



Folsom City Council Staff Report

MEETING DATE:	4/14/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11592 – A Resolution Authorizing the City Manager to Execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project, Project No. PW2601, Federal Project No. 5288(055)
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11592 – A Resolution Authorizing the City Manager to Execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project, Project No. PW2601, Federal Project No. 5288(055).

BACKGROUND / ISSUE

In February of 2023, The City submitted a funding request through the Fiscal Year 2024 Congressionally Directed Spending (Earmark) Request process in the amount of \$1,500,000 for the “design and construction of a safety median barrier along Folsom Lake Crossing between Folsom-Auburn Road and East Natoma Street” per the submitted request form.

In May of 2024, The City of Folsom was notified by Federal Highway Administration of the award of \$1,040,00 in Congressionally Directed Spending (CDS) funds for “roadway safety improvements that may include a median barrier, pavement resurfacing, updated roadway delineation and segment lighting.”

On April 22nd, 2025, City Council approved Resolution 11360 authorizing the City Manager to execute a program supplement agreement for the Folsom Lake Crossing Phase 2 Safety Improvements Project for reimbursement of design costs associated with the project.

On May 27th, 2025, City Council approved Resolution 11388 authorizing the City Manager to execute a design and consulting services contract with Kimley Horn and Associates in the amount of \$132,442.19 to complete design, environmental, and right of way phases of the project.

The project has progressed through the required environmental clearance, right-of-way verification, and design phases in coordination with Caltrans Local Assistance and the Sacramento Area Council of Governments (SACOG). Final design has been completed, and all necessary approvals have been obtained to allow the project to proceed to construction.

The proposed project will consist of installation crack seal and slurry seal of the pavement surface, removal and replacement of pavement markings between Folsom Dam Road and Folsom Auburn Road, and installation of 3,890 feet of Double Thrie Beam Barrier Rail between the Folsom Dam Road & Folsom Lake Crossing intersection and the eastern most edge of the Folsom Lake Crossing bridge deck, as shown in the image below.



To proceed with the construction of the Folsom Lake Crossing Phase 2 Safety Improvement Project, the City of Folsom must execute a Program Supplement Agreement (PSA) with Caltrans Local Assistance. This agreement formalizes the use of the recently awarded Congressionally Directed Spending (CDS) grant funds. Per state guidelines, the PSA must be fully executed before the City can invoice Caltrans for reimbursement of eligible project expenses.

POLICY / RULE

Execution of an Administering Agency-State Agreement and/or Program Supplement Agreement requires City Council approval.

ANALYSIS

The City of Folsom is required to execute the Program Supplement Agreement with Caltrans Local Assistance to proceed with the construction of the Folsom Lake Crossing Phase 2 Safety Improvement Project. This project is eligible for reimbursement from Congressional Directed Spending (CDS) Program funds.

The City must invoice Caltrans to receive any federal or state reimbursement. Before invoicing Caltrans, the City must approve a Program Supplement Agreement for the Folsom Lake Crossing Phase 2 Safety Improvement Project. This is a Caltrans standard form that has previously been approved by the City Attorney for other projects, including:

- Folsom Boulevard Improvements
- Historic Folsom Station Phase I Project
- Green Valley Road Widening
- Riley Street Safety Improvement Project
- ITS Master Plan Implementation Project

The Folsom Lake Crossing Phase 2 Safety Improvement Project was included in the Fiscal Year 2025-26 Capital Improvement Plan with a total budget of \$1,174,743. This project utilizes Transportation Improvement Fund (Fund 446) resources as matching funds for Congressional Directed Spending.

During the design process, the project scope was expanded to include additional pavement rehabilitation beyond what was identified in the original grant request to better maintain the pavement condition on Folsom Lake Crossing. The addition of this scope covers pavement preservation treatments and striping from Folsom Dam Road to Folsom Auburn Road on Folsom Lake Crossing and will be completed using local funds (Fund 446).

The breakdown of total project grant funding is as follows:

Preliminary Engineering - Federal Funds (CDS)	\$ 117,251
Preliminary Engineering - Local Funds/Match (446 Fund)	\$ 15,191
Construction - Federal Funds (CDS)	\$ 922,749
<u>Construction - Local Funds/Match (446 Fund)</u>	<u>\$ 359,221</u>
Total Project Funding	\$ 1,414,412
Total Project Grant Funding	\$ 1,040,000

ENVIRONMENTAL REVIEW

This action authorizes the City Manager to execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project. Approval of the agreement is an administrative action and not a “project” under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5).

ATTACHMENTS

1. Resolution No. 11592– A Resolution Authorizing the City Manager to Execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project, Project No. PW2601, Federal Project No. 5288(055).
2. Program Supplement No. F035 Rev 1 for Federal-Aid Project No 03-5288F15

Submitted,

Rebecca Neves, PUBLIC WORKS DIRECTOR/CITY ENGINEER

Attachment 1

RESOLUTION NO. 11592

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROGRAM SUPPLEMENT AGREEMENT WITH CALTRANS FOR THE FOLSOM LAKE CROSSING PHASE 2 SAFETY IMPROVEMENT PROJECT, PROJECT NO. PW2601, FEDERAL PROJECT NO. 5288(055)

WHEREAS, the City of Folsom desires to install roadway safety features on Folsom Lake Crossing; and

WHEREAS, the Folsom Lake Crossing Phase 2 Safety Improvement Project is included in the FY 2025-26 Capital Improvement Plan; and

WHEREAS, Prior to invoicing Caltrans, the City must approve a Program Supplement Agreement for the Folsom Lake Crossing Phase 2 Safety Improvement Project; and

WHEREAS, final design has been completed, and all necessary approvals have been obtained to allow the project to proceed to construction; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project, Project No. PW2601, Federal Project No. 5288(055).

PASSED AND ADOPTED this 14th day of April, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Justin Raithel, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2

PROGRAM SUPPLEMENT NO. F035 Rev. 1
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 03-5288F15

Adv. Project ID
0325000141

Date: March 03, 2026
Location: 03-SAC-0-FOL
Project Number: CPFL-5288(055)
E.A. Number:
Locode: 5288

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 10/18/2016 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION: In the City of Folsom, on Folsom Lake Crossing between Folsom Auburn Road and Folsom Dam Road

TYPE OF WORK: Construct Roadway Safety Improvements including a Median Barrier and Pavement Resurfacing **LENGTH:** 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds		
			LOCAL		OTHER
\$1,414,412.00	Y603	\$1,040,000.00	\$374,412.00		\$0.00

CITY OF FOLSOM

By _____
Title _____
Date _____
Attest _____

STATE OF CALIFORNIA
Department of Transportation

By _____
Chief, Office of Project Management Oversight
Division of Local Assistance
Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer  **Date** 03/03/2026 **\$1,040,000.00**

SPECIAL COVENANTS OR REMARKS

1. A. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

B. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

C. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available by future Federal obligations will be encumbered on this PROJECT by use of a STATE-approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration.

D. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Attention is directed to Section 15.6 "Award Package" of the Local Assistance Procedures Manual.

E. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

SPECIAL COVENANTS OR REMARKS

F. Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

G. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

H. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Exclusion List. Exclusions can be found at www.sam.gov.

SPECIAL COVENANTS OR REMARKS

2.
 - A. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR Part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.
 - B. Invoices shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
 - C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
 - D. Indirect Cost Allocation Plan/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.
 - E. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.
 - F. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

SPECIAL COVENANTS OR REMARKS

G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

H. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

I. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

J. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

L. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system

SPECIAL COVENANTS OR REMARKS

of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices set to or paid by STATE.

M. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year of the Catalogue of Federal Domestic Assistance.

N. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contracts over \$10,000, or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

P. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions B, C, F, H, I, K, and L under Section 2 of this agreement.

3. Appendix E of the Title VI Assurances (US DOT Order 1050.2A)

During the performance of this agreement, the ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractor, (hereinafter referred to as the "contractor") agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

Pertinent Nondiscrimination Authorities:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.

B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

C. Federal-Aid Highway Act of 1973, (23 U.S.C. 324 et seq.), (prohibits discrimination on the basis of sex);

D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 794 et seq.), as

SPECIAL COVENANTS OR REMARKS

amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;

E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101 et seq.), (prohibits discrimination on the basis of age);

F. Airport and Airway Improvement Act of 1982, (49 U.S.C. 4 71, Section 4 7123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not);

H. Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;

I. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

J. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

K. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).