



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
August 1, 2006

Honorable Mayor and
Members of the City Council

Title: SACOG Loan for the Ueda Parkway Project Phase I, CIP HB16

Location/Council District: Council Districts 1 and 2

Recommendation: That the City Council adopt the attached **Resolution:** 1) amending the Capital Improvement Program revenue and expenditure budgets for FY 2006 – 2007 to reflect a maximum increase of \$700,000 in federal funds to the Ueda Parkway project, CIP HB16; 2) approving the reimbursement mechanism and authorizing the City Manager to notify SACOG (Sacramento Area Council of Governments) identifying the repayment process of the advance of \$700,000 in federal funds; and 3) authorizing the City Manager to execute a Program Supplement and all other necessary forms with Caltrans.

Contact: Janet Baker, Park Development Manager, 808-8234; Theresa Arnold, Special Projects Engineer, 808-5514

Presenters: None

Department: Parks and Recreation/Transportation

Division: Park Planning, Design and Development/Engineering Services

Organization No: 4727/3435

Description/Analysis

Issue: Based on current cost projections, existing resources may be insufficient to award a construction contract for Ueda Parkway Phase I. The Ueda Parkway represents an important transportation link in the City's bike trail system. Phase I of the project, CIP HB16, is in need of approximately \$700,000 to cover increased construction costs. SACOG (Sacramento Area Council of Governments) is able to advance a maximum of \$700,000 in federal funds for the Ueda Parkway project with an agreed upon payback mechanism.

Policy Considerations: Providing parks and recreation facilities is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation, and trail facilities throughout the City.

fund appropriations is not subject to the provisions of California Environmental Quality Act (CEQA) under the general rule (Section 15061(B)(3)) that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Environmental documents have been prepared in accordance with the CEQA and the National Environmental Policy Act (NEPA) for the Ueda Parkway Plan, Phase I, CIP HB16.

Rationale for Recommendation: To ensure completion of the project within current time constraints, this funding source could be necessary to ensure the project is completed. In addition to the need for funding currently noted, the department will lose a \$250,000 grant from the state's Environmental Enhancement and Mitigation Program (EEMP) if the construction of the Ueda Parkway Phase I is not completed by November 2006.

Financial Considerations: Additional federal funds will increase the project budget to a maximum of \$4,612,834 which will be sufficient to complete Phase I of the trail. The additional local match funds will be appropriated at the time of contract award.

Since the federal funds identified are not a new source of funding for this project, SACOG is requiring local agencies to identify how the advanced federal funds will be paid back to SACOG. Staff recommends and SAGOG staff has agreed that the reimbursement mechanism be from the following scenarios, in priority order:

- Scenario 1: The City requests a maximum of \$700,000 from the next SACOG Bike/Pedestrian grant funding round to repay the advance. The SACOG Bike/Pedestrian grant funding is a new, competitive source of funding. If not successful, then
- Scenario 2: The City requests a maximum of \$700,000 from the Local Priority category of the next SACOG funding round to repay the advance. The Local Priority category funding is a new, competitive source of funding. If not successful, then
- Scenario 3: The City reimburses SACOG using Transportation Development Act funds at the rate of \$20,000 per year for 35 years. The City is annually allocated \$350,000 to 400,000 of Transportation Development Act funds, thereby making a one-time repayment of the full \$700,000 impossible. Should this step occur, staff will return to Council with a reimbursement agreement for Council's approval.

Emerging Small Business Development (ESBD): Not applicable as no goods or services are being purchased as a part of this report.

Respectfully Submitted by: 
ROBERT G. OVERSTREET II
Director, Parks and Recreation

Respectfully Submitted by: 
JERRY WAY
Interim Director, Transportation

Recommendation Approved:

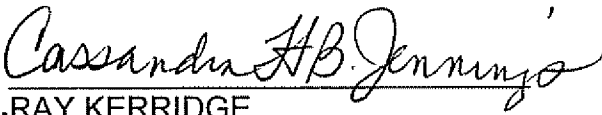

for RAY KERRIDGE
City Manager

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RESOLUTION NO. 2006-XXX

Adopted by the Sacramento City Council
August 1, 2006

SACOG LOAN FOR THE UEDA PARKWAY PROJECT PHASE I, CIP HB16

BACKGROUND

- A. The Ueda Parkway project is an important transportation link that runs from Elkhorn Boulevard at the northern city limits to the American River Parkway.
- B. Phase I of the Ueda Parkway trail must be constructed by November 2006 to avoid losing a \$250,000 state grant.
- C. SACOG (Sacramento Area Council of Governments) is able to advance a maximum of \$700,000 in federal funds for the Ueda Parkway.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Capital Improvement Program revenue and expenditure budgets are amended for FY 2006 – 2007 to reflect an increase up to \$700,000 in federal funds to the Ueda Parkway project, CIP HB16.
- Section 2. The City Manager is approved to notify SACOG of the reimbursement mechanism identifying the repayment process of the advance of \$700,000 in federal funds:
 - o Scenario 1: The City requests a maximum of \$700,000 from the next SACOG Bike/Pedestrian grant funding round to repay the advance. The SACOG Bike/Pedestrian grant funding is a new, competitive source of funding. If not successful, then
 - o Scenario 2: The City requests a maximum of \$700,000 from the Local Priority category of the next SACOG funding round to repay the advance. The Local Priority category funding is a new, competitive source of funding. If not successful, then
 - o Scenario 3: The City reimburses SACOG using Transportation Development Act funds at the rate of \$20,000 per year for 35 years. The Department is annually allocated \$350,000 to 400,000 of Transportation Development Act funds, thereby making a one-time repayment of the full \$700,000 impossible. Should this step occur, staff will return to Council with a reimbursement agreement

for Council's approval.

Section 3. The City Manager is authorized to execute a Program Supplement and all other necessary forms with Caltrans.