



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager to Execute a Measure B, Funding Agreement between the City and VTA State Route 237 Near Term Improvements Project (Staff Contact: Steve Erickson, 408-586-3301)
Category:	Consent Calendar-Community Development
Meeting Date:	11/5/2019
Staff Contact:	Steve Erickson, City Engineer, 408-586-3301
Recommendation:	Authorize the City Manager to execute a Funding Agreement between the City and the Santa Clara Valley Transportation Authority for 2016 Measure B State Route 237 Near Term Improvements Project.

BACKGROUND:

In November 2016, Santa Clara County voters approved the 2016 Measure B Program, a 30-year, half-cent countywide sales tax to fund projects to improve transit, roadways, and active transportation (bicycles and pedestrians) within the County. Over the next 30 years, 2016 Measure B is anticipated to generate a total of \$6.3 billion for various transportation related improvements.

On December 5, 2017, the City Council adopted Resolution No. 8729 declaring State Route 237/Calaveras Boulevard (SR 237) improvements as the highest priority transportation projects for the City of Milpitas, and selected three preferred projects for the improvement of SR237. The three preferred SR 237 projects will be completed together and are eligible for 2016 Measure B funding. The Valley Transportation Authority (VTA) will implement the project(s) and the City will be responsible to fund a 10% local match, estimated to be \$200,000.

The following are the three preferred SR 237 corridor projects recommended by the VTA and approved by the City Council on December 5, 2017:

1. Construct HOV (carpool) only lane on westbound Calaveras Boulevard between I-880 southbound off-ramp and SR 237 freeway on ramp.
2. Construct HOV (carpool) only lane on westbound Calaveras Boulevard across McCarthy Boulevard freeway overpass.
3. Complete a SR237 corridor study and identify other transit, pedestrian, bicycle, and roadway infrastructure and operational improvements within the City of Milpitas between I-880 and I-680.

The VTA has been requested to prioritize the completion of these projects and to fund in fiscal year 2018-19. The City's 2019-24 Capital Improvement Program (CIP) includes Project No. 4294, SR 237 HOV Lane Improvements, and this project provides the City 10% local match fund for the project. VTA is anticipated to start these projects in fall of 2019, and completion is estimated at summer of 2021.

ANALYSIS:

A funding agreement between the VTA and the City is required to allow VTA to start the projects. The agreement sets the framework for design, construction, reporting, administrative roles and responsibilities for the project(s). The total project cost is estimated at \$2,000,000, and VTA will allocate \$1,800,000 of Measure B

funding for the project, and the City would be required to provide an estimate of \$200,000 as the 10% local funding match. Staff recommends the City Council approve and authorize to the Interim City Manager to execute a Funding Agreement with VTA to allow the SR237 projects to move forward.

POLICY ALTERNATIVE:

Alternative 1: Deny approval and authorization of the VTA Funding Agreement with VTA.

Pros: None

Cons: Not approving the Funding Agreement would not allow the SR 237 projects to move forward, and the \$1.8 million in Measure B funding would be allocated to other projects within the County.

Reason not Recommended: Traffic congestion along the SR 237 corridor is heavy, and the VTA has recommended these projects move forward to help alleviate congestion.

FISCAL IMPACT:

The City's 2019-24 Capital Improvement Program document includes Project No. 4294, SR 237 HOV Lane Improvements. \$200,000 in funding is programed for fiscal year 2019, which is the City's 10% local match contribution for the completion of the projects.

California Environmental Quality Act (CEQA):

VTA shall complete environment clearance for the project per the proposed funding agreement.

RECOMMENDATION:

Authorize the City Manager to execute a Funding Agreement between the City and the Santa Clara Valley Transportation Authority for State Route 237 Near Term Improvements Project.

Attachment:

City and VTA Funding Agreement