

BOARD COMMUNICATION: YOLO TRANSPORTATION DISTRICT

350 Industrial Way, Woodland, CA 95776---- (530) 661-0816

Topic: Approve Resolution 2024-14 authorizing the Executive Director to execute a Capital Project Transfer and Expenditure Contract with Caltrans for \$85.9 million for design and construction of the Yolo 80 Managed Lanes project	Agenda Item#:	<h1>7</h1> Action
	Agenda Type:	
Prepared By: B. Abbanat		Meeting Date: July 8, 2024

RECOMMENDATION:

Approve Resolution 2024-14 authorizing the Executive Director to execute a Capital Project Transfer and Expenditure contract with Caltrans for \$85.9 million for design and construction of the Yolo 80 Managed Lanes project.

BACKGROUND:

Project Status and Recent Milestones

The Yolo 80 Managed Lanes project has reached an important milestone in its development. To summarize, Phase 1 is now completely funded, the final Environmental Impact Report (EIR) has been filed, and the Capital Area Regional Tolling Authority (CARTA) has been granted tolling authority for Phase 1 by the California Transportation Commission (CTC). Below is a project summary table:

<u>Cost</u>	<u>Amount</u>
Total Project Cost (Phase 1)	\$199,960,000
 <u>Funding (Phase 1)</u>	 <u>Amount</u>
Federal INFRA Grant	\$85,900,000
Other Federal Funds (SACOG, CMAQ)	\$1,560,000
State TCEP Grant	\$105,000,000
Other Funding	\$7,500,000
Total:	\$199,960,000

The completion status of major project development phases is indicated in the table below.

Project Phase / Task	Completion
Planning	✓
Environmental	✓
Engineering	✓
Right of Way	✓
Tolling Authority	✓

Project Phase / Task	Completion
Project Funding	✓
Construction Start	
Tolling Ordinance & Equity Plan	Occurs in parallel with construction

Key Milestones Since Jan 2024 YoloTD Board Meeting:

At the January 2024 meeting, staff shared action the YoloTD Board took on the Yolo 80 Managed Lanes Project, including:

1. Approving the Joint Powers Authority (JPA) agreement with the Sacramento Area Council of Governments (SACOG) and the California Department of Transportation (Caltrans) establishing the Capitol Area Regional Tolling Authority (CARTA); and
2. Approving the resolution consenting to CARTA’s submission of a Toll Facility Application to the California Transportation Commission (CTC) for Yolo 80 pursuant to Assembly Bill (AB) 194.

Key Activities Since January 2024 Board Meeting

1. First CARTA Board Meeting

CARTA was established via Board actions from the Sacramento Area Council of Governments (SACOG) and YoloTD at their respective January 2024 Board meetings. The CARTA Board currently consists of five voting Board members, including one voting position for Caltrans District 3. CARTA is staffed in the interim by SACOG until the CARTA Board determines a more permanent organizational structure. At the first Board meeting on February 15th, CARTA took the following actions:

- Elected Chair / Vice Chair / Secretary (Oscar Villegas / Dr. Dawnté Early / James Corless)
- Adopted bylaws
- Approved 2024 CARTA meeting schedule
- Approved submittal of Yolo 80 Toll Facility Application on behalf of CARTA

2. FHWA Approves Project Term Sheet

The \$85.9 million project funding is administered by the Federal Highways Administration (FHWA). An FHWA requirement is an approved term sheet finalizing project scope, schedule, and budget assumptions along with any proposed scope of work changes. YoloTD and Caltrans coordinated with FHWA staff regarding our intent to change the scope of work from carpool lanes – which reflected the original grant application – to tolled managed lanes (High Occupancy Toll 3+). The project also needed FHWA approval to reduce the project’s lane miles (for Phase 1) due to the cost difference between carpool lanes and HOT 3+ lanes. In late February, the project team learned that FHWA approved the requested scope changes.

3. TCEP Grant Resubmittal

In early March, Caltrans District 3 submitted a revised grant application to the CTC’s Trade Corridors Enhancement Program (TCEP) to fully fund Phase 1 construction. This item was initially scheduled for CTC action at their March meeting; it was later rescheduled for their May 16th meeting.

4. Yolo 80 Managed Lanes Tolling Authority Application

YoloTD, SACOG, Caltrans District 3, and consultants WSP coordinated to complete and submit the CARTA toll facility application to the CTC in mid-March.

5. CTC Hosts CARTA Tolling Application Public Hearing

Consistent with AB 194 requirements, the California Transportation Commission hosted a public hearing on April 9th in West Sacramento to receive a presentation from the CARTA team and input from members of the public.

6. SACOG Hosts Interagency Consultation on Project-Level Air Quality Conformity

On April 16th, SACOG hosted an interagency consultation meeting with Caltrans District 3, FHWA, EPA, and CARB to determine whether the Yolo 80 Managed Lanes project is a project of air quality concern. At a subsequent meeting EPA and CARB, who have jurisdiction over the topic, made a determination that it was not a project of air quality concern.

7. Environmental Process Complete

Caltrans received several hundred comments on the Yolo 80 Managed Lanes EIR and provided responses. Caltrans released responses to comments from governmental agencies around April 5th. The Notice of Determination was filed on May 1st. The Final Environmental Document (FED) can be found at the below link:

<https://ceqanet.opr.ca.gov/2021060117/5>

8. YoloTD Citizens Advisory Committee: Caltrans Capital Project Transfer and Expenditure Contract to Obligate INFRA Funds

On May 7, the YoloTD Citizens Advisory Committee held a spirited discussion around the project and the significance of obligating the INFRA funds (subject of this staff report). Two motions were made at the meeting: The first motion recommended against obligating the INFRA funds, which failed on a 2-3 vote. The second motion approved the staff recommendation to obligate the INFRA funds, which carried on a 3-2 vote.

9. California Transportation Commission Approves TCEP and Tolling Authority Applications

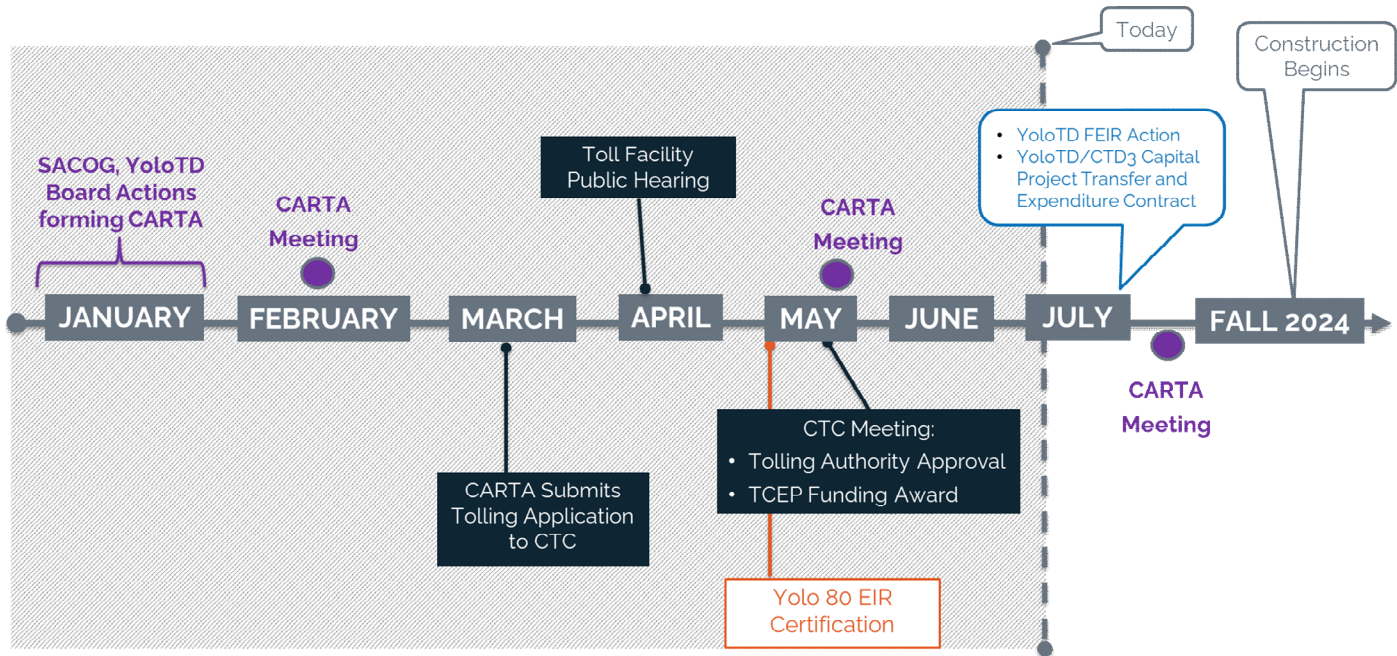
On May 16th, the CTC approved Caltrans District 3's \$105 million TCEP advance funding request, which filled the project funding gap. The CTC also approved CARTA's tolling application request for the Yolo 80 Managed Lanes Phase 1 segment.

Remaining Project-Related Activities

Important project activities remain to be addressed after construction gets underway;. Agenda Item 8 discusses upcoming project-related activities which will be by YoloTD.

Project Timeline

The following timeline illustrates key milestones completed to date and anticipated construction start for the Yolo 80 Managed Lanes project.



Staff Recommendation: Approve Caltrans Capital Project Transfer and Expenditure Contract for \$85.9 Million INFRA Funds

The proposed action is the final YoloTD Board discretionary action enabling Caltrans to begin construction on Phase 1 of the Yolo 80 Managed Lanes project. Specifically, this action would approve a Capital Project Transfer and Expenditure contract with Caltrans District 3 authorizing them to commence reimbursable work with the \$85.9 million INFRA funds.

The INFRA funds were awarded to YoloTD by the US Dept of Transportation (USDOT) and administered by the Federal Highways Administration (FHWA). If the Board approves this contract, control of INFRA funding will be transferred from YoloTD to Caltrans.

The INFRA grant award stipulates that construction begin in September 2024 to avoid loss or penalty of the \$85.9 million in funds. Caltrans listed the project for construction bids in June 2024, thereby triggering INFRA grant-eligible expenses. Since YoloTD is the recipient of the \$85.9 million INFRA funds and Caltrans District 3 is responsible for constructing the project, an agreement is needed for Caltrans to award the construction contract and commence this work. Under the terms of this agreement, Caltrans would be allowed to directly invoice FHWA for expenses incurred.

YoloTD staff and Special Counsel Kirk Trost have worked with Caltrans staff and legal counsel to develop the proposed contract. The contract includes the following key provisions:

- Describes the project in detail, including location, lane type, project activities, and mitigation measures, for which the funds can be used;
- Prohibits Caltrans from making changes to the scope, cost, schedule or benefits of the project without consent from YoloTD;
Requires Caltrans to fully comply with all FHWA provisions;
- In the event of cost overruns, Caltrans and YoloTD will jointly seek funding to cover additional project

costs;

- Indemnifies YoloTD against any claims made against Caltrans in its performance of this contract.

These provisions provide assurances that the vision and goals of the Yolo Transportation District Board of Directors will be respected and carried out by Caltrans.

Attachment

A. Resolution 2024-14

B. Draft Capital Project Transfer and Expenditure Contract

ATTACHMENT A

**YOLO COUNTY TRANSPORTATION DISTRICT
RESOLUTION NO. R 2024-XX AUTHORIZING EXECUTIVE DIRECTOR TO
EXECUTE A CAPITAL PROJECT TRANSFER AND EXPENDITURE CONTRACT
WITH CALTRANS FOR THE YOLO 80 MANAGED LANES PROJECT WITH \$85.9
MILLION INFRA FUNDS**

WHEREAS, the Yolo County Transportation District, in partnership with the California Department of Transportation, and with the support and cooperation of SACOG, is pursuing a project to improve certain portions of Interstate 80 and Highway 50 within Yolo County, and the project will include toll lanes in both directions; and

WHEREAS, in summer 2021, the Yolo County Transportation District was awarded \$85.9 million for design and construction from the Federal Highways Administration's (FHWA) Infrastructure for Rebuilding America (INFRA) grant program;

WHEREAS, the Yolo 80 Managed Lanes project will be the first tolled lane facility in the Sacramento Region; and

WHEREAS, on January 24th 2024, the Capital Area Regional Tolling Authority (CARTA), a joint powers regional tolling authority, was formed to coordinate and manage toll lanes in the Sacramento Region; and

WHEREAS, on May 16th 2024, the California Transportation Commission (CTC) approved CARTA's tolling authorization application for the Yolo 80 Managed Lanes project; and

WHEREAS, Caltrans District 3 is responsible for constructing the project and a CAPITAL PROJECT TRANSFER AND EXPENDITURE CONTRACT is needed to transfer the INFRA funds to Caltrans and to allow Caltrans to directly invoice FHWA for expenses incurred; and

NOW THEREFORE, BE IT RESOLVED BY THE YOLO COUNTY TRANSPORTATION DISTRICT, that the Executive Director is authorized to execute a CAPITAL PROJECT TRANSFER AND EXPENDITURE CONTRACT with Caltrans District 3 to commence INFRA-eligible reimbursable work on the Yolo 80 Managed Lanes project.

PASSED AND ADOPTED by the Board of Directors of the Yolo Transportation District, County of Yolo, State of California, this 8th day of July, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Josh Chapman, Chair
Board of Directors

ATTEST:

Autumn Bernstein
Executive Director

Approved as to Form:

Kimberly Hood, District Counsel

YOLO COUNTY TRANSPORTATION DISTRICT
INFRASTRUCTURE FOR REBUILDING AMERICA
CAPITAL PROJECT TRANSFER AND EXPENDITURE CONTRACT

YOLO 80 MANAGED LANES

This Contract is made as of _____ by and between the **Yolo County Transportation District**, a local transportation authority formed pursuant to the provisions of Public Utilities Code 180000 et seq., hereinafter called "District", and the **California Department of Transportation**, hereinafter called "Caltrans."

THE PARTIES AGREE AS FOLLOWS:

- 1. Purpose. The purpose of this Contract is to:
 - a. Provide for the transfer by the District to Caltrans of \$85,900,000 Infrastructure for Rebuilding America (INFRA) funds awarded from the Federal Highways Administration (FHWA) to the District, including both Plans, Specifications, and Estimates (PS&E) and Construction Capital (CON CAP) funds, for the Capital Project described in Section 2.
 - b. Set forth Caltrans' obligations with respect to the expenditure thereof.

- 2. Description of Capital Project. The Capital Project funded by this Contract is:

On I-80 from Kidwell Road near eastern Solano County to the I-80/US 50 separation in Yolo County, and on US 50 from the I-80/US 50 separation to Jefferson Boulevard. Tolled managed lanes will be implemented from the Solano/Yolo County line to the I-80/US 50 separation in the eastbound direction, and from the I-80/US 50 separation to Mace Boulevard in the westbound direction, for a total of 17 lane miles. Project also includes mitigation of induced vehicle miles traveled through separate agreements with each agency implementing mitigation measures.

- 3. Amount of Transfer and Phases of Expenditure. The transfer of funds from the District to Caltrans is per the funding table below:

Fund Type	Amount	Phase
INFRA	\$3,000,000	PS&E
INFRA	\$82,900,000	CON CAP

No additional funds will be provided under this contract.

- 4. Compliance. Notwithstanding anything to the contrary in this agreement, Caltrans shall not make changes to the scope, cost, schedule or benefits of the project, without District consent and approval by the CTC.

The use and expenditure of federal INFRA funds by Caltrans shall be in full compliance with the provisions of the FHWA, this Contract, and all other applicable contractual and legal requirements.

- 5. Cost Variations. In the event the actual CON CAP cost of the Capital Project is more than the transferred amount, Caltrans and the District will jointly seek funds for any cost variations, if necessary.
- 6. Indemnity and Hold Harmless. Caltrans shall indemnify and save harmless the District, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of or resulting from, directly or indirectly, the performance of this Contract by Caltrans whether or not caused in part by passive negligence of a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by District.

The parties promise and agree to abide by the terms of this Contract as set forth above.

Yolo County Transportation District

California Department of Transportation

By _____
(Executive Director)

By _____
(Authorized Officer's Signature)

Greg Wong
(Officer's Printed Name)

Deputy Director
Program, Project, and Asset Management
District 3

(Officer's Title)