ITEM NO. 34

STAFF REPORT

CITY OF OCEANSIDE

DATE: May 26, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **RESOLUTION ADOPTING THE TRANSNET LOCAL STREET IMPROVEMENT PROGRAM OF PROJECTS FOR FISCAL YEARS 2011 THROUGH 2015**

SYNOPSIS

Staff recommends that the City Council adopt a resolution adopting the TransNet Local Street Improvement Program of Projects for the City of Oceanside for SANDAG to include in the FY 2010 Regional Transportation Improvement Program (RTIP).

BACKGROUND

Since 1988, TransNet, the half-cent sales tax for local transportation projects, has been instrumental in expanding the San Diego region's transportation system. On November 4, 2004, the voters of San Diego County approved an extension of the TransNet sales tax program.

Every two years, SANDAG asks cities to develop their transportation spending plan for the next five years, and to formally approve it by resolution consistent with the requirements of the TransNet Ordinance. The FY 2010 RTIP will be adopted by the SANDAG Board in September 2010. SANDAG will then incorporate the RTIP, which contains the region's TransNet-funded projects, into the 2011 Regional Transportation Plan (RTP).

Cities can amend their list of TransNet local street improvement projects and their respective spending plans as needs change. New traffic-capacity-enhancing projects may be added when SANDAG revises its regional air quality model.

On June 10, 2009, the City Council amended the list of approved TransNet projects under the previous 2008 RTIP.

In June, the City Council will consider a resolution approving the City's Capital Improvement Program (CIP) budget for FY 2010-2011, including TransNet projects.

ANALYSIS

Oceanside's current annual allocation of TransNet funds for local street improvements projects is approximately $3.3 million plus an additional one-time allocation of $2.9 million in American Recovery and Reinvestment Act (ARRA) funds that SANDAG swapped with Caltrans.

Amendment Process

As the City of Oceanside approves new road construction projects through its CIP budget, its TransNet program of projects must be formally amended so that SANDAG will allocate TransNet funds to the City. Similarly, any TransNet project that the City wishes to delete must be deleted through an RTIP amendment.

In order to adhere to its scheduled September 2010 RTIP adoption, SANDAG staff is performing the air quality conformity analysis on all proposed capacity-enhancing projects. For this reason, staff recommends approval of the proposed TransNet resolution in its entirety. If the City Council desires to add or delete a specific project from the TransNet list, it can direct staff to revise the City's draft CIP budget, and then to follow-up by submitting the changes on the next available RTIP amendment later this year.

Refund and Reallocation of Prior TransNet Payments

In FY 2005 and FY 2006, the City received $872,000 in payments for the proposed El Camino Real over SR-78 bridge widening project, and $3,350,000 in payments for San Luis Rey River bridge seismic retrofits. A total amount of $4,222,000 was received, and $3,000,000 is excess over and above Oceanside's current fiscal needs for the two projects. As a result, the Finance Department will refund the $3,000,000 to SANDAG before June 30, 2010.

Prior to 2008, cities were able to request TransNet payments in advance of their spending needs. After approval of the new TransNet Ordinance in 2004, the SANDAG Board adopted Board Policy No. 31, which restricts cities to holding a TransNet cash balance of no more than 30 percent of their annual TransNet apportionment.

For the fiscal year ending June 30, 2009, Oceanside's TransNet balance was $7,868,440. By the Policy, that balance should have been no more than $1,106,923. A combination of the $3,000,000 refund and Oceanside's current spending on TransNet projects, such as the annual overlay program, will bring the City into compliance in FY 2011.

The $3,000,000 payment to SANDAG will be payable back to Oceanside when the City completes an RTIP amendment next year to reprogram the funds towards other projects that can spend the money immediately. SANDAG allocates the interest earnings on its TransNet investment pool according to each city's current allocation.

The $3,000,000 remains allocated to Oceanside; and therefore, this temporary refund back to SANDAG will result in no net loss to Oceanside.

As a result, from next year forward, Oceanside will be funding its TransNet program as a reimbursable grant rather than from payments made in advance from SANDAG.

Collection of Developer Fees

The TransNet Ordinance requires the City to collect a developer-paid fee for completion of the Regional Arterial System. The fee is paid from the City's existing Thoroughfare Fee program, and is not currently a new or increased out-of-pocket cost to new residential construction. The amount of the set-aside is $2,040, and it will increase to $2,081 on July 1, 2010. The City's current Thoroughfare Fee complies with TransNet requirements, and the funds will be allocated for Oceanside streets on the Regional Arterial System. The developer fee provision was included in the 2004 TransNet ballot initiative to help assure approval by voters.

Sometime after FY 2011, the annual minimum fee increase imposed by the TransNet Ordinance will begin to overtake the amount collected under Oceanside's current Thoroughfare Fee program. Over the next year, staff will study a Thoroughfare Fee increase with a provision to accommodate future pass-through increases required by the TransNet Ordinance. Carlsbad adopted a similar provision by relying on a SANDAG nexus study justifying an impact fee increase for the Regional Transportation Congestion Improvement Program. Cities are not allowed by the TransNet Ordinance to use general funds to absorb the Regional Arterial System fee.

FY 2011-2015 TransNet Program of Projects Listing

The proposed five-year TransNet funding for the above projects is shown in the attached Table A.

SANDAG Project ID No. 6 is the extension of Melrose Drive from North Santa Fe Avenue to Spur Avenue. The TransNet funding for Melrose Drive is programmed for completion of the EIR.

SANDAG Project ID No. 9 is the El Camino Real Bridge over SR-78. This project is a project report to study widening the existing bridge deck to accommodate standard 12-foot-wide vehicle lanes for improved traffic safety.

SANDAG Project ID No. 14 is the rehabilitation of two existing bridges (North Coast Highway and Douglas Drive) over the San Luis Rey River to resist earthquakes.

SANDAG Project ID No. 17 is the construction of the two detention basins on Loma Alta Creek to protect El Camino Real, Rancho del Oro Drive, and the Sprinter rail track from flooding.

SANDAG Project ID No. 18 is the City's TransNet street maintenance program, which includes slurry sealing of residential streets, sidewalk repairs, storm drain repairs, access ramps, parkway maintenance and streetlights.

SANDAG Project ID No. 20 is the upgrade of bus stops along Oceanside Boulevard to provide accessibility.

SANDAG Project ID No. 21, "Solutions for Seniors on the Go" funds Oceanside's taxi voucher, door-to-door shuttle, and volunteer-driver programs. These programs use TransNet funds set-aside by SANDAG for transportation services for seniors.

SANDAG Project ID No. 22 is the widening of College Boulevard from north of Vista Way to Old Grove Road to up to six lanes.

SANDAG Project ID No. 23 is the College Boulevard Bridge widening over the San Luis Rey River from four to six lanes.

SANDAG Project ID No. 24 is the Citywide Street Overlay Program, which repairs and resurfaces arterial streets with two inches of new asphalt made from recycled car tires.

SANDAG Project ID No. 25 is the new Traffic Management Center, which will be located at Oceanside's Civic Center for real-time traffic monitoring and demand-based active control of traffic signals.

SANDAG Project ID No. 26 is the widening of the SR-76 Expressway for one additional lane over a distance of 1500 feet east and west of Rancho del Oro Drive.

SANDAG Project ID No. 27 is the design and construction of a roundabout (traffic circle) at the intersection of North Coast Highway and SR-76.

FISCAL IMPACT

The City Council's adoption of the TransNet amendments allows the City of Oceanside to draw up to $7,244,000 in funds from SANDAG in FY 2010-2011. The $3 million in TransNet funds to be returned to SANDAG will be drawn from account 212.3100.0001.

COMMISSION OR COMMITTEE REPORT

On May 24, 2010, the Planning Commission approved a General Plan consistency finding for the new projects in the CIP budget.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council adopt a resolution adopting the TransNet Local Street Improvement Program of Projects for the City of Oceanside for SANDAG to include in the FY 2010 Regional Transportation Improvement Program (RTIP).

PREPARED BY:

Gary Kellison
Senior Civil Engineer

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

George Buell, Development Services Director

Scott O. Smith, City Engineer

Teri Ferro, Financial Services Director

Attachment:

A. Table of Oceanside's TransNet Program of Projects for FY 2011-2015
B. Resolution Adopting Oceanside's TransNet Local Street Improvement Program

Attachment A

City of Oceanside TransNet Program of Projects for FY 2011-2015

Project Description	FY 2011	FY2012	FY2013	FY2014	FY2015
Melrose Drive Extension	$25,000				
El Camino Real Bridge	Carryover from prior years only				
Seismic Bridge Retrofit	Carryover from prior years only				
Loma Alta Creek Basins	$700,000	$2,000,000	$500,000		
Street & Sidewalk Repairs	$1,700,000	$1,000,000	$1,000,000	$1,000,000	$1,100,000
Oceanside Blvd Bus Stops	$180,000				
Taxi Vouchers/Senior Rides	$564,000				
College Blvd Widening	$200,000	$100,000			
College Blvd Bridge	$125,000	$75,000			
Street Overlay Program	$3,000,000	$1,000,000	$2,000,000	$1,500,000	$1,500,000
Traffic Management Center	$450,000	$400,000	$400,000	$400,000	
SR-76 Widening at RDO	$250,000		$250,000	$1,000,000	$1,600,000
Coast Hwy Roundabout	$50,000				
Totals	$7,244,000	$4,575,000	$4,150,000	$3,900,000	$4,200,000

Only TransNet funding is shown; some projects have additional fund sources.

RESOLUTION NO.

RESOLUTION OF THE CITY OF OCEANSIDE ADOPTING THE *TRANSNET* LOCAL STREET IMPROVEMENT PROGRAM OF PROJECTS FOR FISCAL YEARS 2011 THROUGH 2015

WHEREAS, on November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (*TransNet* Extension); and

WHEREAS, the *TransNet* Extension Ordinance provides that SANDAG, acting as the Regional Transportation Commission, shall approve a multi-year program of projects submitted by local jurisdictions identifying those transportation projects eligible to use transportation sales tax (*TransNet*) funds; and

WHEREAS, the City of Oceanside was provided with an estimate of annual *TransNet* local street improvement revenues for fiscal years 2011 through 2015; and

WHEREAS, the City of Oceanside has held a clearly noticed public hearing regarding its proposed list of projects prior to approval by its authorized legislative body in accordance with Section 5(A) of the *TransNet* Extension Ordinance and Rule 7 of SANDAG Board Policy 31.

NOW THEREFORE,

BE IT RESOLVED that pursuant to Section 2(C)(1) of the *TransNet* Extension Ordinance, the City of Oceanside certifies that no more than 30 percent of its annual revenues shall be spent on maintenance-related projects.

BE IT FURTHER RESOLVED that pursuant to Section 4(E)(3) of the *TransNet* Extension Ordinance, the City of Oceanside certifies that all new projects, or major reconstruction projects, funded by *TransNet* revenues shall accommodate travel by pedestrians and bicyclists, and that any exception to this requirement permitted under the Ordinance and proposed shall be clearly noticed as part of the City of Oceanside's public hearing process.

BE IT FURTHER RESOLVED that pursuant to Section 8 of the *TransNet* Extension Ordinance, the City of Oceanside certifies that the required minimum annual level of local discretionary funds to be expended for street and road purposes will be met throughout the

five-year period consistent with the most recent Maintenance of Effort Requirements adopted by SANDAG.

BE IT FURTHER RESOLVED that pursuant to Section 9A of the *TransNet* Extension Ordinance, the City of Oceanside certifies that it will exact $2,081 in FY 2011 from the private sector for each newly constructed residential housing unit in its jurisdiction to comply with the provisions of the Regional Transportation Congestion Improvement Program (RTCIP), and that the amount of the exaction shall be subject to annual adjustment pursuant to the Ordinance.

BE IT FURTHER RESOLVED that pursuant to Section 13 of the *TransNet* Extension Ordinance, the City of Oceanside certifies that it has established a separate Transportation Improvement Account for *TransNet* revenues with interest earned expended only for those purposes for which the funds were allocated.

BE IT FURTHER RESOLVED that pursuant to Section 18 of the *TransNet* Extension Ordinance, the City of Oceanside certifies that each project of $250,000 or more will be clearly designated during construction with *TransNet* project funding identification signs.

BE IT FURTHER RESOLVED that the City of Oceanside does hereby certify that all other applicable provisions of the Ordinances and SANDAG Board Policy 31 have been met.

BE IT FURTHER RESOLVED that the City of Oceanside agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to local *TransNet* funded projects.

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $25,000 in FY 2011 to project O06 (Melrose Drive Extension).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes payment to SANDAG of unspent prior-year payments for project O09 (El Camino Real Bridge at SR78) for SANDAG to reprogram to other City of Oceanside projects upon approval of a *TransNet* amendment from the City of Oceanside.

BE IT FURTHER RESOLVED that the City of Oceanside authorizes payment to SANDAG of unspent prior-year payments for project O14 (Bridge Rehabilitation) for SANDAG to reprogram to other City of Oceanside projects upon approval of a *TransNet* amendment from the City of Oceanside.

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $700,000 in FY 2011, $2,000,000 in FY 2012, and $500,000 in FY 2013 to project O17 (Loma Alta Creek/Sprinter Detention Basins).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $1,700,000 in FY 2011, $1,000,000 in FY 2012 through 2014, and $1,100,000 in FY 2015 to project O18 (Neighborhood Sidewalk, ADA, and Traffic Improvements).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $180,000 in FY2011 to project O20 (Oceanside Boulevard Bus Stops and ADA Upgrades).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $564,000 in FY2011 to project O21 ("Solutions for Seniors on the Go").

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $200,000 in FY2011 and $100,000 in FY 2012 to project O22 (College Boulevard Widening from Vista Way to Old Grove Road).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $125,000 in FY 2011 and $75,000 in FY 2012 to project O23 (College Boulevard Bridge Widening at the San Luis Rey River).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $3,000,000 in FY 2011, $1,000,000 in FY 2012, $2,000,000 in FY 2013, $1,500,000 in FY 2014, and $1,500,000 in FY 2015 to project O24 (Street Overlay Program).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $450,000 in FY 2011, and $400,000 in FY 2012 through FY 2014 O25 (Traffic Management Center and Adaptive Traffic Signals).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $250,000 in FY 2011 and FY 2013, $1,000,000 in FY 2014, and $1,600,000 in FY2015 to project O26 (SR76 Widening at Rancho del Oro Boulevard).

BE IT FURTHER RESOLVED that the City of Oceanside authorizes $50,000 in FY 2011 to project O27 (North Coast Highway and SR76 Roundabout).

BE IT FURTHER RESOLVED that all of the above funding requests are made in accordance with the requirements outlined in the *TransNet* Policy.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California this _____day of _____, 2010, by the following vote:

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AYES:

NAYS:

ABSENT:

ABSTAIN:

_____
MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____ ASST.
CITY ATTORNEY