



# City of Woodland

## REPORT TO MAYOR AND CITY COUNCIL

## AGENDA ITEM

**TO: THE HONORABLE MAYOR  
AND CITY COUNCIL**

**DATE:** November 6, 2007

**SUBJECT:** Approve Master Agreement with Caltrans  
For Federal Aid Projects

### **Report in Brief**

The City of Woodland regularly applies for and receives State and Federal aid grants for transportation projects. Current master agreements between the City and California Department of Transportation (Caltrans) are required in order for the City to receive reimbursement on project expenses. Caltrans has requested that an updated Federal Master Agreement be entered into between the City and Caltrans.

Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_ approving the Master Agreement with Caltrans for Federal Aid Projects; and authorize the City Manager to execute the agreement on behalf of the City.

### **Background**

The City of Woodland regularly applies for and receives grants for State and Federal funds to maintain, upgrade, or enhance the transportation system. In order to receive reimbursement for funds expended on approved projects, the City must have a current Federal and State Master Agreement with Caltrans.

The existing Federal Master Agreement is now seven years old and is no longer consistent with current transportation legislation. Therefore, Caltrans has requested that an updated Federal Master Agreement be entered into between the City and Caltrans.

If adopted and approved, the attached resolution and Federal Master Agreement must be executed and returned to Caltrans no later than November 21, 2007.

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### Discussion

Several changes have been made to the agreement that place an additional administrative burden on the City. These changes have caused the new agreement to increase from 16 pages to 26 pages. The agreement applies to any Federal funds authorized by Congress via the various Transportation programs such as Transportation Efficiency Act of 1991 (ISTEA) and subsequent Transportation Authorization Bills. The following paragraphs describe some of the more significant changes.

The Program Administration section changes include: processing requirements as well as deadlines for “Authorization/Agreement Summary” or Amendment/Modification Summary” requests; review of plans, specifications and estimates by State Architect for ADA compliance; requirements to comply with various State policies, procedures and standards for local projects as well as projects on the State highway system; and other administrative requirements.

The Maintenance and Management section changes include: requirement to enter into Maintenance and Management agreements with other jurisdictional entities if a project is within another entities jurisdiction.

The Fiscal Provisions section changes include either complete re-writes or entirely new language for 14 of the 24 paragraphs; ranging from CTC approval of all State obligations, to invoice submittal requirements along with submittal of backup documentation, to time deadlines for using State and Federal funds, to requirements to comply with State and Federal requirements for payment of various types of reimbursements.

The Audit, Third Party Contracting, Records Retention and Reports section was completely re-written and in general imposes the requirement that the City and its contractors and sub-contractors will cooperate in any State audit of the project records. The City is required to perform an audit if it receives more than \$500,000 in a single fiscal year. This agreement requires that the City obtain a bid on any construction work over \$10,000 (which is less than the City Ordinance bidding limit of \$30,000).

The Miscellaneous Provisions section changes include: requirement that funds must be spent on transportation projects in accordance with Article XIX of the California State Constitution and other Federal Regulations; City certifies that none of it’s principals have been suspended or debarred; disputes under the Agreement will be decided by the State’s Contract Officer; and termination provisions in the event that funds are not spent in accordance with the various project supplemental agreements and other official documents.

Exhibit A, Fair Employment Practices Addendum changes include: compliance with the State Fair Employment and Housing Act requirements and notifications to contractors and sub-contractors of these requirements; updated language to not discriminate on the basis of race, religion, age, disability, color, national origin or sex in accordance with Federal regulations (49 CFR Part 26). The City’s Race-Neutral Agreement with Caltrans is incorporated by reference.

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**Fiscal Impact**

These federally funded projects require additional staff effort to manage the work in compliance with the various State and Federal regulations. Each project is also subject to audit either by a City hired auditor and/or by State auditors. We are also required to manage a DBE (Disadvantaged Business Enterprise) program in accordance with federal requirements for projects with federal funds. We have not quantified the additional effort required although at least one engineer is dedicated full-time to working on these types of projects. This is due to the extensive knowledge required of State and Federal rules and the time required to learn these requirements and keep up to date.

Each federally funded transportation project contains federal funds and a required local match that are used to implement the Federal Master Agreement. For instance, the I-5/CR102 Interchange Improvement Project (Project No. 97-24) has \$4.4 million federal funds and \$3.5 million local match programmed in the approved FY 07/08 Budget. The Lemen/North/East Realignment Project (Project No. 00-04) has \$450,253 federal funds and \$328,510 local match programmed in the approved FY 07/08 Budget.

**Public Contact**

Posting of the City Council agenda.

**Recommendation for Action**

Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_ approving the Master Agreement with Caltrans for Federal Aid Projects; and authorize the City Manager to execute the agreement on behalf of the City.

Prepared by: Diana Ayón, Assistant Engineer  
Michael Karoly, Sr. Civil Engineer

Reviewed by: Gary Wegener  
Public Works Director

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Mark G. Deven  
City Manager

Attachments: Resolution  
Updated Federal Master Agreement (2 originals)

**CITY OF WOODLAND**

**RESOLUTION NO. \_\_\_\_\_**

**A Resolution Approving and Authorizing Execution of the State and Local Agency  
Master Agreement for Federal Aid Projects**

**WHEREAS**, the City of Woodland is eligible to receive Federal and/or State funding for certain Transportation Projects, through the State of California, Department of Transportation; and

**WHEREAS**, Master Agreements need to be executed with the State of California, Department of Transportation before such funds could be claimed; and

**WHEREAS**, the City of Woodland desires to enter into an agreement with the State of California, Department of Transportation, to allow the City to make use of State administered funds for federal aid transportation projects.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Woodland does hereby approve Master Agreement No. 03-5046R for Federal Aid Funded Projects; and

**BE IT FURTHER RESOLVED**, that the City Council authorizes the City Manager and the City Clerk of the City of Woodland sign the above named Master Agreement.

**PASSED AND ADOPTED** by the City Council of the City of Woodland this 6<sup>th</sup> day of November, 2007 by the following vote:

AYES: Council Members:  
NOES: Council Members:  
ABSENT: Council Members:  
ABSTAIN: Council Members:

\_\_\_\_\_  
DAVID M. FLORY, MAYOR

ATTEST:

\_\_\_\_\_  
SUE VANNUCCI, CITY CLERK