

# **TRANSPAC Transportation Partnership and Cooperation**

Clayton, Concord, Martinez, Pleasant Hill, Walnut Creek and Contra Costa County  
2300 Contra Costa Boulevard, Ste. 360, Pleasant Hill, CA 94523 (925) 969-0841

## **TRANSPAC TAC MEETING NOTICE AND AGENDA THURSDAY, APRIL 23, 2009 9 AM TO 11:30 AM in the COMMUNITY ROOM PLEASANT HILL CITY HALL 100 GREGORY LANE PLEASANT HILL (925) 969-0841**

### **1. Continued Discussion of 2009 Strategic Plan Development (attachment)**

Notes from the e-mail distributed on April 2, 2009.

1. Attached is a revised set of Strategic Plan pages (2004\$ and escalated\$) for Central County projects. If you print the spreadsheets, please check to make sure that the “landscape” code traveled through cyberspace.
2. The revision is based on the information that CCTA staff and I think we heard at the March 26, 2009 TAC meeting. Please advise me of any errors, misunderstandings or glitches as soon as possible. If you have an idea for another scenario with the established financial parameters, please let me know.
3. As discussed at the TAC meeting, color of money is not an issue. Generally, large projects are expected to be funded with bond dollars and smaller projects with Measure J cash. Projects are to be funded in the year programmed. The CCTA CFO will make the decision on which projects will go into the September bond sale.
4. Shaded projects on the Strategic Plan pages are committed projects. Note that some project program years may fluctuate as all RTPC areas submit requests.
5. Our programming target is still \$103.521M The revised pages add to a programmed amount of \$99.682M leaving a balance of \$3.839M which is programmed in projects in the FY16-34 column. Note programming \$s corrected.

The \$3.839M balance (or some portion thereof) may be left unprogrammed as a hedge against the real possibility of a lowered programming target given the current economic situation. Alternatively, the \$3.839M (or some portion thereof) may be programmed for projects in years FY10-15 as long as the dollars are subtracted from projects in FY 16-34.

6. Project sponsors with more than one project have choices available for consideration. For example, the City of Pleasant Hill could program more dollars into Contra Costa Boulevard and less into Buskirk; Martinez could program more dollars into the Court street Overpass and less into the Intermodal.

7. CCTA staff is expected to get in touch with project sponsors.

**2. Draft 2009-10 TRANSPAC Budget (attachment)**

Please review the attached draft for discussion, revisions and a recommendation to TRANSPAC for the May meeting (June if necessary) is requested. The complete 2008-2009 budget is also in the packet for information.

**3. Update on ARRA funding for Local Streets and Roads (attachment) - information**

\$3.43 million more dollars to be distributed by formula to all 20 contra Costa jurisdictions.

**4. ARRA: Proposal for Loans from the Authority to Supplement AARA Funding for the Caldecott Tunnel and Vasco Road Safety Project (attachment) - information**

**5. Proposed Transportation Authority Economic Stimulus Through Accelerated Payment of Measure J Local Streets and Road Projects funding (attachment)**

**6. Other and unfinished business** as well as updates on ongoing plans, studies and programs.

The next TAC meeting is scheduled for May 26, 2009 unless otherwise determined.

CONTRA COSTA TRANSPORTATION AUTHORITY  
**REQUESTED MEASURE J FUNDS - CENTRAL COUNTY \***

(2004 Dollars x 1000)												
	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL	
<b>9625 CALDECOTT TUNNEL FOURTH BORE</b>												
1001 Caldecott Tunnel Fourth Bore	-	-	-	10,000	53,000	49,500	-	-	-	-	112,500	
<b>Subtotal</b>				10,000	53,000	49,500					112,500	
<b>9628 CAPITOL CORRIDOR IMPROVEMENTS</b>												
4002 Martinez Intermodal Station - Phase 3	-	-	5,394	816	-	-	-	-	-	-	6,210	
4003 Commercial Paper Net Cost to Martinez Intermodal Station - Phase 3	-	-	-	540	-	-	-	-	-	-	540	
<b>Subtotal</b>			5,394	1,356							6,750	
<b>9630 INTERCHANGE IMPROVEMENT ON I-680 &amp; STATE ROUTE 242</b>												
6001 I-680/SR4 Interchange Improvements - Phase 1	-	-	-	-	-	-	-	-	-	-	25,344	
6002 SR242/Clayton Road Southbound Off-Ramp (combines w/6004)	-	-	-	-	849	-	-	-	-	-	1,668	
6003 I-680/Marina Vista Interchange Modifications	-	-	-	-	-	-	-	-	-	-	1,018	
6004 SR242/Clayton Road Northbound On-Ramp (see 6002)	-	-	-	-	-	-	-	-	-	-	1,175	
6005 Willow Pass Road/SR4 Ramp Reconstruction	-	-	-	-	-	-	-	-	-	-	2,345	
<b>Subtotal</b>					849					31,551	32,400	
<b>9632 I-680 CARPOOL LANE GAP CLOSURE/TRANSIT CORRIDOR IMPROV.</b>												
8001 I-680 Carpool Lane Gap Closure (Central County)	-	-	-	-	-	-	-	-	-	-	64,896	
8002 I-680 Southbound Carpool Lane Extension (Restripe)	-	-	300	2,304	-	-	-	-	-	-	2,604	
<b>Subtotal</b>			300	2,304						64,896	67,500	
<b>9634 BART PARKING, ACCESS, and OTHER IMPROVEMENTS</b>												
10001 BART Parking, Access and Other Improvements - Central County	-	-	-	3,811	-	-	-	-	-	-	6,989	
<b>Subtotal</b>				3,811						6,989	10,800	
<b>9648 MAJOR STREETS: TRAFFIC FLOW, SAFETY, &amp; CAPACITY IMPROV.</b>												
24001 Marsh Creek Road Upgrade (Clayton)	-	-	-	-	-	-	984	-	-	-	984	
24002 Pine Hollow Road Widening (Clayton)	-	-	-	252	-	-	-	-	-	-	252	
24003 Pacheco Blvd Realignment and Widening (Contra Costa County)	-	-	-	-	-	-	-	-	-	-	3,997	
24004 Kirker Pass Road Northbound Truck Lane (Contra Costa County)	-	-	-	-	-	1,062	-	-	-	-	3,482	
24005 Court Street Overcrossing - Phase 1 (Martinez)	-	-	-	433	-	-	-	-	-	-	7,834	
24006 Buskirk Avenue Widening - Phase 2 (Pleasant Hill)	-	-	-	9,527	-	-	-	-	-	-	9,527	
24007 Geary Rd. Widening - Phase 3 (Walnut Creek & Pleasant Hill)	-	-	-	7,794	-	-	-	-	-	-	7,794	
24008 Waterworld Parkway Bridge (Concord)	-	-	-	-	-	1,665	-	-	-	-	2,817	
24026 Contra Costa Boulevard (Pleasant Hill)	-	-	-	837	-	-	-	-	-	-	837	
24027 Ygnacio Valley Road Permanent Restoration - Phase 2 (Concord)	-	-	-	2,937	-	-	-	-	-	-	2,937	
24028 Clayton Rd/Treat Blvd/Denkinger Rd Intersection Capacity Improvements (Concord)	-	-	-	866	812	-	-	-	-	-	1,678	
<b>Subtotal</b>				22,646	812	2,727	984			16,032	43,201	
<b>9651 CAPITOL CORRIDOR RAIL STATION IMPROVEMENTS AT MARTINEZ</b>												
27001 Capitol Corridor Rail Station Improvements at Martinez	-	-	-	2,250	-	-	-	-	-	-	2,250	
<b>Subtotal</b>				2,250							2,250	

\* The year in which the funds will be programmed in the Strategic Plan may vary pending input from all sub-regions and project sponsors, as well as the Authority's cash flow capacity.

CONTRA COSTA TRANSPORTATION AUTHORITY  
**REQUESTED MEASURE J FUNDS - CENTRAL COUNTY \***

(Escalated Dollars x 1,000)

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9625 CALDECOTT TUNNEL FOURTH BORE</b>											
1001 Caldecott Tunnel Fourth Bore	-	-	-	11,547	62,421	59,465	-	-	-	-	133,433
<b>Subtotal</b>	-	-	-	11,547	62,421	59,465	-	-	-	-	133,433

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9628 CAPITOL CORRIDOR IMPROVEMENTS</b>											
4002 Martinez Intermodal Station - Phase 3	-	-	6,106	943	-	-	-	-	-	-	7,048
4003 Commercial Paper Net Cost to Martinez Intermodal Station - Phase 3	-	-	-	624	-	-	-	-	-	-	624
<b>Subtotal</b>	-	-	6,106	1,566	-	-	-	-	-	-	7,672

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9630 INTERCHANGE IMPROVEMENT ON I-680 &amp; STATE ROUTE 242</b>											
6001 I-680/SR4 Interchange Improvements - Phase 1	-	-	-	-	-	-	-	-	-	33,279	33,279
6002 SR242/Clayton Road Southbound Off-Ramp (combine w/6004)	-	-	-	1,000	-	-	-	-	-	2,191	3,191
6003 I-680/Marina Vista Interchange Modifications	-	-	-	-	-	-	-	-	-	1,337	1,337
6004 SR242/Clayton Road Northbound On-Ramp (see 6002)	-	-	-	-	-	-	-	-	-	1,543	1,543
6005 Willow Pass Road/SR4 Ramp Reconstruction	-	-	-	-	1,000	-	-	-	-	3,079	4,079
<b>Subtotal</b>	-	-	-	-	1,000	-	-	-	-	41,429	42,429

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9632 I-680 CARPOOL LANE GAP CLOSURE/TRANSIT CORRIDOR IMPROV.</b>											
8001 I-680 Carpool Lane Gap Closure (Central County)	-	-	-	-	-	-	-	-	-	85,214	85,214
8002 I-680 Southbound Carpool Lane Extension (Restripe)	-	-	339	2,661	-	-	-	-	-	-	3,000
<b>Subtotal</b>	-	-	339	2,661	-	-	-	-	-	85,214	88,214

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9634 BART PARKING, ACCESS, and OTHER IMPROVEMENTS</b>											
10001 BART Parking, Access and Other Improvements - Central County	-	-	-	4,400	-	-	-	-	-	9,178	13,578
<b>Subtotal</b>	-	-	-	4,400	-	-	-	-	-	9,178	13,578

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9648 MAJOR STREETS: TRAFFIC FLOW, SAFETY, &amp; CAPACITY IMPROV.</b>											
24001 Marsh Creek Road Upgrade (Clayton)	-	-	-	-	-	-	1,206	-	-	-	1,206
24002 Pine Hollow Road Widening (Clayton)	-	-	-	291	-	-	-	-	-	-	291
24003 Pacheco Blvd Realignment and Widening (Contra Costa County)	-	-	-	-	-	-	-	-	-	5,249	5,249
24004 Kirker Pass Road Northbound Truck Lane (Contra Costa County)	-	-	-	-	-	1,276	-	-	-	4,572	5,848
24005 Court Street Overcrossing - Phase 1 (Martinez)	-	-	-	500	-	-	-	-	-	9,718	10,218
24006 Buskirk Avenue Widening - Phase 2 (Pleasant Hill)	-	-	-	11,000	-	-	-	-	-	-	11,000
24007 Geary Rd Widening - Phase 3 (Walnut Creek & Pleasant Hill)	-	-	-	9,000	-	-	-	-	-	-	9,000
24008 Waterworld Parkway Bridge (Concord)	-	-	-	-	-	2,000	-	-	-	1,513	3,513
24026 Contra Costa Boulevard (Pleasant Hill)	-	-	-	966	-	-	-	-	-	-	966
24027 Ygnacio Valley Road Permanent Restoration - Phase 2 (Concord)	-	-	-	3,391	-	-	-	-	-	-	3,391
24028 Clayton Rd/Treat Blvd/Denkinger Rd Intersection Capacity Improvements (Concord)	-	-	-	1,000	956	-	-	-	-	-	1,956
<b>Subtotal</b>	-	-	-	26,149	956	3,276	1,206	-	-	21,051	52,638

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16-34	TOTAL
<b>9651 CAPITOL CORRIDOR RAIL STATION IMPROVEMENTS AT MARTINEZ</b>											
27001 Capitol Corridor Rail Station Improvements at Martinez	-	-	-	2,598	-	-	-	-	-	-	2,598
<b>Subtotal</b>	-	-	-	2,598	-	-	-	-	-	-	2,598

\* The year in which the funds will be programmed in the Strategic Plan may vary pending input from all sub-regions and project sponsors, as well as the Authority's cash flow capacity.

# TRANSPAC 2009-2010 EXPENDITURE BUDGET - DRAFT

FUND 85 Project 7085	2009-2010	Changes of Note	2008-2009
0100 Sal-F/T Perm @ 50% TRANSPAC (assumes 2009/10 3% COLA as of 11/1/09 & 5% merit as of 4/1/09) (Note: Negotiations re: COLA are underway; % may be less)	\$33,716		\$29,585
0500-0800 Benefits @33%	\$12,475		\$11,335
0992 Accrued Leave Costs (held for future use) @ 7%	\$2,360		\$1,844
1198 P/T Consultant Contract (2008 approved 3.5% increase not included) [\$4,201]	\$119,732		\$119,732
2604 Auto Mileage	\$1,500		\$1,500
1157 511 CC Prof./Tech Svcs.	\$8,000		\$8,885
2400 Postage	\$2,500	(\$500)	\$3,000
2500 Photo/Prnting/ Machine Service	\$3,000	(\$1,500)	\$4,500
4200 Operating Expenses	\$2,500		\$2,500
4240 TRANSPAC supplies office	\$250	\$50+	\$200
6800 Pleasant Hill City/Fiscal Administration	\$2,800		\$2,800
<b>Subtotal</b>	<b>\$188,833</b>		<b>\$185,881</b>
Contingency @ 2.0%	\$3,777	-0.50%	\$4,647
<b>TOTAL</b>	<b>\$192,610</b>		<b>\$190,528</b>
Less 2007-2008 interest	(-\$1500)	(\$1,000)	(\$1,000)
<b>NET TOTAL</b>	<b>\$191,110</b>		<b>\$189,528</b>

**REGIONAL MEASURE 2 I-680 Express Bus Access Study**

FUND 85 Project 7087

	Original Budget 2006-2007	Expended 2006-2007	Expended 2007-2008	Total Expended	2009-2010 Budget
<b>REIMBURSABLE STAFF COSTS</b>					
1198 TRANSPAC Manager	\$13,688	\$1,405.92	\$2,240.69	\$3,646.61	\$10,041.39
0100 Administrative Assistant	\$13,323		\$205.39	\$205.39	\$13,117.61
Subtotal	\$27,011				\$23,159.00
Contingency at 10%	\$2,701	\$50.00		\$50.00	\$2,651.00
<b>TOTAL</b>	<b>\$29,712</b>	<b>\$1,455.92</b>	<b>\$2,446.08</b>	<b>\$3,902.00</b>	<b>\$25,810.00</b>

2009-2010 Budget draft 4 09 09

**TRANSPAC ALLOCATION FORMULA for 2009-2010 Budget Only  
2009-2010**

<b>JURISDICTION</b>	<b>50% ANNUAL BUDGET</b>	<b>MEASURE C/J RTS \$s Current Allocation</b>	<b>RTS % APPLIED TO 50% OF THE BUDGET</b>
CLAYTON	1/6	\$206,929	5.05%
CONCORD	1/6	\$1,480,107	36.15%
MARTINEZ	1/6	\$493,973	12.07%
PLEASANT HILL	1/6	\$488,530	11.93%
WALNUT CREEK	1/6	\$817,106	19.96%
CONTRA COSTA COUNTY <sup>^</sup>	1/6	\$607,280	14.83%
<b>TOTAL</b>	<b>50% Budget</b>	<b>\$4,093,925</b>	<b>50% Budget</b>

Each jurisdiction contributes 50% of the TRANSPAC budget based on an equal (1/6) share of the annual budget amount.

The remaining 50% share is calculated on the most recent percentage of Measure C/J "return to source" funds received by each jurisdiction.

<sup>^</sup>Estimated at 25% of allocation

**TRANSPAC REVENUE BUDGET  
2009-2010**

<b>JURISDICTION</b>	<b>50% ANNUAL BUDGET (R)</b>	<b>MEASURE C/J RTS %</b>	<b>\$ AMOUNT FROM PERCENT (R)</b>	<b>2009-2010 CONTRIBUTION AMOUNT (R)</b>
<b>CLAYTON</b>	\$15,926	5.05%	\$4,827	\$20,753
<b>CONCORD</b>	\$15,926	36.15%	\$34,545	\$50,471
<b>MARTINEZ</b>	\$15,926	12.07%	\$11,534	\$27,460
<b>PLEASANT HILL</b>	\$15,926	11.93%	\$11,401	\$27,327
<b>WALNUT CREEK</b>	\$15,926	19.96%	\$19,075	\$35,001
<b>CONTRA COSTA COUNTY</b>	\$15,926	14.83%	\$14,173	\$30,099
<b>TOTAL</b>	<b>\$95,556</b>		<b>\$95,554</b>	<b>191,110</b>

**TRANSPAC 2008-2009 EXPENDITURE BUDGET  
FUND 85 Project 7085**

<b>0100</b>	Sal-F/T Perm @ 50% TRANSPAC (assumes 2008/09 COLA as of 11/1/08 & 5% merit as of 3/1/09)	<b>2008-2009</b>
	Benefits	\$29,585
<b>0901</b>	Accrued Leave Costs (formerly Compensated Balances)	\$11,335
<b>1198</b>	P/T Consultant Contract (@ +3.5%)	\$1,844
<b>2604</b>	Auto Mileage	\$119,732
<b>1157</b>	511 CC Program Manager - 50 hrs. mtg. back-up & future planning	\$1,500
		\$8,885
<b>2400</b>	Postage	\$3,000
<b>2500</b>	Photo/Prnting/Main/Cpy Mach	\$4,500
<b>4200</b>	Operating Expenses	\$2,500
<b>4240</b>	TRANSPAC supplies office	\$200
<b>6800</b>	City/Fiscal Administration	\$2,800
	<b>Subtotal</b>	<b>\$185,881</b>
	Contingency @ 2.5%	\$4,647
	<b>TOTAL</b>	<b>\$190,528</b>
	Less 2007-2008 interest	(1,000)
	<b>NET TOTAL</b>	<b>\$189,528</b>

**REGIONAL MEASURE 2 I-680 Express Bus Access Study**

**FUND 85 Project 7087**

<b>REIMBURSABLE STAFF COSTS</b>		<b>Original Budget 2006-2007</b>	<b>Expended 2008-09</b>	<b>Total</b>
1198	TRANSPAC Manager	\$13,688	\$1,405.92	<b>\$12,282.08</b>
0100	Administrative Assistant	\$13,323		<b>\$13,323.00</b>
	Subtotal	<b>\$27,011</b>		<b>\$25,605.08</b>
	Contingency at 10%	\$2,701	\$50.00	<b>\$2,651.00</b>
	<b>TOTAL</b>	<b>\$29,712</b>	<b>\$1,455.92</b>	<b>\$28,256.08</b>

Note: CCTA was invoiced for TRANSPAC Manager and Meeting Room charges incurred between January and June 2007. Charges for administrative staff continue to be accrued and will be part of the next invoice to be submitted to CCTA.

**TRANSPAC ALLOCATION FORMULA  
2008-2009**

<b>JURISDICTION</b>	<b>50% ANNUAL BUDGET</b>	<b>MEASURE C RTS \$s 2006-2007 Estimate</b>	<b>RTS % APPLIED TO 50% OF THE BUDGET</b>
CLAYTON	1/6	\$208,962	5.06%
CONCORD	1/6	\$1,499,622	36.29%
MARTINEZ	1/6	\$499,370	12.09%
PLEASANT HILL	1/6	\$493,106	11.93%
WALNUT CREEK	1/6	\$831,695	20.13%
CONTRA COSTA COUNTY <sup>^</sup>	1/6	\$599,343	14.50%
<b>TOTAL</b>	<b>100%</b>	<b>\$4,132,098</b>	<b>100% 50% Budget</b>

Each jurisdiction contributes 50% of the TRANSPAC budget based on an equal (1/6) share of the annual budget amount.

The remaining 50% share is calculated on the percentage of Measure C "return to source" funds received by each jurisdiction updated annually.

<sup>^</sup>Estimated at 25% of allocation

**TRANSPAC REVENUE BUDGET  
2008-2009**

JURISDICTION	50% ANNUAL BUDGET (R)	MEASURE C RTS % TRANSPAC Area 2007-2008 Est. (R)	\$ AMOUNT FROM PERCENT (R)	2007-2008 CONTRIBUTION AMOUNT (R)
CLAYTON	\$15,794	5.07%	\$4,804	\$20,598
CONCORD	\$15,794	36.19%	\$34,293	\$50,087
MARTINEZ	\$15,794	12.10%	\$11,465	\$27,259
PLEASANT HILL	\$15,794	11.92%	\$11,295	\$27,089
WALNUT CREEK	\$15,794	20.01%	\$18,960	\$34,754
CONTRA COSTA COUNTY	\$15,794	14.72%	\$13,947	\$29,741
<b>TOTAL</b>	<b>\$94,764</b>	<b>100%</b>	<b>\$94,764</b>	<b>\$189,528</b>

<b>Subject</b>	<b>American Recovery and Reinvestment Act (ARRA): Proposal for Loans from the Authority to Supplement ARRA Funding for the Caldecott Tunnel and Vasco Road Safety Projects.</b>
<b>Summary</b>	The economic downturn has created significant challenges for timely project delivery. Because of California's General Fund and budget approval problems, the sale of bonds for transportation projects has been delayed. The Federal ARRA offers some federal funds that have been or are proposed to be committed by the Metropolitan Transportation Commission to (1) offset the deferral of state Proposition 1B bond funds for specific projects, including the Caldecott Tunnel, and (2) enhance safety, including on Vasco Road in Contra Costa. In each case, the proposal hinges on approval by the Authority of a "loan" to supplement the ARRA funds: \$12.1 million for Caldecott and \$8 million for Vasco Road.
<b>Recommendations</b>	Staff recommends that the Authority authorize loans of \$12.1 million for the Caldecott, to be repaid by Proposition 1B bond funds or STIP funds, and \$8 million to Contra Costa County for Vasco Road safety improvements, to be repaid from 18 percent sales tax funds and/or Proposition 1B County funds, and directs staff to work with the CTC, MTC, Caltrans and the County on the necessary legal documents, as appropriate.
<b>Financial Implications</b>	The \$12.1 million for the Caldecott is likely to be <u>expended, if needed, after October 2011.</u> Timing of reimbursement <u>is uncertain.</u> However, the ARRA funds can all be spent early, potentially allowing deferral of Authority contributions <u>to in that same time frame.</u> <u>As of April 1, higher than expected State bond sales may eliminate the need for this loan.</u> Vasco Road funds <u>could</u> be needed for up to 18 months beginning October 2009. Repayment timing could extend over four years. Any loaned funds would be drawn from Measure C capital reserves and/or the approximately 41 percent of Measure J funds committed to capital projects.
<b>Options</b>	<ol style="list-style-type: none"> <li>1. Not approve the loans (risking the ARRA funds); or</li> <li>2. Specifying terms and conditions under which the loans would be acceptable.</li> </ol>
<b>Attachments (See APC Packet dated 4/2/09)</b>	A. MTC Commission Board Item, "American Recovery and Reinvestment Act of 2009: Proposal for State Funding," March 25, 2009.
<b>Changes from Committee</b>	<u>None.</u>

**Background**

In 2006, the Legislature authorized placing an approximately \$20 billion general fund bond for transportation improvements on the November ballot, Proposition 1B. The measure passed. In 2007, under the provisions of the measure, the California Transportation Commission (CTC) approved \$175 million in Corridor Mobility Improvement Account (CMIA) funds from the bond measure for the fourth bore of the Caldecott Tunnel, and \$85 million for Route 4, east widening from Somersville to Route 160. The Authority's 2004 sales tax included \$125 million (2004 dollars) for each of these investments, which became part of the CTC's adopted financial plans for the two corridors.

**Financial Crisis**

Due to deficiencies in the state's FY 2008-09 budget, and the legislature's inability to address the deficit, California's Controller and Treasurer both warned of an impending cash shortfall in the General Fund. Accordingly, in January the CTC withheld approval of any new allocations to CMIA or other bond funded projects, and that moratorium has persisted. While the Legislature and Governor eventually passed a budget, allowing some bonds to be sold, that budget depends on approval of several measures before the voters in May, and has recently been estimated to be as much as \$8 billion short of balance due to a further reduction in estimated state revenues resulting from the deep recession in California. The lack of a balanced budget places at risk both the CMIA and other Proposition 1B bond funds, including for the State Transportation Improvement Program (STIP) and the State-Local Partnership Program (SLPP).

CTC approvals of funding for contra Costa projects jeopardized by the budget shortfalls include:

- The Caldecott Tunnel fourth bore, originally scheduled for CTC approval in January, and pending approval as soon as the state can commit funding. A total of \$208.7 million is needed from bond funds – \$175 million in CMIA and \$33.7 million in STIP funds;
- Route 4, east, widening from west of Loveridge Road to Somersville Road, scheduled for funding authorization from the CTC in June, needs approximately \$30 to \$36 million in STIP funds (a portion of the \$43 million previously programmed has already been allocated for right of way);
- Vasco Road Safety improvements, where Contra Costa County planned to use \$8 million in Proposition 1B local streets and roads funding; and
- Route 4, east widening from Somersville to Route 160, with the first of three or four phases scheduled for construction starting in 2010, has \$85 million in programmed CMIA funds.

**American Recovery and Reinvestment Act (ARRA) of 2009**

The ARRA, passed in February, provides approximately \$2.57 billion for investment in highways, streets and roads in California. No match is required for spending these federal funds, but there are a series of deadlines for encumbering and spending the funds. Under the ARRA, thirty percent (30%) of that total flowed directly to metropolitan transportation planning organizations (MPOs) including the Bay Area's Metropolitan Transportation Commission (MTC). The \$140 million authorized for MTC has been committed approximately as follows: \$118 million for local streets and roads, including \$17.85 million for Contra Costa local jurisdictions; and \$22 million for safety and ramp metering projects, including \$10 million for the aforementioned Vasco Road safety improvements.

In order to maximize flexibility and the timeliness of expenditures, Caltrans and the MPOs agreed on a proposal to split the remaining 70 percent of funds authorized for state expenditure so that 37.5 percent of the total would be applied by Caltrans, and 32.5 percent by the regions. The proposed legislation to implement this agreement, AB 20 X3 (special session), passed the Senate 36-0 on March 23<sup>rd</sup>, and the Assembly on March 26<sup>th</sup>, 61-0. The Governor's signature is expected. The state intends to apply approximately \$935 million to its SHOPP, the program for highway operational, safety and rehabilitation improvements, but will "loan" approximately \$310 million of those funds to advance CMIA projects ready to go where bond capacity is lacking. Under the legislation, MTC would receive \$160 million in additional ARRA funding, as described in Attachment A. AB 20 X3 would provide, where ARRA and local funds are advanced for Proposition 1B projects, a repayment of those advancements (loans) out of future Proposition 1B bonds. AB 20 X3 also states an intent that 40 percent of the regional ARRA funds under the bill (25 percent of the total flowing to the regions) should be spent on local streets and roads. MTC's previous allocation slightly exceeds that level.

Attachment A details MTC’s proposed plan for applying the ARRA funds, developed in consultation with Caltrans staff, comprised of the following projects (see Attachment A within Attachment 1):

- Alameda I-680 Sunol Grade HOT lanes project (\$40.3 million SHOPP, \$9.9 million regional);
- Alameda I-580 HOV project (\$14.2 million SHOPP, \$30.9 million regional);
- Caldecott Tunnel (\$92.7 million State, \$103.9 million regional)
- Marin I-580/101 Connector (\$15.3 million regional); and
- Solano I-80 HOV lanes project (\$29.5 million SHOPP).

The ARRA also includes “transportation enhancement” (TE) funds, separate from the funds for highway, streets and roads, which AB 20 X3 assigns to the regions. MTC’s proposed projects to utilize that category of funding are shown as Attachment B within Attachment 1.

**Request of Authority**

According to Caltrans staff, the \$92.7 million commitment of ARRA funds to the Caldecott Tunnel reflects a potential application of 100 percent of the ARRA funds that is projected to be available for Northern California. MTC is proposing to commit 65 percent of the remaining ARRA funds to the project, while applying the balance of ARRA funds in concert with anticipated state commitments in order to keep the above five projects moving forward. This is a very generous and positive commitment by both. However, in order to achieve the full commitment necessary to show the Caldecott Tunnel as fully funded, MTC has asked Authority staff if we could provide a loan of \$12.1 million, above the \$125 million already committed, to show the Caldecott as fully funded. We would expect such loan to be repaid from Proposition 1B bond proceeds or an AB 3090 commitment (a provision of state law that allows an advance of a county’s STIP funds, subject to repayment).

In its commitment to Vasco Road, MTC also indicated it expected Contra Costa County, or the Authority, to provide \$8 million to advance the safety project. Since the County’s expected source of funding, local streets and roads funds from the Proposition 1B bonds, are uncertain, Authority staff indicated that we believed the Authority could advance the funds, subject to repayment from the County, if necessary. Staff believes that payback could come from the Proposition 1B funds, or prospectively, from the County’s share of Measures C and J 18 percent local streets and roads funds. Details need to be worked out with the County, but receiving \$10 million in “discretionary” ARRA funds for the safety project seemed worth the cost of a cash flow loan.

It is possible that the Authority may also need to advance funds for the Route 4 east, Loveridge to Somersville project. We hope that will not be the case, since the project should be funded from non-Proposition 1B funds included in the State budget. However, given the uncertainties facing the State’s solvency, we are not sure how that will play out.

Staff notes that, given adopted Authority policy separating on-going program funding from that for capital projects, any loans or advances for projects are anticipated to come entirely from the approximately 41 percent of total Measure J funds set aside for projects, and/or from the Measure C capital reserves held for future implementation of remaining Measure C projects. Also, since the ARRA funds require no match, and the \$196.6 million commitment from the region and state could be spent before any significant Measure J expenditures are made, the application of ARRA funds may be beneficial to our cash flow over the next two years, reducing the pressure of these loans on delivery of other key projects. In that context, we will need to carefully examine our spend down requirements for proceeds from the September 2009 bond issue under Federal law, to make sure we do not under run required expenditure in the near term, but we have time to balance these various factors as we assemble the update to the 2009 Strategic Plan.

<b>Subject</b>	<b>Update on ARRA Funding for Local Streets and Roads</b>
<b>Summary of Issues</b>	As a result of anticipated changes to the State ARRA allocations, MTC has identified \$3.43 million in additional funding available to Contra Costa. Per APC direction on January 28, 2009, the funds would be distributed by formula to all twenty local jurisdictions.
<b>Recommendations</b>	MTC is scheduled to approve this extra funding at its April 22, 2009 Commission meeting.  Upon MTC's approval of the extra funding, staff seeks confirmation from the Authority to approve allocating the extra ARRA funds to the current approved project list based on the formula adopted by the APC at its special meeting on January 28, 2009.
<b>Financial Implications</b>	\$3.43 million in State ARRA funds (Tier 2 funds) are expected to be available for Contra Costa's Local Streets and Roads System Preservation projects in addition to the \$17.85 million already programmed for (Tier 1 funds).
<b>Options</b>	N/A
<b>Attachments</b>	A. Summary of approved projects with Tier 1 funds and extra ARRA funds (Tier 2 funds) for each project
<b>Changes from Committee</b>	

### Background

On March 25, 2009, the Metropolitan Transportation Commission (MTC) released for review a spending proposal for the state element of the American Recovery and Reinvestment Act (ARRA). Three days later, the Governor signed into law ABX3 20, which suballocated 62.5% of the federal highway formula revenues directly to the regions including MTC. As an urgency measure, the bill became law immediately.

Based on final apportionments released by Caltrans, which includes a take-down for their administration costs, the amount available to the Bay Area is summarized in the table below.

<i>All Figures in Millions</i>	<b>Amount Under</b>
<b>Bay Area Distribution</b>	<b>ABX3 20</b>
MTC Suballocated (Already Programmed):	154.0
Added Highway Element (non-TE):	157.3
Added Transportation Enhancement (TE) Element:	9.6
<b>Total Suballocated</b>	<b>320.9</b>

Approximately 80% of the \$154 million "Already Programmed" was devoted to the Local Streets and Roads system preservation projects. Contra Costa's share of that was \$17.85 million. MTC called those funds Tier 1 funds.

As a result of final apportionments of the State ARRA funds released by Caltrans to MTC, MTC staff is recommending directing \$23.4 million out of the \$157 million "Added Highway Element (Non-TE)" to add extra funds to the Local Streets and Roads System Preservation amount in the region. Accordingly, MTC has identified \$3.43 million in additional funding available to Contra Costa. MTC is calling these funds Tier 2 funds.

At its January 21, 2009 meeting, the Authority delegated authority to the APC to approve a project list and a formula for ARRA funds distribution. The formula that was approved by the APC at its January 28, 2009 special meeting was called Option 4C. This option gave every jurisdiction a minimum of \$400,000 for a total of \$8 million. The remaining available funds would be distributed proportionally among jurisdictions based on their population and lane miles. Here is an excerpt of the minutes of the January 28, 2009 APC meeting:

*"The Committee approved the project list as submitted and directed staff to distribute an email clarifying deadlines after the meeting, 5-0, moved by Commissioner Tatzin and seconded by Commissioner Viramontes. The Committee also 1) authorized staff to adjust project funding based on option 4C formula, should Contra Costa's share of the economic stimulus funding be revised; 2) indicated that if any project fails to meet the deadlines, that the Authority would proportionally reallocate funds to other projects on the approved list."*

Staff contacted all jurisdictions to verify that they can use the extra funds on their projects without having to change the Federal Environmental Clearance (NEPA). Almost all jurisdictions indicated that they can do that. Staff needs to coordinate with Caltrans and MTC on adding these funds to the already programmed projects. Since there are no Environmental Clearance issues expected, staff anticipates no significant issues with allocating the additional funds. The attached list indicates how much each jurisdiction would add to their project. Staff seeks confirmation from the Authority on the proposed allocation of additional Local Streets and Roads System Preservation ARRA funds.





<b>Subject</b>	<b>Proposed Transportation Authority Economic Stimulus Through Accelerated Payment of Local Streets and Roads Funds.</b>
<b>Summary of Issues</b>	<p>Existing Authority policy provides that local jurisdictions submit a Growth Management Compliance Checklist covering two consecutive calendar years. Once approved, a jurisdiction then receives its share of the 18 percent of funds allocated for local streets and roads maintenance from the first of two fiscal years from which compliance funds are drawn. Funds from the second fiscal year are disbursed one year after the disbursement of the first-year funds. The delay was intended to be an incentive for jurisdictions to submit their checklists in a timely way.</p> <p>The current economic downturn, and the end of Measure C sales tax collections as of April 1, 2009, provide justification for an exception to Authority policy – accelerated payment of the second fiscal year Measure C Local Streets Maintenance &amp; Improvement (LSM) funds to local jurisdictions to: (1) help boost the economy; and (2) accelerate closeout of the program.</p>
<b>Recommendations</b>	<p>Staff recommends that the Authority make an exception to its policy of waiting one full year to disburse the second fiscal year LSM funds, by adopting the following policy for local jurisdictions: (1) for those scheduled to receive second fiscal year LSM funds prior to September 1, 2009, provide the payments on July 1; (2) for others with approved checklists scheduled after September 1, provide the second payment on September 1; and (3) for those who do not become eligible until after September 1, once compliance has been determined the second payment would be made at the same time as the first.</p>
<b>Financial Implications</b>	<p>The proposed acceleration would provide approximately \$8.6 million to local jurisdictions sooner than they would otherwise receive those funds. The first quarter of Measure J revenues would be included in the payment. The Authority would lose some interest income, but staff believes that is outweighed by the opportunity for bid savings in the current economic climate, and the benefits to the economy of putting the funds to work.</p>
<b>Options</b>	<ol style="list-style-type: none"> <li>1. Not approve the proposal; or</li> <li>2. Propose an alternative payment schedule.</li> </ol>
<b>Attachments</b>	<p>A. Proposed Off – Year Payment Schedule</p>
<b>Changes from Committee</b>	<p><i>New item, discussed conceptually at PC in the context of the Measure J LSM funding item.</i></p>

**Background**

When the Authority moved from an annual to a biennial checklist, it did so with the intent of simplifying the checklist process. The Authority hoped that local jurisdictions would find the process more efficient and be able to complete their checklists in a timely way. For example, the current checklist covers calendar years (CYs) 2007 and 2008. A jurisdiction found in compliance would receive its share of LSM funds for fiscal year (FY) 2007-08 by July 1, 2008 or shortly after the Authority approves its checklist,

whichever is later. Under current Authority policy, the LSM funds for FY 2008-09 would then be disbursed one year after the initial payment.

In response to the current economic downturn and its impact on local jurisdictions, staff proposes that the Authority make an exception to its policy for FY 2008-09 “off year” payments, including for the first quarter of Measure J (*subject to approval of Item 2.B.3 in this packet*). Specifically, staff recommends that payments totaling \$3.55 million be made on July 1 for four jurisdictions eligible to receive the payments prior to September 1 (*an acceleration for Clayton and Brentwood by one month*), and to September 1 for those who have approval prior to September 1 but would otherwise receive them subsequent to that date. The September 1 date is recommended because it follows the receipt by the Authority of the final payment of sales tax revenues from the Board of Equalization for FY 2008-09, which will occur in mid-August. For jurisdictions qualifying for FY 2007-08 funds after September 1, each would receive its FY 2008-09 payment at the same time as that for FY 2007-08. The balance payable on or after September 1 is \$8.6 million.

The primary purpose of the proposed advance is to provide an economic stimulus and a financial boost to our local jurisdictions, all of whom have experienced problems as a result of the recession, the State’s budget crisis, and the international financial crisis. Virtually all local jurisdictions are facing reductions in their various sources of revenues. The \$8.6 million in accelerated LSM revenues is significant, and would build upon the \$17.85 million in American Recovery and Reinvestment Act (ARRA) funds allocated for local streets and roads projects in Contra Costa by MTC. Together, the funds could provide significant investment opportunities to help mitigate the 2009 recession.

