

AGENDA ITEM 2 E
Action Item

MEMORANDUM

DATE: March 1, 2018

TO: El Dorado County Transit Authority

FROM: Mindy Jackson, Executive Director

SUBJECT: Consider advancement of project funds request from the City of Placerville for the Western Placerville Interchange – Park and Ride project

REQUESTED ACTION:
BY MOTION,

Authorize the Executive Director to Develop an Agreement to Advance \$335,000 of State Transit Assistance Funds to the City of Placerville Western Placerville Interchange – Park and Ride Project

BACKGROUND

The City of Placerville (City) Western Placerville Interchange (WPI) Phase 2 that includes the El Dorado County Transit Authority (El Dorado Transit) Park and Ride project is currently under construction. The City graciously agreed to include the park and ride in the environmental review and build-out in construction packages as a component of the WPI. Cost and time efficiencies will be realized by both agencies with design and construction of the park and ride within the larger project.

November 7, 2013	El Dorado Transit approved Capital Improvement Plan (CIP) #12-06 Western Placerville Interchanges (WPI) – Park and Ride Project. Copy attached.
December 5, 2013	City published a Supplemental Project Report that identified the park and ride location and planned operation.
March 6, 2014	The El Dorado County Transportation Commission approved the allocation of Congestion Mitigation and Air Quality (CMAQ) grant funding for the WPI Park and ride.
August 6, 2015	Board approves agreement between the City and El Dorado Transit allowing El Dorado Transit grant funds to pass-through to City for construction of the park and ride phase of the City's project
April 6, 2017	Board revised the Capital Improvement Plan #12-09 that added Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) and local funds to make-up for a \$160,000 shortfall.

DISCUSSION

El Dorado Transit received correspondence dated February 12, 2018 from Ms. Rebecca Neves, P.E., City Engineer requesting an advance of project funding for the project. (Copy attached without attachments) As noted, the \$1.1 million of Congestion Mitigation and Air Quality (CMAQ) funds allocated to El Dorado Transit are available for direct reimbursement from Caltrans to the City for park and ride work.

The City's request is for advancement of \$1,430,620 of State Proposition 1b Bond Public Transportation Modernization, Improvements and Service Enhancement Account (PTMISEA) and local State Transit Assistance (STA) funds of \$335,000.

PTMISEA

Funds from the PTMISEA program guidelines allow for the transfer of funds to a Sub-Recipient however; El Dorado Transit would be accountable for all reporting and verification that funds are used for only the transit components of the project. Following a discussion with Cleve Morris, City Manager for the City of Placerville, we agreed that the added burden of reporting and the fact that the funds could only be used for transit components would not assist in the cash flow challenge. The agreement between the City of Placerville and El Dorado Transit states that "Payment by Transit to City shall be based on invoices submitted to Transit by City for work that has been completed by City." Timely payment will be a priority for El Dorado Transit and the City is allowed to invoice Transit as often as possible when Transit work is completed. Transit invoices are verified by a Project Manager for accuracy then submitted to the Finance Department for payment. El Dorado Transit's standard terms are NET 30 however; we will make every effort to pay the City WPI invoices within ten (10) business days.

STATE TRANSIT ASSISTANCE

The \$335,000 of STA funds allocated to the WPI-Park and Ride are under the full authority of the El Dorado Transit Board and may be considered for advancement to the City for the WPI. These funds are currently deposited in a secure money market bank account that earns .9% interest.

El Dorado Transit staff is recommending the Board approve the advancement of \$335,000 of STA to the City for construction related to the WPI-Park and Ride and authorize the Executive Director negotiate an agreement for this action with legal counsel review and approval.

FISCAL IMPACT

Terms to be negotiated with the City may/may not include the payment of interest on the advanced funds. The estimated value of this interest income is \$2,000 - \$3,000 over eighteen (18) months.



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FEB 12 2018

City of Placerville

BY:

Development Services Department
Engineering Division, 3rd Floor
3101 Center Street, Placerville, CA 95667
(530) 642-5250 / (530) 642-5568 fax

February 12, 2018

Mindy Jackson, Executive Director
El Dorado County Transit Authority
6565 Commerce Way
Diamond Springs, CA 95619

RE: Request for Advance Project Funding - Western Placerville Interchange Phase 2,
EDCTA Park and Ride Facility (City CIP#41828, EDCTA CIP# 12-06)

Dear Ms. Jackson:

As you know, the City and EDTCA have successfully moved the Western Placerville Interchanges Phase 2 and EDCTA park and ride project towards construction which is managed by the City through the adopted City/EDCTA agreement. This project, as a whole, is the largest transportation project the City has ever delivered. In planning for the construction phase, a cash flow analysis of anticipated consultant and contractor invoices was developed and is provided as an attachment to this letter.

To ensure the timely use of funds requirement for the various funding sources programmed to the project, the City awarded the construction contract to the lowest responsive and responsible bidder, Doug Veerkamp General Engineering, Inc. at the regularly scheduled City Council meeting on January 9, 2018 in the amount of \$9,064,855.78. The estimated costs associated with the park and ride component is \$2,112,719 comprising 23% of the cost of construction. Given that this project is primarily funded through State and Local funds, progress payments will be reimbursed to the City via Caltrans Local Assistance and Special Projects Program Management. Reimbursements from Caltrans have an approximate turnaround time of 45 days from the time an invoice is submitted to receipt of payment. In the case of this project, this could potentially put the City in the position to carry project construction costs in excess of \$1.5 million between reimbursements. As a small jurisdiction, this amount may be difficult for the City to carry for that amount of time. In addition, if payment is delayed, additional serious consequences could occur.

Please accept this letter as a formal request for advance funding of the applicable EDCTA contract work to the degree the funding source allows. The City is aware that the park and ride is partially funded through CMAQ funds in the amount of \$1,100,000 and through the adopted City/EDCTA agreement, the City will invoice directly to Caltrans for the CMAQ funding source. The other funding source for the park and ride is the PTISMEA-Transit and State Transit Assist funds for a total amount of \$1,765,620. These funding sources are already with EDCTA directly and are the sole source of the advance funding request.

Please review the attachments and feel free to contact either myself or City Manager Cleve Morris to discuss this request or to answer any subsequent questions for this request or the project in general.

Thank you for partnering with the City on this regionally significant project.

Best Regards,

A handwritten signature in blue ink, reading "Rebecca Neves". The signature is fluid and cursive, with the first name "Rebecca" and last name "Neves" clearly distinguishable.

Rebecca Neves, P.E.
City Engineer

Attachments:

1. Cash Flow Analysis
2. Bid Tabulation and Funding Source Split

Western Placerville Interchange (WPI) – Park and Ride Project

Project No. 12-06 (6)

All work related to the full build out of a Park and Ride lot within the Western Placerville Interchange (WPI).

The El Dorado County Transit Authority Park-and-Ride Facilities Master Plan, August 2009 contemplates the rough grading for two (2) Future Park and ride facilities within the Western Placerville Interchanges project.

Environmental review will be incorporated in the City of Placerville scope of a supplemental Environmental Impact Report (EIR).

Potential 150 +/- will be located between the off ramp and Forni Road

Total Project Cost Engineers Estimate for full park and ride build out is \$2,230,000.

COST SUMMARY (ESTIMATE)

	<u>Adopted Budget</u>
Western Placerville Interchange Park & Ride	<u>\$2,865,620</u>
<i>Total Project Cost</i>	<u>\$2,865,620</u>

FUNDING SOURCES

FY 2010/11 Public Transportation Modernization, Improvement, and Service Enhancement Program (PTMISEA)	\$1,270,620
2013/14 Congestion Mitigation and Air Quality (CMAQ)	\$1,100,000
Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) FY (10/11)	<u>\$ 160,000</u>
State Transit Assistance (STA)	<u>\$ 335,000</u>
<i>Total Revenue</i>	<u>\$2,865,620</u>