

# SULTAN CITY COUNCIL

## AGENDA ITEM COVER SHEET

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ITEM NO: A - 3  
DATE: October 18, 2007  
SUBJECT: Sultan Basin Rd - Phase III Certified Agency Agreement  
CONTACT PERSON: Deborah Knight, City Administrator

### ISSUE:

The issue before the City Council is to direct the Mayor to execute a letter of understanding between the City of Sultan and the Washington State Department of Transportation for project administration as the City's "certified agent" (CA) for the Sultan Basin Road Project – Phase III.

### STAFF RECOMMENDATION:

City staff recommend executing an agreement with WSDOT to act as the city's certified agent for project administration for the Sultan Basin Road Project – Phase III. WSDOT staff estimates there will be minimal costs for CA services (approximately \$1,000).

There will be other WSDOT costs for environmental review, channelization plan review, signal review, and other costs associated with the technical review of the project.

However, the city would have these costs regardless of whether WSDOT or another agency performs CA services.

### SUMMARY:

The city is ready to begin work on Phase III of the Sultan Basin Road. The project is partially funded by federal grants. Federal grant funds require the project to be managed by a "certified agent". The City of Sultan does not have CA status.

If an agency does not have CA status, the following two options are available for administration of a Federal Highway Administration (FHWA) funded project:

### **Option 1**

CA Agency Administering a Project for a Non-CA Agency. A non-CA agency enters into an Agreement with a CA agency to administer all aspects of the project. This requires approval by the Region Local Programs Engineer.

### **Option 2**

The Region Local Programs Engineer acts as the CA for the agency and approves an agency to perform specific aspects of a project. An approved plan for the administration of the project is executed between the Region Local Program Engineer and the agency. This category allows projects of smaller sizes to be performed in part by the agency.

### **BACKGROUND:**

The Federal Highway Administration (FHWA) through a Stewardship Agreement, delegates authority to the Washington State Department of Transportation (WSDOT) for approving project development and construction administration.

WSDOT has the option of delegating some or all of this authority to qualified local agencies, state or federal agencies, or Tribal governments. This procedure permits an agency to retain more of the approval authority at the local level when developing FHWA assisted transportation projects.

WSDOT delegates this authority through a Certification Acceptance (CA) program. The CA program does not eliminate any project development procedures. Benefits of CA to a local agency include savings in time and money since the agency has the authority to develop, advertise, award, and manage its own projects. Another benefit is that only agencies with CA status may construct federal aid projects using agency forces.

CA requires local agencies to commit sufficient staff and other resources to project administration to ensure that all applicable state and federal requirements are met, and that the work can be accomplished efficiently. Once an agency has been certified, the certification agreement remains in effect indefinitely unless rescinded due to lack of performance or modified by one of the parties.

The City of Sultan does not have the necessary resources to commit sufficient staff and financial resources to project administration to ensure the applicable state and federal requirements are met.

### **ALTERNATIVES:**

1. Execute an agreement with WSDOT to act as the city's certified agent for project administration for the Sultan Basin Road Project – Phase III. WSDOT staff estimates there will be minimal costs for CA services (approximately \$1,000). The \$1,000 cost estimated provided by WSDOT seems reasonable. There may also be some economies of scale since as CA, Department of Transportation personnel should work closely and more efficiently with staff from within their office.

2. Do not execute an agreement with WSDOT to act as the city's certified agent for project administration for the Sultan Basin Road Project – Phase III, and direct staff to pursue agreements with another certified agency to act as the city's CA.

Under the WSDOT local agency guidelines, the city can contract with any certified agency to act as the city's CA on the Sultan Basin Road – Phase III project.

The city contracted with Snohomish County to act as its certified agent for Sultan Basin Road – Phase I. In discussing the possibility of having the county perform similar services for Phase III, the county gave the city a cost estimate of \$50,000.

The city could also choose to contact another certified agent such as Monroe to perform the CA functions.

3. Do not execute an agreement with WSDOT to act as the city's certified agent for project administration for the Sultan Basin Road Project – Phase III, and direct staff to areas of concern.

This alternative implies that the City Council has questions or concerns regarding the proposed approach and would like additional information before making a final decision.

#### FISCAL IMPACT:

The WSDOT alternative is estimated by transportation officials at approximately \$1,000. This will be negotiated in a written agreement with WSDOT.

#### RECOMMENDED ACTION:

Authorize the Mayor to execute an agreement with WSDOT act as the city's certified agent for project administration for the Sultan Basin Road Project – Phase III.

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#### COUNCIL ACTION:

DATE: