



# Memorandum

**Date:** 09.02.14 **RE:** Finance Committee  
September 9, 2014

**To:** Finance Committee: Commissioners Cohen (Chair), Wiener (Vice Chair), Chiu, Farrell, Tang and Avalos (Ex Officio)

**From:** Cynthia Fong – Deputy Director for Finance and Administration *CF*

**Through:** Tilly Chang – Executive Director *TC*

**Subject:** **ACTION** – Recommend Authorizing the Executive Director to Execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and Any Amendments Thereto Between the Transportation Authority and the California Department of Transportation for Receipt of Federal and State Funds, including an Agreement for a Partnership Planning Grant to Support the San Francisco Freeway Performance Initiative Study; the Planning, Programming and Monitoring Program; and the Yerba Buena Island Interchange Improvement Project

## Summary

The Transportation Authority regularly receives federal and state transportation funds under ongoing grant programs as well as congressional earmarks. These grant funds are typically administered by the California Department of Transportation (Caltrans), which requires that various types of funding agreements be executed between the project sponsor and Caltrans before the project sponsor can claim (e.g., seek reimbursement) the grant funds. Caltrans also requires a Board resolution identifying the person or persons authorized to execute these funding agreements, and for Partnership Planning grants, the title of the grant. Guidelines established by the Metropolitan Transportation Commission and Caltrans require that certain funding agreements be signed by the project sponsor and returned to Caltrans within 60 days. Caltrans may disencumber and/or de-obligate funds if the deadline is not met. We are recommending updating an approval of a blanket authorizing resolution that will enable us to meet the deadlines required for execution of the current agreements, as well as future agreements for state and federal grant funds awarded to the Transportation Authority, consistent with the implementation of the Transportation Authority's Board-approved work program. The existing authorizing resolution was adopted in October 2012. **We are seeking a recommendation authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of federal and state funds, including an Agreement for a Partnership Planning Grant to support the San Francisco Freeway Performance Initiative Study; Planning, Programming and Monitoring Program; and the Yerba Buena Island Interchange Improvement Project.**

## BACKGROUND

The Transportation Authority regularly receives federal and state transportation funds under ongoing grant programs as well as congressional earmarks. These grant funds are typically administered by the California Department of Transportation (Caltrans), which requires that various types of funding agreements be executed between the project sponsor and Caltrans before the project sponsor can claim (e.g., seek reimbursement) the grant funds. Caltrans also requires an updated Board resolution identifying the person or persons authorized to execute these funding agreements, and for Partnership Planning grants, the title of the grant, approximately every two years. This resolution was last updated

in October 2012 through Resolution 13-13.

The purpose of this memorandum is to brief the Citizens Advisory Committee (CAC) on this Caltrans requirement and to seek a motion of support to approve a resolution authorizing the Executive Director to execute funding agreements between the Transportation Authority and Caltrans for receipt of federal and state funds, and to explicitly authorize a funding agreement for several grants that we anticipate receiving this year.

## **DISCUSSION**

Guidelines established by the Metropolitan Transportation Commission and Caltrans require that certain funding agreements for state and federal funds be signed by the project sponsor and returned, along with a local agency resolution that identifies the official authorized to execute the agreement, to Caltrans within 60 days. Caltrans may disencumber and/or de-obligate funds if the deadline is not met. We are recommending updating an approval of a blanket authorizing resolution that will enable us to meet the deadlines required for execution of the current agreements, as well as future agreements for state and federal grant funds awarded to the Transportation Authority, consistent with the implementation of the Transportation Authority's Board-adopted work program. During Fiscal Year 2014/15, we anticipate receiving the following federal and state funds from Caltrans: Freeway Performance Initiative Study; construction phase of the Yerba Buena Island (YBI) Interchange Improvement Project; Planning, Programming and Monitoring Program for FY 2014/15; and additional preliminary engineering and right-of-way phases of the YBI Bridge Structures.

Procurements for each project and mid-year budget amendments, where applicable, will be handled as separate items. Appropriation of Prop K matching funds for the Freeway Performance Initiative Study (renamed the San Francisco Freeway Corridor Management Study) is the subject of a separate agenda item for the September 3 CAC meeting.

**We are seeking a recommendation authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of federal and state funds, including an agreement for a Partnership Planning Grant to support the San Francisco Freeway Performance Initiative Study; Planning, Programming and Monitoring Program; and the YBI Interchange Improvement Project.**

## **ALTERNATIVES**

1. Recommend authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of Federal and State funds, including an Agreement for a Partnership Planning Grant to support the San Francisco Freeway Performance Initiative Study; Planning, Programming and Monitoring Program; and the YBI Interchange Improvement Project.
2. Recommend authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of Federal and State funds, including an Agreement for a Partnership Planning Grant to support the San Francisco Freeway Performance Initiative Study; Planning, Programming and Monitoring Program; and the YBI Interchange Improvement Project, with modifications.

3. Defer action, pending additional information or further staff analysis.

### **CAC POSITION**

The CAC considered this item at its September 3 meeting and unanimously adopted a motion of support for the staff recommendation.

### **FINANCIAL IMPACTS**

Board approval of the recommended action would facilitate compliance with Caltrans funding agreement deadlines and enable the Transportation Authority to more quickly seek reimbursement of federal and/or state grant funds administered by Caltrans.

### **RECOMMENDATION**

Recommend authorizing the Executive Director to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, Cooperative Agreements and any amendments thereto between the Transportation Authority and Caltrans for receipt of federal and state funds, including an Agreement for a Partnership Planning Grant to support the San Francisco Freeway Performance Initiative Study; Planning, Programming and Monitoring Program; and the YBI Interchange Improvement Project.