

STAFF REPORT



MEETING DATE:	June 25, 2025
SUBJECT:	Approve Fiscal Year (FY) 2024/25 Regional Surface Transportation Program (RSTP) Project List
AGENDA ITEM:	7-11
STAFF CONTACT:	Laurent Beauregard, Assistant Transportation Planner

SUMMARY:

Staff solicited project nominations from local agency partners for Fiscal Year (FY) 2024/25 Regional Surface Transportation Program (RSTP) exchange funds. The recommended projects are provided in the attachment.

STAFF RECOMMENDATIONS:

It is recommended that the board of directors:

1. Approve FY 2024/25 RSTP exchange funds for local agency projects pursuant to the attachment; and
2. Authorize the executive director to execute RSTP exchange sub-recipient cooperative agreement amendments with each local agency partner to receive RSTP exchange funds.

DISCUSSION:

SRTA receives federal RSTP apportionments that may be used for a variety of highway, bridge, transit, and pedestrian and bicycle infrastructure projects. It is SRTA's longstanding practice to exchange all its federal RSTP funds for state exchange funds. Federal RSTP funds are allocated to the region through Caltrans, with whom SRTA enters into an agreement to exchange for State-Only funds, eliminating the need for National Environmental Policy Act (NEPA) review and other federal requirements, thereby reducing local agency partners' administrative burdens and potential project costs.

SRTA receives approximately \$1.8 – \$2.4 million annually, which SRTA distributes to the county of Shasta and the cities of Anderson, Redding, and Shasta Lake based on population. The county of Shasta receives an additional \$672,168 in RSTP funds annually from the state that is not passed through SRTA. An error from information provided by Caltrans Headquarters for the FY 2023/24 RSTP distributions resulted in overpayment to the County of Shasta. The mistake has been reconciled with this year's RSTP distribution. Public Works staff were notified of the discrepancy and shared no questions or concerns on the reconciliation of funds.

Once the board of directors approves projects nominated for RSTP use, local jurisdictions enter into sub-recipient cooperative agreements with SRTA for the eligible use and reimbursement of the funds. After local agencies receive a Notice to Proceed (NTP) from SRTA, local agencies have three years to use the exchange funds and request reimbursement via invoice to SRTA. By policy, RSTP funds are held in a separate SRTA bank account until requests for eligible costs incurred on approved projects are received. In response to concern about timely use of funds, the SRTA Board of Directors revised its RSTP policies at the February 2022 meeting to address funds not requested for reimbursement on eligible projects within the required three-year performance period.

SRTA has signed an agreement with Caltrans for a \$2,369,877 allocation of FY 2024/25 RSTP exchange funds. Per SRTA's RSTP policies, staff recommends the FY 2024/25 RSTP exchange funds be distributed as follows:

Jurisdiction	FY 2024/25 Formula RSTP ¹
SRTA (Regional STIP Funds)	\$15,000
Anderson ²	\$176,224
Redding	\$1,630,890
Shasta Lake	\$176,682
Shasta County ³	\$371,081
Total	\$2,369,877

*See footnotes at bottom of page.

From May 23, 2025, through June 5, 2025, SRTA staff solicited project nominations for FY 2024/25 RSTP exchange funding. The attachment summarizes the submissions received from all four local agencies. All submitted projects are eligible for RSTP exchange funding and SRTA staff recommends approval.

ALTERNATIVES:

The board of directors may alter staff recommendations, local projects, and amounts. Alternatively, the board of directors may allocate funds for any eligible purpose, outside the formula allocation process, per SRTA policy.

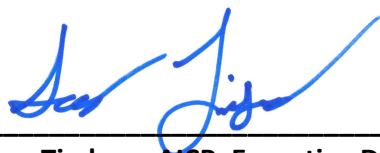
OTHER AGENCY INVOLVEMENT:

Local agency partners nominated the RSTP exchange projects. The Technical Advisory Committee (TAC) met on June 11, 2025, to review and discuss the recommended projects and concurs with Staff recommendations.

FISCAL AND POLICY COMMITTEE RECOMMENDATION: The Fiscal and Policy Committee met on June 16, 2025, to review and discuss the recommended projects and concurs with staff's recommendation.

FISCAL IMPACT:

RSTP funds are provided back to the region via a portion of the federal excise tax (18.4 cents per gallon) on gasoline. The recommended action distributes SRTA's \$2,369,877 in FY 2024/25 RSTP exchange funds for local agency projects as provided in the attachment.



Sean Tiedgen, AICP, Executive Director

Attachment: Shasta Nominations – FY 2024/25 Regional Surface Transportation Program (RSTP) Exchange Funds – Projects Recommended for Programming

¹ City/County funds allocated by population based on 1-1-2025 Dept. of Finance population estimates, released 5-1-2025. Annual allocation updated based on Caltrans FY 2024-25 exchange agreement apportionment agreement, 05-10-2024.

² Anderson target reduced by \$15,000 for 7th annual installment to SRTA for 12-year payback for loss of STIP funds due to Anderson undermatch to RASL project. SRTA amount reflects \$15,000 allocation towards STIP funds due to undermatch.

³ Does not include the amount (\$672,168) the county exchanges each year directly with the state.

Shasta Nominations

FY 2024/25 Regional Surface Transportation Program (RSTP) Exchange Funds

Projects Recommended for Programming

Agency	Project Name	FY 2024/25 Formula RSTP ¹	Total Estimated Project Cost	Year of Expenditure
SRTA	Regional State Transportation Improvement Program (STIP) Funds ²	\$ 15,000	For future board consideration as part of STIP	Unknown
Anderson ³	McMurray Drive Reconstruction	\$ 176,224	\$ 500,000	2024/2025
Redding	Cape Seal 2025	\$ 1,630,890	\$ 3,194,507	2025/2026
Shasta Lake	2024/2025 Street Maintenance	\$ 176,682	\$ 483,000	2024/2025
County ⁴	2025/2026 Road Maintenance Project	\$ 371,081	\$ 2,000,000	2025/2026
Total		\$ 2,369,877	\$ 6,177,507	

¹ City/County funds allocated by population based on 1-1-2025 Dept. of Finance population estimates, released 5-1-2025. Annual allocation updated based on Caltrans FY 2024-25 exchange agreement apportionment agreement.

² SRTA amount reflects \$15,000 allocation towards STIP funds due to Anderson undermatch on RASL project.

³ Anderson target reduced by \$15,000 for 7th annual installment to SRTA for 12-year I-5 Redding to Anderson Six-Lane (RASL) Project match commitment make up. SRTA amount reflects \$15,000 allocation to region to account for loss of \$180,000 STIP funds from the California Transportation Commission due to Anderson RASL undermatch.

⁴ Does not include the amount (\$672,168) the county exchanges each year directly with the state.