



Memorandum

AGENDA ITEM 5

DATE: May 21, 2021

TO: Transportation Authority Board

FROM: Cynthia Fong -Deputy Director for Finance and Administration

SUBJECT: 06/08/21 Board Meeting: Authorize the Executive Director to Execute Master Agreement, Program Supplements and Fund Transfer Agreements-Thereto with the California Department of Transportation for State-Funded Transit Projects

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Authorize the Executive Director to execute master agreement, program supplements and fund transfer agreements-thereto with the California Department of Transportation (Caltrans) for state-funded transit projects <p>SUMMARY</p> <p>We are seeking authorization for the Executive Director to execute funding agreements between the Transportation Authority and Caltrans for receipt of state funds for transit projects. Guidelines established by Caltrans require that certain funding agreements be signed by the project sponsor and returned to Caltrans. For some grants, project sponsors are also required to adopt a Board resolution. Our current master agreement with Caltrans that covers state-funded transit projects will expire on July 11. Caltrans requires us to adopt an updated Board resolution before July 12 to execute a new master agreement to allow continuity between the two master agreements.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
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BACKGROUND

We may receive state funding from Caltrans now or sometime in the future for transit projects. These grant funds are typically administered by Caltrans, which requires that various types of funding agreement be executed between the project sponsor and Caltrans before the project can claim (e.g., seek reimbursement) grant funds. Caltrans also requires an updated Board resolution to authorize the execution of these funding agreements.



DISCUSSION

Caltrans utilizes master agreements for state-funded transit projects, along with associated program supplements and fund transfer agreements, for the purpose of administering and reimbursing state transit funds to local agencies. Our existing master agreement with Caltrans for state-funded transit projects spanned for a 10-year period and will expire on July 11, 2021. We are recommending approval to execute a new master agreement to allow continuity between the two master agreements for another 10-year period, through July 12, 2031. The statutes related to state-funded transit projects require a local or regional implementing agency to execute an agreement with Caltrans before it can be reimbursed for project expenditures.

Under the terms of the master agreement, we agree to comply with all conditions and requirements set forth in the agreement and applicable statutes, regulations and guidelines for all state-funded transit projects. Applicable funding sources covered by this agreement, including State Highway Account and Local Partnership Program grant sources, will be identified in each specific program supplement or fund transfer agreement, which may be required for approval as part of future agenda items.

FINANCIAL IMPACT

Approval of the recommended action would facilitate compliance with Caltrans funding agreement deadlines (avoiding loss of grant revenues) and enable the Transportation Authority to seek reimbursement of state grant funds for transit projects administered by Caltrans. If received, we will incorporate project-specific grant funding awarded by Caltrans into the Fiscal Year 2021/22 mid-year budget amendment. We will also bring procurements to be funded by these grants, where applicable, to the Board for approval as part of future agenda items.

CAC POSITION

The CAC will consider this item at its May 26 meeting.

SUPPLEMENTAL MATERIALS

None