



Memorandum

AGENDA ITEM 6

DATE: January 5, 2023

TO: Transportation Authority Board

FROM: Anna LaForte - Deputy Director for Policy and Programming
Carl Holmes - Deputy Director for Capital Projects

SUBJECT: 1/10/23 Board Meeting: Authorize the Executive Director to Execute Master Agreements, Program Supplemental Agreements, Cooperative Agreements, Fund Transfer Agreements and Any Amendments Thereto with the California Department of Transportation for Receipt of Federal and State Funds for the Westside Bridges Seismic Retrofit Project in the Amount of \$95,496,378

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Authorize the Executive Director to execute master agreements, program supplemental agreements, cooperative agreements, fund transfer agreements and any amendments thereto with the California Department of Transportation (Caltrans) for receipt of federal and state funds for the following project:</p> <ul style="list-style-type: none"> Westside Bridges Seismic Retrofit Project (Project) in the Amount of \$95,496,378 <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 federal and state funds for several grants that we anticipate receiving this year for the Project. These grants will help close the funding gap for the Project’s construction phase, allowing us to bring an action to the Board next month to award the construction contract. 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. Caltrans requires us to adopt a resolution to identify the person(s) authorized to execute these funding agreements and the title of the grant. Caltrans also requires us to return the signed grant agreement and resolution within 14 days of receipt of the grant. The Board has previously adopted similar resolutions with the last</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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<p>one being Resolution 22-56 in July 2022. The Project’s construction phase funding plan is shown in Attachment 1, with a footnote indicating the various grants that are administered by Caltrans.</p>	
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BACKGROUND

We regularly receive federal and state transportation funds from ongoing grant programs and periodically receive congressional earmarks. These grant funds are typically administered by 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., encumber or seek reimbursement) the grant funds. Caltrans also requires an updated Board resolution identifying the person(s) authorized to execute these funding agreements and the title of the grant. The Transportation Authority last adopted this type of resolution in July 2022 through approval of Resolution 22-56.

DISCUSSION

A brief description of the Project for which we are recommending approval of the subject resolution are provided below along with information on the relevant federal and state grants. The Project and associated funding will be included in the agency’s mid-year budget amendment for Fiscal Year (FY) 2022/23.

West Side Bridge Seismic Retrofit Project. We are leading the project on behalf of the Treasure Island Development Authority (TIDA). The project will replace seven seismically deficient bridges and retrofit one bridge with a realigned roadway and retaining walls, a Class II bicycle facility, and a transit-only access on-ramp. This project will be challenging to implement, given its unique location along the western edge of Yerba Buena Island along steep terrain on the hillside overlooking the San Francisco Bay. In addition to the challenging location, the project presents numerous complex structural (bridge/retaining wall foundations) and geotechnical challenges (unstable soils), as well as difficult construction access (very steep terrain) and environmental constraints (construction adjacent to and above the San Francisco Bay). As such, the Project is being delivered using the Construction Manager/General Contractor (CMGC) delivery method. Construction of the project is scheduled to begin in spring 2023 and be completed by the end of calendar year 2026.

The projected construction phase cost, totaling \$115,900,378, is funded with federal Highway Bridge Program (HBP) and Rebuilding American Infrastructure with Sustainability and Equity (RAISE) funds, state Proposition 1B and Local Partnership Program (LPP) funds, and local TIDA, Bay Area Toll Authority (BATA), Proposition K Sales Tax funds approved through Resolution 23-22, and a federal earmark.

Several grant funds will be administered by Caltrans, including HBP, RAISE, state Proposition 1B, and LPP funds, and will require the Transportation Authority and Caltrans to execute



various types of funding agreements. We are pleased to report that the Project secured a significant amount of funding last month, consistent with the full funding plan we presented to the Board last year. On December 20, 2022, Caltrans informed us that the Project is now programmed in the LPP in the amount of \$9,056,000, which is comprised of \$4,056,000 of the Transportation Authority's share of LPP formula funds and \$5,000,000 of BATA's share of LPP formula funds. Caltrans has also approved programming of federal and state funding in the Federal Transportation Improvement Program for federal fiscal year 2022/23 for the construction phase of work, totaling \$66,240,278. In addition, in December 2021, the Federal Highway Administration awarded \$18,000,000 in federal RAISE grant funding to us for the construction phase of the Project, another grant which Caltrans will administer. In December 2022, Congress passed a bill that included a federal earmark of \$2,200,000 for the project. Total funding administered by Caltrans for the construction phase amount to \$95,496,378. We anticipate award of these funds within the next two months to support commencement of the Project's construction phase.

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 federal and state grant funds administered by Caltrans for the Project. The first year of anticipated revenues for these grants will be included in the Fiscal Year 2022/23 mid-year budget amendment. We will bring contract award and contract amendment recommendations to be funded by these grants, where applicable, to the Board for approval as part of future agenda items.

CAC POSITION

The Community Advisory Committee did not consider this item since no CAC meeting is held at the end of December due to year-end holidays. However, the CAC was briefed on the Project's full funding plan and adopted a motion of support for related funding actions (e.g. One Bay Area Grant/Prop K fund exchange) at its November 30, 2022 meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - West Side Bridges Construction Phase Funding Plan
- Attachment 2 - Resolution

Attachment 1
West Side Bridges Construction Phase Funding Plan

Source	Total
Construction Phase Funding	Amount
Federal Highway Bridge Program ⁽¹⁾	\$ 54,835,827
State Prop 1B Local Bridge Seismic ⁽¹⁾	\$ 7,104,551
Federal RAISE grant ⁽¹⁾	\$ 18,000,000
Bay Area Toll Authority	\$ 2,000,000
San Francisco share SB 1 Local Partnership Program Formula funds ⁽¹⁾	\$ 4,056,000
Bay Area Toll Authority share SB 1 Local Partnership Program Formula funds ⁽¹⁾	\$ 5,000,000
Treasure Island Development Authority	\$ 3,505,000
Prop K (via OBAG fund exchange)	\$ 14,899,000
Caltrans Highway Bridge Program ⁽¹⁾	\$ 4,300,000
Federal Earmark ⁽¹⁾	\$ 2,200,000
Total funding	\$ 115,900,378
Federal Amount	\$ 79,335,827
Non Federal Amount	\$ 36,564,551
Non Federal Percent	31.5%
⁽¹⁾ Funding Administered by Caltrans	\$ 95,496,378



AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE MASTER AGREEMENTS, PROGRAM SUPPLEMENTAL AGREEMENTS, COOPERATIVE AGREEMENTS, FUND TRANSFER AGREEMENTS AND ANY AMENDMENTS THERETO WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR RECEIPT OF FEDERAL AND STATE FUNDS FOR THE YERBA BUENA ISLAND WESTSIDE BRIDGES SEISMIC RETROFIT PROJECT IN THE AMOUNT OF \$95,496,789

WHEREAS, The Transportation Authority is a recipient of federal and state funds administered by the California Department of Transportation (Caltrans); and

WHEREAS, Guidelines established by Caltrans require that certain funding agreements be signed by the project sponsor and returned to Caltrans; the guidelines also require a Board resolution identifying the person(s) authorized to execute these funding agreements and the title of the grant; and Caltrans requires the Transportation Authority to return the signed grant agreement and resolution within 14 days of receipt of grant; and

WHEREAS, In Fiscal Year 2022/23, staff anticipate receiving federal and state funds from Caltrans for the Yerba Buena Island (YBI) Westside Bridges Seismic Retrofit Project in the upcoming months to enable the project to begin construction this spring; and

WHEREAS, The YBI Westside Bridges Seismic Retrofit Project will replace seven seismically deficient bridges and retrofit one bridge with a realigned roadway and retaining walls, a Class II bicycle facility, and a transit-only access on-ramp and will be challenging to implement, given its unique location along the western edge of YBI along steep terrain on the hillside overlooking the San Francisco Bay; and

WHEREAS, Total funding administered by Caltrans for the construction phase amounts to \$95,496,378, comprised of \$59,135,827 from federal Highway Bridge Program; \$18,000,000 from the federal Rebuilding American Infrastructure with



Sustainability and Equity funds; \$7,104,551 from state Proposition 1B funds; \$9,056,000 from state Senate Bill 1 Local Partnership Program funds; and \$2,200,000 from a federal earmark passed by Congress; and

WHEREAS, The recommended action would facilitate compliance with Caltrans' funding agreement deadlines, avoid loss of grant revenues, and enable the Transportation Authority to seek reimbursement of federal and state grant funds administered by Caltrans for the YBI Westside Bridges Seismic Retrofit Project; and

WHEREAS, The first year of anticipated revenues for these grants will be included in the Fiscal Year 2022/23 mid-year budget amendment; now, therefore, be it

RESOLVED, That the Transportation Authority hereby authorizes the Executive Director to execute master agreements, program supplemental agreements, cooperative agreements, fund transfer agreements and any amendments thereto with Caltrans for receipt of federal and state funds for the YBI Westside Bridges Seismic Retrofit Project in the amount of \$95,496,378; and be it further

RESOLVED, That the Executive Director is directed to submit this resolution to Caltrans and other relevant parties.