



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: NOVEMBER 1, 2016

ITEM NUMBER: **CC-5**

**SUBJECT: APPROVE AGREEMENTS FOR FEDERAL-AID PROJECTS**

**DATE: OCTOBER 20, 2016**

**FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION**

**PRESENTATION BY: RAJA SETHURAMAN, INTERIM PUBLIC SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: BALTAZAR MEJIA, CITY ENGINEER, (714) 754-5335**

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## **RECOMMENDATIONS:**

1. Approve the Master Agreement No. 12-5312F15 Administering the Agency-State Agreement for Federal-Aid Projects, and authorize the Mayor and City Clerk to execute the Agreement (Attachment 1).
2. Approve Resolution 16-xx, authorizing the Public Services Director to execute all project specific Program Supplements to the Master Agreement, and authorizing the Chief Executive Officer (CEO) to execute future revisions to the Master Agreement (Attachment 2).
3. Approve Resolution 16-xx, authorizing the Public Services Director to execute Program Supplement No. F076 to the Master Agreement for the Bristol Street and Bear Street Rehabilitation projects (Attachment 3).

## **BACKGROUND:**

As a result of the Federally enacted Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and subsequent State legislation allowing the use of certain Federal Aid Program funds for use on local transportation facilities, the California Department of Transportation (Caltrans) has the Master Agreement setting forth the requirements of local agencies in the administration of projects receiving Federal-Aid Program funds and the subsequent maintenance of the completed facility.

The City of Costa Mesa and Caltrans have been operating under the Master Agreement for Federal-Aid Projects executed on July 18, 1977, June 1997, and in January 2007. Recently, Caltrans modified the Master Agreement to reflect various changes in Local Assistance regulations and procedures, and is requesting local agencies to approve the revised Master Agreement.

## **ANALYSIS:**

The Master Agreement sets forth the requirements of the City of Costa Mesa, as the administering agency, and applies to all City projects financed in part by Federal program funds which include the Regional Surface Transportation Program (RSTP), the Congestion Mitigation and Air Quality Improvement (CMAQ), the Transportation Enhancement Activities Program (TEA), the Highway Safety Improvement Program (HSIP) and the Highway Bridge Program (HBP). By entering into the Agreement, the City agrees to comply with the most current State statutes, regulations and procedures relating to the Federal-Aid Program.

The Agreement requires the City to comply with a Federal/State Fair Employment Practices Addendum and Nondiscrimination Assurances attached to the agreement, which the City currently does for all State and Federally-funded projects. The Agreement will require that all rights-of-way be acquired before a construction contract can be awarded, that all projects be regularly maintained by the City or the City's designated contractor, and that all records pertaining to Federally-funded projects be maintained for a minimum length of time after completion of the project. In the event the City breaches the Agreement by not completing the project, the Agreement allows for the State to seek reimbursement from the City of all Federal funds paid towards the uncompleted project.

The Arterial Pavement Management Program (APM) funds pavement preservation, rehabilitation, and reconstruction projects on the Master Plan of Arterial Highway throughout Orange County. The funding for this program is provided by the Regional Surface Transportation Program (RSTP) and is administered by OCTA.

The Public Services Department received \$400,000 in grant funds for the Bristol Street Rehabilitation from the I-405 Freeway to Randolph Avenue Project and \$400,000 for the Bear Street Rehabilitation from Wakeham Place to the I-405 Freeway Project. The City matched these funds with \$840,000 of Gas Tax and Measure M2 funds. A resolution authorizing the Public Services Director to sign Program Supplement #F076 to encumber the federal funds is needed.

**ALTERNATIVES CONSIDERED:**

The City can elect to not enter into the Master Agreement with Caltrans. However, this would jeopardize the City's eligibility to receive any Federal or State grant funds.

**FISCAL REVIEW:**

There is no fiscal impact for this item.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the Agreement and approved it as to form. The City Attorney's Office has prepared the attached Resolutions.

**CONCLUSION:**

In order to remain eligible to receive Federal funds for City transportation improvement projects, it is recommended City Council approve the Master Agreement for Federal-Aid projects and resolutions authorizing the Public Services Director to execute all project specific Program Supplements to the Master Agreement, and the CEO to execute future revisions to the Master Agreement. In addition, the attached resolution authorizes the Public Services Director to execute program supplements to the Master Agreement for the Bristol Street and Bear Street Rehabilitation projects.

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**RAJA SETHURAMAN**  
Interim Public Services Director

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**BALTAZAR MEJIA**  
City Engineer

ATTACHMENTS:     [1- Master Agreement No. 5312F15](#)  
                          [2- Proposed Master Agreement Resolution](#)  
                          [3- Proposed Supplement No. F076 Resolution](#)

DISTRIBUTION: Chief Executive Officer  
Assistant Chief Executive Officer  
City Attorney  
City Clerk  
Contract Administrator  
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