

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Director of Public Works/City Engineer via City Manager

SUBJECT: Road Maintenance Fund Exchange (SLPP for STP)

DATE: August 27, 2012

City Council Goals:

To maintain and improve infrastructure. (#3)

To promote intergovernmental opportunities that enhances services and/or reduces cost of operations and services to city residents. (#10)

Purpose:

To obtain Council's approval of a street maintenance funding exchange that will bring more funds to the city and provide for a more streamlined delivery process. This action is consistent with the city's value of creativity, in that it presents an innovative solution to our challenges of funding street repairs and of delivering projects with reduced staff.

Recommendation: Approve Resolution No. 2012-24.

Background:

In addition to any general fund dollars the city might choose to spend on maintaining our local streets and roads (LS&R), there are three "regularly" available sources of LS&R funds:

At the county level, San Mateo chose to become a "self-help" county when voters approved the Measure A half cent sales tax for 20 years in 1988, and further voted to extend this Measure for an additional 25 years (presently scheduled to expire in 2033). 22.5% of the funds generated by Measure A are distributed to local agencies based on a formula that considers population and number of road miles. These funds are distributed to the cities monthly.

At the state level, California charges an excise tax on every gallon of gasoline sold. The collected revenues are distributed to multiple programs as per state law, including city and county LS&R accounts.

At the federal level, a surface transportation act is "typically" enacted every six years, (although the current federal law was enacted by multiple years of extensions). In the Bay Area, the Metropolitan Transportation Commission (MTC) is responsible for establishing a revenue expenditure plan for these federal dollars, and money distributed per this program is sourced to

local agencies via a Congestion Management Agency (for us, the City/County Association of Governments of San Mateo County). Federal funds regularly available for local LS&R programs come from the Surface Transportation Program component of the expenditure plan. MTC's plan for the final four years of the extended surface transportation bill (commonly referred to as "Cycle 2") is known by its local title, the OneBayArea Grant (OBAG). One of OBAG's stated purposes is to better align the federal transportation program with California's climate law (SB 375, Steinberg) and the Sustainable Communities Strategy.

One of the many other sources of funding available in the state of California is Proposition 1B, approved by the voters in 2006. \$1B of the bonds sold under this approval was placed in a State-Local Partnership Program account (SLPP), and is allocated by the California Transportation Commission (CTC) to eligible transportation agencies (such as the San Mateo County Transportation Agency [SMCTA]).

Discussion:

The SMCTA is the recipient of SLPP funds, and wishes to exchange these state funds with local agencies for federal STP funds.

Based on previous commitments made for "Cycle 2", the City of Brisbane anticipated receiving \$120,614 of federal STP dollars in the FY 2012-13 to FY2014-15 time period

The proposal from SMCTA would provide \$146,490 to Brisbane if we agree to this exchange.

In addition to receiving more funds than expected under Cycle 2, the biggest advantage to us of agreeing to the swap is that SLPP funds are subject to only the state's delivery process and guidelines, while the STP/Cycle 2 funds are subject to the much more onerous federal delivery process. The advantage SMCTA receives from this swap is that the STP funds do not need to be spent until FY2014-15, while the SLPP funds will be lost if not allocated by next spring; the TA can not meet this deadline, but we can easily obtain CTC project allocation by Spring 2013.

Fiscal Impact:

Approving the exchange results in the city receiving more funds to maintain its street infrastructure. A requirement of the SLPP funds is that they be matched 50/50 by local dollars – staff proposes using Measure A funds to meet this requirement; the city presently has approximately \$350,000 available in Measure A receipts to meet this match.

Measure of Success

A continued commitment to deliver projects that maintain our local streets and roads.

Attachments:

Resolution No. 2012-24



Director of Public Works/City Engineer

City Manager

RESOLUTION NO. 2012-24

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE
AUTHORIZING THE FILING OF AN APPLICATION FOR STATE-LOCAL
PARTNERSHIP PROGRAM (SLPP) IN LIEU OF FEDERAL SURFACE
TRANSPORTATION PROGRAM FUNDS, COMMITTING THE NECESSARY
MEASURE A MATCH, AND STATING ASSURANCES TO COMPLETE THE
PROJECTS PROPOSED FOR THE SLPP FUNDS**

WHEREAS, the City of Brisbane (CITY) is submitting an application to the City/County Association of Governments of San Mateo County (C/CAG) and the San Mateo County Transportation Authority (SMCTA) for approximately \$146,490 in funding from the State-Local Partnership Program (SLPP) for local streets and roads projects (PROJECTS) in lieu of the Metropolitan Transportation Commission (MTC) Resolution No. 4035 Federal Cycle 2 Program OneBayArea Grant (OBAG) for Local Streets and Roads Preservation; and

WHEREAS, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, authorized \$1 billion to be deposited in the State-Local Partnership Program (SLPP), to be available, upon appropriation by the Legislature, for allocation by the California Transportation Commission over a five-year period to eligible transportation projects nominated by eligible transportation agencies; and

WHEREAS, the Legislature enacted implementing legislation (AB 268) in 2008 to add Article 11 (commencing with Section 8879.66) to Chapter 12.491 of Division 1 of Title 2 of the Government Code, and proposed a 2012-13 Budget including an appropriation for the SLPP program's fifth and final year; and

WHEREAS, the SMCTA is the recipient of \$8,615,500 in SLPP funds, and has the desire to exchange dollar for dollar those funds with C/CAG's OBAG share of federal Surface Transportation Program (STP) funds; and

WHEREAS, C/CAG will distribute those SLPP funds to local jurisdictions which desire to receive SLPP funds in lieu of federal STP funds for Local Streets and Roads Preservation; and

WHEREAS, the MTC is the Metropolitan Planning Organization (MPO) for the nine counties of the San Francisco Bay region; and

WHEREAS, pursuant to MTC, eligible project sponsors wishing to receive SLPP in lieu of federal Surface Transportation Program funds for projects shall submit an application with C/CAG for review and inclusion in the MPO Transportation Improvement Program (TIP); and

WHEREAS, MTC has adopted a Regional Projects Funding Delivery Policy (MTC Resolution No. 4035, revised) that sets out procedures governing the application and use of STP funds; and

WHEREAS, MTC requires that eligibility requirements and policies adopted by Resolution No. 4035 be imposed on recipients of any fund source substituted for federal Cycle 2 OBAG STP funds; and

WHEREAS, the C/CAG application for SLPP funding requires a resolution adopted by the responsible implementing agency acknowledging the requirements associated with the STP-SLPP exchange, and stating assurances that PROJECTS will be completed per same.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brisbane as follows:

1. City is authorized to execute and file an application for funding for PROJECTS under SLPP, and is an eligible recipient of SLPP funds.
2. CITY will provide at least 50% in Measure A matching funds, estimated to be \$146,490.
3. CITY acknowledges that SLPP funding for the PROJECTS is fixed at the C/CAG approved programmed amount, and that any cost increases must be funded by CITY from other funds; PROJECTS cost increases will not be funded with additional SLPP funding.
4. CITY acknowledges the funding deadlines associated with the SLPP funds, and will submit a complete “request for funding allocation” package to Caltrans by March 2013, to meet the June CTC allocation deadline of June 2013.
5. CITY acknowledges that applying for this fund exchange releases C/CAG of the second cycle commitment of Local Streets and Roads funds to CITY once the exchanged SLPP funds are received.
6. If approved, PROJECTS will be implemented as described in the CTC SLPP programming documentation, the MTC TIP, and for the amount programmed.
7. CITY and PROJECTS will comply with the eligibility requirements set forth in MTC Resolution No 4035.
8. CITY and PROJECTS will comply with the requirements of the CTC adopted State Local Partnership Program as set forth in CTC Resolution SLP1B-G-1112-01.
9. CITY will assign adequate staffing resources to deliver and complete the PROJECTS within the schedule set forth in the CTC Projects Programming Request, which form shall be submitted to C/CAG by CITY prior to November 1, 2012.
10. CITY has and will retain the expertise and knowledge necessary to deliver state and federal funded Projects, and will assign a single point of contact for all SLPP, STIP, and FHWA funded PROJECTS to work with the CMA, MTC, CTC, and Caltrans on questions or issues that may arise during the programming and delivery process.
11. There is no legal impediment to CITY making applications for the funds.
12. There is no pending or threatened litigation that might in any way adversely affect the proposed PROJECTS, or the ability of CITY to deliver such PROJECTS.
13. CITY authorizes its Director of Public Works/City Engineer to execute and file an application with the State for SLPP funding for the PROJECTS as referenced in this resolution.
14. A copy of this resolution will be transmitted to C/CAG, SMCTA, and MTC in conjunction with the filing of the application, along with the name and contact information for CITY’S single point of contact.

Cliff Lentz, Mayor

I hereby certify that the foregoing Resolution No. 2012-24, was duly and regularly adopted at a regular meeting of the Brisbane City Council on August 27, 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sheri Marie Spediacci, City Clerk