

CITY OF YUBA CITY
STAFF REPORT

Date: April 19, 2022
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation By: Kevin Bradford, Deputy Public Works Director - Engineering

Summary

Subject: SACOG Fund Exchange Letter (Authorization to submit)
Recommendation: Adopt a Resolution authorizing the Public Works Director to submit a letter to the Sacramento Area Council of Governments requesting that federal funds be de-programmed from the Butte House Road Complete Streets project and re-programmed to the Walton Avenue Complete Streets project
Fiscal Impact: Potential schedule and cost savings for City and outside agencies resulting from elimination of federal requirements for one City project

Purpose:

To improve efficiencies in managing, designing, and constructing transportation projects receiving Sacramento Area Council of Governments (SACOG) grant funding.

Council's Strategic Goal:

This project addresses the City Council's Strategic Goal of improving the City's infrastructure.

Background:

The City received grant funding from SACOG in the 2021 Flexible Funding Round. The Butte House Road Complete Streets project received \$300,000 through the Community Design program. The Walton Avenue Complete Streets project received \$3.75 million through the Maintenance and Modernization program.

SACOG staff approached the City with an opportunity to improve the project delivery process for these two projects by transferring the grant funding from the Butte House Road project to the Walton Avenue project, which would allow the Butte House Road project to be delivered without any federal funding requirements. This would potentially save time and money, as well as benefit the public.

Analysis:

The Walton Avenue Complete Streets project received \$3.75 million from SACOG in the 2021 Flexible Funding Round, yet this project is expected to require local funding of approximately \$900,000. By transferring the grant funding from the Butte House Road project, the local funding required to deliver

the Walton Avenue project will be reduced by \$300,000.

In return, the City would transfer \$300,000 in local funds from the Walton Avenue project to the Butte House Road project. This would allow the Butte House Road project to be completed entirely with local funds, eliminating the federal funding requirements that typically delay and increase the cost of delivering a project. SACOG will require the City to submit project status updates on the Butte House Road project to assure completion by December 31, 2025. Failure by the City to complete the project may be considered by SACOG as a disqualifying or discounting factor for existing or future projects proposed through SACOG's competitive funding programs. The risk of failing to complete the project by the deadline is extremely low.

Staff is requesting authorization for the Public Works Director to submit a letter to SACOG agreeing to the transfer of funds.

Fiscal Impact:

The transfer of funds between the two projects results in no net fiscal impact. However, there is potential schedule and cost savings for City and outside agencies resulting from elimination of federal requirements for the Butte House Road project.

Alternatives:

Do not authorize the Public Works Director to agree to the fund transfer and deliver the projects as currently programmed.

Recommendation:

Adopt a Resolution authorizing the Public Works Director to submit a letter to the Sacramento Area Council of Governments requesting that federal funds be de-programmed from the Butte House Road Complete Streets project and re-programmed to the Walton Avenue Complete Streets project.

Attachments:

1. Resolution - SACOG Fund Consolidation
2. Exhibit A - Letter to SACOG re Fund Consolidation

Prepared By:

Kevin Bradford
Deputy Public Works Director – Engineering

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SUBMIT A LETTER TO THE
SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) REQUESTING THAT FEDERAL
FUNDS BE DE-PROGRAMMED FROM THE BUTTE HOUSE ROAD COMPLETE STREETS
PROJECT AND RE-PROGRAMMED TO THE WALTON AVENUE COMPLETE STREETS
PROJECT**

WHEREAS, the City of Yuba City (City) received grant funding from SACOG in the 2021 Flexible Funding Round in the amount of \$300,000 through the Community Design program for the Butte House Road Complete Streets project and in the amount of \$3.75 million through the Maintenance and Modernization program for the Walton Avenue Complete Streets project; and

WHEREAS, SACOG staff approached the City with an opportunity to improve the project delivery process for the two aforementioned projects by transferring the grant funding from the Butte House Road project to the Walton Avenue project, which would allow the Butte House Road project to be delivered without any federal funding requirements; and

WHEREAS, completing a project entirely with local funds would potentially save time and money, as well as benefit the public; and

WHEREAS, SACOG requires the City to submit a letter formally requesting the transfer of funds in order to facilitate the changes to fund programming

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

1. The City Council finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.
2. The City Council of the City of Yuba City does hereby authorize the Public Works Director to submit a letter (attached as Exhibit A) to the Sacramento Area Council of Governments requesting that federal funds be de-programmed from the Butte House Road Complete Streets project and re-programmed to the Walton Avenue Complete Streets project.
3. This Resolution shall become effective immediately.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 19th day of April, 2022.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

- A. Exhibit A – Letter to SACOG

EXHIBIT A

Public Works



April 20, 2022

James Corless, Executive Director
Sacramento Area Council of Governments (SACOG)
1415 L Street, Suite 300
Sacramento, CA 95814

RE: Defederalization of City of Yuba City Projects

Dear Mr. Corless:

This letter confirms the agreement between the City of Yuba City (City) and the Sacramento Area Council of Governments (SACOG) for a fund exchange between projects to consolidate federal funds onto fewer projects.

| SACOG ID | Project Name | SACOG Federal Funds | Local Funds |
|----------|-----------------------------------|---------------------|------------------|
| SUT56277 | Butte House Road Complete Streets | \$300,000 | |
| SUT56278 | Walton Ave. Complete Streets | | \$300,000 |
| | Total Amount | \$300,000 | \$300,000 |

Background

Butte House Road Complete Streets (SUT56277)

This project received \$300,000 from SACOG in the 2021 Flexible Funding Round, Community Design program. Rather than deliver this with federal funds, the City would like to transfer \$300,000 in SACOG funds onto another already federally funded project and replace the federal funds with local funds.

Walton Ave. Complete Streets (SUT56278)

This project received \$3,750,000 from SACOG in the 2021 Flexible Funding Round, Maintenance and Modernization program. It also has at least \$300,000 of local funds programmed. Rather than deliver this with \$300,000 of local funds, the City would like to transfer \$300,000 in local funds to the Butte House Road Complete Streets project and replace the local funds with federal funds.

By delivering the Butte House Road Complete Streets project with local funds instead of federal funds, the City would potentially save time and money, both for itself as well as for reviewers, such as Caltrans Local Assistance. Most importantly, this agreement would benefit the public.

Agreement

The City and SACOG now agree that SACOG will program \$300,000 in federal funds as follows:

1. De-program \$300,000 in SACOG federal funds from the Butte House Road Complete Streets project (SUT56277), and
2. Program \$300,000 in SACOG federal funds to the Walton Avenue Complete Streets project (SUT56278).

SACOG will allow the use of Toll Credits to maximize the use of federal funds on participating items. Any unspent SACOG funding on the Walton Avenue Complete Streets project (SUT56278) would be eligible for the City's use on other projects, contingent upon consistency with SACOG's Metropolitan Transportation Plan and timely delivery. SACOG further agrees to complete this revision to the Metropolitan Transportation Improvement Program (MTIP) by May 6, 2022.

The City further agrees to submit project status updates on the Butte House Road Complete Streets project (SUT56277) to SACOG by e-mail no less than annually on July 1st of each year, beginning July 1, 2023. The City agrees to complete (open to the public) this project, as described in the MTIP, using local (non-SACOG) funds by December 31st, 2025. Upon completion, the City agrees to submit a final report electronically with photographs of the physical construction, including any relevant documentation needed to demonstrate full project delivery. The City acknowledges that failure to perform on or deliver the projects as described in the MTIP may be considered by SACOG as a disqualifying or discounting factor for existing or future projects proposed through SACOG's competitive funding programs.

Sincerely,

Ben Moody
Public Works Director

I, the undersigned, concur with the terms stipulated in the above letter.

James Corless
SACOG
Executive Director

Date