

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: February 2, 2009
Reviewed by: BP

**SUBJECT: Status Report on Economic Stimulus Benefits for Albany
Infrastructure**

REPORT BY: Rich Cunningham, Public Works Manager

STAFF RECOMMENDATION

That Council receive information report on City efforts to obtain economic stimulus assistance from federal funds to improve Albany's public infrastructure.

BACKGROUND

The current development of a large-scale Economic Recovery Act at the congressional/presidential level is anticipated to include a substantial public infrastructure improvement component. Although at the time of preparation of this staff report the size of the public works allocation is yet to be determined, the public works allotment that would directly benefit Albany's public infrastructure falls into two principal areas: transportation and water resources. However, so as not to miss any possible opportunities for other funding, when the League of California Cities requested a projects list, we also included a parks and facilities component. (See Attachment A for the list sent to the League.)

The transportation portion is being administered by CALTRANS and the Metropolitan Transportation Commission. To date, each has solicited their constituent groups for lists of transportation-related projects, and Albany has supplied an eligible list to both agencies. (See Attachment B).

The water infrastructure portion that would benefit Albany is being managed by the State Water Resources Control Board and the State Revolving Fund. Pending the soon-to-be-issued guidelines from these agencies, Albany will assemble a list of qualifying sanitary sewer and stormdrain rehabilitation projects.

In both areas – transportation and water - the distribution of funds is being done according to formulas previously established by the principal agencies, MTC and the State Water Board. However, there may be lobbying to alter those formulas, which will have to be observed for possible changes.

This report is expected to be revised and re-issued frequently to keep the Council and the public well informed regarding economic stimulus funding for public works projects.

DISCUSSION

The emphasis of all the administering agencies is on making funds available for what are being termed “shovel-ready” projects, which means that plans, specs, and environmental clearances have been developed and obtained. The qualifications are discussed at length by the Federal Highway Administration (FHWA) in Attachments C1 and C2, which are printouts of the following web link: <http://www.fhwa.dot.gov/economicrecovery/index.htm>

The list prepared by Community Development and Public Works (Attachment A) is strong in that the majority of the proposed work is “shovel-ready” and would be limited only by the availability of funds allotted to Albany.

There is less guidance available at this time regarding water projects, i.e., sanitary sewer rehabilitation work, partly because the financial assistance is likely to include a loan program through the State Revolving Fund, which is more demanding to structure and administer. When the guidance is issued, an Albany list will be prepared from our existing backlog of sewer jobs.

SUSTAINABILITY IMPACT

Major infrastructure rehab work will improve Albany’s protection of the environment by rehabilitating stormwater and sanitary conveyance systems.

FINANCIAL IMPACT

The financial impact will be positive in that stimulus package will consist of grants and low-cost loans. The extent to which the city will be required to bear administrative and “soft” costs is yet to be determined.

Attachments:

Attachment A - City of Albany – League of California Cities List of Construction Ready Projects rev 12-3-08.pdf

Attachment B – Transportation Projects List prepared for CALTRANS and MTC

Attachment C1 - 2009_EconomicRecoveryCoverPage.pdf

Attachment C2 - Questions & Answers on Economic Recovery Issues Raised by States.pdf