



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: **DECEMBER 3, 2019**

DEPARTMENT: **PUBLIC WORKS**

FROM: **DAVID JACOBS P.E., L.S., PUBLIC WORKS DIRECTOR**

THRU: **RODGER A. OLDS P.E., CITY ENGINEER**

BY: **EDA HERRERA P.E., SENIOR CIVIL ENGINEER**

TITLE: **MEASURE X FUNDING AGREEMENT AMENDMENT NO. 1**

RECOMMENDED MOTION:

A motion to approve a resolution approving Amendment No. 1 for the Measure X Master Programs Funding Agreement between the Transportation Agency for Monterey County (TAMC) and the City of Salinas.

RECOMMENDATION:

It is recommended that the City Council approve a resolution to approve Amendment No. 1 for the Measure X Master Programs Funding Agreement to revise the Measure X Maintenance of Effort calculation.

BACKGROUND:

Voters passed Measure X, a 3/8 cent local sales tax, in November 2016. TAMC is the responsible agency for the administration of the Measure X funds throughout the county, and each agency within Monterey County is required to have a cost sharing agreement with TAMC in order to receive their share of the Measure X Local Streets and Roads revenue. On June 20, 2017, the Salinas City Council approved the Measure X Master Programs Funding Agreement between the City of Salinas and TAMC. The agreement requires the City of Salinas to submit reports annually to TAMC regarding the use of Measure X funds by the City. It has been requested by TAMC that Amendment No. 1 be approved by the City prior to the next annual report. The next annual report is due to TAMC by December 31, 2019.

Maintenance of Effort is a standard requirement of transportation related sales tax measures to ensure that additional revenue generated is used to increase transportation funding levels, rather than supplement other non-transportation related programs. This is done by determining the level of discretionary funding spent on transportation by an agency prior to the sales tax measure and requiring that the agency continue that same level of discretionary funding for transportation

throughout the life of the measure. TAMC's Board of Directors adopted an ordinance to clarify and modify the Measure X Maintenance of Effort calculation on October 23, 2019.

The proposed amendment obligates the City to expend each fiscal year from its general fund for street and highway purposes an amount not less than the annual average of its expenditures from its general fund during the 2009-10, 2010-11, and 2011-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X was passed).

The Maintenance of Effort amount calculated by TAMC for the City of Salinas is \$3,984,744. This amount will be adjusted annually per the Engineering News Record construction cost index. Sufficient funds are budgeted in the currently approved City budget to meet this Maintenance of Effort requirement.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

This item relates to the strategic plan of "Well planned City and excellent infrastructure". The Measure X funding will contribute to maintenance and repair of City Roads, pedestrian and bicycle improvements in City right of way.

DEPARTMENTAL COORDINATION:

The Public Works Department and Finance Department work closely during the annual reporting, daily accounting and annual audits to comply with the Measure X Funding Agreement.

FISCAL AND SUSTAINABILITY IMPACT:

The Maintenance of Effort amount is expended from the General Fund for street and highway purposes, an amount not less than the annual average of its expenditures from its general fund during the 2009-10, 2010-11 and, 2001-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X was passed), as reported to the controller pursuant to Streets and Highways Code Section 2151. The baseline maintenance of effort is \$3,984,744, which will be adjusted annually per the Engineering News Record construction cost index.

Currently Measure X funds are assisting with funding the following CIP projects:

CIP NUMBER	PROJECT TITLE	FUNDING SOURCE	
9006	Lincoln Ave. Storm Drain Improvements	2510	MX
9071	Williams Rd U.D./Street/Streetscape & Median Island	2510	MX
9094	Priority Traffic Signals	2510	MX
9103	Geographic Information Systems	2510	MX
9163	Traffic Calming Improvements	2510	MX
9216	ADA Pedestrian Ramp	2510	MX
9218	Bardin Rd Safe Route to School	2510	MX
9219	E Alvin/Linwood/Maryal Routes	2510	MX
9220	E Laurel Dr Sidewalk & Lights	2510	MX
9253	ADA Traffic Signal Upgrades	2510	MX
9267	Streetlight Installation	2510	MX
9358	T/S Williams Rd & Garner Avenue	2510	MX
9981	Slurry Seal Improvements	2510	MX
9090	Downtown Complete Streets	5202	MX Bond Proceeds
9094	Priority Traffic Signals	5202	MX Bond Proceeds
9163	Traffic Calming Improvements	5202	MX Bond Proceeds
9216	ADA Pedestrian Ramp	5202	MX Bond Proceeds
9218	Bardin Rd Safe Route to School	5202	MX Bond Proceeds
9220	E Laurel Dr Sidewalk & Lights	5202	MX Bond Proceeds
9227	T/S Constitution & Las Casitas	5202	MX Bond Proceeds
9230	Vibrancy Plan Infrastructure	5202	MX Bond Proceeds
9253	ADA Traffic Signal Upgrades	5202	MX Bond Proceeds
9268	T/S E Laurel and St Edwards	5202	MX Bond Proceeds
9438	Annual City Sts Rehab Program (MVF Tax 7360)	5202	MX Bond Proceeds
9510	E Boronda Rd Traffic Congestion Relief	5202	MX Bond Proceeds
9654	Traffic Signal Installation	5202	MX Bond Proceeds
9720	Sidewalk & Drainage Repairs	5202	MX Bond Proceeds

ATTACHMENTS:

Resolution

Amendment No. 1