

Date: _____ March 25, 2008

Committee Meeting Date: _____ April 10, 2008

Board Meeting Date: _____ May 1, 2008

BOARD MEMORANDUM

ACTION ITEM

TO: Technical Advisory Committee
Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: John H. Ristow
Chief CMA Officer

SUBJECT: Congestion Mitigation & Air Quality Improvement Program (CMAQ) - 80%
Minimum Federal Share

RECOMMENDATION:

Review and recommend approval of the programming of an additional \$195,000 for FY 2007/08 CMAQ projects.

BACKGROUND:

On December 20, 2007, the HR6 Energy Independence and Security Act of 2007 revised the required minimum federal CMAQ share for CMAQ-funded projects, to a minimum of 80% of the project cost. As of January 1, 2008, projects with less than an 80% CMAQ share cannot obligate or expend their CMAQ grant funds.

The original Federal requirements in place at the time of programming required a minimum local match of 11.5% rather than a minimum of 80% CMAQ funding. As a result, most Bay Area CMAQ-funded projects have less than 80% CMAQ funds and therefore do not comply with the new 80% CMAQ provision. Attachment A lists the CMAQ-funded projects in Santa Clara County that are affected by this new federal requirement.

DISCUSSION:

This new provision is negatively impacting CMAQ funded project delivery nationwide. As a result, state departments of transportation, metropolitan planning organizations and project sponsors are actively seeking both temporary administrative and permanent legislative relief. However it does not appear at this point that there will be a solution in time for the 2008 construction season, which begins in May.

As shown in Attachment A, there are two projects in Santa Clara County that are affected in Fiscal 2008: (1) the West Little Llagas Creek Trail - Phase 2 in Morgan Hill and (2) the DeAnza Trail in Saratoga. In order to bring these projects into compliance with the new policy, they will

require an additional \$15,000 and \$180,000 in CMAQ funds, respectively. VTA has a limited amount of additional un-programmed CMAQ funding available in the Bicycle Expenditure Program (BEP). VTA staff recommends that the Board of directors approve the programming of the available CMAQ funds to the two projects as described, in order to enable them to be constructed this summer.

ALTERNATIVES:

The VTA Board may request other programming alternatives, however failure to meet the new Federal requirements means that the two projects cannot proceed until there is either a legislative change or administrative reinterpretation. Staff believes that this is unlikely to occur in time for the 2008 construction season and no action would result in a significant delay in delivery of these projects.

FISCAL IMPACT:

The projects and programming described in this memorandum are not included in the VTA Capital Budget as the funds are only a pass through grant from VTA as the Congestion Management Agency to the project sponsor. No funding from the VTA Transit Enterprise Fund will be used for this work.

Prepared By: Bill Hough, Transportation Planner III
Reviewed by: Marcella Rensi, Manager, Programming & Grants

ATTACHMENT A: SANTA CLARA COUNTY: UNOBLIGATED CMAQ PROJECTS

Year	Project Title	Total cost	CMAQ	% CMAQ	Add'l CMAQ req.	Cumulative Add'l CMAQ
07/08	SR 9 Bicycle and Pedestrian Improvements	\$1,769,000	\$1,565,000	88.47%	None	
07/08	West Little Llagas Creek Trail Phase 2	\$697,000	\$543,000	77.91%	\$15,000	\$15,000
07/08	DeAnza Trail	\$1,971,000	\$1,400,000	71.03%	\$180,000	\$195,000
<i>FY '08 Subtotal</i>					<i>\$195,000</i>	
08/09	Gilroy Pedestrian Enhancement	\$600,000	\$323,000	53.83%	\$157,000	\$352,000
08/09	San Tomas Bicycle Shoulder Delineation	\$399,000	\$249,000	62.41%	\$71,000	\$423,000
08/09	Sunnyvale-Murphy Ave Streetscape Revitalization	\$4,768,000	\$1,697,000	35.59%	\$2,118,000	\$2,541,000
08/09	San Jose State Univ. / Japantown Pedestrian Imps.	\$1,946,000	\$1,555,000	79.91%	\$5,000	\$2,546,000
08/09	Third Street Promenade	\$2,188,000	\$1,700,000	77.70%	\$52,000	\$2,598,000
08/09	San Jose - Jackson Street Pedestrian Imps.	\$1,546,000	\$865,000	55.95%	\$372,000	\$2,970,000
08/09	So. Abel & So. Main Streetscape Imps. - Phase 1	\$1,300,000	\$850,000	65.38%	\$190,000	\$3,160,000
08/09	Gilroy 6th Street Streetscape West	\$656,000	\$459,000	69.97%	\$66,000	\$3,226,000
08/09	Los Altos Hills - El Monte Road Pathway	\$634,000	\$440,000	69.40%	\$68,000	\$3,294,000
08/09	Saratoga Village Pedestrian Enhancements	\$678,000	\$425,000	62.68%	\$118,000	\$3,412,000
<i>FY '09 Subtotal</i>					<i>\$3,217,000</i>	
Total		\$19,152,000	\$12,071,000	63.03%	\$3,412,000	