

Revised Agenda Item No. 4

Mountain/Desert Policy Committee

June 17, 2016

9:30 a.m.

Location:

Town of Apple Valley
14975 Dale Evans Parkway, Apple Valley CA 92307

Discussion Calendar

Transportation Programming and Fund Administration

4. That the Mountain/Desert Policy Committee recommend the Board approve staff recommendation on 2016 Earmark Repurposing as shown in Attachment 1 for the Mountain/ Desert Subareas.

There was a revision to the recommended action for the City of Victorville and the County of San Bernardino earmarks repurposing. The agenda item and the attachment were both updated to reflect the revision.

Minute Action

AGENDA ITEM: 4

Date: June 17, 2016

Subject:

2016 Federal Earmark Repurposing - Mountain/Desert Subareas

Recommendation:

That the Mountain/Desert Policy Committee recommend the Board approve staff recommendation on 2016 Earmark Repurposing as shown in Attachment 1 for the Mountain/ Desert Subareas.

Background:

On March 8, 2016, the Federal Highway Administration (FHWA) issued guidance on the implementation of an earmark repurposing provision contained in the 2016 Consolidated Appropriations Act. The Consolidated Appropriations Act allows States to repurpose any earmark that was designated on or before September 30, 2005, and is either less than 10 percent obligated or closed out. The repurposing provision is only available during Federal Fiscal Year 2015/2016.

The potential amount available in California for repurposing is approximately \$110-\$200 million. On April 14, 2015, the Earmark Repurpose Working Group agreed that the Regional Transportation Planning Agency (RTPA) would undertake the effort working with the earmark project sponsors in their region to identify eligible earmark projects to be repurposed. It was also agreed by the Working Group that the effort to identify earmark projects for repurposing would be limited to those with an obligation authority (OA) balance of more than \$1,000.

Caltrans has created two earmark lists: one identifying earmarks that were designated before September 30, 2005 and have less than 10 percent obligated, which are available for repurposing; and one identifying earmarks that were designated before September 30, 2005, and have greater than 10 percent obligated, which are only available for repurposing if their final voucher is paid and the project close-out has been completed by June 30, 2016.

Earmark funds are not required to be repurposed, they may remain with their current earmark project. However, the sponsors of such earmark projects are expected to provide proper justification to keep the projects as originally earmarked. The decision to allow the earmark to remain will be made by the local sponsoring agency based upon project timeline and status.

For a project to be eligible for a repurposed earmark, FHWA has established the following guidelines:

Entity: CTA, CTC

1. The project must be eligible for the Surface Transportation Block Grant (STBG) Program under Fixing America's Surface Transportation Act (FAST Act), formerly known as the Surface Transportation Program (STP) under prior Acts.
2. The project must be within 50 miles of the original earmark project.

Seven (7) projects have been identified within the Mountain/Desert Subareas with a total of \$7,721,326 earmark funds available for repurposing. SANBAG staff has been working closely with the sponsoring agencies to identify projects that are eligible for earmark repurposing. Attachment 1 identifies each of these earmark projects and the recommended action.

Concerning the first earmark listed in Attachment 1 for the High Desert Corridor, the Joint Powers Authority (JPA) voted at the June 1, 2016, meeting to request a swap of the \$719,921 earmark funds for Victor Valley Measure I Major Local Highway Program funds. Staff recommends arranging this swap on the US-395 widening project through Adelanto currently in the design phase. This would not result in additional funding for the project, but would replace a like amount of Measure I on the project. Because the earmark is replacing Measure I, the earmark funds would count toward Adelanto's share of Measure I. This is similar to how other funding swaps have been arranged in the past on the Green Tree Boulevard extension and J Street improvements in Needles. In the case that this swap is approved by the SANBAG Board, a separate agreement with the JPA concerning the Measure I funds and eligible uses for the High Desert Corridor will be developed.

San Bernardino County has requested a swap of the \$6,305 and \$596,038 earmark funds originally designated for I-15 and Fort Irwin Road, respectively, for North Desert Measure I Major Local Highway Program funds to be used for an 18-mile overlay project on National Trails Highway from Fort Cady to Lavic. Staff recommends applying this swap on the First Ave. Bridge over BNSF project in the City of Barstow, currently in the environmental phase, and City staff has agreed. This would not result in additional funding for the project but would replace a like amount of Measure I currently programmed on the project. Because the earmark is replacing Measure I, the earmark funds would count toward Barstow's share of North Desert Measure I Major Local Highway Funds.

The City of Victorville has requested that the \$3,599,600 and \$619,596 earmark funds originally designated for High Desert Corridor and La Mesa Nisqualli Interchange, respectively, be repurposed to the Green Tree Blvd extension project. The earmark funds will buy down the total project cost, which will reduce both public and development shares of the project.

It should be noted that Caltrans has not released information on the process of identifying alternative projects. Once these earmarks are repurposed on an alternate project, the earmark must also be programmed to that alternate project in the Federal Transportation Improvement Program (FTIP). SANBAG staff will continue to work closely with the sponsoring agency once Caltrans releases additional guidance on the repurposing and programming process.

Caltrans requested that the RTPA notify Caltrans of the sponsoring agency's ability to use earmarks according to the following timeline:

May 30, 2016

Deadline for project sponsors to submit all Final Report of Expenditure (FOE) documentation and invoices to Caltrans for earmarks that are currently obligated to active projects. This will allow enough time for Caltrans to complete the close-out process prior to a June 30, 2016, deadline. Any unused earmark funds can be repurposed once the project is closed out.

August 1, 2016

Deadline for RTPAs to submit the request to Caltrans for earmark repurposing.

September 30, 2019

Deadline for obligation of repurposed earmark.

Financial Impact:

This item has no impact on the adopted Fiscal Year 2016/17 Budget

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee. A similar item concerning earmark funds available for repurposing in the San Bernardino Valley Subarea is scheduled for review by the Board of Directors Metro Valley Study Session on June 9, 2016.

Responsible Staff:

Philip Chu, Management Analyst III

Approved
Mountain-Desert Committee
Date: June 17, 2016

Witnessed By:

Attachment 1. Earmark Funds Available for Repurposing and Recommended Action
(Mountain/Desert Subareas)

Sponsoring Agency	Demo ID/ Legislation	Project Description	Total Earmark	Obligated Amount as of 12/18/2015	Remaining Balance	Repurpose (Y/N)	Recommended Action/Comments
City of Victorville/ High Desert Corridor JPA	CA 381 SAFETEA-LU	Begin construction of road from U.S. 395 west towards SR 14	\$719,921	\$0	\$719,921	Y	The JPA has requested that SANBAG swap the earmark funds for a like amount of Measure I funds. Staff recommends swapping the funds on the US395 widening project through Adelanto.
State of Nevada Interests	CA 054 ISTEA	For improvements on I-15 and I-40 in (CA, NV, & AZ), including the I-15/US-95 interchange in Nevada (For improvements on I-15 and I-40 in (CA, NV, & AZ), including the I-15/US-95 interchange in Nevada (10.5 million of which shall be expended on the Nevada portion of the corridor)	\$43,503,372	\$41,665,488	\$1,837,884	Y	This earmark was originally used by Caltrans for widening I-15 through Victorville and for oversight of La Mesa/Nisqualli Interchange. SANBAG staff recommends repurposing the earmark balance for US395 widening through Adelanto reducing a like amount of Measure I funds.
San Bernardino County	CA 061 95 APP ACT/ TEA-21	Widen I-15 in San Bernardino County, California	\$24,183,107	\$24,176,802	\$6,305	Y	The County has requested that SANBAG swap the earmark funds for a like amount of Measure I funds in the North Desert subarea.
San Bernardino County	CA 083 TEA-21	Upgrade Ft. Irwin Road from I-15 to Fort Irwin	\$1,153,237	\$557,199	\$596,038	Y	Staff recommends swapping the Measure I funds on the 1 st Ave Bridge project over BNSF in the City of Barstow with the earmark funds.

Sponsoring Agency	Demo ID/ Legislation	Project Description	Total Earmark	Obligated Amount as of 12/18/2015	Remaining Balance	Repurpose (Y/N)	Recommended Action/Comments
City of Victorville	CA 448 SAFETEA-LU	Construction of new freeway between I-15 and U.S. 395, including new interchange at I-15.	\$3,599,600	\$0	\$3,599,600	Y	The City of Victorville will repurpose the funds to the Green Tree Blvd. extension project.
City of Victorville	CA 182 TEA-21	Construct interchange between I-15 and SR-18 in Victorville/Apple Valley, California.	\$5,629,026	\$5,287,044	\$341,982	N	Project cannot be closed out, so funds cannot be repurposed. City/ Caltrans/FHWA are resolving possible payback. (PE over 10 years rule)
City of Victorville	CA 609 SAFETEA-LU	Establish I-15 Interchange at Nisqualli and Mojave River crossing in San Bernardino County.	\$1,079,880	\$460,284	\$619,596	Y	The City of Victorville will repurpose the funds to the Green Tree Blvd. extension project.