



Council Agenda Report

Date: <MEETING_DATE>

Item No: <#>

FROM: Steve Wittry, Interim Public Works Director
Prepared By: Rich Deal, PE, TE, PTOE, City Traffic Engineer

SUBJECT: Authorize the City Manager to Enter into a Master Programs Funding Agreement with the Transportation Agency for Monterey County to Receive Allocations from Measure X (Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061)

RECOMMENDATION:

That the City Council authorize the City Manager to enter into a Master Programs Funding Agreement with the Transportation Agency for Monterey County (TAMC) to receive allocations from Measure X.

POLICY IMPLICATIONS:

This action is consistent with City Council policy to accept funding for transportation infrastructure projects and consistent with the following City Council Value Driver and Strategic Initiatives:

- “Providing the City of Monterey with multiple modes of transportation that are safe, efficient and effective.”
- “The Council is committed to developing policies and supporting plans that create an environment where people, bicycles and motor vehicles can move through the community with minimal delay. The Council also wants to explore creative applications of public space design principles and the use of transit services to lessen people’s reliance on cars to move about the City.”

FISCAL IMPLICATIONS:

The City will receive an estimated \$21.9 million over 30 years, which will be appropriated to various transportation projects through the Capital Improvement Program.

ENVIRONMENTAL DETERMINATION:

The City of Monterey determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 (CEQA Guidelines), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant

to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

ALTERNATIVES CONSIDERED:

There are no alternatives recommended as entering into this agreement is required in order to receive the City's share of Measure X tax revenues.

DISCUSSION:

The purpose of this agreement is to enable the City to receive its share of Measure X tax revenues. The City will receive allocations based 50% on population and 50% on lane miles. The funding share formula will be updated annually at the beginning of each fiscal year. The City of Monterey's share is projected to be \$21,940,000 over the 30 year distribution period.

Background

In November, 2016, Monterey County voters approved Measure X, the Transportation Safety and Improvement Plan for the purposes of improving safety on local roads and highways, repairing potholes, maintaining streets and roads, reducing traffic congestion, improving transportation for seniors, young people and people with disabilities, and making walking and biking safer. Countywide, Measure X is anticipated to generate an estimated \$20 million annually for a total of \$600 million over thirty years through a retail transactions and use tax of three-eighths of one-percent (3/8%). The revenue from the sales tax measure will be used to fund transportation safety and mobility projects in Monterey County and is meant to augment, not replace, existing transportation expenditures.

Expenditure Accounting and Oversight

Under this agreement, the City of Monterey will be required to establish a Maintenance of Effort level for the preceding three fiscal years as a baseline to ensure that funds received augment existing transportation expenditures. This baseline is equal to the amount reported to the State Controller pursuant to Streets and Highways Code section 2151. The City of Monterey's maintenance of effort funded by the General Fund for the past three fiscal years is:

FY 2014	\$2,667,122
FY 2015	\$2,440,234
FY 2016	\$2,555,294

The City is also required to maintain a separate fund for the "Transportation Safety & Investment Plan Account" to track all revenues and expenditures of Measure X funds, and will be required to maintain our existing pavement management program and report to TAMC on the conditions of our streets to ensure timely repairs and keep the public informed. A Citizens Oversight Committee was appointed by the TAMC Board of Directors to ensure that taxpayers' safeguards in the Transportation Safety and Investment Plan are met as projects and programs are implemented.

Measure X 30-Year Program

City staff has designed a 30-year Measure X project list that is intended to enhance safety and traffic flow while also addressing deferred maintenance needs (Attachment 2). Therefore, Measure X funds offer the City of Monterey a strategic benefit to fund important traffic safety and operations projects that have remained unfunded for years. The project list includes the following:

- Adaptive Traffic Signal System
The City received an AB 2766 grant to install an adaptive traffic signal system for Del Monte Avenue, but the system requires updated equipment to run properly. The adaptive system will optimize signal coordination and traffic flow from Lighthouse Avenue through Del Monte, including the most congested signals at Washington, Figueroa, El Estero, Aguajito, and Sloat. Measure X funding is allocated for the AB 2766 grant match as well as signal upgrades.
- Intersection Safety and Operations
The project list shows funding for reconstruction of the following intersections that are known to have high crash histories and high traffic delay: Del Monte/Washington, Del Monte/Sloat (includes right of way purchase), Del Monte/Aguajito, Del Monte/El Estero and Munras/Soledad (includes either new traffic signal or roundabout). The project list allocates Measure X funding for the preliminary engineering and environmental phases of these projects early, before construction funding is secured. This enables the City to have those safety and traffic flow projects poised and eligible as different sources of funding become available in the future.
- Critical Maintenance (Deferred Maintenance)
The project list allocates \$100,000 to \$200,000 each year to replace failing traffic signal equipment, on all arterial streets, that have been in place since the 1980s. Improvements will include battery back-up systems at each intersection to eliminate congestion caused by short-term power outages; fiber optic communications, new vehicle detection, controller assemblies. This allocation will also fund wayfinding sign replacement, which implements the new Citywide Wayfinding Program.

Prioritizing

The project list identifies each improvement project and details the proposed Measure X funding pattern and preliminary sequence of project execution. The list is ordered such that the highest priority projects will result in the greatest community benefit with regards to safety and operations. For example, the Lighthouse – Del Monte Corridor is the primary transportation spine through the City of Monterey, and affects traffic flow along both Del Monte and Lighthouse Avenues. The last major project on Del Monte Avenue from the Naval Postgraduate School to the East City Limit was completed in 1995. The existing and frequent poor performance on Del Monte Avenue also limits traffic flow on Lighthouse Avenue. Therefore, the City has prioritized several improvements to Del Monte Avenue that will improve traffic flow on both sides of the tunnel.

Leveraging/Grant Matching

Readiness is a key strategy in leveraging Measure X funds to maximize grant opportunities. The City is in the process of preparing a Systematic Safety Analysis Report (SSAR), funded by a

grant received in 2016. This report will analyze critical corridors and crash history, and identify critical safety improvements. The report will also highlight those projects with high potential for competitive funding. The City of Monterey is one of only 28 agencies throughout the State to receive this first time grant opportunity that will set us ahead to receive Highway Safety Improvement Program (HSIP) funding. In anticipation of these improvements, the project list identifies funding for grant matches, preliminary engineering, and environmental, and are labeled on the project list as "SSAR Identified Projects."

Measure X also has \$20M in Safe Routes to School (SRTS) competitive funding. The City's ongoing SRTS planning efforts provide a competitive edge for these funds as well.

The project list identifies which projects are eligible for grant funding. Such projects may be accelerated based on successful grant applications, which will then cause the Measure X funding to shift to the next highest priority project. Similar to the SSAR projects, for projects known to be grant-eligible, Measure X funds are allocated for grant matches, preliminary engineering and environmental, which enable the City to capture and leverage the funding to the maximum extent possible. Following the Lighthouse – Del Monte Corridor safety and operations improvements, Measure X funding will be allocated to other intersections throughout the City with high crash histories.

As the funding climate evolves over the years, funding priorities may also change as Council directs.

Therefore, Staff recommends that the City Council authorize the City Manager to enter into a Master Programs Funding Agreement with TAMC to receive allocations from Measure X.

RD/AR/mb

Attachments: 1. Resolution
2. Measure X Project List

RESOLUTION NO. 17-142 C.S.

A RESOLUTION OF THE COUNCIL OF THE CITY OF MONTEREY

AUTHORIZE THE CITY MANAGER TO ENTER INTO A MASTER PROGRAMS FUNDING AGREEMENT WITH THE TRANSPORTATION AGENCY FOR MONTEREY COUNTY TO RECEIVE ALLOCATIONS FROM MEASURE X

WHEREAS, in November, 2016, Monterey County voters approved Measure X, the Transportation Safety and Improvement Plan for the purposes of improving safety on local roads and highways, repairing potholes, maintaining streets and roads, reducing traffic congestion, improving transportation for seniors, young people and people with disabilities, and making walking and biking safer;

WHEREAS, countywide, Measure X is anticipated to generate an estimated \$20 million annually for a total of \$600 million over thirty years through a retail transactions and use tax of three-eighths' of one-percent ($3/8\%$);

WHEREAS, the revenue from the sales tax measure will be used to fund transportation safety and mobility projects in Monterey County and is meant to augment, not replace, existing transportation expenditures

WHEREAS, the City of Monterey will receive a share of this revenue through a tax sharing agreement, with revenue projected to be \$21,940,000 over the 30 year distribution period;

WHEREAS, the City of Monterey determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 (CEQA Guidelines), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that it hereby authorizes the City Manager to enter into a Master Programs Funding Agreement with the Transportation Agency for Monterey County (TAMC) to receive allocations from Measure X.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY this 15th day of August, 2017, by the following vote:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None

APPROVED:

ATTEST:



Mayor of said City



City Clerk thereof



Year	Measure X Funding	Del Monte Adaptive System Grant Match	Critical Maintenance (Deferred Maintenance)	SSAR Identified Projects (Grant Match, Engineering, Environmental)	Del Monte/ Sloat ROW	Del Monte/ Improvements	Sloat Improvements	Del Monte/ El Estero Improvements*	Del Monte/ Aguajito Improvements*	Del Monte/ Washington Improvements*	Franklin/ Alvarado	Franklin/ Calle P	Franklin/ El Estero	Pearl/ El Estero	Munras/ Soledad*	Franklin/ Washington	TOTALS	
2017	190,000	190,000															190,000	
2018	750,000	100,000	100,000	150,000	R/W purchase	250,000	150,000	DESIGN/ENV									750,000	
2019	750,000		150,000	200,000	R/W purchase	250,000	150,000	DESIGN/ENV									750,000	
2020	750,000		150,000	150,000	R/W purchase	250,000		100,000	DESIGN/ENV								750,000	
2021	750,000		150,000	50,000	R/W purchase	250,000		DESIGN/ENV	DESIGN/ENV	300,000	DESIGN						750,000	
2022	750,000		200,000		R/W purchase												750,000	
2023	750,000		200,000				550,000	CONSTR									750,000	
2024	750,000		200,000				550,000	CONSTR									750,000	
2025	750,000		200,000	50,000			500,000	CONSTR									750,000	
2026	750,000		200,000				550,000	CONSTR									750,000	
2027	750,000		200,000	50,000			500,000	CONSTR									750,000	
2028	750,000		100,000				CONSTR										750,000	
2029	750,000		100,000					500,000	CONSTR		100,000	DESIGN/ENV	DESIGN/ENV	DESIGN/ENV	DESIGN/ENV	100,000	750,000	
2030	750,000		100,000	100,000				550,000	CONSTR						DESIGN/ENV		750,000	
2031	750,000		150,000					600,000	CONSTR								750,000	
2032	750,000		150,000					CONSTR									750,000	
2033	750,000		150,000						600,000	CONSTR							750,000	
2034	750,000		150,000						450,000	CONSTR							750,000	
2035	750,000		150,000	150,000					600,000	CONSTR							750,000	
2036	750,000		150,000						450,000	CONSTR							750,000	
2037	750,000		150,000						600,000	CONSTR							750,000	
2038	750,000		150,000						250,000	CONSTR	350,000						750,000	
2039	750,000		150,000						CONSTR	300,000	300,000						750,000	
2040	750,000		150,000								CONSTR		250,000				750,000	
2041	750,000		150,000								CONSTR		CONSTR				750,000	
2042	750,000		150,000										600,000	CONSTR			750,000	
2043	750,000		150,000										CONSTR				750,000	
2044	750,000		150,000										CONSTR				750,000	
2045	750,000		150,000										CONSTR				750,000	
2046	750,000		150,000										CONSTR				750,000	
TOTALS	21,940,000	290,000	4,450,000	650,000	1,000,000	3,500,000	1,750,000	850,000	2,650,000	750,000	1,300,000	1,800,000	1,850,000	100,000	1,850,000	100,000	21,940,000	
Projects eligible for grant funding																	Total Project Cost	Total Project

Projects eligible for grant funding
 *Priority projects identified as part of the Measure X campaign