

**RESOLUTION NO. 2002-45**

**A RESOLUTION  
OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
APPROVING 2001/2002 MEASURE A EXPENDITURE ENTITY  
ALLOCATION & EXPENDITURE CONTRACT**

BE IT RESOLVED AND ORDERED, that the Mayor of the City Council of the City of Elk Grove be and is hereby authorized and directed to sign and execute the 2001/2002 Measure A Expenditure Entity Allocation and Expenditure Contract, on behalf of the City of Elk Grove, a political subdivision of the State of California, a duly incorporated city within the County of Sacramento, regarding provisions of attached contract; and to do and perform everything necessary to carry out the purpose of this resolution.


PASSED AND ADOPTED by the City Council of the City of Elk Grove, State of California, this 20<sup>th</sup> day of March 2002.

  
MICHAEL P. LEARY, MAYOR

ATTEST:

  
PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:

  
ANTHONY MANZANETTI,  
CITY ATTORNEY

**AYES:** Leary, Scherman, Cooper,  
Briggs, Soares  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

SACRAMENTO TRANSPORTATION AUTHORITY/RECIPIENT  
ENTITY ALLOCATION AND EXPENDITURE CONTRACT

1. Parties. The parties to this contract are the Sacramento Transportation Authority, a local transportation authority formed pursuant to the provisions of the Public Utilities Code commencing with Section 180000, hereinafter called "Authority", and the entity identified below as the second party to this contract, hereinafter called "Entity".

2. Definitions. Unless the context otherwise requires, as used in this contract, the following terms shall have the following meanings:

a. "Transportation Expenditure Agreement" means the agreement dated March 9, 1995, by and between the Authority, the Sacramento Regional Transit District, The County of Sacramento, the City of Sacramento, and the Cities of Folsom, Galt, and Isleton.

b. "Contract" means this contract.

c. "Act" means the local Transportation Authority and Improvement Act set forth in the provisions of the Public Utilities Code commencing with Section 180000.

d. "Entity" means the City of Elk Grove.

e. "Board" means the Governing Board of the Sacramento Transportation Authority.

In addition to the foregoing, to the extent that terms defined in the Transportation Expenditure Agreement are used in this contract, such terms have the same meanings as set forth in the definitions contained in Paragraph 1 of the Transportation Expenditure Agreement.

3. Purpose. In accordance with the provisions of Paragraphs 22 and 23 of the Transportation Expenditure Agreement, the purpose of this contract is to provide for the allocation by the Authority of sales tax revenue and the expenditure thereof by the Entity.

4. Sales Tax Revenue Allocations. Sales tax revenue shall be allocated and disbursed in accordance with the Entity's Annual Expenditure Plan included in the Sacramento Transportation Authority Expenditure Plan for the period July 1, 2001, through June 30, 2002, as approved by said Governing Body on June 14, 2001. A copy of said Entity Annual Expenditure Plan as approved by said Governing Body is attached as Exhibit A of this contract and is incorporated by this reference as though fully set forth herein.

In the event that total sales tax revenues received from the State in 2001-02 are less than budgeted, the total allocation to Entity will be recalculated in accordance with the Transportation Expenditure Agreement. Entity will be required to adjust its Annual Expenditure Plan to reflect actual amounts received. Entity will notify the Sacramento Transportation Authority, within 30 days of receiving notice from Authority, of the adjustments to the Annual Expenditure Plan. If Entity fails to make proper notification, Authority will make adjustments which will be binding on Entity.

5. Special Contract Requirements. In accordance with Paragraph 22 of the Transportation Expenditure Agreement:

a. Entity shall complete expenditures of allocations in accordance with the time periods specified for each project in Exhibit A.

b. The use and expenditure of sales tax revenue by the Entity shall be in full compliance with all other provisions of this contract, the Transportation Expenditure Agreement, the Act, and all other applicable contractual and legal requirements.

6. Contract Term. This contract shall be operative commencing July 1, 2001. This contract shall terminate on June 30, 2002 or on the latest completion date of any project listed in Exhibit A, whichever is later.

7. Disbursement Requirements. Disbursements of sales tax revenue pursuant to this contract shall be as follows:

a. Operating and maintenance allocations will be disbursed as funds are received from the State.

b. Capital allocations shall be disbursed on a progress payment basis.

c. Special advances for capital expenditures may be granted with the approval of the Executive Director.

8. Interest. Interest earned on any funds held in trust by the Authority will be allocated in the following fiscal year.

9. Over/Underfunding. Entity shall expend allocations in accordance with Exhibit A. In the event the actual cost of any approved project is less than the allocation, re-allocation of the excess funds is necessary before disbursement or expenditure of these excess funds can occur.

If there are excess funds, Entity may request reallocation to other projects by amending Exhibit A of this contract. The Executive Director may approve reallocations of excess funds to any other project in Exhibit A up to 120% (one hundred and twenty percent) of the amount initially approved by the Board. Reallocations to any project in excess of 120% (one hundred and twenty percent) of an allocation initially made by the Board or to a project which has not been approved by the Board must be approved by the Board.

10. Accounting Requirements. Entity shall conform to the Revenue Distribution and Reporting Procedures for Sacramento Transportation Authority Entities revised 6/11/98, and attached hereto as Exhibit B.

11. Air Quality Compliance. If all or any part of the allocation made pursuant to this contract is for a major road improvement project as defined in Paragraph 21c(i) of the Transportation Expenditure Agreement, by entering into this contract the Entity certifies that such project conforms to the applicable locally adopted Air Quality Attainment Plan, as approved or amended under Section 110 of the Clean Air Act.

12. Signs. At each construction and substantial maintenance project, Entity shall post signs stating that the project is funded by the Sacramento Transportation Authority with Measure A funds. Transit vehicles purchased or operated with Measure A funds shall have a sign with like wording placed inside the vehicle where it is clearly visible to riders. The design of the signs shall be coordinated with the Authority.

13. Indemnify and Hold Harmless. The Entity shall indemnify and save harmless, the Sacramento Transportation Authority, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of or resulting from, directly or indirectly, the performance of this contract by Entity whether or not caused in part by passive negligence of a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by Authority.

14. Special Taxes or Land Development Fee for Road Improvement Purposes. Entity certifies that it is currently in compliance with Paragraph 16 of the Transportation Expenditure Agreement regarding special taxes or land development fees for road improvement purposes.

The parties promise and agree to abide by the terms of this contract as set forth above.

Dated: 6-14-01

SACRAMENTO TRANSPORTATION AUTHORITY

By:   
Chairperson

Dated: \_\_\_\_\_

CITY OF ELK GROVE

By: \_\_\_\_\_  
(Authorized Officer's Signature)

\_\_\_\_\_  
(Officer's Title)

Attachments: Exhibits A and B

Project	Duration	Total Cost	Measure A	Dev. Fee Const. Tax	Road Fund	State	Federal	Other
Elk Grove Boulevard Enhancements, Elk Grove Florin Road to Waterman Road	7/01-6/04	\$4,252,000	\$195,000 \$0	\$1,280,000 \$0	\$0 \$0	\$792,000 \$0	\$1,500,000 \$100,000	\$0 \$0
State Route 99 @ Sheldon Road	7/01-6/04	\$22,000,000	\$1,389,611 \$0	\$2,520,000 \$647,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Bicycle and Pedestrian Improvements Various Locations	7/01-6/04	\$750,000	\$12,500 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$81,000 \$0	\$0 \$0
Pedestrian Safety Improvements Various Locations	7/01-6/02	\$50,000	\$50,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Speed Control Program	7/01-6/02	\$50,000	\$50,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Project Study Reports/Advance Planning	7/01-6/02	\$50,000	\$50,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Contingencies	7/01-6/02	\$50,000	\$50,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0

SUBTOTAL CONSTRUCTION

\$1,797,111

**FY 2001/2002 Summary of Requested Allocations**

CONSTRUCTION SUBTOTAL	\$1,797,111
MAINTENANCE ALLOCATION	\$1,437,689
<b>TOTAL</b>	<b>\$3,234,800</b>

## ATTACHMENT B

### SACRAMENTO TRANSPORTATION AUTHORITY MEASURE A REVENUE DISTRIBUTION AND REPORTING PROCEDURES UPDATED JUNE 1998

#### REVENUES

- Individual agency funds for each entity will be established within the STA general ledger. These accounts will accrue interest annually.

When revenues are received from the State, STA staff will immediately transfer them into the entity subsidiary accounts.

#### DISBURSEMENTS

For RT and Paratransit, operating expenditures will be disbursed as funds are received from the State (currently monthly).

- For the cities and the County, maintenance expenditures will be disbursed as funds are received from the State (currently monthly).

In accordance with the Transportation Expenditure Agreement, capital expenditures will be disbursed to each entity on a progress payment basis.

- Entities will submit claims to the STA for reimbursement of expenditures, using the progress payment method, after an expenditure has occurred.
- Claims can be submitted as often as needed.

Claims will include the project being claimed, the dollar amount being claimed, and the time period during which the funds were expended.

- Claims for multiple projects can be submitted, but there must be an itemized amount for each project being claimed.

Claims can only be submitted for projects listed on the approved expenditure plans and only up to the approved amount of the project.

- Claims cannot exceed the amount in the entity subsidiary account.

**SACRAMENTO TRANSPORTATION AUTHORITY  
MEASURE A  
REVENUE DISTRIBUTION AND REPORTING PROCEDURES  
UPDATED JUNE 1998**

**DISBURSEMENTS (cont)**

Entities will continue to hold the funds for unfinished projects from contracts prior to FY 92-93. For those projects, STA staff and the staff of each entity will determine the amount remaining on each project. To alleviate the workload related to determining if current expenditures relate to pre-92-93 contracts, entities may list on claims all expenditures incurred in a period. STA staff will determine if an expenditure claim relates to pre-92-93 contracts and adjust the amount paid to the entity by the amount of pre-92-93 contract projects (technically, money that the entity is already holding in it's fund balance). A full accounting will be made to each entity for any adjustments that occur.

- Claims will be reviewed by STA staff and processed within 30 days of receipt.

Incomplete claims will be returned to the entity for completion.

Names of persons authorized to submit claims must be on file with STA.

**ADVANCES**

Special advances for capital expenditures may be granted by the STA Governing Board on a case by case basis. To request a special advance, the entity will be required to submit the following:

- project for which advance is needed
  - amount of advance
  - reason why money cannot be claimed using progress payment method
  - date money will be spent
- All special advances will be reviewed within 30 days after date money is advanced to ensure that the expenditure has occurred.



**SACRAMENTO TRANSPORTATION AUTHORITY  
MEASURE A  
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**REPORTING**

Quarterly, each entity will submit a status report in approved STA format. Information in the status report should include:

- for each project - by CTEP name
  - funding year
  - amount allocated
  - expenditures by quarter
  - year to date expenditures
  - total expended
  - total remaining
  - project status

Quarterly entity reports will be due to the Sr. Transportation Administrator 30 days after the end of each quarter.

Quarterly, STA staff will compile and submit the entity status reports to the STA Board.

At the end of each fiscal year, STA staff will work with entity staff to determine which projects make up any remaining fund balances that the entity is holding from pre-92-93 contract disbursements .

**INTEREST**

- Interest will be earned on each entity agency fund.
- Interest will be allocated as part of a supplemental allocation in August of the following fiscal year. Each entity will be required to present a request of specific projects for the supplemental interest allocation as soon as possible after the initial approval of the supplemental.

For the Cities of Sacramento and Citrus Heights and the County of Sacramento, interest will be added to amounts available for capital projects.

**SACRAMENTO TRANSPORTATION AUTHORITY  
MEASURE A  
REVENUE DISTRIBUTION AND REPORTING PROCEDURES  
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**INTEREST (cont)**

- Any interest earned from maintenance and operating monies disbursed to the entities will be reported to the STA at the end of the fiscal year. For the Cities of Sacramento and Citrus Heights and the County of Sacramento, interest earned on those monies must be spent on maintenance projects.
- Interest on monies held by the entities from prior disbursements to FY 92-93 may be credited to any pre-approved projects from those years. Entity staff will advise STA staff of how to apply the interest (to which projects and how much for each project). STA staff will credit those projects and submit an updated project status report to each entity.

**AUDITS**

- STA staff will review progress payment claims on a selected basis.
- STA staff will review expenditures for operations at least annually.
- Annual audits of the STA, as a whole, will be performed by an independent auditor. As part of that audit, entity expenditures will also be audited.

The purpose of the audits, both by STA staff and the independent auditor, will be to ensure that funds are spent in compliance with approved expenditure plans. Claims found to have inadequate supporting documentation may be denied by the STA Executive Director. Funds spent for any expenditures found to be in noncompliance with approved expenditure plans may be withheld from future payments. The STA Governing Board will reallocate any funds so withheld.

**OVER/UNDER FUNDINGS**

- Projects whose actual costs exceed the STA Governing Board allocations by up to 20% may be paid using savings from other projects.

In these cases, the entity will notify the STA that it wishes to use savings to fund the project cost overrun.

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The Executive Director may reallocate savings from any project(s) to any other project(s) within the same FY expenditure plan, to a maximum increase of 20% above the initial STA Board allocation.

- Projects whose actual costs will exceed the approved costs by more than 20% must be brought back to the STA Governing Board for a modification to the entity expenditure plan.

**CONTINGENCIES**

- Allocations for contingencies or reserves will be allowed in the entity expenditure plans, however, any monies spent out of a contingency or reserve must be pre-approved by the STA Governing Board.

**MODIFICATIONS TO THE EXPENDITURE PLANS**

- In accordance with PUC Section 180207, modifications to the Countywide Expenditure Plan may only be made once a year. The STA Board currently modifies its Countywide Expenditure Plan during the adoption of the annual Entity Expenditure Plans (Contracts). Consequently, mid-year modifications to the entity expenditure plans may be made only for projects which are included in the Countywide Expenditure Plan. Projects which are not included in the Countywide Expenditure Plan may only be added during the annual contract process.