

# MEMORANDUM

## DEPARTMENT OF PUBLIC WORKS

### County of Placer

TO: BOARD OF SUPERVISORS

DATE: May 5, 2015

FROM: KEN GREHM / PETER KRAATZ

SUBJECT: STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) FUNDING FOR KINGS BEACH COMMERCIAL CORE IMPROVEMENT PROJECT -- GATEWAY TO THE CORE

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#### ACTION REQUESTED / RECOMMENDATION

1. Adopt a Resolution approving the application for a State Transportation Improvement Program (STIP) Assembly Bill 3090 Cash Reimbursement Arrangement for the Kings Beach Commercial Core Improvement Project (CCIP) that involves advancing \$7.6 million in traffic impact fee funding from the Countywide Traffic Mitigation Fee Program to be reimbursed with STIP funding in FY 2019-20.
2. Authorize the Director of Public Works, or his designee, to execute, with County Counsel's and Risk Management's review and approval, finalized agreements and/or documents between the County and Caltrans related to the Assembly Bill 3090 Cash Reimbursement Arrangement including a STIP Amendment documents and the project's Cooperative Agreement.
3. Authorize the Director of Public Works to transfer \$7.6 million traffic mitigation fees from the Countywide Traffic Mitigation Fee Program as an advance to be reimbursed under the specific provisions of the Assembly Bill 3090 Reimbursement Arrangement.

#### BACKGROUND / SUMMARY

The Kings Beach Commercial Core Improvement Project is located in Kings Beach along State Route 28 between Highway 267 and Chipmunk Street (see attached location map). The proposed project will improve roadway, pedestrian, bicycle, and roadside drainage facilities; and provide treatment for storm water runoff within the project limits. Proposed improvements include sidewalks, curb and gutter, bicycle lanes, intersection, public parking facilities and streetscape improvements along the 1.1 mile stretch of State Route 28 and adjacent County roads and right-of-way.

The Department has initiated a portion of the project improvements (Core of the Core) and anticipated those to be completed in the fall of 2015. The remaining work (Gateway to the Core) could begin as early as the spring of 2016 and be completed in one construction season. The requested action of this Board report will support the remaining construction work. This will be the final phase of the Kings Beach Commercial Core Improvement Project.

#### State Transportation Improvement Program (STIP) Funding

The remaining phase of the project is programmed for \$7.6 million in STIP funding which is currently not available until FY 2017-18 through FY 2019/20. The state allows a local agency to advance a project utilizing local funds that will be reimbursed with state funds in a future year as money is made available in the State Transportation Improvement Program (STIP). Assembly Bill 3090 provides the mechanism to allow for this future reimbursement upon approval of the California Transportation Commission.

The Kings Beach Commercial Core Improvement Project is a high priority County Project. The County has a current AB 3090 Agreement with the State to reimburse the County \$5M for the first phase of the Kings Beach CCIP by FY 2017-18. The proposal is for the County to advance \$7.6M from the Countywide Traffic Impact Fee Program to construct the final phase and be reimbursed by the State in future years from FY 2017-18 through FY 2019-20.

The Countywide Traffic Impact Fee Program has a current balance of over \$30M. After accounting for current projects and expenditure anticipated in the near future, the fund has an unencumbered balance of over \$16M. Advancing \$7.6M will lower the unencumbered balance in the fund to approximately \$8.4M. The overall fund balance in the Countywide traffic fee program will continue to increase as more fees are collected and the advance are reimbursed by the State beginning in FY 2015/16. No other County projects are anticipated to be impacted by this proposed advance.

Section 15.28.030 provides for transfers of Countywide Traffic Impact Fee Funds without interest if

1. The transfer is to provide funding for a specific capital improvement project contained within one of the Districts; and
2. The Director determines that special circumstances exist to justify the transfer or loan; and
3. Transferred moneys will be repaid as funds become available; and
4. The Board is notified and approves of the transfer or loan.

The Kings Beach CCIP project is a capital improvement project found in the Tahoe Region Capital Improvement Program approved by the Board. The special circumstances that justify the loan is that the State is willing to reimburse us in the future for the money we advance today allowing the public to enjoy the high priority improvements sooner and constructing the project before inflationary costs drive up the cost of the project. The loan will be repaid in accordance with the AB3090 agreement that will need to be approved by the State and before any moneys can be loaned. Your Boards approval is the last element needed to approve the project financing.

## **ENVIRONMENTAL**

The County has prepared an Environmental Impact Report (EIR) pursuant to the requirements for CEQA and the Placer County Environmental Review Ordinance; an Environmental Impact Statement (EIS) to meet the requirements of the Tahoe Regional Planning Agency; and an Environmental Assessment (EA) to meet the requirements of the Federal Highway Administration. The EIR was adopted by the Board of Supervisors on September 23, 2008.

## **FISCAL IMPACT**

The proposal to advance \$7.6 million in local funding supports a project schedule to initiate construction of Gateway to the Core in 2016. The Countywide Traffic Mitigation Fee Program represents the short-term funding source to advance the \$7.6 million and then be reimbursed by FY 2019-20. The Department has analyzed the current fee program budget and future transportation project needs, and we do not foresee any delays with other projects identified in the fee program that will ultimately utilize these funds following reimbursement in FY 2019-20. Pursuant to Government Code §14529.7(b)(2), interest or other debt service costs that may be incurred by the County's advance are not reimbursable by the State.

The Contractor has proceeded with phasing of the Kings Beach project such that the first phase could be completed as early as the fall of 2015. The remaining project, Gateway to the Core, could commence as early as the spring of 2016 assuming the project's first phase is completed as scheduled and all permitting and agency approvals for the project's second phase are

received. The second phase of the Kings Beach project will be supported entirely with the STIP funding. The construction cost along with construction management activities for the second phase of the project is estimated to total \$7.6 million.

Attachments: Resolution  
Location Map

T:\DPW\Tahoe Engineering Division\BOS Agenda Items\2015\2015 May 5 - KBCCID Gateway - STIP funding\5-5-15\_bdmemreso\_STIP\_fund\_agree\_pc2995 R1.docx

**Before the Board of Supervisors  
County of Placer, State of California**

**In the matter of:** APPROVAL OF PLAN TO ADVANCE FUNDS FOR STATE TRANSPORTATION IMPROVEMENT PROGRAM FOR THE KINGS BEACH COMMERCIAL CORE IMPROVEMENT PROJECT UPON ENTERING AGREEMENT FOR CASH REIMBURSEMENT; AUTHORIZATION OF THE DIRECTOR OF PUBLIC WORKS TO EXECUTE AGREEMENTS AND/OR DOCUMENTS BETWEEN THE COUNTY AND CALIFORNIA TRANSPORTATION COMMISSION AND CALTRANS RELATED TO CASH REIMBURSEMENT AGREEMENT INCLUDING STIP AMENDMENT DOCUMENTS AND THE PROJECT'S COOPERATIVE AGREEMENT; AND AUTHORIZATION OF TRANSFER OF \$7.6 MILLION IN TRAFFIC MITIGATION FEES.

**Resol. No.** \_\_\_\_\_

**The following Resolution was duly passed by the Board of Supervisors of the County of Placer**

**at a regular meeting held on \_\_\_\_\_ by the following vote on roll call:**

**Ayes:**

**Noes:**

**Absent:**

**Signed and approved by me after its passage.**

\_\_\_\_\_  
**Chair, Board of Supervisors**

**Attest:**  
**Clerk of said Board**

\_\_\_\_\_  
\_\_\_\_\_  
**WHEREAS, the Placer County Board of Supervisors recognizes the Kings Beach Commercial Core Improvement Project as a top priority transportation project in Placer County;**

**WHEREAS, under Government Code Section 14529.7, as amended by Assembly Bill 3090 (1992), the California Transportation Commission and the California Department of Transportation (Caltrans) may enter into an arrangement to advance State Transportation Improvement Program (STIP) projects through receiving an advancement of STIP funds for those projects and providing a cash reimbursement from STIP funds in a later year;**

**WHEREAS, the Placer County Board of Supervisors commit to a revised funding plan for the Kings Beach Commercial Core Improvement Project to improve 1.1 miles of State Route 28 and adjacent County roads through Kings Beach with roadway, pedestrian and storm water infrastructure with this funding plan including the advancement of \$7.6 million by the County, to be reimbursed as provided under Assembly Bill 3090;**

**WHEREAS, the County will enter into a cooperative agreement with Caltrans for Project implementation and reimbursement as provided under Assembly Bill 3090;**

**WHEREAS, under the County's list of transportation improvement projects, the Project is considered the highest priority in the eastern portion of Placer County; and**

**WHEREAS, Section 15.28.030 of County Code provides for transfer of Countywide Traffic Impact Fee Program Funds to advance high priority projects.**

**NOW, THEREFORE, the Placer County Board of Supervisors hereby resolves as follows:**

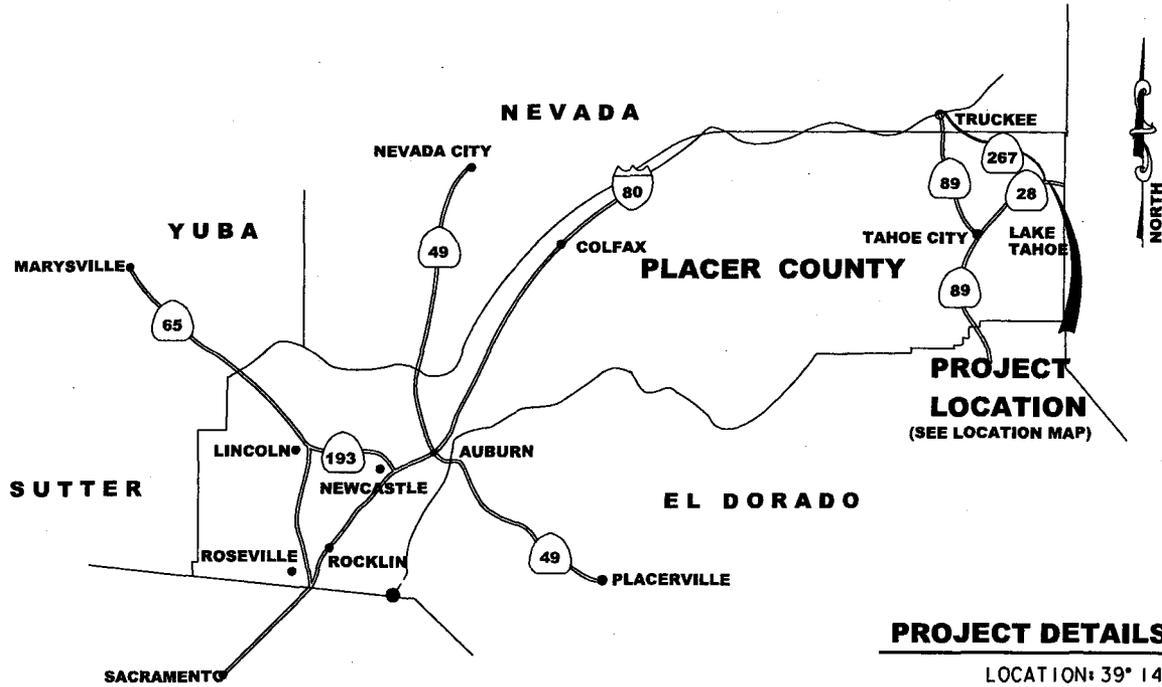
**Section 1. County finds that the Project is its highest priority project in the STIP.**

**Section 2. County authorizes the Director of Public Works to submit a STIP Amendment to provide for the Assembly Bill 3090 cash reimbursement arrangement for the Project, and to negotiate with the other parties regarding the specific provisions of the Assembly 3090 Reimbursement Arrangement.**

**Section 3. County authorizes the Director of Public Works to transfer \$7.6 million in traffic mitigation fees from the Countywide Traffic Mitigation Fee Program as an advance to be reimbursed under the specific provisions of the Assembly Bill 3090 Reimbursement Arrangement. The transfer of \$7.6 million will support construction of the Kings Beach Commercial Core Improvement Project (an identified capital improvement project in the Tahoe Region District) and be performed in accordance with Section 15.28.030, subsection P "Transfers" of the County Code that will ultimately be fully reimbursed by STIP funding in future fiscal years by the State in accordance with the Reimbursement Arrangement. The Board further concurs with the Directors findings that there are special circumstances that justify the advancing of moneys to construct the project including the earlier realization of the project benefits, constructing improvements before inflationary factors increase costs and because the Reimbursement Arrangement provides assurances that the moneys will be reimbursed in the future.**

**Section 4. County authorizes the Director of Public Works to execute, with County Counsel's and Risk Management's review and approval, finalized agreements and/or documents between the County and Caltrans related to the Assembly Bill Cash Reimbursement Arrangement including STIP Amendment documents and the project's Cooperative Agreement.**

# GATEWAY TO THE CORE IMPROVEMENTS KINGS BEACH COMMERCIAL CORE IMPROVEMENT PROJECT



## PROJECT DETAILS:

LOCATION: 39° 14' 15.67" N  
 120° 01' 25.69" W  
 LENGTH: 1 MILE  
 LAND USE: RECREATIONAL,  
 RESIDENTIAL  
 & COMMERCIAL

