

## STAFF REPORT

**SUBJECT:** American Recovery & Reinvestment Act (Stimulus) Funding

**MEETING DATE:** October 15, 2009

**AGENDA ITEM:** 11

**STAFF CONTACT:** Sarkes Khachek and Brittany Odermann

**RECOMMENDATION:**

- A. Receive a report on the obligation status of roadway and transit ARRA (stimulus) funding in Santa Barbara County.
- B. Approve back-up projects that could receive funds not obligated within the county by October 15 or redistributed to SBCAG from other regions.
- C. Approve FTIP Amendment #16 to reprogram ARRA-TE funding from the city of Santa Maria to the city of Lompoc's Alan Hancock Bike path project.

**SUMMARY**

SBCAG staff has produced a report that summarizes the obligation status of American Recovery and Reinvestment Act (ARRA) funded roadway and transit projects in Santa Barbara County. This is the final progress report shared with the SBCAG Board as we have reached the local obligation deadline of October 15, 2009.

In order for SBCAG to be eligible for lapsed roadway funding from other regions, all jurisdictions in the SBCAG region that received stimulus funding had to obligate their funds by December 15, 2009. In order to meet that deadline, the SBCAG board established a deadline internal to the county of October 15, 2009. It is anticipated that all non-ARRA TE stimulus roadway funding allocated to local jurisdictions in our region will be obligated by the October 15<sup>th</sup> local deadline.

The only funding that will not be obligated by the local October 15<sup>th</sup> deadline is the ARRA-TE programmed for the Santa Maria Railroad Bikeway Phase II project as the project is currently experiencing right of way delays. At their October meeting, TTAC recommended that the funding be transferred to the city of Lompoc's Alan Hancock Bikeway project. This transfer of funds will ensure that all ARRA funding in our county has been obligated in a timely manner.

Caltrans has released guidelines for managing ARRA funding to ensure that no stimulus funding is lost to the state. The guidelines create deadlines internal to the state that regions must meet and a timeline for redistributing funds from regions that don't meet the deadlines to regions that do. To be ready to receive funding from other regions, TTAC agreed to distribute additional roadway stimulus funding that may be received to five local agencies that provided SBCAG with a back-up list of projects that can use ARRA funding for construction quickly, assuming optimistically that up to \$3 million is available. The back-up projects will be speculatively

amended into the Federal Transportation Improvement Program (FTIP) in October prior to SBCAG being notified that funding from other regions is being redistributed.

## **DISCUSSION:**

### **ARRA Status Report**

Earlier this year the board programmed our region's share of federal stimulus funding for projects including \$20 million in roadway funding and \$8.5 million in transit capital funding. It is important to track the obligation status of our stimulus funds closely since the state and federal ARRA legislation includes strict timely use of funds requirements and the funds are subject to lapse if these requirements are not met. The SBCAG Board adopted an obligation deadline of October 15<sup>th</sup> internal to the county to protect the region from losing any stimulus funding due to unforeseen delays or problems with project delivery.

SBCAG staff has produced a progress report showing which agencies have obligated roadway and transit ARRA funding in Santa Barbara County as of October 8, 2009 (Attachment 1). The report is based on information received from Caltrans Local Assistance, which tracks the status of ARRA funded projects through the federal process from programming to obligation. Based on the report, all local projects funded with non-ARRA TE roadway funding will meet the October 15 obligation deadline established by the SBCAG board.

At the June meeting, the board approved a three-way exchange of funding that resulted in \$1.5 million in ARRA funding being transferred from the Milpas to Hot Springs project to the Cold Spring Bridge project. The Milpas project received a like amount of STIP funding from an interchange project in Goleta. Caltrans has notified SBCAG staff that the 95% design constructability review for the Cold Spring project was completed in August and the project will be at 100% design in October. The project is on schedule to be authorized in November and put out to bid before Thanksgiving thus meeting the federal ARRA obligation deadline.

### **Reallocation Plan**

Caltrans Local Assistance has released guidelines for managing ARRA funding in order to ensure that no stimulus funding is lost to the state. The guidelines establish a December 15<sup>th</sup> obligation deadline internal to the state that regions must meet or their funds will be redistributed to other regions. SBCAG staff estimates that the amount of funding that could be redistributed within the state would be small because it is unlikely that large regions with large staffs that received large allocations of stimulus, like San Diego and L.A., would forfeit funding. If small rural counties forfeit \$5.0 million (for example), our 1% share of the funding, based on population, would be \$50,000. In order for SBCAG to be eligible for redistributed funding, we must submit to Caltrans by November 1 a back-up list of projects. An eligible back-up list project should:

- have NEPA clearance or be Categorical Exemption under NEPA;
- be "shovel ready" in terms of construction season/timing;
- be fully funded either with 100% federal funds or other available funding sources;
- have the ability to be "scalable" based on the level of redistributed funds available;
- be easily amended into the FTIP. It will be necessary to program back-up projects in the FTIP as place holders since the FTIP amendment process cannot be completed in the short turn around between the October 15<sup>th</sup> and December 15<sup>th</sup> deadlines.

At its September meeting, TTAC recommended that additional roadway stimulus funding be allocated to five local agencies that provided SBCAG with a back-up list of projects that met these criteria and can use ARRA funding for construction quickly. The table displays the redistribution to the five local agencies, assuming \$3.0 million is available to SBCAG. TTAC deferred a discussion on how to award lesser amounts of funding until it is know how much funding, if any, would be available. For now, TTAC recommends that the board approve this list of projects, and by doing so, demonstrate to the state that we have additional projects that could be delivered with additional funding, thus making SBCAG eligible to receive additional funding.

<b>Recommended distribution of additional ARRA roadway stimulus funding from other regions</b>		
<b>Jurisdiction</b>	<b>Project</b>	<b>Amount</b>
City of Goleta	Asphalt Overlay on various streets	\$235,000
City of Lompoc	Street Pavement Rehabilitation and Overlays on various streets	\$490,000
City of Santa Barbara	Street Pavement Maintenance	\$635,000
City of Santa Maria	Street Overlay and Reconstruction	\$640,000
County of Santa Barbara	Roadway Rehabilitation	\$600,000
County of Santa Barbara	Bridge Maintenance and Repair	\$100,000
County of Santa Barbara	Bicycle and pedestrian	\$300,000
	<b>Total</b>	<b>\$3,000,000</b>

The back-up projects will be amended into the Federal Transportation Improvement Program (FTIP) prior to SBCAG being notified that funding from other regions is being redistributed. This action will help prevent programming delays in the event that lapsed funds are made available to SBCAG.

### **Reallocation of ARRA TE Funding**

At the April SBCAG Board meeting, \$568,307 in ARRA Transportation Enhancement (TE) funds were programmed to the City of Santa Maria's Railroad Bikeway Phase II project in lieu of \$635,000 in STIP-TE funding programmed to the project in FY 09/10. The project will construct a new bikeway on the Santa Maria Valley Railroad right of way through purchase of an easement. At that time, City of Santa Maria staff indicated that the project could be delivered this year and would only need the \$568,000 in ARRA-TE funds due to the favorable bidding climate. SBCAG staff planned on recommending that the board delete the project from the STIP-TE program in the 2010 STIP cycle, and the \$635,000 would go back in the STIP-TE regional pot and be available for reprogramming to another project. However, the City of Santa Maria notified SBCAG on September 23 that there has been a delay with the acquisition of right of way from the railroad that will prevent the project from authorizing funds by October 15.

SBCAG staff recommends that the project to be left in the STIP-TE program for delivery in FY 09/10. This would give the city an additional eight months to secure right of way and request a construction allocation before the fiscal year expires on June 30, 2010.

At its October meeting, TTAC recommended reallocation of the ARRA TE funds to the Alan Hancock Bikeway project in Lompoc. The project is currently in the STIP-TE program in FY 10/11 for \$905,000. To close the gap between the \$568,000 in ARRA-TE funds that the project would get through the stimulus this year and the \$905,000 that Lompoc anticipated receiving

from the STIP-TE Program in FY 10/11, SBCAG proposes that \$287,000 in STIP-TE reserve funds for an unnamed project in FY 09/10 be allocated to the Alan Hancock project. The amount of ARRA-TE and STIP-TE the city of Lompoc would receive, combined, is \$855,307. City of Lompoc staff has confirmed that the project will have all necessary phases complete to have the funds authorized for construction before the State's drop-dead date of December 15<sup>th</sup> and that Phase I of the project can be delivered with \$855,307 in funding. The reallocation of funds will have to be approved by the SBCAG Board as part of FTIP Amendment #16. The project will then be submitted for authorization to Caltrans approval by December 15<sup>th</sup>.

The City of Lompoc also requests that the FY 10/11 funding remain in the STIP-TE program to fund an additional phase of their bikeway project. Any funding not used for Phase II of their project would be returned to the regional pot for reallocation in the 2012 STIP cycle. SBCAG staff will therefore reflect funding for the Alan Hancock project in FY 10/11 in the STIP-TE program when the draft Regional Transportation Improvement Program is brought to the board in November.

#### **COMMITTEE REVIEW:**

TTAC recommends that ARRA TE funding be reallocated from the city of Santa Maria to the city of Lompoc Alan Hancock Bikeway project.

#### **RECOMMENDATION:**

- A. Receive a report on the obligation status of roadway and transit ARRA (stimulus) funding in Santa Barbara County.
- B. Approve back-up projects that could receive funds not obligated within the county by October 15 or redistributed to SBCAG from other regions.
- C. Approve FTIP Amendment #16 to reprogram ARRA-TE funding from the city of Santa Maria to the city of Lompoc's Alan Hancock Bike path project.

#### **ATTACHMENTS**

- 1. ARRA Obligation Progress in Santa Barbara County
- 2. Resolution 09-26 – FTIP Amendment #16
- 3. EZ Trak Report – FTIP Amendment #16

**ATTACHMENT 1**

**Santa Barbara County American Recovery and Reinvestment Act (ARRA) Allocation and 1511 Certification Summary  
October 15 SBCAG Board Meeting**

**ARRA ROADWAY PROJECTS**

<b>Jurisdiction</b>	<b>Funds Apportioned</b>	<b>Funds Obligated</b>	<b>Number of Projects Obligated</b>	<b>Remaining Funds to be Obligated</b>
City of Carpinteria	\$596,535	\$596,535	1	\$0
City of Goleta	\$1,270,736	\$1,270,736	1	\$0
City of Lompoc	\$1,795,625	\$1,795,625	2	\$0
City of Santa Barbara	\$3,774,796	\$3,774,796	3	\$0
City of Santa Maria*	\$4,667,852	\$4,099,816	5	\$568,036
City of Solvang	\$143,988	\$143,988	1	\$0
County of Santa Barbara	\$6,273,654	\$6,273,654	8	\$0
Caltrans - Cold Spring Bridge Project	\$1,500,000	\$0	0	\$1,500,000
<b>Totals for Roadway Projects</b>	<b>\$20,023,186</b>	<b>\$17,955,150</b>	<b>21</b>	<b>\$2,068,036</b>

**ARRA Roadway Project Notes:**

- Information from Caltrans Local Assistance and the local agencies as of October 8, 2009.
- \* Includes \$568,036 in ARRA-TE funding
- City of Santa Maria Authorization packages for ARRA roadway funding submitted by Caltrans to FHWA during the week of September 28th.
- Request for Authorizations for cities of Carpinteria, Lompoc and Solvang submitted to FHWA.
- The Cities of Guadalupe and Buellton exchanged their allocation of ARRA with The County and City of Santa Maria for a non-federal funding source.
- The City of Solvang exchanged a portion of their ARRA allocation with The County for a non-federal funding source.
- 1511 Certification submitted to Caltrans for the Cold Spring Bridge Project on September 30th.

**ARRA TRANSIT PROJECTS**

<b>Transit Operator</b>	<b>Funds Apportioned</b>	<b>Funds Obligated</b>	<b>Number of Projects Obligated</b>	<b>Remaining Funds to be Obligated</b>
<b>FTA 5307 ARRA</b>				
City of Lompoc Transit (COLT)	\$1,342,268	\$1,342,268	6	\$0
Santa Barbara Metropolitan Transit District (SBMTD)	\$4,314,864	\$4,314,864	3	\$0
Santa Maria Area Transit (SMAT)	\$2,548,629	\$2,548,629	3	\$0
<b>FTA 5311 ARRA</b>				
Guadalupe Flyer	\$279,311	\$279,311	1	\$0
<b>Totals for Roadway Projects</b>	<b>\$8,485,072</b>	<b>\$8,485,072</b>	<b>13</b>	<b>\$0</b>

**ARRA Transit Project Notes:**

- Information from FTA ARRA Grants Digest webpage as of August 26, 2009.
- SMAT Apportioned Amount includes \$120,689 for Guadalupe Flyer Bus Purchase.
- Guadalupe ARRA 5311 application approved by Caltrans Mass Transit/FTA and pending contract completion.

A RESOLUTION OF THE SANTA BARBARA  
COUNTY ASSOCIATION OF GOVERNMENTS

AMENDING THE 2009 FEDERAL )  
TRANSPORTATION IMPROVEMENT )  
PROGRAM TO REPROGRAM ARRA TE FUNDS)  
FROM THE SANTA MARIA RAILROAD)  
BIKEWAY PHASE II PROJECT TO THE ALLAN)  
HANCOCK BIKEWAY PROJECT)

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RESOLUTION NO. 09-26

WHEREAS, Title 23 Code of Federal Regulations, part 450, and Title 49 Code of Federal Regulations, part 613, require the preparation and updating of a Federal Transportation Improvement Program (FTIP) by the Metropolitan Planning Organization; and

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Metropolitan Planning Organization for Santa Barbara County; and

WHEREAS, SBCAG, through the conduct of a continuing, comprehensive, and coordinated transportation planning process with applicable federal requirements, has prepared a 2009 FTIP; and

WHEREAS, the 2009 FTIP has been prepared in cooperation with state and local government agencies including Caltrans, local transit operators; and the Air Pollution Control District; and

WHEREAS, the 2009 FTIP must be consistent with the Regional Transportation Plan adopted pursuant to Government Code Section 6508; and

WHEREAS, the 2009 FTIP projects have been developed from the 2001 RTP, 2003 CMP, 2004 MTP and 2008 STIP; and

WHEREAS, all projects proposed for federal funding or approval under Title 23 Code of Federal Regulations and the Federal Transit Act must be included in a transportation improvement program; and

WHEREAS, because Santa Barbara County attained the federal eight-hour ozone standard, it is no longer required to follow air quality conformity measures nor the applicable State Implementation Plan (SIP) as required by the federal Clean Air Act (42 U.S.C. Section 7401 et seq.); and

WHEREAS, the 2009 FTIP was made available for public review and members of the public were given a reasonable opportunity to review the 2009 FTIP before it was adopted by the SBCAG Board on July 17, 2008; and

WHEREAS, revisions to the FTIP requested by Caltrans in order to incorporate the FTIP into the statewide FTIP by the end of the federal fiscal year were adopted by the SBCAG Board on July 17, 2008 after public review;

WHEREAS, the 2009 FTIP is financially constrained and funds needed to complete the 2009 FTIP are reasonably expected to be available.

NOW, THEREFORE, BE IT RESOLVED that the SBCAG Board of Directors amends the 2009 FTIP to include the changes identified in the Staff Report Item 11, October, 2009.

BE IT FURTHER RESOLVED that the SBCAG Board of Directors finds that development of the 2009 FTIP was made in accordance with public involvement procedures originally adopted by SBCAG on November 10, 1994 and updated on March 24, 2002 and December 20, 2007; and

BE IT FURTHER RESOLVED that the SBCAG Board of Directors finds that 2009 FTIP is consistent with metropolitan planning regulations from 23 Code of Federal Regulations Part 450; and

BE IT FURTHER RESOLVED that the SBCAG Board of Directors finds that the amended 2009 FTIP is consistent with the 2004 MTP.

BE IT FURTHER RESOLVED that the 2009 FTIP as amended is financially constrained and funds needed to complete the 2009 FTIP are reasonably expected to be available.

BE IT FURTHER RESOLVED that because Santa Barbara County attained the federal eight-hour ozone standard, the 2009 FTIP is not required to follow air quality conformity measures nor the applicable State Implementation Plan (SIP) as required by the federal Clean Air Act (42 U.S.C. Section 7401 et seq.); and

BE IT FURTHER RESOLVED that the inclusion of any federally-funded projects in the 2009 FTIP, including all amendments, constitutes the federal project selection procedures for Santa Barbara County, and any projects programmed in the FTIP may proceed to implementation without further project selection action by SBCAG.

PASSED AND ADOPTED this 15<sup>th</sup> day of October 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Jim Kemp  
Executive Director  
Santa Barbara County  
Association of Governments

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Lupe Alvarez, Chair  
Santa Barbara County  
Association of Governments

APPROVED AS TO FORM:

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Kevin E. Ready, Sr.  
Deputy County Counsel

**Santa Barbara County Association of Governments**  
**2009 Federal Transportation Improvement Project List**

SBCAG ID **LOMPOC2** Implementing Agency **Lompoc, City of**

SBCAG ID # **LOMPOC2** Last Revised **Amendment 16**

Project Manager **Kevin McCune** Phone **(805) 875-8260**

Estimated Total Project Cost **\$2,205,036** RTP ID Number **L 1**

Project Title **Alan Hancock Bike Path, SYRvrBr - AH**

Fiscal Year	Revenue Source	Engineering	Right of Way	Construction	Total Revenue
04/05	Loc Funds - City Funds	\$11.000			\$11.000
04/05	STPL State Exchange	\$44.000			\$44.000
09/10	ARRA - TRANSPORTATION ENHANCEMENT			\$568.036	\$568.036
09/10	Loc Funds - City Funds			\$287.000	\$287.000
09/10	RSTP State Exchange			\$350.000	\$350.000
10/11	Loc Funds - City Funds	\$40.000			\$40.000
10/11	STIP-RIP (TE)			\$905.000	\$905.000
		<b>\$95,000</b>	<b>\$0</b>	<b>\$2,110,036</b>	<b>\$2,205,036</b>

Project Description  
 Construct Class I bikeway connector to Alan Hancock in City of Lompoc, from Santa Ynez River bridge to campus

**Federal** Total Cost **\$2,205,036**

**Previously Approved FTIP**

SBCAG ID # **LOMPOC2** Last Revised **Adoption**

Project Manager **Kevin McCune** Phone **(805) 875-8260**

Estimated Total Project Cost **\$1,350,000** RTP ID Number **L 1**

Project Title **Alan Hancock Bike Path, SYRvrBr - AH**

Fiscal Year	Revenue Source	Engineering	Right of Way	Construction	Total Revenue
04/05	Loc Funds - City Funds	\$11.000			\$11.000
04/05	STPL State Exchange	\$44.000			\$44.000
09/10	Loc Funds - City Funds			\$286.000	\$286.000
09/10	RSTP State Exchange			\$350.000	\$350.000
10/11	Loc Funds - City Funds	\$40.000			\$40.000
10/11	STIP-RIP (TE)			\$905.000	\$905.000
		<b>\$95,000</b>	<b>\$0</b>	<b>\$1,541,000</b>	<b>\$1,636,000</b>

Project Description  
 Construct Class I bikeway connector to Alan Hancock in City of Lompoc, from Santa Ynez River bridge to campus

**Federal Project** Total Cost **\$1,636,000**

**Santa Barbara County Association of Governments**  
**2009 Federal Transportation Improvement Project List**

SBCAG ID **SM005**

Implementing Agency **Santa Maria, City of**

SBCAG ID # **SM005** Last Revised **Amendment 16**

Project Manager **David Beas** Phone **(805) 925-0951**

Estimated Total Project Cost **\$1,451,036** RTP ID Number **SM 6**

Project Title **Santa Maria Vly RR Multiuse Trail Ph2**

Project Description  
**Santa Maria-Construction of a 3.7 mile Class I trail (bike & ped) along Santa Maria Valley Railroad ROW from Hagerman to Main Street.**

Fiscal Year	Revenue Source	Engineering	Right of Way	Construction	Total Revenue
05/06	Loc Funds - City Funds	\$13.000			\$13.000
05/06	TEA-R	\$100.000			\$100.000
09/10	Loc Funds - City Funds			\$135.000	\$135.000
09/10	STIP-RIP (TE)			\$635.000	\$635.000
		<b>\$113,000</b>	<b>\$0</b>	<b>\$770,000</b>	<b>\$883,000</b>

**Federal** Total Cost **\$883,000**

**Previously Approved FTIP**

SBCAG ID # **SM005** Last Revised **Amendment 8**

Project Manager **David Beas** Phone **(805) 925-0951**

Estimated Total Project Cost **\$1,451,036** RTP ID Number **SM 6**

Project Title **Santa Maria Vly RR Multiuse Trail Ph2**

Project Description  
**Santa Maria-Construction of a 3.7 mile Class I trail (bike & ped) along Santa Maria Valley Railroad ROW from Hagerman to Main Street.**

Fiscal Year	Revenue Source	Engineering	Right of Way	Construction	Total Revenue
05/06	Loc Funds - City Funds	\$13.000			\$13.000
05/06	TEA-R	\$100.000			\$100.000
08/09	ARRA - TRANSPORTATION ENHANCEMENT			\$568.036	\$568.036
08/09	Loc Funds - City Funds			\$135.000	\$135.000
		<b>\$113,000</b>	<b>\$0</b>	<b>\$703,036</b>	<b>\$816,036</b>

**Federal Project** Total Cost **\$816,036**