

**Metropolitan Transportation Commission
Administration**

March 11, 2026

Agenda Item 2b-26-0219

MTC Resolution No. 4753: State Route 37 Designated Sub-Recipient Agreement for Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT) Funds

Subject:

A request that the Committee approve referral of MTC Resolution No. 4753 to the Metropolitan Transportation Commission (MTC), which authorizes MTC to enter into a Designated Sub-Recipient Agreement (DSA) with Caltrans designating MTC as a sub-recipient of the \$20 million Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT) funds for the State Route 37 Sears Point to Mare Island Improvement Project, and to submit a letter to Caltrans requesting Caltrans to proceed with the execution of a Recipient Agreement (RA) with the Federal Highway Administration (FHWA) prior to DSA finalization.

Background:

The Resilient SR 37 Program is planning a State Route (SR) 37 that is resilient to sea level rise and flooding, addresses chronic traffic congestion through innovative measures such as transit and high-occupancy vehicle prioritization, expands public access, and enhances ecological connections and facilitates restoration. The initial focus of the program is to deliver the SR 37 Sears Point to Mare Island Improvement Project (Project). The Project will provide new high occupancy vehicle lanes to support transit service along the corridor, improve traffic flow and peak travel times, increase vehicle occupancy, improve safety and public access, preserve and protect surrounding ecosystems, and improve corridor resilience against flooding in the near term. The Metropolitan Transportation Commission (MTC) and Caltrans are working as an integrated team for the delivery of the Project. In August 2023, in response to FHWA Notice of Funding Opportunity for PROTECT funds, MTC submitted a request for \$20 million for the delivery of the SR 37 Sears Point to Mare Island Improvement Project. In April 2024, FHWA announced that MTC was awarded \$20 million dollars for the Project. This grant will go towards the delivery of the first construction package of the Project, which will involve primarily the replacement of Tolay Creek Bridge and operational improvements near Sears Point. The construction phase of the project will be led by Caltrans, and is anticipated to start in late 2026.

Since the award notice, staff has been working with Caltrans and FHWA staff on completing two separate agreements. The first one is a DSA between MTC and Caltrans designating MTC as a sub-recipient of the PROTECT funds, as MTC was the original grant applicant. The second is the grant RA between Caltrans and the FHWA. Processing this Project through Caltrans is beneficial since it allows MTC to work through Caltrans Local Assistance and their process, which is used for the majority of FHWA funding that MTC receives and that staff is familiar with, therefore, reducing the time and costs necessary to administrate this Project. Caltrans has asked for a letter from MTC

requesting Caltrans to proceed with the execution of a RA with FHWA prior to DSA finalization which will permit the RA between Caltrans and the FHWA to be executed as soon as possible, so that funding can be obligated in time for construction, even though Caltrans will require additional time to finalize the DSA.

Issues:

None identified.

Recommendations:

Staff recommends the Administration Committee to refer MTC Resolution No. 4753 to the Commission for approval, which authorizes MTC to enter into a DSA with Caltrans designating MTC as a sub-recipient of the \$20 million PROTECT funds for the State Route 37 Sears Point to Mare Island Improvement Project, and to submit a letter to Caltrans requesting Caltrans to proceed with the execution of a RA with FHWA prior to DSA finalization.

Attachments:

- MTC Resolution No. 4753



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