

Council Meeting of
October 6, 2009

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works - Approve RESOLUTION and Program Supplement to Administering Agency-State Agreement for Federal-Aid Projects No. 07-5249R with the State of California that authorizes the use of Federal Aid funds for the Crenshaw Boulevard Rehabilitation, T-51. Expenditure: \$2,000,000

RECOMMENDATION

Recommendation of the Public Works Director that City Council:

1. Adopt a **RESOLUTION** authorizing approval of Program Supplement No. N010 to Administering Agency-State Agreement for Federal-Aid Projects No. 07-5249R with the State of California for the Crenshaw Boulevard Rehabilitation, T-51; ESPL-5249(019); and
2. Appropriate \$2,000,000 of federal grant funds from the American Recovery and Reinvestment Act of 2009 to the Crenshaw Boulevard Rehabilitation, T-51.

Funding

\$2,000,000 of federal grant funds is available from the American Recovery and Reinvestment Act of 2009.

BACKGROUND AND ANALYSIS

The Crenshaw Boulevard Rehabilitation (Sepulveda Boulevard to Maricopa Street) is included in the City's adopted FY 2007-11 Capital Budget as project T-51 ("T-51 Project"). The T-51 Project will provide for the repair of damaged curbs, gutters, sidewalks; installation of ADA-compliant curb ramps; and pavement reconstruction and overlay of Crenshaw Boulevard. The total cost for construction and construction management is approximately \$2,900,000.

The City is currently eligible to receive \$2,719,920 of federal-aid funds for the T-51 Project. \$2,000,000 is from the American Recovery and Reinvestment Act of 2009 ("ARRA") and \$719,920 is from the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users ("SAFETEA-LU") approved in August 2005. Therefore, the

City's cost for this project will be approximately \$180,000, which is only 6.2% of the total cost.

Several years ago staff was informed by the State that a total of \$800,000 of SAFETEA-LU funding was available for construction and that amount of funding is already included in the T-51 Project's adopted budget. However, recently staff confirmed that only \$719,920 of SAFETEA-LU funds will be available. Therefore, the proposed revised Infrastructure Action Plan sheet for the T-51 Project is included with this Item and indicates the proposed budget modifications.

The ARRA and SAFETEA-LU federal-aid funds are both administered by Caltrans and available only as a reimbursement for construction and construction management expenditures. In order to be eligible for reimbursement with these federal-aid funds, it is required to adopt a Resolution and to execute and attest to a Program Supplement.

In August 2009, Your Honorable Body approved the deferral of construction activities until after January 3, 2010 to avoid both traffic and economic impacts during the Thanksgiving and holiday seasons. It is anticipated that construction of the T-51 Project will commence in February 2010 and be ongoing for approximately 7 months.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director



By: Craig Bilezerian
Engineering Manager

CONCUR:



Robert J. Beste
Public Works Director



LeRoy J. Jackson
City Manager

Attachments: A. Resolution
B. Program Supplement No. N010
C. Proposed revision to Infrastructure Action Plan for T-51 Project.

RESOLUTION NO. 2009-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE AUTHORIZING AND DIRECTING THE MAYOR AND THE CITY CLERK TO EXECUTE AND ATTEST TO PROGRAM SUPPLEMENT NO. N010 TO ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS NO. 07-5249R WITH THE STATE OF CALIFORNIA

WHEREAS, certain federal-aid funds administered by the State of California are conditionally available to the City of Torrance; and

WHEREAS, the City Council of the City of Torrance desires said funds be utilized to provide improvements within the City of Torrance; and

WHEREAS, in order to utilize said funds Administering Agency-State Agreement for Federal-Aid Projects No. 07-5249R with the State of California was entered into on June 29, 2007; and

WHEREAS, said Administering Agency-State Agreement requires a Program Supplement be executed for each project; and

WHEREAS, Program Supplement No. N010 to said Administering Agency-State Agreement is proposed to obtain federal-aid funds for road rehabilitation on Crenshaw Boulevard between Sepulveda Boulevard to Maricopa Street; and

WHEREAS, the utilization of said funds is in the best interest of the City of Torrance;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Torrance does hereby resolve as follows that the Mayor and City Clerk are authorized to execute and attest to Program Supplement No. N010 to said Administering Agency-State Agreement, copies of which are on file in the office of the City Clerk of the City of Torrance.

INTRODUCED, APPROVED, and ADOPTED this 6th day of October 2009.

Frank Scotto, Mayor

ATTEST:

Sue Hebers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By _____
Ronald T. Pohl
Assistant City Attorney

PROGRAM SUPPLEMENT NO. N010
 to
 ADMINISTERING AGENCY-STATE AGREEMENT
 FOR FEDERAL-AID PROJECTS NO. 07-5249R

Date: August 06, 2009
 Location: 07-LA-0-TOR
 Project Number: ESPL-5249(019)
 E.A. Number: 07-933325

This Program Supplement hereby incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 06/29/07 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____, approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by State of any funds derived from sources noted below obligated to this project, the Administering Agency accepts and will comply with the Special covenants or Remarks set forth on the following pages.

PROJECT LOCATION:
 Crenshaw Bl: Maricopa St to Sepulveda Bl

TYPE OF WORK: Road Rehabilitation LENGTH: 0 (MILES)

Estimated Cost	Federal Funds		Matching Funds		
			LOCAL		OTHER
\$2,899,900.00	C240	\$2,000,000.00			
	HY10	\$136,876.00	\$179,980.00	\$0.00	\$0.00
	LY10	\$583,044.00			

CITY OF TORRANCE STATE OF CALIFORNIA
 Department of Transportation

By _____
 Date _____
 Attest _____
 Title _____

By _____
 Chief, Office of Project Implementation
 Division of Local Assistance
 Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer J. J. [Signature] Date 8/6/09 \$2,719,920.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT
268	2008	2660-102-890	2008-2009	20.30.010.680	C	262042	892-F	719,920.00
268	2008	2660-603-890	2008-2009	20.30.010.810	F	262042	898-F	2,000,000.00

SPECIAL COVENANTS OR REMARKS

1. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
2. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days after the project contract award. A copy of the award package shall also be included with the submittal of the ADMINISTERING AGENCY's first invoice for the construction contract to:

Department of Transportation
Division of Accounting
Local Programs Accounting Branch, MS #33
P. O. Box 942874
Sacramento, CA 94274-0001.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

3. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
4. Any State and Federal funds that may have been encumbered for this project are only available for disbursement for a period of six (6) years and seven (7) years, respectively, from the start of the fiscal year(s) that those funds were appropriated within the State Budget Act. All project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested and is approved by the California Department of Finance per Government Code Section 16304. The exact date of each fund reversion will be reflected in the approved finance letter(s) issued for this project.

Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement that is not submitted to the Department on or before 60 days after that applicable fixed fund

SPL-5249(019)

SPECIAL COVENANTS OR REMARKS

reversion date will not be paid from that fiscal year's encumbered funds because all of these unexpended funds will be irrevocably reverted by the Department's Division of Accounting on that date.

Pursuant to a directive from the State Controller's Office and the Department of Finance, the last date to submit invoices for reimbursed work in each fiscal year is May 15th in order for payment to be made out of those then current appropriations. Project work performed and invoiced after May 15th will be reimbursed only out of available funding that might be encumbered in the subsequent fiscal year, and then only when those funds are actually allocated and encumbered as authorized by the California Transportation Commission and the Department's Accounting Office.

5. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

6. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation

SPECIAL COVENANTS OR REMARKS

Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

7. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).
8. This project is financed, in whole or in part, with federal funds from the American Recovery and Reinvestment Act of 2009 (Recovery Act). ADMINISTERING AGENCY agrees:
 - 1) Statutory provisions contained in Chapter 1 of Title 23 United States Code (U.S.C.) are applicable to all Recovery Act funded projects,
 - 2) Costs incurred prior to the date of authorization are NOT eligible for reimbursement with federal Recovery Act funds,
 - 3) Federal Prevailing Wage Rate requirements apply to all Recovery Act funded construction projects regardless of location (including projects on local roads and rural minor collectors, and Transportation Enhancement projects outside the highway right of way). ADMINISTERING AGENCY agrees to include the appropriate wage rate information in the contract and also include a contract provision that overrides the general applicability provisions in form FHWA-1273, Sections IV and V,
 - 4) To expend and invoice for all Recovery Act funds prior to

SPL-5249(019)

SPECIAL COVENANTS OR REMARKS

using other funds, and

5) To comply with the reporting requirements, terms and conditions set forth in Sections 1201 and 1512 of the Recovery Act and as designated by the STATE. Failure to comply will result in retentions from progress payments due ADMINISTERING AGENCY and/or other sanctions,

6) Recovery Act funds are available for liquidation only until September 30, 2015 when the remaining balance of Recovery Act funds will expire. ADMINISTERING AGENCY agrees to submit an invoice for the balance of project Recovery Act funds (if any) to the STATE prior to July 1, 2015.

INFRASTRUCTURE ACTION PLAN

INFRASTRUCTURE

T- 51 CRENSHAW BOULEVARD REHABILITATION (Maricopa St. to Sepulveda Blvd)

Crenshaw Boulevard is a primary north-south arterial route for Torrance and the entire south bay region. This segment carries approximately 60,000 vehicles per day. The pavement in the project area is severely deteriorated and requires rehabilitation. This project will provide for pavement rehabilitation and repairs to damaged curb, gutter and sidewalk. It is anticipated that an additional \$700,000 to \$900,000 will be needed for construction due to construction cost increases. Therefore, staff will consider coordinating the design and construction of this project with the Crenshaw Blvd Rehabilitation (182nd to 190th), T-22 for cost savings.

	<u>Amount</u>	<u>Year Ending</u>	<u>Fund</u>	<u>Approval Date</u>	<u>Adjustment</u>
Proposed Project:					-
Transfer bond funds from T-22		2007	Bond	05/23/2006 12A	\$ 300,000
Prop C		2007	Prop C	05/23/2006 12A	1,700,000
Prop C		2008	Prop C	05/23/2006 12A	930,000
SAFETEA-LU		2007	SAFETEA-LU	05/23/2006 12A	480,000
SAFETEA-LU		2008	SAFETEA-LU	05/23/2006 12A	160,000
SAFETEA-LU		2009	SAFETEA-LU	05/23/2006 12A	160,000
Adopted Budget:					<u>\$ 3,730,000</u>
Proposed 2007-11 Adjustments:					
Budget Appropriation of ARRA grant		2010	ARRA grant		2,000,000
Budget reduction of Prop C		2010	Prop C		(2,000,000)
Budget reduction/adjust of SAFETEA-LU		2010	SAFETEA-LU		(80,080)
Proposed Project Budget:					<u>\$ 3,649,920</u>

Adopted Project Budget	2006-07	2007-08	2008-09	2009-10	TOTAL
Project Management	\$ 35,000	\$ 35,000	\$ 25,000	\$ 15,000	\$ 110,000
Design	265,000	35,000	-	-	300,000
Construction Mgmnt/Inspection	-	150,000	50,000	30,000	230,000
Construction	-	1,960,000	1,015,000	115,000	3,090,000
Total	\$ 300,000	\$ 2,180,000	\$ 1,090,000	\$ 160,000	\$ 3,730,000

	Bond	Prop C	SAFETEA-LU	TOTAL
Project Management	\$ -	\$ 110,000	\$ -	110,000
Design	300,000	-	-	300,000
Construction Mgmnt/Inspection	-	230,000	-	230,000
Construction	-	2,290,000	800,000	3,090,000
Total	\$ 300,000	\$ 2,630,000	\$ 800,000	\$ 3,730,000

Funding Sources:

	2006-07	2007-08	2008-09	2009-10	TOTAL
Prop C	\$ -	\$ 1,700,000	\$ 930,000	\$ -	\$ 2,630,000
Bond	300,000	-	-	-	300,000
SAFETEA-LU (Federal Funds)	-	480,000	160,000	160,000	800,000
Total	\$ 300,000	\$ 2,180,000	\$ 1,090,000	\$ 160,000	\$ 3,730,000

Proposed Project Budget	2006-07	2007-08	2008-09	2009-10	TOTAL
Project Management	\$ 35,000	\$ 35,000	\$ 25,000	\$ 15,000	\$ 110,000
Design	265,000	35,000	-	-	300,000
Construction Mgmt/Inspection	-	150,000	50,000	30,000	230,000
Construction	-	1,960,000	1,015,000	34,920	3,009,920
Total	\$ 300,000	\$ 2,180,000	\$ 1,090,000	\$ 79,920	\$ 3,649,920

	ARRA	Bond	Prop C	SAFETEA-LU	TOTAL
Project Management	\$ -	\$ -	\$ 110,000	\$ -	110,000
Design	-	300,000	-	-	300,000
Construction Mgmt/Inspection	-	-	230,000	-	230,000
Construction	2,000,000	-	290,000	719,920	3,009,920
Total	\$ 2,000,000	\$ 300,000	\$ 630,000	\$ 719,920	\$ 3,649,920

Funding Sources:

	2006-07	2007-08	2008-09	2009-10	TOTAL
Prop C	\$ -	\$ 1,700,000	\$ 930,000	\$ (2,000,000)	\$ 630,000
Bond	300,000	-	-	-	300,000
SAFETEA-LU (Federal Funds)	-	480,000	160,000	79,920	719,920
ARRA (Federal Funds)	-	-	-	2,000,000	2,000,000
Total	\$ 300,000	\$ 2,180,000	\$ 1,090,000	\$ 79,920	\$ 3,649,920

Project Timeline:

	2006-07	2007-08	2008-09	2009-10	2010-11
Project Management					
Design					
Construction Management					
Construction					