



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

**SUBJECT: FEDERAL SURFACE
TRANSPORTATION FUNDING
FOR STREET MAINTENANCE**

DATE: 08-18-04

Approved

Date

8.23.04

Council District: Citywide

RECOMMENDATION

Adoption of a resolution authorizing the filing of an application for Federal Surface Transportation Program (STP) funding for the FY 05-06 and FY 06-07 STP Street Resurfacing project (see attachment A) and committing the necessary City funding match for the project and stating the assurance of the City of San Jose to complete the project in the total amount of \$7,437,000 (total includes both City funding match and STP funding).
CEQA: Exempt, PP04-08-233

BACKGROUND

The Metropolitan Transportation Commission's (MTC) 2003 survey of local streets and roads maintenance needs clearly details that region-wide, over the next 25 years, the cost of maintaining and replacing the street system that exists today exceeds the revenues expected to be available for that purpose. In Santa Clara County, the total local road shortfall is projected to be \$1.7 billion. Approximately \$500 million of that shortfall is on Federal aid-eligible roads, which are streets with a functional classification of "rural minor collector" or higher.

In response, MTC's 2005 Regional Transportation Plan (T 2030) is expected to direct a total of \$990 million in Federal transportation funding over 25 years to address the shortfall on the Metropolitan Transportation System (MTS) roads throughout the nine-county Bay Area.

ANALYSIS

This summer, MTC would program some of the funds expected from TEA-21 reauthorization in 2005-06 and 2006-07 for local streets and roads rehabilitation and reconstruction. Region-wide, MTC staff anticipates that approximately \$57 million would be available. The City of San José's total share (for both cycles 2005-06 and 2006-07) is anticipated to be roughly \$6.6 million. The

money is expected to be available to cities and counties beginning in October 2005 and all funds must be obligated by April 1, 2007.

As the Congestion Management Agency (CMA) for Santa Clara County, the Valley Transportation Authority (VTA) has coordinated with the cities and the County to develop a process and criteria for programming the STP funds. The process and criteria was approved by the Congestion Management Program and Planning Committee (CMPP) in May of 2004 and adopted by the VTA Board of Directors on June 3, 2004. Attachment A describes the anticipated distribution of funds along with a project list in Santa Clara County. As part of the Federal STP funding requirements, the City of San José would allocate an 11.47% local match.

The adoption of the resolution would facilitate payments to the City from the Federal STP funds in the amount of \$6,583,889 over a two-year period, FY 05-06 and 06-07. The revenues and expenditures related to the project would be incorporated into the Proposed 2006-2010 Traffic Capital Improvement Program. The City's match required by this Resolution would be funded using the street maintenance allocation programmed in the 2005-2009 Traffic Capital Improvement Program.

PUBLIC OUTREACH

Appropriate public outreach will be completed as each project moves forward.

COORDINATION

This item has been coordinated with the City Attorney's Office, the City Manager's Budget Office, the Planning, Building, and Code Enforcement Department, and the Santa Clara Valley Transportation Authority (VTA).

COST IMPLICATIONS

There will be no implications for FY 04-05; the implications will be in FY 05-06 and FY 06-07.

1.	AMOUNT OF RECOMMENDATION:	\$7,436,889.00
2.	FUNDS:	
	Federal STP funds:	\$ 6,583,889.00
	Local 11.47% cash match from Fund 465	853,000.00
	TOTAL	<u>\$7,436,889.00</u>

3. SOURCE OF FUNDING: Federal STP Funds
465 – Construction Excise Tax Fund

4. FISCAL IMPACT: This resolution is consistent with the Council-approved Budget Strategy Economic Recovery sections in that it will spur construction spending in our local economy. The resolution is also consistent with the Council-approved Budget Strategy General Principles section in that it protects vital core City services. This resolution will have no impact on the General Fund operating budget.

BUDGET REFERENCE

Not applicable.

CEQA

Exempt, PP04-08-233

for James R. Helmer, ASSISTANT
JAMES R. HELMER
Director of Transportation

ATTACHMENT A

Anticipated Distribution of Funds for Santa Clara County

AGENCY	PROJECT(S)	MTS Road (Y/N)	AMOUNT	
			2005/06	2006/07
Campbell	Bascom Avenue	Y	\$ 302,848	
Cupertino**	Wolfe Road	Y	\$ 330,926	
	Stelling Road	N		
	McClellan Road	N		
	Stevens Canyon Road	N		
Gilroy**	Rossi Lane	N	\$ 288,978	
	Murray Avenue	N		
Los Altos	Grant Road	N		\$ 106,789
Los Altos Hills	Page Mill Road	Y		\$ 131,175
Los Gatos**	Knowles Drive Neighborhood	N	\$ 277,504	
Milpitas	South Park Victoria Drive	N	\$ 248,706	\$ 248,706
Monte Sereno*	Natalye Road	N	\$ 35,392	
	Eaton Lane	N		
	Grosvenor Court	N		
	Valley Oaks Drive	N		
	Parkside Court	N		
	Creekside Court	N		
	Via Sereno	N		
Morgan Hill	Cochrane Road	Y	\$ 282,347	
Mountain View	Miramonte Avenue	N	\$ 366,564	
Palo Alto**	University Avenue	Y	\$ 556,278	
	Page Mill Road	Y		
San Jose**	First Street	Y	\$ 2,396,344	\$ 4,187,545
	Bascom Avenue	Y		
	Blossom Hill Road	Y		
	Branham Lane	Y		
	Camden Avenue	Y		
	Curtner Avenue	Y		
	Hedding Street	Y		
	San Carlos Street	Y		
	Alum Rock Avenue	Y		
	Santa Clara Street	Y		
	Santa Teresa Boulevard	Y		
	Stevens Creek Boulevard	Y		
	Tully Road	Y		
	Story Road	N		
Santa Clara	Stevens Creek Boulevard	Y	\$ 327,602	
	Lick Mill Boulevard	Y		
Saratoga**	Allendale Avenue	N	\$ 373,511	
	Saratoga-Sunnyvale Road	N		
	Saratoga Avenue	N		

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Anticipated Distribution of Funds for Santa Clara County

AGENCY	PROJECT(S)	MTS Road (Y/N)	AMOUNT	
			2005/06	2006/07
Sunnyvale**	Mary Ave(Dalles to Cascade)	N	\$ 150,000	\$ 1,035,183
	Mary Ave(Carson to Washington)	N		
	Fair Oaks Avenue	N		
	Hollenbeck Avenue	N		
	Kifer Road	N		
Santa Clara Co.	Montague Expressway	Y	\$ 2,000,000	\$ 2,000,000
	Page Mill Road	Y	\$ 100,000	
COUNTY WIDE TOTAL			\$ 8,037,000	\$ 8,037,000

*Los Gatos will construct Monte Sereno's project

**Multiple road segments in a single project/grant