

Metropolitan Transportation Commission Programming and Allocations Committee

June 13, 2018

Agenda Item 21

Concurrence Request for STIP Amendment

Subject: STIP Amendment (AB 3090 Reimbursement) Request for I-680/SR-4 Interchange Phase 3 project in Contra Costa County

Background: The Contra Costa Transportation Authority (CCTA) requests MTC's concurrence for an AB 3090 STIP amendment for the I-680/SR-4 Interchange Phase 3 project. MTC's 2018 Regional Transportation Improvement Program (RTIP), approved in December 2017 and amended in April 2018, programmed \$18.8 million for the construction of the I-680/SR-4 Interchange Phase 3 project in FY 2019-20. Since the project has secured the requested Senate Bill 1 (SB 1) funding, and is now ready for construction, CCTA requests amending the STIP to convert the I-680/SR-4 Interchange Phase 3 project into an AB 3090 Reimbursement project. AB 3090 Reimbursement allows sponsors to use local funds to advance projects, and receive reimbursement from state funds at a later date. Contra Costa requests payback over a three-year period beginning in FY 2019-20.

Since this action proposes to amend the STIP to convert a project into an AB 3090 Reimbursement project, Committee action is required to concur with the proposed amendment. This action is in accordance with the 2018 Regional Transportation Improvement Program (RTIP) Policies and Procedures (MTC Resolution No. 4308), available at <http://mtc.ca.gov/our-work/fund-invest/investment-strategies-commitments/transit-21st-century/funding-sales-tax-and>.

The current and proposed 2018 STIP programming is shown below.

Existing Programming:

| <u>PPNO</u> | <u>Sponsor</u> | <u>Phase</u> | <u>Amount</u> | <u>FY</u> | <u>Project Title</u> |
|-------------|----------------|--------------|---------------|-----------|--------------------------------|
| 0298E | CCTA | CON | \$18,800,000 | 2019-20 | I-680/SR-4 Interchange Phase 3 |

Proposed Programming:

| <u>PPNO</u> | <u>Sponsor</u> | <u>Phase</u> | <u>Amount</u> | <u>FY</u> | <u>Project Title</u> |
|-------------|----------------|--------------|---------------|-----------|---------------------------------------|
| 0298E | CCTA | CON | \$6,250,000 | 2019-20 | I-680/SR-4 Interchange Phase 3 (3090) |
| 0298E | CCTA | CON | \$6,250,000 | 2020-21 | I-680/SR-4 Interchange Phase 3 (3090) |
| 0298E | CCTA | CON | \$6,300,000 | 2021-22 | I-680/SR-4 Interchange Phase 3 (3090) |

CTC noticed the proposed STIP amendment at its May meeting, and staff expects CTC's action on the amendment at CTC's June 27-28, 2018 meeting. The exact annual repayment amounts are subject to final agreement between CCTA and the State.

Issues: None.

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

Attachments: CCTA STIP Amendment Request Letter



CONTRA COSTA
transportation
authority

COMMISSIONERS

May 7, 2018

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Principal Planner, Programming and Allocations
Metropolitan Transportation Commission (MTC)
375 Beale Street, Suite 800
San Francisco, CA 94105

Subject: Request for Concurrence for AB 3090 Request to advance STIP funds for the
State Route 4/Interstate 680 –Phase 3 Interchange Improvement Project

Dear Kenny,

The Contra Costa Transportation Authority (Authority) seeks MTC concurrence for the AB 3090 request to advance \$18.8 million in State Transportation Improvement Program (STIP) funds for the State Route 4 (SR4)/Interstate 680 (I-680) – Phase 3 Interchange Improvement Project. The STIP funding for the project is programmed in FY 2019-20. The advancement of STIP funds will allow the project to be advertised for construction in summer 2018.

Randell H. Iwasaki,
Executive Director

The Authority will be advancing the STIP funds with Measure J funds. The Administration and Project Committee (APC) of the Authority Board recommended approval of this request on May 3, 2018. The full board is expected to approve Resolution 18-21-P on May 16, 2018.

Should you have any questions, please call me at (925) 256-4731.

Sincerely,

Hisham Noeimi, P.E.
Engineering Manager



RESOLUTION 18-21-P

RE: RESOLUTION TO AUTHORIZE ADVANCEMENT OF INTERSTATE 680 (I-680)/STATE ROUTE 4 (SR4) INTERCHANGE IMPROVEMENTS, PHASE 3 PROJECT WITH LOCAL FUNDS

WHEREAS, the Contra Costa Transportation Authority (Authority) is the Project sponsor for the I-680/SR4 Interchange Improvements, Phase 3 Project (Project); and

WHEREAS, the Project has \$18.8 million in State Transportation Improvement Program (STIP) funds programmed in FY 2019-20; and

WHEREAS, the Authority wishes to advertise the Project in June 2018; and

WHEREAS, the California Transportation Commission (CTC) guidelines allow local agencies to submit "Assembly Bill 3090 (AB 3090) reimbursement" requests to the CTC to advance State funds with local funds; and

WHEREAS, the CTC guidelines require local agencies submitting "AB 3090 reimbursement" requests to demonstrate commitment of local funds from their policy boards.

NOW, THEREFORE, BE IT RESOLVED, that the Contra Costa Transportation Authority hereby:

- (1) Authorizes its staff to submit an AB 3090 request to the CTC;
- (2) Set aside Measure J funds to advance the Project; and
- (3) Ensures that reimbursement of Measure J funds with STIP funds have been made and ensures commitment to other programmed Measure J Projects/programs are met.

This RESOLUTION was entered into at a meeting of the Contra Costa Transportation Authority Board held May 16, 2018 in Walnut Creek, California by the following vote:

AYES: Vice Chair Taylor, and Commissioners Abelson, Andersen, Arnerich, Butt, Haskew, Hudson, Mitchoff, Pierce, Romick and Trotter
NOES: None
ABSENT: Chair Glover
ABSTAIN: None


Robert Taylor, Vice Chair

Attest:


Tarienne Grover, Clerk of the Board

Administration and Projects Committee STAFF REPORT

Meeting Date: May 3, 2018

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|--|--|
| Subject | Interstate 680 (I-680)/State Route 4 (SR4) Interchange Improvements, Phase 3 (Project 1117/6001) – Authorization to Submit Assembly Bill 3090 (AB 3090) Request to the California Transportation Commission (CTC) |
| Summary of Issues | <p>The I-680/SR4 Interchange Improvements, Phase 3 (Project 1117/6001) is expected to be Ready to List (RTL) for construction advertisement in May 2018. Funding for the project includes \$18.8 million in State Transportation Improvement Project (STIP) funds, which will not be available until FY 2019-20.</p> <p>To expedite the project construction schedule, staff proposes advancement of STIP funds with Measure J funds by submitting an AB 3090 request to the CTC for approval.</p> |
| Recommendations | Staff seeks approval of Resolution 18-21-P, which will authorize staff to submit an AB 3090 request to advance \$18.8 million in STIP funds with Measure J funds to allow the project to be advertised for construction in June 2018. |
| Financial Implications | <p>Sufficient cash reserves are available to advance the project.</p> <p>Reimbursement of Measure J funds will likely take place over three years starting in FY 2019-20. Along with the AB 3090 request, staff will concurrently request that the CTC advance the programming of the STIP funds from FY 2019-20 to FY 2018-19. Should the STIP funds be programmed in FY 2018-19, staff will withdraw the AB 3090 request and the STIP funds will be allocated in June 2018.</p> |
| Options | The Authority Board could modify staff recommendation or not approve this request; however, the project would be delayed. |
| Attachments (See APC Packet dated 5/3/18) | A. Resolution 18-21-P |

**Changes from
Committee***None*

Background

The I-680/SR4 Interchange Improvements, Phase 3 (Project 1117/6001) is expected to be ready to list (RTL) for construction advertisement in May 2018. Final Plans, Specifications & Estimates (PS&Es) were approved by the California Department of Transportation (Caltrans) and Right-of-Way (ROW) certification has been issued. Draft regulatory permits and/or conditions have been received and final permitting is expected in May 2018. Utility relocation work in advance of the construction contract will start in Summer 2018.

Funding for the construction capital phase of the project includes \$18.8 million in STIP funds, which will not be available until FY 2019-20. Other fund sources on the construction phase include \$9.1 million in Measure J funds, \$4.8 million in Formulaic Local Partnership Program (LPP) funds, \$20.5 million in State Highway Operations and Protection Program (SHOPP) funds, and anticipated \$33.6 million in competitive LPP funds. CTC will approve allocations of competitive LPP funds in May 2018.

To expedite the project construction schedule, staff proposes advancement of STIP funds with Measure J funds by submitting an AB 3090 reimbursement request to the CTC for approval. Government Code Section 14529.7, as amended by AB 3090, allows local agencies to enter into one of two arrangements whereby a local agency pays for the delivery of STIP projects with its own funds in advance of the year in which the project is programmed. Under the first type of arrangement, the local agency gets to program an equivalent value in the STIP for "AB 3090 replacement project(s)." Under the second type of arrangement, the local agency receives a direct cash reimbursement. These arrangements are implemented by a STIP amendment that gives approval for Caltrans to execute a reimbursement agreement and programs the reimbursement request for the fiscal year in which the project was scheduled in the STIP.

Scheduled project reimbursements have the highest STIP priority among projects programmed within a fiscal year. Direct reimbursements are normally made as a lump sum or on a quarterly basis, as to be specified in the Caltrans reimbursement agreement.

CTC Resolution G-03-05 states that the CTC will consider approval of an AB 3090 reimbursement request only when the following conditions are met:

1. The Metropolitan Transportation Commission (MTC) explicitly finds the project to be the region's highest priority among projects programmed in the STIP for that fiscal year.

2. Identification of local funds to be used, why the funds would not be available for the STIP project without an AB 3090 direct reimbursement arrangement, and what the funds would be available for if not used for the STIP project.
3. Before approving an AB 3090 reimbursement arrangement, the CTC will consider programming the reimbursement to a later programming year based on regional and State priorities and availability of funds.

Staff requests authorization for the Chair to execute Resolution 18-21-P, which authorizes the advancement of \$18.8 million in STIP funds with Measure J funds. Along with the AB 3090 request, staff will concurrently request the CTC to advance the programming of the STIP funds from FY 2019-20 to FY 2018-19. Should the STIP funds be reprogrammed to FY 2018-19, staff will withdraw the AB 3090 request and the STIP funds will be allocated in June 2018 eliminating the need for the Authority to use Measure J funds.