

CONTRACT STA-18-CAE-001

Capital Allocation and Expenditure Contract For County of Sacramento Measure A Transportation Capital Projects

This Contract is made as of June 14, 2018 by and between the Sacramento Transportation Authority, a local transportation authority formed pursuant to the provisions of Public Utilities Code 180000 et seq., hereinafter called "Authority", and the County of Sacramento, hereinafter called "Entity."

THE PARTIES AGREE AS FOLLOWS:

1. Purpose. The purpose of this Contract is to:
 - a. Provide for the transfer by the Authority to Entity of sales tax revenue and/or transportation mitigation fee revenue, including both current revenues and proceeds of Authority financings (i.e. proceeds from tax-exempt bonds, hereinafter called "Bonds") for the Capital Projects described in Section 2.
 - b. Set forth Entity's obligations with respect to the receipt and expenditure thereof.
2. Description of Capital Projects. The Capital Projects funded by this Contract are:
 - a. HAZEL AVENUE: US HIGHWAY 50 – MADISON AVENUE. Design, engineering, and environmental clearance; right-of-way acquisition; and construction to widen Hazel Avenue from four lanes to six lanes between US Highway 50 and Madison Avenue. The project includes the construction of new bicycle and pedestrian facilities, including bike lanes, separated sidewalks, and a barrier separating bicycle/pedestrian/equestrian modes from vehicular traffic on the American River Bridge. The project will also construct parkway features throughout the corridor, including landscaping, pedestrian pathways, and sound walls. The project includes traffic signal modifications at Curragh Downs Drive, Winding Way, La Serena Drive, and the fire station at Roediger Lane.
 - b. HAZEL AVENUE: US HIGHWAY 50 INTERCHANGE AND FOLSOM BOULEVARD INTERSECTION. Design, engineering, and environmental clearance; right-of-way acquisition; and construction to provide capacity, safety, and access improvements at the Hazel Avenue/US Highway 50 interchange and the Hazel Avenue/Folsom Blvd intersection. The project includes widening Hazel Avenue to six lanes south of US Highway 50 and extending the roadway south of Folsom Blvd. to connect residential and business development areas.

- c. GREENBACK LANE: FAIR OAKS BLVD. – MAIN STREET, PHASE I. Engineering, environmental clearance, design, right-of-way acquisition and construction of capacity and complete street improvements on Greenback Lane between Fair Oaks Blvd. and the Folsom city limits. Improvements include, but are not limited to: widening for additional traffic lanes; new bicycle and pedestrian facilities including bike lanes, curbs, gutters, sidewalks, disability access features and ADA upgrades; pavement rehabilitation and resurfacing; raised landscaped medians; intersection and traffic signal modifications; traffic operations system upgrades and deployment of intelligent transportation system strategies; new transit stops and access improvements; landscaping, streetscape and other aesthetic enhancements; and soundwalls.
- d. MADISON AVENUE: SUNRISE BLVD. – HAZEL AVENUE. Engineering, environmental clearance, design, right-of-way acquisition, and construction of capacity and complete street improvements on Madison Avenue between Sunrise Blvd. and Hazel Avenue. Proposed project improvements include, but are not limited to: widening for additional traffic lanes; new bicycle and pedestrian facilities including bike lanes, curbs, gutters, sidewalks, disability access features and ADA upgrades; pavement rehabilitation and resurfacing; raised landscaped medians; intersection and traffic signal modifications; traffic operations system upgrades and deployment of intelligent transportation system strategies; new transit stops and access improvements; landscaping, streetscape and other aesthetic enhancements; and sound walls.
- e. SUNRISE BOULEVARD: JACKSON ROAD – GRANT LINE ROAD. Design, engineering, environmental clearance, right-of-way acquisition, and construction of capacity and complete-street improvements on Sunrise Blvd. between Jackson Road and Grant Line Road. Improvements include: widening for additional traffic lanes; new bicycle and pedestrian facilities, including bike lanes; curbs, gutters, disability access improvements and ADA upgrades; pavement rehabilitation and resurfacing; raised landscape medians; intersection and traffic signal modifications, traffic operations system upgrades and intelligent transportation system deployment; new transit stops; landscaping, streetscaping, and other aesthetic improvements; replacement of reinforced concrete bridge at Laguna Creek; sound walls; and grade separation at Jackson Road.
- f. WATT AVENUE: ANTELOPE ROAD – CAPITAL CITY FREEWAY. Engineering, environmental clearance, design, right-of-way acquisition, and construction of capacity and complete street improvements on Watt Avenue between Antelope Road and the Capital City Freeway. Improvements include, but are not limited to: widening for additional traffic lanes; new bicycle and pedestrian facilities including bike lanes, curbs, gutters, sidewalks, disability access features and ADA upgrades; pavement rehabilitation and resurfacing; raised landscaped medians; intersection and traffic

signal modifications; traffic operations system upgrades and deployment of intelligent transportation system strategies; new transit stops and access improvements; landscaping, streetscape and other aesthetic enhancements; and sound walls.

- g. FOLSOM BOULEVARD: WATT AVENUE – BRADSHAW ROAD. Engineering, environmental clearance, design, right-of-way acquisition, and construction of capacity and complete street improvements on Folsom Blvd. to address existing and projected congestion, improve mobility for all modes of travel, and implement the ultimate corridor configuration based on the adopted General Plan and Metropolitan Transportation Plan. Improvements include, but are not limited to: new bicycle and pedestrian facilities including bike lanes, curbs, gutters, sidewalks, disability access features and ADA upgrades; pavement rehabilitation and resurfacing; raised landscaped medians; intersection and traffic signal modifications; traffic operations system upgrades and deployment of intelligent transportation system strategies; new transit stops and access improvements; landscaping, streetscape and other aesthetic enhancements; and sound walls.
 - h. SOUTH WATT/ELK GROVE-FLORIN ROAD: FOLSOM BOULEVARD – CALVINE LINE ROAD. Widen South Watt Avenue/Elk Grove-Florin Road from two to four lanes between Gerber Road and State Route 16. Construct two additional traffic lanes, a raised landscaped median, paved shoulders, new bicycle and pedestrian facilities, and intersection and traffic signal modifications at the intersections of South Watt Avenue with Florin Road, Elder Creek Road, Fruitridge Road and State Route 16. The project will also replace the bridge at Morrison Creek and upgrade the railroad crossing south of Elder Creek Road.
3. Definitions. Unless the context otherwise requires, as used in this Contract, the following terms shall have the following meanings:
 - a. “Act” means the Local Transportation Authority and Improvement Act set forth in the provisions of the Public Utilities Code commencing with Section 180000.
 - b. “Board” means the Governing Board of the Sacramento Transportation Authority.
 - c. “Measure A” or “New Measure A” or “Ordinance” means Sacramento Transportation Authority Ordinance No. STA 04-01.
 4. Amount of Allocation and Period of Expenditure. The Board has allocated to Entity the maximum sum of **\$37,628,000** for expenditure on the Capital Projects during FYs 2019, 2020, and 2021. No additional funds will be provided under this contract.

5. Compliance. The use and expenditure of sales tax revenue and transportation mitigation fee revenue by Entity shall be in full compliance with the provisions of the Act, the Ordinance, applicable resolutions of the Board, this Contract, and all other applicable contractual and legal requirements.
6. Tax Compliance. The Authority specifically advises the Entity that portions of the Capital Project may be financed with proceeds of Bonds issued by the Authority. These Bonds are obligations for which the interest paid to investors is excluded from gross income for federal tax purposes. Under federal tax rules, a number of requirements and restrictions must be met in order for interest on the Bonds to be treated as tax-exempt, including restrictions on the use of Bond-financed property and the investment of Bond proceeds. Such requirements and restrictions continue for the life of the Bonds. To ensure such compliance, the Entity hereby agrees to abide by the additional requirements as set forth in Section 7(d) below.
7. Entity Certifications.
 - a. Maintenance of Effort. Entity certifies that it is currently in compliance with, and will remain in compliance throughout the term of this Contract with, the maintenance of effort requirements set forth in the Ordinance:
 - i. Entity shall not reduce the amount of its non-federal, non-state, non-Measure A transportation expenditure while receiving sales tax revenue.
 - ii. Entity shall continue to impose its non-SCTMFP transportation mitigation fees at rates that are not less than the non-SCTMFP transportation mitigation fees imposed by Entity during Fiscal Year 2008-09, unless supported by an engineering-based fee study approved by the County Board of Supervisors.
 - b. Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Entity certifies that it is implementing the SCTMFP in accordance with STA Resolution STA-06-0006 and related guidelines adopted by the Board.
 - c. Routine Accommodations of Bicycles and Pedestrians. Entity certifies that the Capital Projects' design provides for routine accommodation of bicycles and pedestrians.
 - d. Tax Certifications. Entity agrees that the Capital Project is properly described in Section 2 above, and Entity expects to own all components of the Capital Project for the entire useful lives of such assets. For the same duration, Entity does not expect that any component of the Capital Project will be used by any party other than the general public or by state or local government (including use by operation, management, lease, or any preferential right). Entity shall notify authority in the event of any change to such expectations, and agrees to consult and coordinate in good faith with Authority to preserve the tax-exempt status of any affected Bonds.

8. Disbursement of Revenues.

- a. Disbursements of revenue pursuant to this Contract shall be made on a reimbursement basis. If Entity demonstrates a need for advance payments, the STA Executive Director may advance up to 10 percent of the total allocation after Entity commences work and begins incurring project expenses.
- b. Disbursements shall generally follow the Projected Expenditure and Reimbursement Schedule shown in Attachment A, which shall be updated by Entity Project Manager each February 1 and August 1 beginning in 2019 and submitted to Authority. Requests for reimbursement that materially deviate from the current projected expenditure schedule must first be approved by the STA Executive Director.
- c. To ensure the Authority has sufficient cash flow to meet all its capital obligations, total reimbursements to Entity under this contract shall not exceed \$10,000,000 in Fiscal Year 2019. Total reimbursements under this contract for Fiscal Years 2019 and 2020 combined shall not exceed \$25,000,000.
- d. Claims for payment shall be submitted no more often than monthly.
- e. All claims shall be approved by Entity's Project Manager prior to submission to Authority.

9. Reporting.

- a. Entity shall submit quarterly status reports in approved STA format. Information in the status report shall include:
 - Total anticipated project cost
 - Amount funded to date
 - Expenditures by quarter
 - Project status
- b. Quarterly status reports will be due to the Authority thirty (30) days after the end of each calendar quarter.

10. Audits.

- a. STA staff will review progress payment claims on a selected basis.
- b. Annual audits of the STA will be performed by an independent auditor and reviewed by the Independent Taxpayer Oversight Committee (ITOC). As part of that audit, Entity expenditures will also be audited.

c. Claims found to have inadequate supporting documentation may be denied by the STA Executive Director. Funds spent for any expenditures found to be in noncompliance with this Contract may be withheld from future payments. The Board may reallocate any funds so withheld for other Measure A capital projects.

11. Designation of Project Manager. Entity shall designate a Project Manager who shall be the responsible representative of Entity to Authority staff relating to administration of this Contract.

12. Signs. Entity shall post reflective signs at Capital Project sites while they are open for public use stating that the project is funded with Measure A funds. The signs must be approved by the STA Executive Director.

13. Indemnity and Hold Harmless. Entity shall indemnify and save harmless the Sacramento Transportation Authority, 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 Entity 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 Authority.

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

COUNTY OF SACRAMENTO

**SACRAMENTO TRANSPORTATION
AUTHORITY**

Authorized Signature

NORMAN HOM, Executive Director

Printed Name and Title

Date

Date

ATTACHMENT A

Projected Expenditure & Reimbursement Schedule

Project	FY 2019	FY 2020	FY 2021
Folsom Boulevard: Watt Avenue – Bradshaw Road	\$ 250,000	\$ 250,000	\$ 803,000
Greenback Lane: Fair Oaks Blvd. – Main Street, Phase I	\$ 500,000	\$ 1,000,000	\$ 1,400,000
Hazel Avenue: US Highway 50 Interchange and Folsom Boulevard Intersection	\$ 750,000	\$ 5,000,000	\$ 5,000,000
Hazel Avenue: US Highway 50 to Madison Avenue	\$ 1,000,000	\$2,000,000	\$ 3,900,000
Madison Avenue: Sunrise Blvd. – Hazel Avenue	\$ 400,000	\$ 1,100,000	\$ 1,500,000
Sunrise Boulevard: Jackson Road – Grant Line Road	\$ 400,000	\$ 1,000,000	\$ 1,000,000
Watt Avenue: Antelope Road – Capital City Freeway	\$ 875,000	\$ 1,325,000	\$ 1,145,000
South Watt/Elk Grove-Florin Road: Folsom Boulevard – Calvine Road	\$ 1,000,000	\$ 1,000,000	\$ 5,030,000
Total	\$ 5,175,000	\$ 12,675,000	\$ 19,778,000

This Schedule shall be updated every year on February 1 and August 1 beginning in 2019. Disbursements shall generally follow the current Schedule. Requests for reimbursement that materially deviate from the current Schedule must first be approved by the STA Executive Director subject to availability of funds.