or more significant environmental impacts than previously disclosed and mitigated. The Mitigation Monitoring Plan would apply to all work completed in connection with the project. No additional environmental review is required.

Sustainability Considerations: This project is consistent with Sustainability Master Plan goals to help improve health of residents by promoting walking and bicycling. This project will also reduce dependence on the private automobile and encourage the use of transit by supporting mixed use transit oriented in-fill development.

Commission/Committee Action: None.

Rationale for Recommendation: The recommended transfer of funds will allow the City to continue to make payments on the project while awaiting approval of federal paperwork to allow for greater federal funding reimbursement.

Financial Considerations: The estimated total project cost for the R Street Improvements Project from 16th to 18th Street construction is \$3.6 million. As of September 28, 2015, \$3.1 million has been expended and an estimated \$500,000 will be needed to complete the project.

While the project has sufficient total funding, the full amount of federal funding available for the project cannot be reimbursed until Caltrans approves the City's indirect rate for FY14/15. This submission is required annually after the City adopts its Comprehensive Audited Financial Report (CAFR), which normally occurs in February following the close of the prior fiscal year. The City then provides its submission to Caltrans for Public Works Engineering Services Division indirect costs, and approval typically occurs by the end of the current fiscal year, barring any audit issues.

Until that time, in order to continue to make payments on the project, the project needs a bridge loan of \$250,000 (Fund 2007) in local transportation funds from the Major Streets Improvement Project (T15148000). Assuming the indirect rate is approved by Caltrans, and that the final federal close out report is submitted by the end of the fiscal year, the \$250,000 will then be returned. If either of these do not occur, all or a portion of the funding will be needed permanently for the project.

The Major Street Improvements Project (T15148000) has a budget and unobligated balance of \$1,824,380, which is sufficient to allow the transfer of \$250,000 (Fund 2007) to the R Street Improvements Project from 16th to 18th Streets.

There are no General Funds planned or allocated for this project.

Local Business Enterprise (LBE): This is a federally-funded project. Disadvantaged Business Enterprise (DBE) project participation requirements apply and LBE rules are held in abeyance. The DBE goal is 9.1%. Teichert Construction pledged 9.2% DBE participation on this project and demonstrated a Good Faith Effort.

RESOLUTION NO.

Adopted by the Sacramento City Council

TRANSFERRING FUNDS FOR THE R STREET FROM 16th STREET TO 18th STREET IMPROVEMENTS PROJECT

BACKGROUND

- A. On September 30, 2014, the City Council approved a construction contract for the R Street from 16th Street to 18th Street Improvements Project. The project includes streetscape improvements consistent with the R Street Corridor Plan, supporting the transit-oriented development in the corridor.
- B. The project received federal funding through the Sacramento Area Council of Governments (SACOG)'s Community Design Program and from the Capital Area Development Authority (CADA).
- C. City staff anticipates that with approval of its federal FY14/15 indirect rate, the City will be able to get maximum federal reimbursement for the project. This approval is anticipated by May 2016. In the interim, a bridge loan is needed so that the City can continue to make payments on the project.

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

- Section 1. The FY15/16 Capital Improvement Program is amended by transferring \$250,000 (Fund 2007) from the Major Street Improvements Project (T15148000) to the R Street Improvement Project from 16th Street to 18th Street.
- Section 2. Exhibit A is hereby incorporated into and is a part of this Resolution.

Location Map For:
R Street Improvements
16th Street to 18th Street
(PN: T15068301)

