

STAFF REPORT

SUBJECT: Approval of a Resolution Authorizing LAVTA to Apply for 2024 State Transportation Improvement Program Funding for Atlantis Facility Construction

FROM: Jennifer Yeamans, Senior Grants & Management Specialist

DATE: October 2, 2023

Action Requested

Approval of Resolution 25-2023 authorizing LAVTA to apply for 2024 State Transportation Improvement Program (STIP) funding for Atlantis Facility Construction if the project is recommended for funding by the Alameda County Transportation Commission (ACTC). This resolution is required to submit with a funding application to the Metropolitan Transportation Commission (MTC) for inclusion in the 2024 Regional Transportation Improvement Program (RTIP) by October 27.

Background

The State Transportation Improvement Program (STIP) is a multi-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the State Highway Account and other funding sources administered by the California Transportation Commission (CTC), including Senate Bill 1 (SB 1). The 2024 STIP will cover Fiscal Years (FYs) 2024-25 through 2028-29. On September 28, 2023, the Alameda County Transportation Commission (ACTC) approved its programming principles and schedule for the 2024 STIP. Based on the State’s 2024 STIP Fund Estimate, ACTC anticipates approximately \$43.8 million of capacity for Alameda County for programming to projects.

As part of the overall STIP programming process, ACTC is to adopt and forward a program of projects to the Metropolitan Transportation Commission (MTC) for inclusion in MTC’s 2024 Regional STIP program (2024 RTIP). As the Regional Transportation Planning Agency (RTPA) for the nine-county Bay Area, MTC is responsible for developing the regional priorities for the RTIP. MTC approves the region’s RTIP and submits it to the CTC for inclusion in the STIP. MTC Resolution 4603 was approved September 27, 2023, and requires ACTC to submit their final project nominations to MTC by November 1, 2023, for evaluation for compliance with program requirements and consideration for adoption in the 2024 RTIP in December 2023.

Eligible STIP projects are defined by state law and include state highway improvements, local road improvements and rehabilitation, public transit, intercity rail, pedestrian, and bicycle facilities, and grade separation, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety projects. ACTC’s selection process aims to advance the goals and objectives of its near-term strategic planning and programming documents, the Countywide Transportation Plan (CTP) and the Comprehensive

Investment Plan (CIP). Other key principles will prioritize projects that demonstrate readiness to meet applicable STIP eligibility, programming, allocation and delivery requirements, including obtaining federal National Environmental Policy Act (NEPA); potential to leverage external funding such as federal Infrastructure Investment and Jobs Act (IIJA), Senate Bill 1 (SB1), and Regional Measure 3 (RM3) funding; and a complete funding plan for the phase for which STIP funding is requested.

LAVTA's Atlantis Facility project is included in ACTC's 2020 Countywide Transportation Plan on its 10-Year Priority Project List (Project #59).

Atlantis Facility Project Status

The Atlantis facility as currently constructed today has advanced slowly and incrementally over many years as modest amounts of funding have been made available for the identified need. To date, \$5.1 million in Federal Transit Administration (FTA) grants committed between FY2002 and FY2009 have supported acquisition of the 9-acre site and construction of a concrete pad for bus parking, fueling and washing facilities, and necessary fencing and security features. However, since 2009, FTA capital grants have been available to LAVTA only through formula funds programmed under MTC's long-standing "Fix It First" policy, and thus only for fleet replacement needs as buses reach the end of their useful life. Therefore, construction progress at Atlantis stalled. LAVTA currently uses the partially-built facility to store contingency fleet and surplus materials, conduct driver training, operate and dispatch paratransit vehicles, and lease to third parties for parking.

In 2021, with long-needed funding opportunities newly on the horizon from both state and federal sources, LAVTA applied for and was awarded funding from ACTC's 2022 Comprehensive Improvement Program (CIP) to advance the design phase of the project to a sufficient degree to prepare it for a subsequent construction phase. The scope of work includes construction of new administration/operations and maintenance buildings, and related site improvements including parking, electrical, and landscaping. At 60% design completed as of March 2023, a subsequent construction phase currently assumes LAVTA will award a single design-build contract once a full funding plan is identified, in order to expedite project delivery in anticipation of the future arrival of replacement Fuel Cell Electric Buses (FCEBs), in accordance with LAVTA's Zero Emission Bus Rollout Plan adopted in April 2022.

LAVTA's current Capital Improvement Program included in the 2022 Short Range Transit Plan anticipates FCEB deliveries in 2024, 2029, and 2030 to replace diesel-electric hybrids currently in-service as they reach the end of their useful life. As more FCEBs are delivered to replace an aged fleet, the urgency of having sufficient facilities to operate and maintain them will increase. The California Air Resources Board's Innovative Clean Transit Rule mandates that LAVTA purchase a minimum of 25% zero-emission buses (ZEBs) starting in 2026 and 100% in 2029.

The proposed project does not include startup hydrogen fueling facilities which were fully funded in Cycle 5 of the Transit and Intercity Rail Capital Program (TIRCP) and are currently advancing toward construction. The hydrogen fueling project will initially support fueling of a modest number of FCEBs at Atlantis once completed.

Discussion

The current cost estimate to complete construction of the Atlantis facility as of March 2023 is \$83.1 million. The estimate includes \$32.2 million for the maintenance building; \$24.7 million for the administration and operations building; \$7.6 million for sitework, electrical, and landscaping; as well as typical pro-rata costs associated with project management, construction management, contingency, and necessary contractor costs such as bonds and insurance.

Of the \$43.8 million ACTC estimates will be available for countywide programming in October, LAVTA is requesting \$19 million to advance the funding plan (shown below) and help leverage future funding requests from other prospective but highly competitive federal and state sources that remain unsecured but which will be needed to complete the project scope.

In order to submit the project for consideration by MTC's October 27 deadline, project sponsors must submit a resolution of local support (Attachment 1) and meet all other requirements necessary for MTC to evaluate for compliance with program requirements.

Fiscal Impact

The current funding plan to complete Atlantis construction includes:

Status	Source	Funding (Current-Year \$000s)	
		\$	%
Committed Funding	TDA 4.0 (LAVTA CIP)	\$7,677	9%
	ACTC 2024 CIP (Measure B)	\$3,000	4%
	<i>Subtotal Committed</i>	<i>\$10,677</i>	<i>13%</i>
Under Consideration	2024 STIP	\$19,000	23%
	<i>Subtotal Under Consideration</i>	<i>\$19,000</i>	<i>23%</i>
Future/ Unsecured	All sources	\$53,449	64%
	<i>Subtotal Future/Unsecured</i>	<i>\$53,449</i>	<i>64%</i>
	Total	\$83,126	100%

Recommendation

Staff recommends that the Board of Directors approve Resolution 25-2023 authorizing LAVTA to apply for 2024 State Transportation Improvement Program (STIP) funding for Atlantis Facility Construction if the project is recommended for funding by the Alameda County Transportation Commission (ACTC).

Attachment:

1. Resolution 25-2023 Authorizing the Filing of an Application for Funding Assigned to MTC and Committing Any Necessary Matching Funds and Stating Assurance to Complete the Project

RESOLUTION NO. 25-2023

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
AUTHORIZING THE FILING OF AN APPLICATION FOR FUNDING
ASSIGNED TO MTC AND COMMITTING ANY NECESSARY MATCHING
FUNDS AND STATING ASSURANCE TO COMPLETE THE PROJECT**

WHEREAS, the Livermore Amador Valley Transit Authority (herein referred to as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for nineteen million dollars (\$19,000,000) in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Block Grant Program (STP) funding, Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding, Carbon Reduction Program (CRP) funding, Transportation Alternatives (TA) set-aside/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the Atlantis Facility Construction Project (herein referred to as PROJECT) for the 2024 State Transportation Improvement Program (herein referred to as PROGRAM); and

WHEREAS, the United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the FEDERAL TRANSPORTATION ACT) including, but not limited to the Surface Transportation Block Grant Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149), the Carbon Reduction Program (CRP) (23 U.S.C. § 175), and the Transportation Alternatives (TA) set-aside (23 U.S.C. § 133); and

WHEREAS, state statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to the FEDERAL TRANSPORTATION ACT, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective County Transportation Agency (CTA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and
- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project, the PROJECT will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the County Transportation Agency (CTA); and

WHEREAS, APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

WHEREAS, there is no legal impediment to APPLICANT making applications for the funds; and

WHEREAS, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

WHEREAS, APPLICANT authorizes its Executive Director or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

NOW, THEREFORE, BE IT RESOLVED that the APPLICANT is authorized to execute and file an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under the FEDERAL TRANSPORTATION ACT or continued funding; and be it further

RESOLVED that APPLICANT will provide any required matching funds; and be it further

RESOLVED that APPLICANT understands that the REGIONAL DISCRETIONARY FUNDING for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING; and be it further

RESOLVED that APPLICANT understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and APPLICANT has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective County Transportation Agency (CTA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and be it further

RESOLVED that PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP; and be it further

RESOLVED that APPLICANT has reviewed the PROJECT and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and be it further

RESOLVED that PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM; and be it further

RESOLVED that, in the case of a transit project, APPLICANT agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised; and be it further

RESOLVED that, in the case of a highway project, APPLICANT agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC Resolution No. 4104; and be it further

RESOLVED that, in the case of an RTIP project, PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the County Transportation Agency (CTA); and be it further

RESOLVED that APPLICANT is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects; and be it further

RESOLVED that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and be it further

RESOLVED that there is no legal impediment to APPLICANT making applications for the funds; and be it further

RESOLVED that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and be it further

RESOLVED that APPLICANT authorizes its Executive Director, General Manager, City Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and be it further

RESOLVED that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and be it further

RESOLVED that the MTC is requested to support the application for the PROJECT described in the resolution, and if approved, to include the PROJECT in MTC's federal TIP upon submittal by the project sponsor for TIP programming

PASSED AND ADOPTED THIS 2nd DAY OF OCTOBER 2023.

Melissa Hernandez, Chair

APPROVE AS TO FORM

ATTEST

Michael Conneran, Legal Counsel

Christy Wegener, Executive Director