



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director

BY: Shannon Sweeney, City Engineer

SUBJECT: Consideration of Approval of Amendment 1 to the Regional Surface Transportation (RSTP) Exchange/Surface Transportation Block Grant (STBG) Cooperative Agreement AG – FAST – 01 with the San Luis Obispo Council of Governments

DATE: February 13, 2024

SUMMARY OF ACTION:

Adopt a Resolution (Attachment 1) approving the execution of amendment 1 to funding agreement No. AG-FAST-01 (Attachment 2) for project development responsibilities between the San Luis Obispo Council of Governments (SLOCOG) and the City of Arroyo Grande (City).

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The City of Arroyo Grande secured \$846,000 through the initial cooperative agreement with SLOCOG, AG – Fixing America’s Surface Transportation (FAST) – 01. See Table 1 for the breakdown and status of those funds. All funds have been previously reimbursed or are currently in process except for \$390,000 that was programmed for Phase 2 of the East Branch Streetscape Project. City staff has reconvened a working group to discuss options for proceeding with that project.

With the execution of this amendment to cooperative agreement AG – FAST – 01, \$413,000 of Urban State Highway Account (USHA) will be available for street paving, and \$749,000 will be available for construction of the Halcyon Road Complete Streets Project. Specific actions related to this funding will be presented for consideration to the Council in the future with each project.

RECOMMENDATION:

- 1) Adopt a Resolution authorizing the Mayor to execute SLOCOG RSTP exchange/STBG Cooperative Agreement Amendment 1 to AG-FAST-01;
- 2) Direct the City Clerk to submit the RSTP Exchange/STBG Cooperative Agreement Amendment 1 to No. AG-FAST-01 and the Resolution to the San Luis Obispo Council of

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Governments; and

3) Find that approving this agreement is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378).

BACKGROUND:

The Cooperative Agreement is a general agreement between SLOCOG and the City regarding the responsibilities of each agency. The specific projects are referenced and attached to allow for future actions such as the transfer of funds between the various projects or the addition of replacement projects. A Resolution (Attachment 1) is included and authorizes the Mayor to execute Amendment 1 to the RSTP Exchange/STBG Cooperative Agreement. This amendment provides new programmed funding, as shown in Table 2. Before the City can begin invoicing for reimbursement of the work performed, this amendment to the Cooperative Agreement must be executed between SLOCOG and the City.

Cooperative Agreement AG – FAST – 01, was approved by City Council on [November 13, 2018](#). Of the funding associated with AG – FAST – 01, all has been reimbursed or in the process of being reimbursed except for \$390,000 associated with the East Branch Streetscape project.

ANALYSIS OF ISSUES:

Table 1 shows the status of funding programmed through AG – FAST – 01.

Table 1: AG – FAST – 01 Programmed Funding

SLOCOG #	Project Name	Programmed \$	Paid \$	Balance
SMAPAG01U	USHA - Arroyo Grande FY 17/18-20/21	\$271,000	\$271,000	\$-
SMAPAG01R	East Branch Streetscape (Phase II)	\$390,000	\$-	\$390,000
SMAPAG02R	SRTS Capital Program (Cycle 1 + Cycle 2) - Harloe Elementary Pedestrian Access Enhancements	\$150,000	\$150,000	\$-
SMAPCG13R	ATPP-Grant Support	\$10,000	\$10,000	\$-
SMAPAG03R	Systemic Safety Analysis	\$25,000	\$15,000	\$10,000*
STLAG01R	Brisco-Halcyon Road Interchange Modifications Project	\$-	\$-	\$-

* Reimbursement in process

As stated previously, funding associated with AG – FAST – 01 has been expended, with the exception of the East Branch Streetscape project. Staff have recently reconvened a working group to discuss options for proceeding with this project.

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Amendment 1 to AG – FAST – 01 includes \$413,400 for streets paving, and \$749,000 for design and right-of-way acquisition for the Halcyon Road Complete Streets project.

Table 2 shows a summary of funding programmed through Amendment 1 of AG – FAST – 01.

Table 2: Amendment 1 Programmed Funding

SLOCOG#	Project Name	RSHA	USHA	Balance
SMAPAG01U	Urban Area Apportionment FY 21/22-26/27; Local Choice Funds		\$ 413,400	\$ 413,400
SMAPAG04R	Halcyon Road Safe Routes to School Improvements	\$ 749,000	\$ -	\$ 749,000
Total				\$ 1,162,400

One of the benefits of approving this agreement is that SLOCOG intends to exchange its apportionment of Federal Surface Transportation Block Grant (STBG) funds for Regional Surface Transportation Exchange (RSTP Exchange) funds for the projects within the City, therefore eliminating the non-federal match and compliance with the National Environmental Policy Act (NEPA).

ALTERNATIVES:

The following alternatives are provided for the Council’s consideration:

1. Approve staff’s recommendations, which will enable the City to receive the funding shown in Table 2;
2. Modify as appropriate and authorize the Mayor to execute the agreement;
3. Do not approve staff’s recommendations, which means the City will not receive the funding listed in Table 2); or
4. Provide direction to staff.

ADVANTAGES:

Approving the Cooperative Agreement will allow the City to receive funding for transportation projects that are consistent with the City Council Goal to support City infrastructure, without the need to complete extensive federal environmental review.

DISADVANTAGES:

None identified.

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ENVIRONMENTAL REVIEW:

Approving this agreement is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378).

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Resolution
2. Cooperative Agreement amendment 1 to No. AG-FAST-01