



# Agenda Report

**MEETING DATE:** Tuesday, June 28, 2022

**TO:** City Council

**FROM:** PUBLIC WORKS & UTILITIES DIRECTOR DI RENZO  
MURRAY FONTES, PRINCIPAL ENGINEER

**SUBJECT:** RESOLUTION APPROVING A FIRST AMENDMENT TO MASTER  
FUNDING AGREEMENT BETWEEN THE CITY AND THE SANTA  
CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION  
FOR RECEIPT OF MEASURE D TRANSPORTATION FUNDS

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## **STATEMENT OF ISSUES:**

Stable funding sources, such as Measure D, are essential for the City to operate and maintain transportation programs and facilities.

## **RECOMMENDED ACTION:**

Staff recommends that the City Council adopt a resolution that approves a First Amendment to the Master Funding Agreement between the City and the Santa Cruz County Regional Transportation Commission for receipt of Measure D funding for transportation projects and authorizes and directs the City Manager Pro Tempore to execute said agreement.

## **DISCUSSION:**

In November 2016, Santa Cruz County voters approved Measure D, a one-half cent sales tax that funds transportation projects for 30 years. On June 13, 2017, Council approved Resolution No. 76-17 (CM), approving a master funding agreement between the City and the Santa Cruz County Regional Transportation Commission for disbursement of Measure D funding to the City. The 2017 agreement was for five years.

During FY17/18 through FY21/22, Watsonville received approximately \$5M in Measure D funding. These funds have been used on design, environmental documentation, construction and maintenance of numerous projects including citywide green bike lanes, trails on Lee Road and the rail corridor, road reconstruction on Bridge Street, Green Valley Road and Pennsylvania Drive, and bicycle and pedestrian safety education and activities.

Staff now recommends that the Council approve a First Amendment to the Master Funding Agreement. The amendment would extend the term of the Agreement an additional 25 years so that it aligns with the 30-year period of the Measure D sales tax.

**STRATEGIC PLAN:**

The proposed First Amendment is consistent with Strategic Plan Priority:

3 - Infrastructure & Environment

6 - Public Safety

**FINANCIAL IMPACT:**

Approval of the proposed First Amendment will allow the City to continue to receive Measure D funding for transportation projects.

**ALTERNATIVE ACTION:**

No reasonable alternatives are known at this time.

**ATTACHMENTS AND/OR REFERENCES (If any):**

None.