

STAFF REPORT

SUBJECT: Measure K Regional Arterial Program of Projects

RECOMMENDED ACTION: (1) Approve the Funding Recommendations as shown in Table 1 and retire the Measure K line of credit.

(2) Authorize the Executive Director to enter into Measure K Cooperative Agreements with the project sponsors for the not-to-exceed amounts shown in Table 1

SUMMARY:



The SJCOG Board approved preparing for a 2019 Measure K bond transaction on September 27. Bond underwriting and disclosure counsel were selected on October 25. The available capacity may be split between some combination of reducing the line of credit and advancing funds for Regional Arterial projects. SJCOG staff received six requests from the cities of Lodi, Manteca, Ripon, and Stockton and from San Joaquin County for bond financing for Regional Arterial projects as shown in Table 1.

After analyzing the requests, SJCOG staff are recommending using the 2019 Measure K bond issuance to retire the \$75 million line of credit as originally intended in the adopted 2017 Measure K Strategic Plan. The small funding amounts requested by the Cities of Lodi, Manteca, and Ripon can be accommodated using available Measure K cash on hand. In addition, SJCOG staff recommend that the City of Stockton's Lower Sacramento Road Widening project and the County's Grant Line Road Corridor Improvements project also receive Measure K revenue through the final design phase.

The City of Tracy is in the project development process for two high priority interchange projects at International Parkway and I-205 and I-580 which are targeted to be open to traffic in 2022. However, as stated in the letter from the City included as Attachment A, the project construction schedules were not a fit for the bonding timeframe. SJCOG staff have shared with Tracy staff that there will be other (future) opportunities in Measure K for these projects and have encouraged the City to continue its efforts to expedite and deliver these important regional projects.

RECOMMENDATION:

Approve the funding recommendations as shown in Table 1, retire the line of credit, and authorize the Executive Director to enter into Measure K Cooperative Agreements with the project sponsors for the amounts shown.

FISCAL IMPACT:

Approval of staff recommendations would commit \$22.85 million of Measure K Regional Arterial funding to six projects. This action would not require the local agencies to repay any debt service.

DISCUSSION:

SJCOG staff received six requests from the cities of Lodi, Manteca, Ripon, and Stockton and from San Joaquin County for Measure K bond financing for Regional Arterial projects as shown in Table 1. After analyzing the requests, SJCOG staff are recommending using the 2019 Measure K bond issuance to retire the \$75 million line of credit as originally intended in the adopted 2017 Measure K Strategic Plan.

The small funding amounts requested by the Cities of Lodi, Manteca, and Ripon to close project funding shortfalls are not efficient for using bonding, however, they can be accommodated using available Measure K cash on hand freed up by retiring the line of credit. In addition, SJCOG staff recommend that the City of Stockton's Lower Sacramento Road Widening project and the County's Grant Line Road Corridor Improvements project also receive available Measure K revenue through the final design phase. This will allow Stockton and the County to continue their project development work and be ready to compete for the next rounds of competitive state and federal funding sources.

SJCOG staff is also seeking to discuss how to help the local agencies with project development work to establish a shelf of regionally significant projects that will be ready for future Measure K, state, and federal funding opportunities. One approach being considered by SJCOG staff is to include local interchange projects as part of the project development work being undertaken by SJCOG and Caltrans on the state highway system. This would help relieve the staffing and workload burden on the local agencies by having SJCOG take the lead on projects such as:

- **I-205 Widening:** I-205/Grant Line Road and I-205/MacArthur Drive Interchanges
- **I-5 Mossdale Widening:** I-5/Louise Avenue Interchange
- **SR 99 HOV Widening:** SR 99/Milgeo Avenue and SR 99/Main Street Interchanges

Another approach would be to have SJCOG take the lead on planning efforts in multi-jurisdictional corridors such as Roth Road. This corridor has several elements that will require strong regional collaboration between Caltrans, Lathrop, San Joaquin County, Manteca, and Union Pacific.

Table 1: Measure K Regional Arterial Recommendations

Sponsor	Project Name	Estimated Total Project Cost	Estimated Construction Fiscal Year	Measure K Funding Requested	Measure K Funding Recommended
Lodi	SR 99 Turner Road Interchange	\$7.5 million	2019/20	<i>\$3.0 million</i>	\$3.0 million (Construction Phase)
Manteca	SR 120 Union Road Interchange	\$27.1 million	2018/19	<i>\$3.5 million</i>	\$3.5 million (Construction Phase)
Manteca	SR 120 McKinley Ave Interchange	\$45.8 million	2019/20	<i>\$7.7 million</i>	\$7.7 million (Construction Phase)
Ripon	Stockton Ave Rehabilitation	\$5.4 million	2018/19	<i>\$2.2 million</i>	\$2.2 million (Construction Phase)
Stockton	Lower Sacramento Road Widening	\$45 million	2021/22	<i>\$45 million</i>	\$4 million (Update PA&ED and PS&E Phases Only)
San Joaquin County	Grant Line Road Corridor	\$27.5 - \$42.5 million*	2021/22	<i>\$15 million or \$30 million*</i>	\$2.45 million (PS&E Phase Only)
Total				<i>\$91.4 million</i>	\$22.85 million

**If Union Pacific Railroad and CPUC require a grade separation higher amount will be needed.*

BACKGROUND:

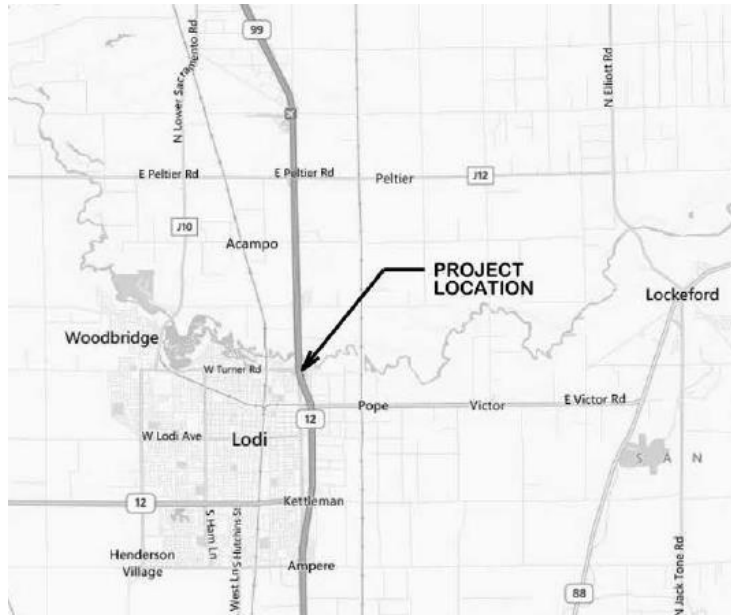
As adopted in the 2017 Measure K Strategic Plan, the Regional Arterial program would be managed on a pay-go basis with funding becoming available in 2021. Because of the refunding of the 2011 series bonds, small amounts are available now. SJCOG is planning a Measure K bond issuance in early 2019. This issuance has always been anticipated to “take out” some or all of the \$75 million line of credit that was created in 2014. Bonding capacity for this transaction is between \$80 million and \$107 million.

Project Descriptions

City of Lodi – State Route 99 Turner Road Interchange

SJCOG in partnership with Caltrans and the City of Lodi is constructing operational and safety improvements to the southbound off and on ramps at the State Route 99 Turner Road Interchange.

The project may include installing a roundabout at an intersection of the southbound State Route 99 Turner Road off-ramp and Cherokee Lane. A second roundabout or traffic signal could be installed at the intersection of Cherokee Lane, Pioneer Drive, and the southbound State Route 99 on-ramp. The project concepts could also include adding an auxiliary lane and retaining wall to improve merging and sight distance onto State Route 99. A further concept would alter Cherokee Lane between Pioneer Drive and Turner Road into a two-way local street, with the two roundabouts.



City of Lodi staff has requested an additional \$3 million of Measure K Regional Arterial funds to allow construction of the auxiliary lane and potentially the second roundabout. This project is anticipated to be ready for construction in spring 2020.

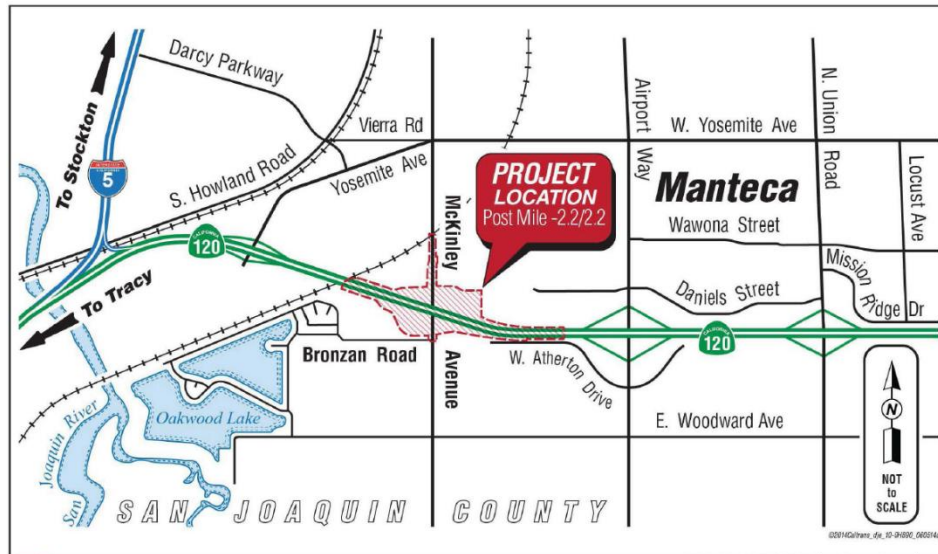
City of Manteca – State Route 120 Union Road Interchange

The City of Manteca is proposing to reconfigure the existing State Route 120/Union Road interchange in the first Divergent Diamond Interchange in California. The purpose of the SR 120/Union Road interchange project is to provide operational and safety improvements to address the anticipated traffic generated from ongoing local development and growth. The project will enhance mobility for vehicular traffic, bicycles, and pedestrians including a Class I grade-separated bikeway. The project was authorized by the Manteca City Council to be advertised for construction bids on November 20, 2018.



City of Manteca – State Route 120 McKinley Avenue Interchange

The City of Manteca is proposing to construct a new interchange at State Route 120 and McKinley Avenue. The proposed project features will consist of diagonal off-ramps in the northeast and southwest quadrants; and diagonal on-ramps in the northwest and southeast quadrants. McKinley Avenue is proposed to be widened to six lanes passing underneath the existing structures. The project is anticipated to be advertised for construction in the summer of 2019.



City of Ripon – Stockton Avenue Rehabilitation

The City of Ripon is proposing to reconstruct Stockton Avenue between 2nd Street and 5th Street. The project will include demolition of the existing asphalt roadway and replacement with concrete pavers, curb, and gutter and other miscellaneous surface improvements, sidewalks, new sewer line, storm drain line, and non-potable water line, and installation of new street lighting. The project is anticipated to be advertised for construction in the summer of 2019.



City of Stockton – Lower Sacramento Road Widening.

The Lower Sacramento Road Widening Project would widen Lower Sacramento Road from two to four lanes from Pixley Slough to Marlette Road, and from two to six lanes from Girder Way to Royal Oaks Drive, including medians, curb gutter, and sidewalks, and bicycle facilities. The project will also include the widening of the Bear Creek Bridge from two to six lanes with sidewalks, and Pixley Slough Bridge from two to four lanes with sidewalks.



County of San Joaquin – Grant Line Road Corridor Improvements

The Grant Line Road corridor is experiencing large volumes of both vehicle and truck traffic due to the population growth in the City of Tracy and the industrial area in northeastern Tracy. The community of Banta is located near the middle of the corridor and is at the epicenter of an increase in traffic flows and accidents. Banta is a rural community consisting of residential uses, an elementary school, and commercial buildings. West of Banta, the City of Tracy has widened Grant Line Road to a six-lane thoroughfare. The main two objectives of the proposed Project are to improve safety and alleviate congestion. Under the proposed Project, Grant Line Road would be realigned in a southerly direction toward 11th Street and South Bird Road and widened to four lanes, where it would connect via a two-lane roundabout. Based on input from the Union Pacific Railroad and California Public Utilities Commission, a railroad grade separation may be required.



COMMITTEE ACTIONS:

- Technical Advisory Committee: unanimously approved staff's recommendations.
- Project Development Committee: the PDC did not have a quorum, but expressed agreement with staff's recommendations.
- Management & Finance Committee: unanimously approved staff's recommendations.
- Citizens Advisory Committee: unanimously approved staff's recommendations.
- Executive Committee: unanimously approved staff's recommendations.

ATTACHMENTS:

- A) Letter from City of Tracy on International Parkway Interchanges

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November 29, 2018

Andrew Chesley
Director
San Joaquin Council of Governments
555 E Weber Avenue
Stockton, CA 95202-2804

Mr. Chesley,

On behalf of myself and Andrew Malik, we appreciate the opportunity to speak to you on November 20th (and at other previous occasions) concerning funding for the International Parkway Interchanges at I-580 and I-205. We appreciate your support for these projects and openness to discuss options that the City of Tracy may have.

As we discussed, at this time, the City of Tracy considers these interchanges to be our top candidate for use of the Regional Arterial Projects - Measure K Funding. However, the Interchanges are scheduled for opening in 2022 per our discussions with Caltrans District 10. As a result, we may not be able to meet the three year bond expenditure requirements for this round of Measure K Bond Funding. However, we appreciate that you have indicated that there are other opportunities to utilize our share of the Measure K funding for these interchanges that will better align with these projects scheduled opening.

We are interested in pursuing any other funding opportunities that SJCOOG may be aware. We have been diligently pursuing all funding sources that we believe these projects would qualify.

In any event, we again would like to thank you for your help. If you or your staff should have any questions, comments, and/or concerns please do not hesitate to contact me.

Best Regards,

Robert Armijo, PE
City Engineer / Assistant Development Services Director

Cc: Robert Rickman, City of Tracy Mayor
Randall Bradley, City of Tracy City Manager
Andrew Malik, City of Tracy Assistant City Manager