

TO: Regional Transportation Commission

FROM: Grace Blakeslee and Rachel Moriconi, Transportation Planners

RE: County of Santa Cruz Transportation Program Project Update

RECOMMENDATION:

The Interagency Technical Advisory Committee (ITAC) and staff recommend that the Regional Transportation Commission (RTC) consider the County of Santa Cruz's request for the RTC to commit to reprogramming the \$1.48 million of State Transportation Improvement Program (STIP) funds that will lapse on the Amesti Road Reconstruction Project when those funds are returned to the region.

BACKGROUND

The California Transportation Commission (CTC) has established timely use of funds deadlines for all State Transportation Improvement Program (STIP) projects. Project sponsors must request funding allocations for project components in the year in which the funds are programmed. If a project sponsor anticipates that it will not meet an allocation request deadline, the project sponsor must request one fiscal year in advance that the Regional Transportation Planning Agency (RTC in Santa Cruz County) amend the Regional Transportation Improvement Program (RTIP) to reflect accurate project schedules. When a project sponsor is unable to make a timely request to the SCCRTC for an RTIP amendment to a project schedule and is not prepared to request a funding allocation in the fiscal year in which funds are programmed, the sponsor may request a one-time extension of up to 20 months.

Projects funded with regional STIP funds are at risk of losing funds if the CTC established deadlines are not met. When a project sponsor is unable to meet deadlines for an allocation request or an extension request, the funds for the project will lapse. This means that the project will lose the STIP funds and be removed from the STIP. In this case, the lapsed funds are generally available for reprogramming in the same region in the following STIP programming cycle. If a project sponsor receives an allocation or an extension for an allocation and is unable to deliver on the project, the funds will be lost to the project and to the region. These actions implement the SB 45 requirement that RTIPs and the STIP reflect updated information by which projects will be monitored and held accountable.

RTC staff meets with project sponsors to monitor the progress of their projects as part of its Planning, Programming, and Monitoring (PPM) program. Each spring RTC staff asks project sponsors if they will require STIP amendments for any project programmed in the following fiscal year or if they want to seek an allocation extension for any projects programmed in the current fiscal year.

DISCUSSION

Three of the County of Santa Cruz's projects that are programmed in FY05/06 will not meet the CTC's use-it-or-lose-it deadline for requesting an allocation. These projects are:

- Wilder Ranch Bikeway, Phase 2: \$95,000 STIP TE programmed for Design (PS&E)
- East Cliff Drive Bike/Ped Path: \$195,000 STIP TE programmed for Construction
- Amesti Road Reconstruction: \$1,480,000 STIP programmed for Construction

In the spring of 2004, RTC staff asked County Public Works staff whether the County would be ready to request an allocation for these projects by the June 2006 deadline and informed them if they anticipated any delays they would need to immediately request an amendment to shift the funds to FY06/07. At that time Public Works staff did not foresee any barriers that would inhibit the County from delivering all three projects as scheduled and requesting an allocation by the June 2006 deadline. As such, the projects remained programmed in FY05/06.

In February 2006, RTC staff informed the County of Santa Cruz (Attachment 1) of the final deadline to request an allocation or an extension for their FY05/06 projects. Because extensions are heavily scrutinized by the CTC and are limited to 20-months, the County determined that they would instead allow the funds to lapse (Attachment 2). This means that the total of \$1.77 million in STIP funds programmed to these three County projects will lapse on June 30, 2006.

Though the County could request a time extension for the \$1.77 million programmed to these projects, it is unlikely that the County would be able to complete the work required and secure the additional funding needed to move the projects forward within the maximum allowable extension (twenty months) for these construction funds. If the County requested an extension and could not meet the deadline, the funds will be lost to the region entirely. The County's choice to let the funds lapse given the uncertainties surrounding these projects is safer for the region as a whole. As such, it is expected that the lapsed funds will return to the region for reprogramming in the 2008 STIP; *however, this depends on the fund estimate and any priorities established by the State for the 2008 STIP.*

Wilder Ranch Bikeway, Phase 2 - \$95,000 Lapsing

The Commission has programmed \$775,000 in STIP TE funds to the County of Santa Cruz for Phase 2 of the Wilder Ranch Bikeway project. This project includes construction of a four-mile paved multi-use path for bicyclists and pedestrians from Wilder Ranch State Park north to continue the existing path. The CTC has already allocated \$80,000 for environmental review to the project. \$95,000 in STIP funds are programmed for design of the project in FY05/06. In the preliminary route concepts and potential alternatives investigation the County considered different alignment alternatives including the Santa Cruz Branch Rail Line. The investigations indicated that the Santa Cruz Branch Rail Line would be the preferable alignment; therefore, the Bicycle Committee recommended that the Santa Cruz Branch Rail Line be the preferred alignment for the environmental document. This means that the County is unable to proceed with the environmental document and the final design work on this project until a final decision

on the purchase of the Santa Cruz Branch Rail Line is made. As such, the County has not requested an allocation or extension for the \$95,000 in funds programmed in FY05/06 and these funds will lapse on June 30, 2006. The remaining \$600,000 programmed to this project is programmed to design in FY 07/08 and to construction in FY 08/09.

East Cliff Drive Bicycle/Pedestrian Path - \$195,000 Lapsing

The Commission has programmed \$195,000 in STIP TE funds to the County of Santa Cruz for the East Cliff Drive Bicycle/Pedestrian Path. This project includes the construction of a bicycle and pedestrian pathway along East Cliff Drive between 32nd Avenue and 41st Avenue. \$195,000 in STIP funds are programmed for construction of the project in FY05/06. The County is unable to proceed with the construction of this project at this time due to a delay in receiving environmental clearance for the project. The County expects to receive the environmental clearance on the project within two years. Given the current time line, the County has not requested an allocation or extension for these funds and these funds will lapse on June 30, 2006.

Amesti Road Reconstruction - \$1.48 million Lapsing

The Commission has programmed \$1.6 million in STIP funds to the County of Santa Cruz for the Amesti Road Reconstruction project. This project includes slope stabilization and roadway reconstruction on the portion of this road that was washed out by El Niño storms. The CTC has already allocated \$35,000 for environmental review, \$75,000 for design, and \$10,000 for right-of-way related to the project. An additional, \$1,480,000 in STIP funds are programmed for construction of the project in FY05/06. Due to unforeseen challenges working with FEMA, the County has determined that they will not be able to construct the project. As such, these funds will lapse on June 30, 2006.

The County has requested (Attachment 3) that the STIP funds programmed to the Amesti Road Project which will lapse this year be returned to the County during the next STIP cycle, when the funds are expected to return to the region. The ITAC discussed the County's lapsing funds and the County's request that these funds be returned to the County during the next STIP cycle at its May meeting. A similar funding commitment was recommended by the ITAC and staff and approved by the RTC regarding the Santa Cruz Metropolitan Transit District's MetroBase Project when the STIP funds for this project lapsed in 2002.

The ITAC and staff recommend that the RTC commit to reprogramming the \$1.48 million of State Transportation Improvement Program (STIP) funds that will lapse on the Amesti Road Project back to a County project when those funds are returned to the region, which is expected in the 2008 State Transportation Improvement Program. It is intended that the returned funds will provide funding for a transportation project or projects in the Corralitos area which mitigate traffic impacts created by the permanent closure of Amesti Road.

SUMMARY

As manager of the Santa Cruz County region's funding share of the State Transportation Improvement Program, the Regional Transportation Commission is responsible for programming

projects, approving amendments, and approving allocation and extension requests to be submitted to the California Transportation Commission. Three Santa Cruz County STIP projects have experienced delays that will prevent them from meeting CTC deadlines this year. The County has indicated that they will not request extensions for these projects. Therefore, funding for these projects in the amount of \$1.77 million will lapse and will not be available to the region at least until the 2008 STIP. The County of Santa Cruz is requesting that the RTC commit to reprogramming the lapsing funds programmed for the Amesti Road Project to a County project in the Corralitos area when those funds are returned to the region.

Attachments:

1. Letter From SCCRTC Staff to Santa Cruz County Public Works Regarding STIP Deadlines
2. Response From Santa Cruz County Public Works Regarding STIP Deadlines
3. Letter From Santa Cruz County Public Works Regarding Amesti Road STIP Funds Lapsing June 30, 2006