

Date: September 14, 2007

Committee Meeting Date: _____

Board Meeting Date: October 4, 2007**BOARD MEMORANDUM**ACTION X DISCUSSION _____ INFO _____

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: John H. Ristow
Acting Chief CMA Officer

SUBJECT: Reprogram Federal Surface Transportation Program (STP) Funds

Policy-Related Action: Yes**Government Code Section 84308 Applies: No****RECOMMENDATION:**

Approve the re-programming of \$4.5 million in Federal Surface Transportation Program (STP) funds to projects listed in this memorandum; and authorize the General Manager to execute the appropriate funding agreements with Caltrans, as needed; and approve the attached resolution to receive federal funding for the State Route 87 Landscaping project.

BACKGROUND:

In 2003, MTC programmed \$11.7 million in federal STP funds to State Route (SR) 152/156 interchange project. In 2004, VTA also received a federal Congressional earmark valued at approximately \$10.7 million for this project. Additional state and local funds completed the funding needs for this \$35 million project. Based on cost savings during the design phase and favorable bids received for the construction contract which came in under the engineer's estimate, the Route 152/156 Project needed less federal funding than originally anticipated. Approximately \$4.5 million of the federal funds are now available for re-programming.

The federal earmark funding is specifically directed to the SR 152/156 Project and must remain on the project. The STP funding is more flexible and can be re-programmed to other eligible projects. However the STP dollars also have a March 2008 deadline for their use, which requires VTA to reprogram these funds to projects that are ready to go immediately. If VTA does not do so, the funds will be lost to the county.

DISCUSSION:

VTA staff recommends re-programming the \$4.5 million of available STP funds to the following projects:

State Route 87 Landscaping (Route 85 to Julian Street) - \$2.52 million

The project to upgrade Route 87 by adding High Occupancy Vehicle (HOV) Lanes from Route 85 to Julian Street is now complete and the only remaining work is to install landscaping along the corridor. The estimated total cost for the landscaping installation is approximately \$4.5 million and the recommendation for the programming \$2.52 million in STP funds will complete the funding needed for the project. VTA will administer the construction contract and manage this project. This project is scheduled to be under construction by the early 2008.

State Route 87 Landscaping (Julian to Taylor Streets) - \$1.48 million

Caltrans completed the upgrade of Guadalupe Parkway (Route 87) from Julian Street to US 101 to full freeway in 2004. Due to funding constraints in State Transportation Improvement Program (STIP) as a result of State budget problems at that time, the landscaping installation of the Julian and Taylor Street interchanges was deferred. VTA staff recommends using the \$1.48 million in STP funds to advance the landscaping project schedule to match the other landscaping to be performed south of this location as mentioned above. Caltrans will administer the construction contract and manage this project. This project is scheduled to be under construction by early 2008.

Stevens Creek Boulevard Intelligent Transportation Systems (ITS) Project - \$0.50 million

The proposed project along Steven Creek Boulevard will install upgraded signal control and communications systems between Highway 85 and Bascom Avenue in the Cities of Cupertino, Santa Clara and San Jose. This \$5.29 million project is currently funded through federal Congestion Mitigation and Air Quality Improvement Program, Transportation Fund for Clean Air and local funds. Construction bids for the project recently came higher than the Engineer's Estimate and the project needs an additional \$0.5 million in order to award the project to the selected low bid contractor. The City of San Jose is acting as project manager for the multi-jurisdictional project. This project is ready to move into the construction phase.

ALTERNATIVES:

There are no other practical alternatives available in order to utilize these funds prior to expiration of fund deadlines.

FISCAL IMPACT:

VTA Board action will make an additional \$4.5 million in federal STP funds available to advance the recommended projects into the construction phase.

The Fiscal Year 2008/09 VTA Highway Program Capital Budget already includes the budget appropriation for the project to be managed by VTA. The two other projects will be required to process the funds through the Caltrans Local Assistance Program and therefore do not impact the VTA Budget. No funding from the VTA Transit Enterprise Fund will be used for this work.

Prepared by: Amin Surani, Principal Transportation Planner
Reviewed by: Marcella Rensi, Manager, Programming & Grants

**Attachment A:
Resolution of Local Support
SAFETEA STP/CMAQ Funding**

Resolution No.

Authorizing the filing of an application for federal Surface Transportation Program (STP) and/or Congestion Mitigation and Air Quality Improvement (CMAQ) funding and committing the necessary non-federal match and stating the assurance to complete the project

WHEREAS, Santa Clara Valley Transportation Authority (herein referred as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for \$2,520,000 in funding from the federal Surface Transportation Program (STP) and/or Congestion Mitigation and Air Quality Improvement (CMAQ) program for the Route 87 Landscaping Project, Route 85 to Julian Street (herein referred as PROJECT) for the MTC Third Cycle STP/CMAQ Policy and Programming, MTC Resolution 3723, (herein referred as PROGRAM); and

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA) (Public Law 109-59, August 10, 2005) continues the Surface Transportation Program (23 U.S.C. § 133) and the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149); and

WHEREAS, pursuant to SAFETEA, and the regulations promulgated thereunder, eligible project sponsors wishing to receive federal Surface Transportation Program and/or Congestion Mitigation and Air Quality Improvement Program (STP/CMAQ) funds for a project shall submit an application first with the appropriate Metropolitan Planning Organization (MPO), for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

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

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of STP/CMAQ funds; and

WHEREAS, APPLICANT is an eligible project sponsor for STP/CMAQ funds; and

WHEREAS, as part of the application for STP/CMAQ funding, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- 1) The commitment of necessary local matching funds of at least 11.47%; and
- 2) That the sponsor understands that the STP/CMAQ funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional STP/CMAQ funds; and
- 3) That the project will comply with the procedures specified in Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and

- 4) The assurance of the sponsor to complete the projects as described in the application, and if approved, as included in MTC's TIP; and
- 5) That the project will comply with all the project-specific requirements as set forth in MTC Third Cycle STP/CMAQ Policy and Programming, Resolution 3723.

NOW, THEREFORE, BE IT RESOLVED that the Santa Clara Valley Transportation Authority is authorized to execute and file an application for funding under the Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) of SAFETEA for Route 87 Landscaping Project; and be it further

RESOLVED that the APPLICANT by adopting this resolution does hereby state that:

1. APPLICANT will provide a minimum of \$500,000 in non-federal matching funds; and
2. APPLICANT understands that the STP/CMAQ funding for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional STP/CMAQ funding; and
3. APPLICANT understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, as revised); and
4. PROJECT will be implemented as described in the complete application and in this resolution and, if approved, for the amount programmed in the MTC federal TIP; and
5. APPLICANT and the PROJECT will comply with the requirements as set forth in PROGRAM; and therefore be it further

RESOLVED that APPLICANT is an eligible sponsor of STP/CMAQ funded projects; and be it further

RESOLVED that APPLICANT is authorized to submit an application for STP/CMAQ funds for the PROJECT; and be it further

RESOLVED that there is no legal impediment to APPLICANT making applications for the funds; and be it further

RESOLVED that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECTS, or the ability of APPLICANT to deliver such PROJECT; and be it further

RESOLVED that APPLICANT authorizes its General Manager, or designee to execute and file an application with MTC for STP/CMAQ funding for the PROJECT as referenced in this resolution; and be it further

RESOLVED that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and be it further

RESOLVED that the MTC is requested to support the application for the PROJECT described in the resolution and to include the PROJECT, if approved, in MTC's TIP.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Transportation Authority this 30th day of August 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Dean J. Chu, Chairperson
Santa Clara Valley Transportation Authority

ATTEST:

Board Secretary

Approved as to Form:

General Counsel