



AUGUST 10, 2017

AGENDA ITEM # 15

FUNDING ADVANCE FOR CAPITAL | SOUTHEAST CONNECTOR PROJECT

Action Requested: Authorize staff

Key Staff: Norman Hom, Executive Director (Interim)

Recommendation

Authorize the Executive Director to advance up to 10 percent of the contract funds to the Capital SouthEast Connector Joint Powers Authority (Connector JPA).

Background Information

The Connector JPA is constructing a 34-mile expressway in the southeast portion of Sacramento County that will connect Interstate 5 and Highway 50. The current expenditure contract between the STA and the Connector JPA is for \$25.64 million of Measure A funding toward the project. Measure A capital funds are normally disbursed on a reimbursement-basis which works acceptably for larger entities but is difficult for the Connector JPA since it is a small, sole-project agency without a large pot of working capital. For this reason, the contract includes a provision for up to 10 percent of the total allocation be advanced to the Connector JPA provided the need for advance funding can be demonstrated.

On June 30, 2017, the Connector JPA Board of Directors adopted a resolution (attached) requesting the STA grant the 10 percent advance.

Discussion

The Capital SouthEast Connector is currently under contract with the STA and their FY 2017/18 funding has already been programmed for their use. The requested action only involves providing the Connector JPA access to \$2.5 million of their programmed funds as working capital rather than through reimbursement. This has no impact on other Measure A projects or programs. As the request is reasonable and consistent with the contract, staff recommends Board approval.

Attachment