

<b>Subject</b>	<b>Exchange of Measure J Funds with Alameda STIP Funds for Enhancements Associated with the Caldecott Fourth Bore</b>
<b>Summary of Issues</b>	<p>The Alameda Congestion Management Agency (CMA) has included up to \$8 million in its Countywide Transportation Plan to fund certain Route 24 corridor enhancements that may be agreed to with the cities of Oakland and Berkeley. The precise enhancements are under negotiation and therefore at present undefined. An initial amount of \$2 million was proposed by the Alameda CMA in its submittal to MTC for the 2008 STIP. However, STIP rules preclude programming funds for an undefined project without a Project Study Report (PSR) or equivalent. Staff is therefore recommending that the Alameda CMA program its initial \$2 million in the 2008 STIP for construction of the 4<sup>th</sup> Bore, and in return the Authority will reduce its Measure J construction commitment by \$2 million, and set aside the \$2 million for the Route 24 corridor enhancements.</p>
<b>Recommendations</b>	<p>Staff seeks approval of the understandings spelled out in the attached letter, dated January 25, 2008 between the Executive Directors of the two agencies.</p>
<b>Financial Implications</b>	<p>There is no adverse effect on the financial plan for construction of the 4<sup>th</sup> Bore. \$2 million in Measure J funding for construction is “swapped” with an identical amount of Alameda STIP funding for construction. The “freed-up” Measure J funding of \$2 million – which is more flexible than ATP funding – would be available for mitigation in Alameda County. A subsequent formal agreement between the two agencies will be developed regarding the use of the \$2 million.</p>
<b>Options</b>	<p>Do not agree to the exchange.</p>
<b>Attachments</b>	<p>A. Letter dated January 25, 2008 between Dennis Fay and Bob McCleary.</p>
<b>Changes from Committee</b>	<p><i>APC asked for a closed session at the February Authority meeting to review the pending litigation on the Caldecott 4<sup>th</sup> Bore EIR. APC also asked staff to confirm with legal counsel that expending Measure J funds in Alameda County is not precluded. (Counsel has advised that because the proposed mitigation/enhancements are project related, use of Measure J funds is permissible.)</i></p>

**Background**

The Alameda Congestion Management Agency (CMA) has committed up to \$8 million to fund Route 24 Corridor mitigation or enhancements as part of the Caldecott 4<sup>th</sup> Bore project. Although the City of Oakland has not filed a lawsuit under CEQA, Caltrans and the City have executed a tolling agreement, which currently runs through mid March. In the meantime negotiations are ongoing between the City, Caltrans, Alameda CMA and the Authority regarding additional mitigations that may be appropriate. Staff is optimistic that a settlement will be reached which will require the Alameda CMA to fund specific enhancement projects in the Route 24 corridor.

Although Alameda’s countywide transportation plan currently earmarks \$8 million for such enhancements over the next several years, only \$2 million is available in the near term. When the Alameda CMA approached MTC about including a \$2 million set-aside in its 2008 STIP, it was

determined that - absent a specific set of projects and a completed PSR or equivalent - it would not be possible to program a “lump sum” in the STIP. In subsequent discussions it was agreed that the most efficient approach would be for the Alameda CMA to program \$2 million for construction of the tunnel itself, and for the Authority to reduce its Measure J construction commitment by \$2 million. The resultant balance of \$2 million in Measure J finds would be made available to Alameda CMA for funding enhancements agreed upon in the settlement negotiations. The executive Director has agreed in principle to this approach – as described in the attached letter – subject to the Authority’s concurrence.



ALAMEDA COUNTY  
CONGESTION MANAGEMENT AGENCY

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January 25, 2008

Robert K. McCleary  
Executive Director  
Contra Costa Transportation Authority  
Hookston Square  
3478 Buskirk Avenue, Suite 100  
Pleasant Hill, CA 94523

Dear Bob:

This letter is a follow up to the Alameda County CMA's (hereinafter "CMA") programming commitment in the 2008 State Transportation Improvement Program (STIP) to the Route 24/Caldecott Tunnel Corridor Improvements and subsequent discussions between our staff.

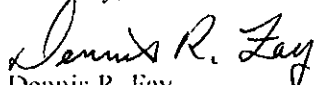
The CMA's adopted program for the 2008 STIP included a \$2 million reserve for the Route 24 Corridor. These funds were to be used for Corridor mitigation projects that will be defined as a result of the CMA's ongoing discussions with the Cities of Oakland and Berkeley. We have been informed by MTC that they cannot program these funds to a reserve and that the funds need to be programmed to a specific project that has a completed Project Study Report (PSR).

The CMA Board took action on January 24<sup>th</sup> to modify the Alameda County STIP list, programming the \$2 million specifically to the Caldecott Tunnel Corridor Improvements. Contra Costa Transportation Authority (hereinafter "Authority") staff agrees to recommend that the Authority modify the funding plan for the Caldecott Tunnel Project, replacing \$2 million in Measure J sales tax funds with the Alameda County STIP funds. The Authority would then make the \$2 million in Measure J funds available, through reimbursement of actual expenditures, to the CMA for Route 24 Corridor Mitigation projects.

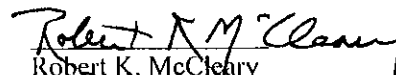
If you agree with the understanding outlined above, please acknowledge with your concurrence below. My staff will develop a formal agreement between the CMA and CCTA regarding the use the \$2 million in Measure J funds by the CMA.

If you have any questions regarding this issue, give me a call.

Sincerely,

  
Dennis R. Fay  
Executive Director

Concurrence:

  
Robert K. McCleary  
Executive Director

cc: Frank Furger, Chief Deputy Director, ACCMA  
Paul Maxwell, Chief Deputy Director, CCTA

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