

STAFF REPORT



MEETING DATE:	February 23, 2023
SUBJECT:	Approve Resolution 23-01 Authorizing the Executive Director to Submit a 2022 State Transportation Improvement Program (STIP) Amendment for the Cottonwood Active Transportation Trunk Line Express (CATTLE) Project
AGENDA ITEM:	11
STAFF CONTACT:	Keith Williams, Senior Transportation Planner

SUMMARY:

An amendment to the 2022 State Transportation Improvement Program (STIP) to reprogram funds for Shasta County's Cottonwood Active Transportation Trunk Line Express (CATTLE) project is necessary to ensure the project remains whole. Staff proposes approval of a resolution and memorandum of understanding for the exchange of SRTA COVID-STIP shares with the Tulare County Association of Governments (TCAG) for TCAG's regional STIP shares toward the construction phase of the CATTLE project.

STAFF RECOMMENDATION:

It is recommended that the board of directors approve Resolution 23-01, authorizing the executive director to conduct a 2022 STIP amendment for the CATTLE project to exchange SRTA's local leverage of COVID-STIP funds with the Tulare County Association of Governments (TCAG) for TCAG's regular STIP funds toward construction of the CATTLE project and to execute a memorandum of understanding (Attachment A to Resolution 23-01) with TCAG for the purpose of exchanging funds.

DISCUSSION:

The State Transportation Improvement Program (STIP) is a multi-year capital improvement program of transportation projects on and off the State Highway System. Every odd-numbered year, SRTA prepares a Regional Transportation Improvement Program (RTIP) that summarizes regional capital projects proposed for inclusion in the STIP. SRTA's 2022 RTIP (approved December 2021) and the 2022 STIP (adopted March 2022) programmed Active Transportation Program (ATP) Cycle 5 grant funds, Shasta County local funds, and leverage from SRTA in the form of Regional Improvement Program (RIP) shares, and time-limited regional COVID-STIP shares for different development phases of Shasta County's Cottonwood Lasso Project (A.K.A. Cottonwood Active Transportation Trunk Line Express (CATTLE) project).

In December 2022, SRTA was notified that the CATTLE project is overprogrammed in FY 22/23 for the Plans, Specifications, and Estimates (PS&E) phase of pre-construction by \$1.611 million (\$1.311 million COVID-STIP shares + \$350,000 regular STIP shares) and under-programmed by the same amount for the construction phase in FY 24/25. STIP guidelines prevent moving funds between phases when they are programmed in the current fiscal year. Following consultation with CTC, Caltrans, and TCAG staff, an exchange of funds between SRTA and TCAG was identified as the best possible solution. TCAG is willing to program \$1.311 million (regular STIP shares) in its 2024 RTIP toward the CATTLE project's

construction phase in FY 25/26 if Tulare County can use SRTA's \$1.311 million COVID-STIP shares in FY 23/24 toward their Caldwell Interchange Project, before the time-limited opportunity to use the COVID-STIP funds expires on June 30, 2024.

Additionally, CTC staff has advised SRTA to let the \$350,000 in regular 2022 STIP shares lapse. This temporarily removes the project from the STIP, before it is added back in through the preparation of SRTA's and TCAG's 2024 RTIPs. Each region will add the project into their 2024 RTIP to reflect full construction funding for the CATTLE project (\$1.311 million regular TCAG STIP shares + \$350,000 regular SRTA STIP shares) in FY 25/26. This may also allow Shasta County Public Works to advance allocate funds in FY 24/25 when construction is estimated to begin, pending STIP funding capacity. In the unlikely event available STIP funding falls short when needed, SRTA may use other available funding to the region to cover the shortfall.

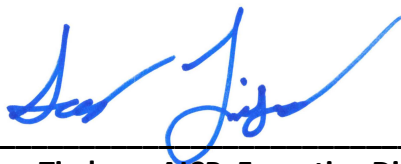
To facilitate the exchange of STIP shares with TCAG, an amendment to the 2022 STIP is needed, requiring approval by the Board of Directors from SRTA and TCAG, as well as a signed resolution (Attachment A) from each agency. Per the resolution, SRTA and TCAG executive directors will sign a memorandum of understanding (MOU) spelling out the details and responsibilities of each agency in facilitating the STIP amendment and 2024 RTIP programming (see draft MOU attached to Resolution 23-01).

OTHER AGENCY INVOLVEMENT:

SRTA staff have coordinated with staff from Shasta County Public Works, Tulare County Association of Governments, Caltrans District Two, Caltrans Headquarters, and the California Transportation Commission to facilitate this exchange of funding.

FISCAL IMPACT:

A total of \$1.611 million in funds for the CATTLE project must be reprogrammed to ensure the project remains whole. This includes offering TCAG \$1.311 million in COVID-STIP shares as part of an exchange through a 2022 STIP amendment and reprogramming the \$1.311 million in TCAG's regular STIP shares and \$350,000 in SRTA's regional STIP shares into the 2024 RTIP later this year. The whole \$1.611 million represents grant leverage for the project. Not taking action on this may result in a loss of \$1.311 million to the region and Shasta County's CATTLE project being underfunded.



Sean Tiedgen, AICP, Executive Director

Attachment:

A: Resolution 23-01

RESOLUTION 23-01



A RESOLUTION OF THE SHASTA REGIONAL TRANSPORTATION AGENCY (SRTA) AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) TO REPROGRAM FUNDS FOR THE COTTONWOOD ACTIVE TRANSPORTATION TRUNK LINE EXPRESS (CATTLE) PROJECT AND TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE TULARE COUNTY ASSOCIATION OF GOVERNMENTS TO EXCHANGE FUNDS.

WHEREAS, the Shasta Regional Transportation Agency (SRTA) is the regional transportation planning agency for the Shasta region pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, SRTA has adopted, pursuant to Government Code Sections 66508 and 65080, a Regional Transportation Plan (RTP); and

WHEREAS, SRTA biennially adopts a Regional Transportation Improvement Program (RTIP) that is submitted, pursuant to Government Code Section 14527, to the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans); and

WHEREAS, SRTA developed, in cooperation with Caltrans, public transit operators, and local governments, a five-year RTIP for the funding made available for transportation improvements for Fiscal Years 2022/23 through 2026/27 of the 2022 RTIP; and

WHEREAS, the 2022 RTIP was adopted by the board of directors on December 13, 2021, and submitted to Caltrans for inclusion in the 2022 State Transportation Improvement Program (STIP); and

WHEREAS, the 2022 RTIP and 2022 STIP includes the programming of funds for several regional projects including Shasta County's Cottonwood Lasso Project (A.K.A. Cottonwood Active Transportation Trunk Line Express (CATTLE) project (PPNO 2604)); and

WHEREAS, SRTA leveraged funds for the CATTLE project including \$1.311 million in COVID-STIP shares which must be completely allocated and spent by June 30, 2024; and

WHEREAS, it was determined that the COVID-STIP shares are overprogrammed in the PS&E phase of the CATTLE project and cannot be reprogrammed to the construction phase of the CATTLE project due to expenditure deadlines and restrictions on programming amendments as specified under STIP guidelines; and

WHEREAS, SRTA consulted California Transportation Commission (CTC), Caltrans, and other regional agency staff to find programming alternatives; and

WHEREAS, SRTA inquired if any regional agencies had the capacity to exchange funds between projects, and the Tulare County Association of Governments (TCAG) confirmed capacity to do so; and

WHEREAS, TCAG is a sponsor of the Caldwell Interchange Project, can program and allocate SRTA's COVID-STIP shares in fiscal year (FY) 2023/24, within the required expenditures deadline; and

WHEREAS, SRTA agrees to provide and program \$1.311 million in COVID-STIP shares for TCAG's Caldwell Interchange Project in FY 2023/24; and

WHEREAS, in exchange of the use of SRTA's COVID-STIP shares, TCAG will provide and program \$1.311 million in their regular regional STIP shares for the construction phase of Shasta County's CATTLE project in FY 2025/26 in their 2024 RTIP; and

WHEREAS, an amendment to the 2022 STIP is necessary to initiate the exchange, which requires resolutions from both SRTA and TCAG; and

WHEREAS, SRTA and TCAG agree to exchange funds as specified in the memorandum of understanding which is attached and incorporated by reference as Attachment A to this resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of the Directors of the Shasta Regional Transportation Agency approves the exchange of \$1.311 million in SRTA COVID-STIP shares with \$1.311 million in TCAG regular regional STIP shares; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of Directors of the Shasta Regional Transportation Agency authorizes the executive director to:

1. Coordinate with all necessary parties, including the CTC, Caltrans, TCAG, Shasta County, and other partners to provide the necessary information to facilitate an amendment to the 2022 State Transportation Improvement Program (STIP) for the CATTLE project; and
2. Execute a Memorandum of Understanding with TCAG for the purposes of exchanging and programming funds (Attachment A to this resolution) and to make non-substantive or minor amendments as deemed appropriate.

PASSED AND ADOPTED this 23rd day of February 2023, by the Board of Directors of the Shasta Regional Transportation Agency.

, Chair
Shasta Regional Transportation Agency

ATTEST:

Sean Tiedgen, Executive Director
Shasta Regional Transportation Agency

MEMORANDUM OF UNDERSTANDING
Between the Shasta Regional Transportation Agency (SRTA) and the
Tulare County Association of Governments (TCAG) for the exchange of SRTA COVID-STIP
funds for TCAG regional STIP funds.

This memorandum of understanding between the Shasta Regional Transportation Agency (SRTA) and the Tulare County Association of Governments (TCAG) is entered into as of the last day of signing with the authorization of the Boards of Directors of the respective agencies.

The parties do agree as follows:

1. SRTA will exchange \$1,311,000 in RIP-COVID shares with TCAG for \$1,311,000 in TCAG's Regional State Transportation Improvement Program (R-STIP) funding.
2. TCAG shall reduce the construction phase of the Caldwell Interchange project (PPNO 6421) in Tulare from \$7 million to \$5.689 million of regular STIP-RIP shares and program \$1.311 million of Shasta's RIP-COVID shares to the construction phase of the Caldwell interchange project (PPNO 6421) in FY 23/24 of the 2022 STIP.
3. SRTA shall program its RIP-COVID shares to the Caldwell Interchange project (PPNO 6421) in Tulare in FY 23/24 of the 2022 STIP.
4. TCAG shall be responsible for requesting an allocation of SRTA's RIP-COVID shares from the California Transportation Commission, with SRTA's assistance as necessary.
5. TCAG shall program its \$1.311 million in regular STIP-RIP shares in FY 25/26 for the construction phase of the Cottonwood Active Transportation Trunk Line Express (CATTLE) Network Project (PPNO 2604) in Shasta County in TCAG's 2024 RTIP.
6. SRTA shall program TCAG's \$1.311 million in regular STIP-RIP shares in FY 25/26 in SRTA's 2024 RTIP.
7. SRTA shall be responsible for having Shasta County's Department of Public Works request an allocation of TCAG's STIP-RIP shares in FY 25/26 from the California Transportation Commission, with TCAG's assistance as necessary.
8. Apportionment and programming changes will be made and approved by the California Transportation Commission respectively to TCAG's and SRTA's respective fund balances to reflect the exchange of funds that are the subject of this agreement.
9. The exchange of funding may also be subject to programming adjustments by each region that is reflective of current policy for programming projects in the Federal Transportation Improvement Program (FTIP).

10. It is the responsibility of TCAG and SRTA to communicate to the California Transportation Commission and Caltrans in a timely manner, via a letter, the exchange of funds.
11. Minor amendments to this Memorandum of Understanding, that do not substantially change the intent of the agreement, shall be approved in writing by the executive directors of each agency.
12. Amendments to this Memorandum of Understanding that may result in a substantial change to the original intent of this agreement shall be approved by the Board of Directors of TCAG and SRTA.

IN WITNESS WHEREOF, the Shasta Regional Transportation Agency and Tulare County Association of Governments have executed this agreement as of the date of last signing.

DATE: _____

DATE: _____

Sean Tiedgen, AICP, Executive Director
Shasta Regional Transportation Agency

Theodore Smalley, Executive Director
Tulare County Association of Governments