

AGENDA ITEM: 10-A

PREPARED BY: Troy McNeil, Deputy Director/Fiscal Supervisor

SUBJECT:

Measure T Regional Program – Programming of Available Funds

Enclosure: Yes

Action: Approve Programming of Available Regional Program Funds for the SR 233 Interchange Multimodal Improvement Project

SUMMARY:

Measure T revenues the last few years have exceeded initial projections resulting in unprogrammed funds available in the Regional Program, specifically in the **Regional Streets and Highways** and **Flexible Funds** categories. Staff recommends allocating these available funds to Phase 2 of the Measure T Regional Program, specifically to the **State Route (SR) 233 Interchange Multimodal Improvement Project** to help support the full funding of this regional project.

BACKGROUND:

The SR 233 Interchange Project was first added to the Regional Program in June 2013 during programming of Phase 2 of the delivery of Regional Program projects. The SR 233 project has been in development since that time (environmental document started March 2014) and has seen several changes in which agency was leading the effort to complete the preliminary documents. Over the years there have been many discussions on several options for the scope of this project and how to fund those options. These discussions over time unfortunately delayed the approval of the environmental document. Eventually it was decided that roundabouts on each side of the bridge would be constructed while expanding the bridge from 2 lanes to 4 lanes possibly done in phases due to the costs of construction and available funding. In 2022 the City of Chowchilla prepared an application for the Local Partnership Program (LPP), and it was submitted by MCTA in December 2022. The application was unsuccessful. Subsequently, MCTC and Chowchilla staff met with staff at the California Transportation Commission to determine how to improve the application to position it better to receive funding. It was recommended that the full project be included in the application due to the multimodal improvements, including pedestrian and bicycle facilities, that were to be added during a planned phase of the project.

Environmental clearance was finally obtained in August 2023 and MCTA entered into a cooperative agreement to begin the full design phase. With the assistance of a consultant for a second LPP application, another application was submitted in November 2024 for the full project with the last-minute understanding that if it was awarded LPP funds, we would need to have the MCTA Board formally approve unprogrammed available funds. Even though it did score better, it still was unsuccessful in being awarded funds. Again, staff met with CTC staff for a debrief of the application. Productive feedback was given, with one of the main issues being that CTC staff believed the project was not quite shelf ready to receive construction funding during that award cycle. They recommended applying for the next cycle.

Staff has been working diligently with Caltrans to continue to move the design forward to help the project be shelf ready with construction currently scheduled for FY 2027-28. Staff is planning to optimistically submit a third LPP application later this fall.

Expenditures to date are as follows:

Environmental: \$1,752,001

Plans, Specs, Estimates: \$3,373,543

Right-of-Way: \$620,540

Total: \$5,746,084

There are two issues to resolve to move towards a fully funded project. As mentioned previously, the first is to program the additional available Regional Program funds for this project. The additional funds will allow the ability to provide sufficient match necessary for the requested LPP funds for the construction phase. After reviewing the available funding and financial policies regarding the programming of funds (including prioritizing shelf ready and/or progressing projects) staff recommend the following:

Recommended Additional Funding Allocation to the SR 233 Multimodal Interchange Project:

- **Regional Streets and Highways – \$4,772,156**
- **Flexible Funds – \$3,588,844**

There are currently no other regional projects that are progressing forward.

Flexible Funds are the impounded funds from the Flexible Allocation. If local jurisdictions do not have an impact fee program or have insufficient fees to pay the required share of a regional project, their flexible program allocation is impounded and forfeited to the Regional Program. The County and City of Madera Flexible program allocations have been impounded since the beginning of Measure T and the City of Chowchilla's allocation has been impounded since 2013 after the programming of the SR 233 project.

The second issue is to resolve the remaining gap in construction funding needed due to the current inflationary pressures on the continued rise in construction costs for the full build of the project. The current estimated need for construction costs is approximately \$45 million. With the additional Regional Program funds (including Flexible funds) the gap still is

approximately \$14-16 million. To close this gap, scope can be reduced, or additional funding needs to be obtained. Staff will work with the City of Chowchilla to find solutions soon for this second issue.

For your information the following sources of other funds are planned for the project:

Committed and Potential Funding Sources:

- **City of Chowchilla** – \$400,000 (Measure T Regional Rehab) + \$1,900,000 (Developer Impact Fees)
- **Caltrans** – \$300,000 (SHOPP Minor B)
- **Planned Grant Application** – \$15,500,000 (SB-1 Local Partnership Program, to be submitted Fall 2026)
- **Uncommitted Federal Community Project Funding** – \$2,000,000

The additional Measure T funding will ensure the project remains on schedule and leverages external funding opportunities to maximize regional transportation improvements. Staff recommends approval of this funding allocation.

FISCAL IMPACT:

No fiscal impact on the approved 2025-26 Overall Work Program and Budget.