

Metropolitan Transportation Commission Programming and Allocations Committee

April 14, 2021

Agenda Item 2d - 21-0449

Concurrence Request for STIP Amendment

Subject: State Transportation Improvement Program (STIP) Amendment request for the State Route 37 & Fairgrounds Drive Interchange Improvements and the West Bound Truck Scales projects in Solano County.

Background: The Solano Transportation Authority (STA) requests MTC's concurrence for STIP amendments for two Solano projects: the State Route 37 & Fairgrounds Drive Interchange Improvements and the I-80 Westbound Truck Scales project. MTC's 2020 Regional Transportation Improvement Program (RTIP), approved in December 2019, programmed \$5 million for the construction phase of the Route 37 & Fairgrounds Drive Interchange Improvements project in FY 2021-22. The California Transportation Commission (CTC) approved this project in the 2020 STIP at its March 2020 meeting.

In late 2020 the CTC awarded \$24 million to the I-80 Westbound Truck Scales project from the competitive Senate Bill 1 (SB1) Trade Corridor Enhancement Program (TCEP). The original funding plan identified \$5.3 million in Regional Measure 3 (RM3) funds as the project's local match. As RM3 is still under litigation and not available to match SB1 funds, STA requests to re-program \$5 million in STIP funds from the State Route 37 & Fairgrounds Drive Interchange Improvements to the I-80 Westbound Truck Scales project, for the planning, specifications, and engineering phase in FY 2020-21. In addition, the STA is seeking to advance \$0.3 million of future county STIP shares to the I-80 Westbound Truck Scales project for a total of \$5.3 million in STIP programming. The reprogramming and advancing STIP funds will allow the Westbound Truck Scales to move forward and avoid cost increases due to schedule delays.

The SR 37 & Fairgrounds Drive Interchange Improvements funding plan also includes \$15 million in RM3 funds for construction; therefore, this project cannot proceed as scheduled without the RM3 funds.

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).

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>
5201G	Caltrans	CON	\$5,000,000	21/22	Route 37 & Fairgrounds Drive Interchange Imps.

Proposed Programming:

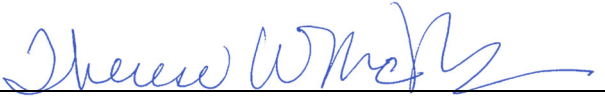
<u>PPNO</u>	<u>Sponsor</u>	<u>Phase</u>	<u>Amount</u>	<u>FY</u>	<u>Title</u>
5201G	Caltrans	CON	<u>\$0</u>	21/22	Route 37 & Fairgrounds Drive Interchange Imps.
<u>8273C</u>	<u>Caltrans</u>	<u>PS&E</u>	<u>5,268,000</u>	<u>20/21</u>	<u>I-80 Westbound Truck Scales</u>

The CTC is scheduled to notice the proposed STIP amendment at its May meeting and is expected to act on the amendment at the June 23-24, 2021 meeting.

Issues: STA also requested that the STIP funds be eligible for reimbursement from RM3 under a Letter of No Prejudice (LONP) arrangement. The RM3 LONP is the subject of item 2f on this month's agenda.

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: STA STIP Amendment Request Letter


Therese W. McMillan



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

March 15, 2021

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
SR 37/Fairgrounds Dr. Interchange Improvements Project**

Dear Ms. 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 May 2021 meeting. The Amendment is to re-program \$5M in STIP funds from the State Route 37/Fairgrounds Dr. Interchange to the I-80 Westbound Truck Scales Project, for FY 2020-21. In addition, the STA is seeking to advance \$0.268M of regional STIP funds to the I-80 Westbound Truck Scales project for a total of \$5.268M of STIP. Attached is the Project Programming Request (PPR) for I-80 Westbound Truck Scales Project.

The I-80 Westbound Truck Scales Project is a 2020 Trade Corridor Enhancement Program (TCEP) funded project that is committed to begin design in FY 2020-21. This amendment is necessary to provide matching funds for the TCEP Regional dollars in lieu of Regional Measure 3 (RM 3) funds that are not available due to on-going litigation.

The Solano SR 37/Fairgrounds Dr. Interchange Improvements Project funding plan also has \$15 M of RM 3 for construction, thus this project cannot begin construction without those RM 3 funds. The project construction will be kept whole by a local funding commitment of \$5.268M from the Metropolitan Transportation Commission (MTC) through the STA. This funding commitment is a loan from MTC against future RM 3 funds. Again, RM 3 funds are not currently available for allocation due to litigation.

The project sponsor, STA, has requested the STIP amendment to be noticed at the May 2021 CTC Meeting and approval/allocation at the June 2021 CTC Meeting. STA took Board action approving moving this STIP funds transfer at their March 10, 2021 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: STA March 10, 2021 Staff Report and Project Programming Request

Cc: Daryl Halls, STA Executive Director
Ron Moriguchi, District Division Chief Program & Project Management - North Bay Region



DATE: February 26, 2021
 TO: STA Board
 FROM: Janet Adams, Deputy Executive Director/Director of Projects
 Erika McLitus, Project Assistant
 RE: Surface Transportation Improvement Program (STIP) Programming Amendments

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:

In 2020, the STA Board prioritized three regionally significant projects to seek funding from newly created SB1 funding categories. The prioritized projects that were eligible for this funding included the I-80 Express Lanes, the I-80 Westbound Truck Scales, and I-80/I-680/State Route (SR) 12 Interchange. The STA's Regional Transportation Improvement Program (RTIP) was identified as one of the few available to STA to provide match funding for I-80 Corridor projects. After these projects were submitted for the 2020 Solutions for Congested Corridors (SCC) and Trade Corridor Enhancements (TCEP) programs, MTC informed STA that they required 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 for the I-80 Managed Lanes. The STA held a special Board meeting in November 2020 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

The I-80 Westbound Truck Scales were awarded a \$24M TCEP grant for PS&E in December 2020. Design is scheduled to begin in Spring with completion in Winter 2022. Pending approval from the STA Board, staff will apply for Right-of-Way and Construction funding from the next SB1 TCEP Cycle. However, this grant required a match, as such \$5.3 M of Regional Measure 3 (RM 3), a portion of the funds that are dedicated to the project, was committed. However, these RM 3 funds are not currently available due to the on-going litigation. In order to meet STA's funding commitment to the CTC, staff is proposing to use \$5.3M in STIP funding in lieu of RM 3 to maintain the match commitment and begin Design for this project this year. To address this need, STA has coordinated with MTC and Caltrans to propose the following funding swap:

- STA Reprograms \$5.3M in future STIP funds from the SR37 Fairgrounds Dr. Interchange Improvements project to I-80 Westbound Truck Scales. This is a loan to be repayed with RM 3 funds.
- MTC will re-pay STA future bridge toll funds from the i-80 Westbound Truck Scales in the amount of \$5.3M to then be used for the SR 37 Fairgrounds Dr. Interchange Improvements to be used for construction.

MTC staff is currently working in concert with STA staff for a Letter of No Prejudice (LONP) for the transfer of future RM 3 funds from the to I-80 Westbound Truck Scales to the SR 37 Fairgrounds Dr. Interchange Improvements project, pending the resolution of outstanding legal challenges. Since RM 3 funds are legislatively committed to the Truck Scales project, STA requests a Letter of No Prejudice (LONP) so that STA can be repaid from RM 3. STA will commit the repaid funds to complete the SR 37/Fairgrounds Dr. Project. To secure the future RM 3 funding at this time, STA is required to approve the attached LONP Request Resolution, along with the LONP, the Initial Project Report (IPR) and cash flow plan (Attachment A, including attachments to the resolution).

In addition, Caltrans has requested the \$1.939M of STIP funds on the State Route 12 corridor to be adjusted by a fiscal year (Attachment B). This follows a previous shift to move the funds from FY 2020-21 to 2021-22. Currently the request is to move the funds to FY 2022-23. These funds are for the contribution of funds to the SR 12/Church Road left tun lane and improvements.

At their meeting on February 26, 2021, the STA TAC unanimously voted to forward a recommendation to the STA Board to reprogram future STIP funds as specified to complete the PS&E phase of the I-80 Westbound Truck Scales and to shift funds from FY 2021-22 to 2022-23 for SR 12.

Fiscal Impact:

None, MTC will re-pay the loan of \$5.3M from future RM 3 funds towards the SR37 Fairgrounds Dr. Interchange Improvements project.

Recommendation:

Approve the following:

1. Program \$5.3M in future STIP funds from SR 37/Fairgrounds Drive project to I-80 Westbound Truck Scales of the 2021 STIP for Solano County;
2. Approve STA Resolution No. 2021-05 (Attachment A) and Letter of No Prejudice (LONP) Funding Allocation Request from MTC for \$5.3 million in RM3 funds for construction State Route 37/Fairgrounds Drive construction; and
3. Re-Program \$1.939M in STIP funds for SR 12/Church Rd, intersection improvements from FY 2021-22 to FY 2022-23.

Attachments:

- A. STA Reso No. 2021-05
- B. Caltrans Letter dated February 24, 2021 Requesting to Re-Program RTIP funds for SR 12 to FY 2022-23