

**Metropolitan Transportation Commission
Programming and Allocations Committee**

June 10, 2020

Agenda Item 2c - 20-0738

Concurrence Request for STIP Amendment

Subject: State Transportation Improvement Program (STIP) Amendment Request for the I-80 Managed Lanes and I-80/I-680/SR-12 Interchange Phase 2A projects in Solano County

Background: The Solano Transportation Authority (STA) requests MTC’s concurrence for a STIP amendment for the Solano I-80 Managed Lanes project and the I-80/I-680/SR-12 Interchange Phase 2A project. MTC’s 2020 Regional Transportation Improvement Program (RTIP), approved in December 2019, programmed \$34 million for the Solano I-80 Managed Lanes project in FY 2021-22. The California Transportation Commission (CTC) approved this project in the 2020 STIP at its March 2020 meeting.

In 2018, the CTC awarded \$53.2 million in Senate Bill 1 Trade Corridor Enhancement Program (TCEP) funds to the I-80/I-680/SR-12 Interchange Phase 2A project. STA expects to request TCEP allocation of funds and begin construction of the Interchange project in late summer 2020. However, updated design estimates predict a \$16.7 million construction cost increase due to differing site conditions and other unforeseen issues. Regional Measure 3 (RM3) includes funds legislatively committed to the Interchange project and could have been used to cover this increase if it were not in litigation. Therefore, to cover this cost increase, STA requests \$16.7 million in STIP funds be reprogrammed from the Solano I-80 Managed Lanes project to the I-80/I-680/SR-12 Interchange Project Phase 2A for construction and advanced from FY 2021/22 to FY 2020-21. The STA will request an RM3 Letter of No Prejudice (LONP) against the STIP funds this summer so that STA can be repaid when/if RM3 funds become available. STA will commit the repaid funds to complete the I-80 Managed Lanes funding plan.

Since this action proposes to amend the STIP to reprogram funds, Committee action is required to concur with the proposed amendment consistent with the 2020 RTIP Policies and Procedures (MTC Resolution No. 4398). This action is also consistent with the regional program of nominations for the SB1 Solution for Congested Corridors and Trade Corridor Enhancement Programs (MTC Resolution Nos. 4417 and 4418), adopted by the MTC Commission in May 2020.

The current and proposed 2020 STIP programming is shown below.

Existing Programming:

<u>PPNO</u>	<u>Sponsor</u>	<u>Phase</u>	<u>Amount</u>	<u>FY</u>	<u>Title</u>
0658L	Caltrans	CON	\$33,290,000	21/22	Solano 80 Managed Lanes
0658L	STA	ROW	\$650,000	21/22	Solano 80 Managed Lanes
0658L	STA	ROW-SUP	\$60,000	21/22	Solano 80 Managed Lanes

Proposed Programming:

<u>PPNO</u>	<u>Sponsor</u>	<u>Phase</u>	<u>Amount</u>	<u>FY</u>	<u>Title</u>
0658L	Caltrans	CON	\$16,590,000	21/22	Solano 80 Managed Lanes
0658L	STA	ROW	\$650,000	21/22	Solano 80 Managed Lanes
0658L	STA	ROW-SUP	\$60,000	21/22	Solano 80 Managed Lanes
5301X	Caltrans	CON	\$16,700,000	20/21	I-80/I-680/Route 12 IC (2A)

The CTC is scheduled to notice the proposed STIP amendment at its June meeting, and expected to take action on the amendment at CTC's August 12-13, 2020 meeting.

Issues: The Solano I-80 Managed Lanes project depends on CTC's awarding of \$123 million in competitive SB1 funds to the project, as well as the availability of RM3 funds. Both fund sources must be available for the project to proceed.

Recommendation: Approve the requested STIP amendment concurrence from STA and direct staff to send a letter of concurrence to Caltrans and CTC.

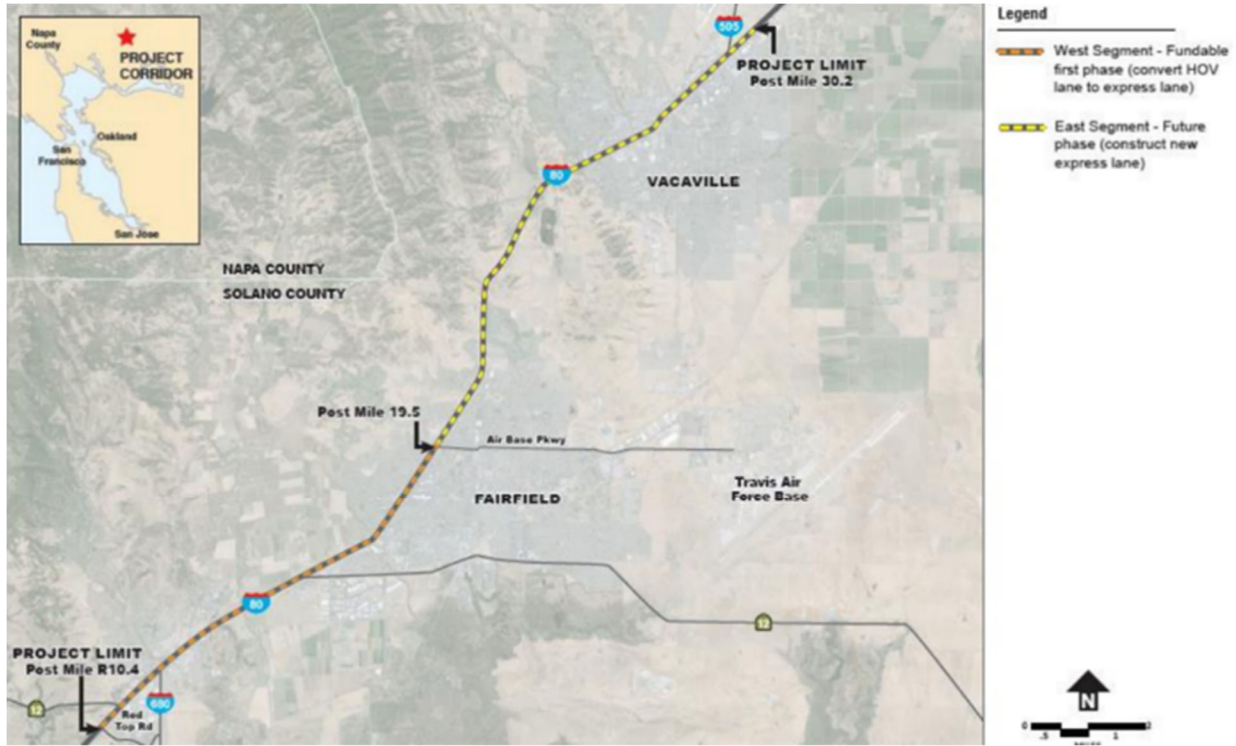
Attachments: Attachment 1: Map of Affected STIP Amendment Projects
STA STIP Amendment Request Letter



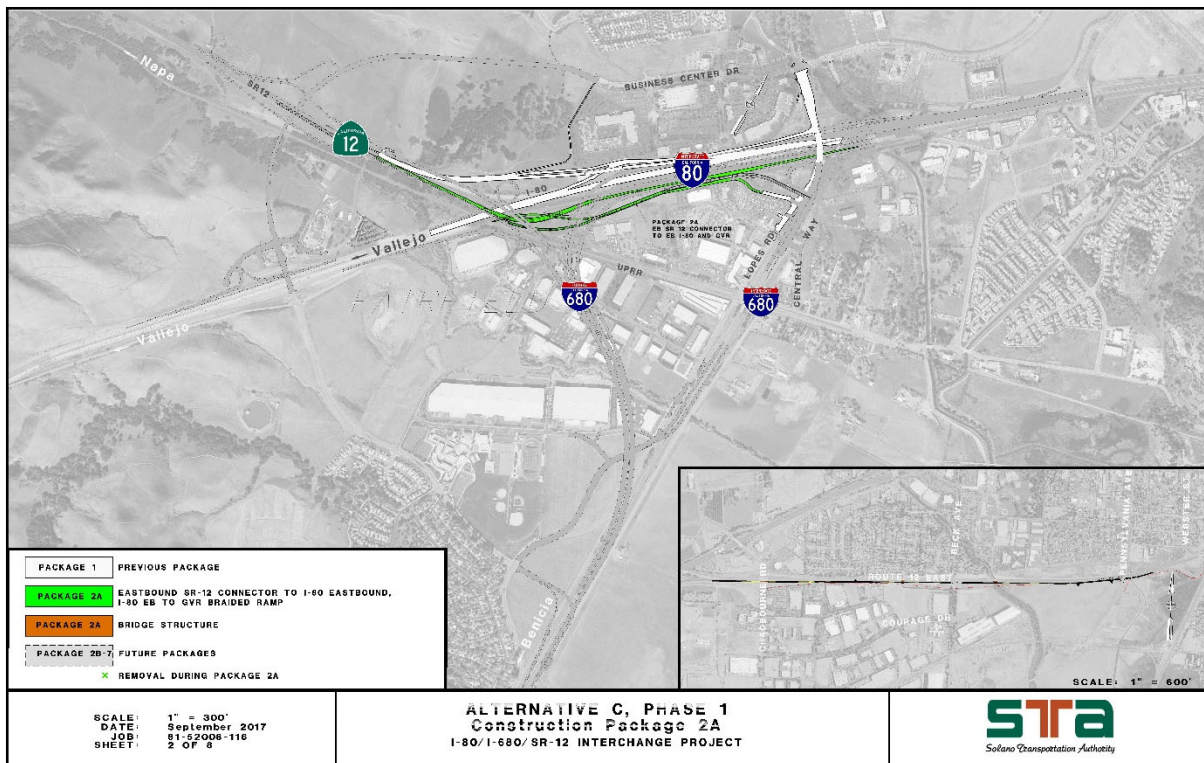
Therese W. McMillan

June 10, 2020 Programming and Allocations Committee: Item 2c
 Attachment 1: Map of Affected STIP Amendment Projects

Solano I-80 Managed Lanes Project



I-80/680/12 Interchange Phase 2A Project





Solano Transportation Authority
... working for you!

SOLANO TRANSPORTATION AUTHORITY

Member Agencies:

Benicia ♦ Dixon ♦ Fairfield ♦ Rio Vista ♦ Suisun City ♦ Vacaville ♦ Vallejo ♦ Solano County

One Harbor Center, Ste. 130, Suisun City, CA 94585-2473 ♦ Phone (707) 424-6075 / Fax (707) 424-6074
Email: info@sta.ca.gov ♦ Website: sta.ca.gov

May 15, 2020

Sent Via Electronic Mail

Therese McMillan
Executive Director
Metropolitan Transportation Commission (MTC)
375 Beale Street, Suite 800
San Francisco, CA 94105

RE: State Transportation Improvement Program (STIP) Amendment Request for the Solano I-80 Managed Lanes Project and the I-80/I-680/SR12 Interchange Project – Phase 2A

Dear Mr. McMillan:

The Solano Transportation Authority (STA) is requesting MTC's concurrence on our request to the California Transportation Commission (CTC) to approve a STIP amendment at the June 2020 Meeting. The Amendment is to re-program \$16.7M in STIP funds from Solano I-80 Managed Lanes Project to the I-80/I-680/SR 12 Interchange Project-Phase 2A Project, for FY 2021-22. Attached are the Project Programming Requests (PPR) for each project.

The I-80/I-680/SR 12 Interchange – Phase 2A is a 2018 Trade Corridor Enhancement Program (TCEP) funded project that is ready for construction in FY 2019-20. This amendment is necessary to fund a construction capital short-fall and meet the FY 2019-20 deadline TCEP funds for this project. During the design, significant cost increases were realized.

The Solano I-80 Managed Lanes Project funding plan will be kept whole by a local funding commitment of \$16.7M from the Metropolitan Transportation Commission (MTC) through the STA. This funding commitment is not available for the I-80/I-680/SR 12 Interchange Project-Phase 2A, as it is a loan from MTC against future RM3 funds. RM3 funds are not currently available for allocation due to litigation. As the I-80/I-680/SR 12 Interchange Project-Phase 2A is expected to begin construction this summer and the capital funding shortfall must be met prior to beginning construction, the movement of STIP funds is the best way to fund the shortfall at this time. The Solano I-80 Managed Lanes project will be submitted for SB1 grants in the 2020 funding cycle for funding in FY 2021-22.

The project sponsor, STA, has requested the STIP amendment to be noticed at the June 24-25, 2020 CTC Meeting. STA took Board action approving moving this STIP funds transfer at their May 13, 2020 meeting, please see attached.

If you have any questions, please call Janet Adams, STA Director of Projects, at (707) 399-3207.

Sincerely,

Janet Adams
STA Director of Projects

Attachments: Project Programming Request

Cc: Daryl Halls, STA Executive Director
Eric Schen – Caltrans District 4 Program Management - Solano County



DATE: May 5, 2020
TO: STA Board
FROM: Janet Adams, Deputy Executive Director/Director of Projects
Anthony Adams, Project Manager
RE: 2020 Surface Transportation Improvement Program (STIP) Programming
Amendment

Background:

The State Transportation Improvement Program (STIP) is a multi-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from state gas tax which is placed into the State Highway Account. The STIP is composed of two sub-elements: 75% to the Regional Transportation Improvement Program (RTIP), with projects decided by regional agencies, and 25% to the Interregional Transportation Improvement Program (ITIP). STA is responsible for programming the RTIP for Solano County and the California Transportation Commission (CTC) programs the ITIP. In the Bay Area, the Metropolitan Transportation Commission (MTC) collects the nine counties RTIP and submits to the CTC. The STIP cycle is programmed every two years and covers a five-year period. Historically, Solano County averages about \$10M per STIP cycle in population shares of STIP funds (the RTIP) share for Solano.

The California Legislature passed Senate Bill 1 (SB1) in April of 2017. This Bill raised the state gas tax, among other revenue sources, to help fund transportation improvements. The passage of this bill was intended that future STIP shares will be more stable in the future and as the gas tax, which funds the STIP, will include a Consumer Price Index (CPI) adjuster.

Discussion:

STA Board Approved STIP Funding Priorities and 2020 Programming

The STA Board has prioritized three regionally significant projects that will seek funding from newly created SB1 funding categories. The prioritized projects that are eligible for this funding include the I-80 Express Lanes, I-80 Westbound Truck Scales, and I-80/I-680/State Route (SR) 12 Interchange. The STA's Regional Transportation Improvement Program (RTIP) is one of the few available to STA to provide match funding for I-80 Corridor projects.

The upcoming call for projects for the SB 1 funded Solutions for Congested Corridors (SCC) and Trade Corridor Enhancements (TCEP) programs was an important consideration when programming the 2020 STIP, with MTC informing STA that they are requiring a funding commitment from the applicant's current STIP cycle, as well as future STIP cycles, for MTC to support the application for SCC funding. With this requirement at hand, the STA held a special Board meeting in November 2019 to approve the following programming of the 2020 STIP:

- \$5M: SR37 Fairgrounds Dr. Interchange Improvements - FY 2021-22 (STA Project Sponsor)
- \$4M: Solano I-80 Managed Lanes Project in Fairfield and Vacaville – FY 2021-22 (Caltrans Project Sponsor)

- \$30M in Advanced STIP Shares: Solano I-80 Managed Lanes Project in Fairfield and Vacaville – FY 2021-22 (Caltrans Project Sponsor)
- \$152K Planning, Programming, and Monitoring (FYs 2023-24 and 2024-25)
- \$98K Vine Trail – Calistoga to St. Helena

Funding Shortfall on I-80/I-680/SR12 Interchange Phase 2

STA was awarded a \$53M grant TCEP grant in 2018 for Phase 2 of the I-80/I-680/SR12 Interchange which is scheduled for construction in late Summer 2020. During the design and right of way phase, significant cost increases were realized by Caltrans, due to soil conditions and additional land purchasing. A total cost increase of \$16.7M is needed to fully fund construction of this phase of the project.

To address this shortfall, STA has coordinated with MTC and Caltrans to propose the following funding swap:

- STA Reprograms \$16.7M in future STIP funds from Solano I-80 Managed Lanes project to I-80/I-680/SR12 Interchange phase 2.
- MTC will loan STA future bridge toll funds in the amount of \$16.7M to be used on the application for the Solano I-80 Managed Lanes project.
- When RM3 is resolved MTC will commit funds from the regional Express Lanes program to pay back the \$16.7M loan to STA.

At their April 29th meeting, the STA TAC unanimously voted to forward a recommendation to the STA Board to approve the re-programming of \$16.7M of STIP funds from the I-80 Managed Lanes Project to the I-80/I-680/ SR 12 Interchange Project..

Fiscal Impact:

None to STA. MTC will loan \$16.7M from future RM3 funds towards the Solano I-80 Managed Lanes project to back fill the STIP reprogramming.

Recommendation:

Reprogram \$16.7M in future STIP funds from Solano I-80 Managed Lanes to I-80/I-680/SR12 Interchange Phase 2 of the 2020 STIP for Solano County.