
**Regular Teleconference Meeting of the Capital SouthEast Connector JPA
Board of Directors**

Date: Friday, April 29, 2022, 8:30 a.m. to 10:30 a.m.

Meeting Location:

Consistent with California Government Code Section 54953(e)(1)(a), an online meeting of the Capital SouthEast Connector JPA Board of Directors will be held exclusively via teleconference in light of COVID-19 and the state of emergency proclamation and state and local recommended measures for physical distancing, including the Sacramento County Public Health Officer's teleconferencing recommendation. This meeting will be held via Zoom. Join the meeting on your computer or mobile device:

<https://us06web.zoom.us/j/84080854544?pwd=NUpQQXgwcW1UUEU5WklOOTQvNG9wQT09>

Webinar ID: 840 8085 4544

Passcode: 805115

To join the meeting by phone: +1 669 900 6833 or +1 253 215 8782

Public Comment:

If you wish to address the Board of Directors during the meeting, please wait until the Board Chair requests comments from the public. All public participants will be placed on mute during the meeting, until such time as the Board Chair requests public comment. Computer and mobile device attendees should use the Zoom "Raise Hand" feature when the Board Chair requests public comment. The "Raise Hand" feature can be found by moving your mouse on the Zoom meeting screen to reveal the toolbar. Then click on the "Participants" tab and then click "Raise Hand". Alternatively, windows users can use the keyboard shortcut ALT+Y and mac users can use the keyboard shortcut OPTION+Y to raise or lower your hand for comment. Phone attendees should press *9 to "Raise Hand" for public comment.

The Board of Directors requests that you limit your comments to three (3) minutes per person so that all present will have time to participate. The Board of Directors reserves the right to reasonably limit the total time for public comment on any particular noticed agenda item as it may deem necessary.

AGENDA

The Board may take action on any matter listed on this agenda to the extent permitted by applicable law. Staff Reports are subject to change without prior notice.

1. Call to Order & Roll Call: Directors Hidahl, Howell, Hume, Nottoli, Sander
2. Pledge of Allegiance
3. Adopt Resolution 2022-03 Making Findings and Determinations Authorizing Virtual Teleconference Meetings under Government Code Section 54953(e) (AB 361).
4. Public Comment on Non-Agenda Items

Members of the public may comment on any item of interest to the public within the subject matter jurisdiction of the Board of Directors. Each person will be allowed three minutes, or less if a large number of requests are received on a particular subject. After ten minutes of testimony, the Chair may choose to hear any additional testimony following the Discussion Items.

Please note, under the provisions of the California Government Code, the Board is prohibited from discussing or taking action on any item that is not on the agenda. The Board cannot take action on non-agendized items raised under "Public Comment" until the matter has been specifically included on the agenda. Those participants who wish to address a specific agendized item are encouraged to offer their public comments during consideration of that item.

5. Executive Director's Report: April 2022 Update

Consent Calendar Items

6. Approve Action Minutes of January 28, 2022, Regular Teleconference Board Meeting
7. Connector Project Construction Update (Receive and File)
8. Accept the FY 2020-21 Independent Auditor's Report
 - Resolution 2022-04
9. Authorize the Executive Director to execute Amendment No. 4 to the Agreement with Robert Merritt, Certified Public Accountant
 - Resolution 2022-05

- 10.** Update on Federal and State funding efforts and Recognize and Thank elected leaders Senators Dianne Feinstein and Alex Padilla, Representative Ami Bera, and Assemblymembers Jim Cooper and Ken Cooley for support of the Connector Project (Receive and File)
- 11.** Update on Construction Awards by the City of Folsom for the Connector Scott Road Realignment Project (Receive and File)
- 12.** Acknowledge and Honor Local Citizen John Merchant
 - Resolution 2022-06
- 13.** Annual Report of Activities for the South Sacramento Habitat Conservation Plan (Receive and File)

Discussion and Action Items

- 14.** Authorize the Executive Director to Execute an Amendment to the Memorandum of Understanding with the City of Folsom for Reimbursement of the Construction of a Class 1 Multi-Use Path
 - Resolution 2022-07
- 15.** Review of Connector Project Visual Design Concepts for Segment C (Receive and File)
- 16.** Review of Connector Project Economic Impact Study prepared by Varshney & Associates

Closed Session

- 17.** Closed Session

Once the closed session has ended, the board meeting will be reconvened in open session. The Chair will then make any announcements required by the Brown Act relative to reportable actions taken during the closed session.

Conference with Real Property Negotiators Pursuant to Government Code § 54956.8

Property: Grant Line Road and State Route 16, Sacramento County, CA
APN #: 126-0060-039

Agency negotiator: Derek Minnema, Executive Director

Negotiating parties: Grant Line Jackson Investors, a California Limited Partnership, S.R. and L.F. Lasher living Trust, and Mark Wesley Lasher Revocable Living Trust

Under negotiation: Price and terms of payment

Reconvene to Open Session

18. Announcements or Final Comments from Board Members

ADJOURN

The next meeting of the Capital SouthEast Connector JPA Board will be held on
May 27, 2022

*City of Rancho Cordova City Hall, Council Chambers
2729 Prospect Park Drive, Rancho Cordova, CA 95670

*Location is subject to change due to COVID-19 restrictions on public gatherings

NOTICE REGARDING CHALLENGES TO DECISIONS

Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the Board at, or prior to, the public hearing.

GOVERNMENT CODE 54957.5 et seq.

Public records, including writings relating to an agenda item for open session of a regular meeting and distributed less than 72 hours prior to the meeting, are available for public inspection at 10640 Mather Blvd., Suite 120, Mather, CA 95655. The on-line version of the agenda and associated materials are posted for your convenience at <http://www.ConnectorJPA.net>. Some documents may not be posted on-line because of their size and/or format (maps, site plans, and renderings). As they become available, hard copies of all documents are available at 10640 Mather Blvd., Suite 120, Mather, CA 95655.

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Connector JPA at (916) 876-9094. Notification 48 hours prior to the meeting will enable the Connector JPA to make reasonable arrangements to ensure accessibility to this meeting.

If requested, this agenda can be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Connector JPA for further information. A person with a disability, who requires a modification or accommodation, including auxiliary aids or services, to participate in a public meeting, should telephone or otherwise contact the Connector JPA 48 hours prior to the meeting. The Connector JPA may be reached at 10640 Mather Blvd., Suite 120, Mather, CA 95655 or by telephone at (916) 876-9094.

ITEM 3

MEETING DATE: April 29, 2022

TITLE: Adopt Resolution Making Findings and Determinations Authorizing Virtual Teleconference Meetings under Government Code Section 54953(e) (AB 361).

PREPARED BY: Osman Mufti, General Counsel

RECOMMENDATION

Approve Resolution 2022-03 making findings and declaring its intent to continue remote teleconference meetings pursuant to Government Code section 54953(e) due to the Governor's COVID-19 State of Emergency Proclamation and state regulations related to physical distancing.

BACKGROUND – ASSEMBLY BILL 361

The JPA Board has been conducting its public meetings under the Governor's Executive Orders issued in connection to the COVID-19 pandemic and its related health and safety risks which allowed legislative bodies to hold meetings exclusively by teleconference.

Effective October 1, 2021, Assembly Bill (AB) 361 allows local legislative bodies to continue to hold modified remote meetings during a proclaimed state of emergency, if state or local officials have imposed or recommended measures related to physical distancing which warrant holding meetings remotely.

STATE GUIDANCE

On February 28, 2022, the California Department of Public Health updated its Guidance for the Use of Face Masks. Although face masks are now recommended, and not required, in most indoor settings for vaccinated and unvaccinated individuals, in workplaces employers remain subject to the Cal OSHA Emergency Temporary Standards. Section 3205 of the Cal OSHA Emergency Temporary Standards continues to regulate close contacts, within 6 feet of another, and physical distancing continues to be recommended. These Cal OSHA requirements continue to support the remote attendance at meetings. Based on these state and local orders the findings to support teleconference only meetings pursuant to section 54953(e)(1) can continue to be made.



Although there are indications that adverse cases and impacts are decreasing, there remains risks associated with COVID-19, the ability to meet in person, and the State regulations continue to impose or recommend measures to promote social distancing.

Staff will continue to monitor the conditions related to COVID-19 and provide updates to the Board related to meeting accommodations as conditions change.

TELECONFERENCE MEETINGS

In order for the Board to conduct meetings under the AB 361 teleconference meeting rules, the Board meetings must meet one of the following provisions:

(A) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or

(B) The local agency is holding a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or

(C) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

The AB 361 modified teleconference meeting rules can only be used in the event there is a Governor issued a state of emergency. The Governor's COVID-19 state of emergency satisfies this requirement.

The second requirement of item (A) above is satisfied currently as the Cal OSHA Emergency Temporary Standards continues to regulate close contacts, within 6 feet of another, and physical distancing continues to be recommended.

ATTACHMENTS

- a. Resolution 2022-03

ITEM 3 a**RESOLUTION 2022-03**

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
MAKING FINDINGS AND DETERMINATIONS AUTHORIZING VIRTUAL
TELECONFERENCE MEETINGS DUE TO THE GOVERNOR'S PROCLAMATION OF
STATE EMERGENCY AND CAL OSHA RECOMMENDATIONS**

WHEREAS, the Board of Directors of the Capital SouthEast Connector Joint Powers Authority (the "Board") is committed to preserving public access and participation in meetings of the Board; and

WHEREAS, all meetings of the Board are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963, the "Brown Act"), so that any member of the public may attend, participate, and observe the Board conduct its business; and

WHEREAS, the Brown Act, Government Code section 54953(e), provides for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, such conditions now exist in the State, specifically, the Governor of the State of California proclaimed a state of emergency on March 4, 2020, related to the threat of COVID-19, which threat remains; and

WHEREAS, to allow for physical distancing and remote meeting attendance, the Board does hereby find that the Board shall conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Board shall comply with the requirements to provide the public with access to the meetings electronically as prescribed in paragraph (2) of subdivision (e) of section 54953.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Board:

1. The foregoing recitals are true and correct.



2. The Board hereby recognizes the Governor's proclaimed state of emergency remains in effect and Cal OSHA recommendations regarding physical distancing continue to remain in effect and continue to impact the ability of the Board and the public to meet safely in person.

3. The meetings of the Board may be held pursuant to the provisions of subdivision (e)(2), due to the current Governor's state of emergency proclamation and Cal OSHA recommendations and guidance.

4. The Board shall conduct public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act for teleconference meetings.

* * * * *

PASSED AND ADOPTED this 29th day of April 2022, on a motion by
Director _____, seconded by Director _____, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Secretary



ITEM 5

MEETING DATE: April 29, 2022

TITLE: Executive Director's Report for April 2022

PREPARED BY: Derek Minnema

Each month the Executive Director provides a report to the Board. The Executive Director will give an oral update on the agency's activities during April at the meeting.

ITEM 6

MEETING DATE: April 29, 2022

TITLE: Action Minutes of the January 28, 2022, Regular Teleconference Board Meeting

PREPARED BY: Derek Minnema

RECOMMENDATION

Approve Action Minutes of the January 28, 2022, Regular Teleconference Board Meeting.

ACTION MINUTES

The Capital SouthEast Connector JPA Board of Directors met in regular session on January 28, 2022, via zoom video/teleconference.

Call to Order
Roll Call

Chair Sander called the meeting to order at 8:33 a.m.

Present: Directors Hidahl, Howell, Hume, Nottoli*, Sander

* Director Nottoli joined the meeting at 8:40 a.m.

Item #3: Adopt Resolution 2022-01 Making Findings and Determinations Authorizing Virtual Teleconference Meetings under Government Code Section 54953(e) (AB 361)

Executive Director Minnema introduced the item and Osman Mufti, JPA Legal Counsel, provided a presentation summarizing the item. A brief discussion amongst the Board and JPA staff ensued.

A motion was made by Director Hume and seconded by Director Howell and passed with four* directors voting in favor that:

THE BOARD OF DIRECTORS ("BOARD") OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY ("CONNECTOR JPA") HEREBY MADE FINDINGS AND DETERMINATIONS AUTHORIZING VIRTUAL TELECONFERENCE MEETINGS DUE TO THE GOVERNOR'S PROCLAMATION OF STATE EMERGENCY AND LOCAL RECOMMENDATIONS AND STATE REGULATIONS RELATED TO PHYSICAL DISTANCING DUE TO THE THREAT OF COVID-19 WITH RESOLUTION 2022-01

* Director Nottoli was absent during the vote



No public comment was received on this item.

Public Comments on Non-Agenda Items

There were no comments from the public on non-agenda items.

Open Session

Item #5: Executive Director's Report

The Board received Executive Director Minnema's comprehensive oral report for January 2022. A brief discussion amongst the Board and JPA staff ensued.

No public comments were received on the Executive Director's Report.

Consent Calendar Items

A motion was made by Director Howell and seconded by Director Hidahl and passed with four* Directors voting in favor that:

THE BOARD OF DIRECTORS OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY APPROVES THE FOLLOWING ITEMS ON THE CONSENT AGENDA:

Item #6: Approve Action Minutes of December 10, 2021 Board Meeting

Item #7: Accept an update on Connector Project Construction

Item #8: Accept an update on Notice by the City of Folsom to bidders and release of Request for Proposals for Scott Road Realignment

Item #9: Accept an update on funding opportunities related to the Infrastructure Investment and Jobs Act

Item #10: Accept an update on State Funding and Transportation Budget Opportunities

Item #11: Accept an update on Redistricting Boundaries along the Connector Alignment

Item #12: Accept an update on Review of New Development Trends Associated with the Transportation Mitigation Fee Program

* Director Hume was absent during the vote.

No public comments was received on the consent items.

Discussion and Action Items

Item #13: Nomination and Election of Board Chair and Vice-Chair for Calendar Year 2022 - Resolution 2022-02

Executive Director Minnema introduced the item and provided a presentation summarizing the item. A brief discussion amongst the Board and JPA staff ensued.

A motion was made to drop the item by Director Nottoli and seconded by Director Howell and passed with four* Directors voting in favor to drop the item.

* Director Hume was absent during the vote.

No public comment was received on this item.

Item #14: Review of Connector Project Benefit-Cost Analysis prepared by Economic Planning Systems, Inc.

Executive Director Minnema introduced the item and provided a presentation summarizing the item. A brief discussion amongst the Board and JPA staff ensued.

No action was taken on this item

No public comment was received on this item

Item # 15: Announcement and Final Comments from Board Members

No action was taken on this item.

No public comment was received on this item.

Adjournment

The meeting adjourned at approximately 9:45 a.m.



APPROVAL OF ACTION MINUTES FOR JANUARY 28, 2022

Approved By:

Attest:

David Sander
Chair of the Board

Derek Minnema
Board Secretary

ITEM 7

MEETING DATE: April 29, 2022

TITLE: Connector Project Construction Update (Receive and File)

PREPARED BY: Matt Lampa

RECOMMENDATION

Receive and file this update.

CONSTRUCTION UPDATE

Segment B2, Grant Line Road (Waterman Road to Bradshaw Road)

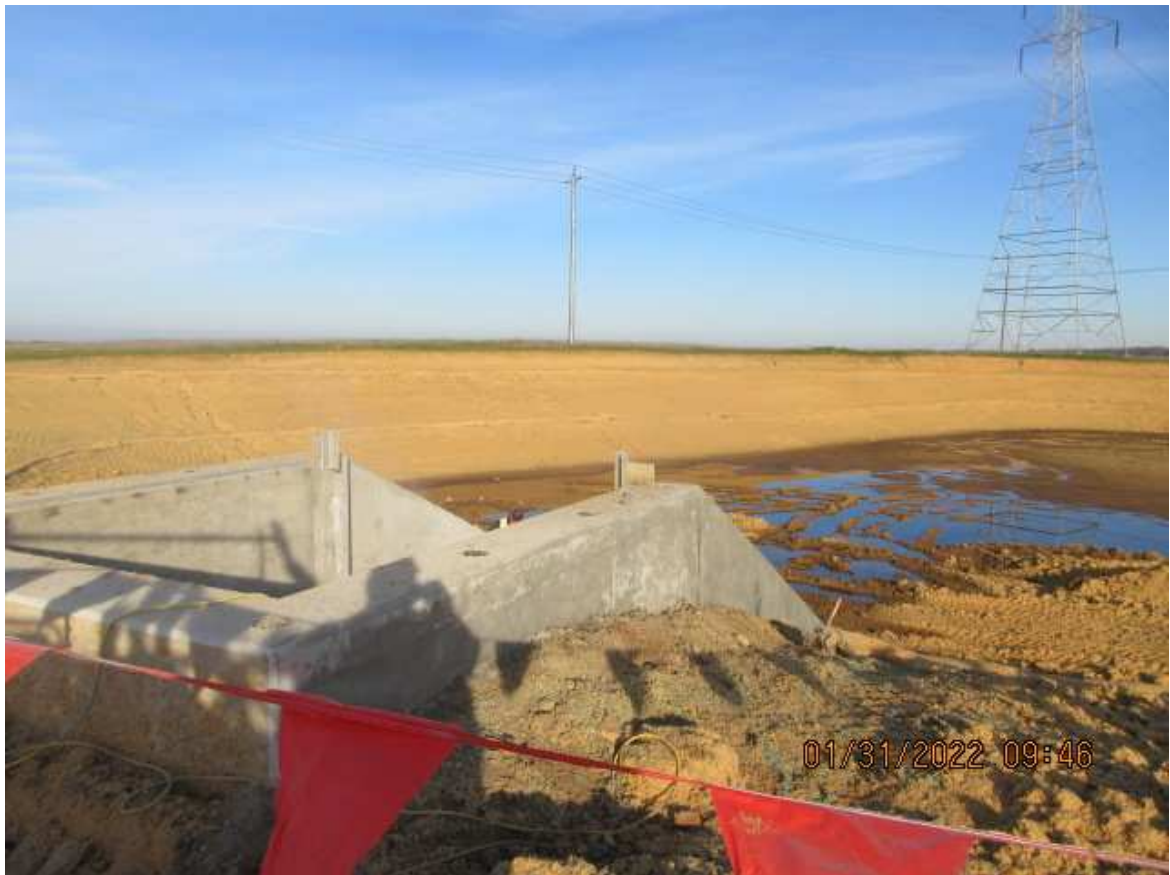
Project lighting, traffic signals, and landscaping have been completed, with all four lanes opened to traffic. All contract work was substantially completed on March 3. We would like to thank all our project partners for helping to make this a successful project that will significantly improve safety and operations on Grant Line Road





Segment D3a, White Rock Road (Prairie City Road to East Bidwell Street)

- Pavement grinding work completed in preparation for placement of final surface.
- Erosion control work has been ongoing, along with maintenance of stormwater BMPs and traffic control devices.
- Minor work on drainage basin outfall structures and triple 60-inch culvert headwall.
- Road barricade and cattle gate installed at the south side of the East Bidwell intersection for access control.
- City and JPA staff have been working with the contractor to include the construction of the pedestrian/bike bridge at Alder Creek. The bridge was removed from the final design to ensure construction would be sufficiently funded. However, construction bids came in lower than anticipated, and there is an opportunity to include this work if the funding can be arranged.



ITEM 8

MEETING DATE: April 29, 2022

TITLE: Accept the FY 2020-21 Independent Auditor's Report

PREPARED BY: Susan Spalding

RECOMMENDATION

Approve Resolution 2022-04, accepting the FY 2020-21 Independent Auditor's Report.

BACKGROUND

Under Section 6.d(3) of the Joint Exercise of Powers Agreement establishing the Authority, the Authority must cause an independent audit of all financial activities for each fiscal year. The Joint Exercise of Powers Agreement also requires that the Authority promptly deliver copies of the report to each member of the Board.

DISCUSSION

The JPA received an unmodified (clean) opinion for FY 2020-21. Macias Gini & O'Connell LLP ("MGO") conducted the independent audit. The report was distributed to Board members on March 2. The following notes are summarized in the audit transmittal letter:

- The financial statements present fairly, in all material aspects, the respective financial position of the governmental activities and the general fund of the Connector JPA as of June 30, 2021. (Page 1)
- The auditors commented that "during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses." (Page 21)
- The auditors commented that "The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards." (Page 22)

ATTACHMENTS

- a. Resolution 2022-04
- b. FY 2020-21 Independent Auditor's Report



ITEM 8 a

RESOLUTION 2022-04

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
ACCEPTING THE INDEPENDENT AUDITOR'S REPORT FOR
FISCAL YEAR 2020-21**

BE IT RESOLVED that the Board of Directors of the Capital SouthEast Connector Joint Powers Authority ("Board") hereby accepts the Fiscal Year 2020-21 Independent Auditors' Report attached hereto.

This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED this 29th day of April, 2022, on a motion by
Director _____, seconded by Director _____, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Secretary

**CAPITAL SOUTHEAST CONNECTOR
JOINT POWERS AUTHORITY**

Independent Auditor's Reports, Management's
Discussion and Analysis, Basic Financial Statements,
and Required Supplementary Information

For the Fiscal Year Ended June 30, 2021



Certified
Public
Accountants

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Independent Auditor's Reports, Management's Discussion and Analysis,
Basic Financial Statements, and Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

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Certified
Public
Accountants

Independent Auditor's Report

Board of Directors of the
Capital Southeast Connector JPA
Mather, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Capital Southeast Connector Joint Powers Authority (Connector JPA), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Connector JPA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Connector JPA as of June 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2022, on our consideration of the Connector JPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Connector JPA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connector JPA's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Sacramento, California
February 28, 2022

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2021

This section of the Capital Southeast Connector JPA's (Connector JPA) annual financial statements presents a discussion and analysis of the Connector JPA's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the Connector JPA's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The Connector JPA's total net position in Fiscal Year 2020-21 (FY 2020-21) increased by \$5.4 million.
- Total revenues increased from \$5.0 million in Fiscal Year 2019-20 (FY 2019-20) to \$5.4 million in FY 2020-21.
- The total investment in Public Ways and Facilities increased \$5.2 million in FY 2020-21, from \$33.3 million in FY 2019-20 to \$38.5 million in FY 2020-21.
- At the end of FY 2020-21, the Connector JPA did not have any long-term liabilities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Connector JPA's basic financial statements. The Connector JPA's basic financial statements are comprised of three components:

- 1) Government-Wide financial statement;
- 2) Fund financial statement;
- 3) Notes to the basic financial statements.

1) **Government-Wide Financial Statements** are designed to provide readers with a broad overview of the Connector JPA's finances in a manner similar to private-sector businesses.

The *Statement of Net Position* presents information on all Connector JPA assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Connector JPA is improving or deteriorating.

The *Statement of Activities* shows changes in net position during the fiscal year. All changes in net position are reported *as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., accounts payable). The Statement of Activities distinguishes functions of the Connector JPA that are principally supported by taxes and intergovernmental revenues (*governmental activities*).

The government-wide financial statements can be found on pages 8 through 9 of this report.

2) **Fund Financial Statements** are groupings of related accounts that are used to control resources that have been segregated for specific activities or objectives. The Connector JPA, like other states and local governments, uses fund accounting to ensure and demonstrate finance related legal compliance. The Connector JPA only has *governmental funds*.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Management's Discussion and Analysis (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Connector JPA's near-term financing decisions.

The governmental funds financial statements can be found on pages 10 through 11 of this report.

5) **Notes** to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found starting on page 12 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Connector JPA is improving or deteriorating. In the case of the Connector JPA, assets exceeded liabilities by \$39.4 million at June 30, 2021.

	<u>2021</u>	<u>2020</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Assets:				
Current assets	\$ 2,216,115	\$ 1,110,522	\$ 1,105,593	100%
Capital assets, net depreciable	38,524,772	33,292,560	5,232,212	16%
Total assets	<u>40,740,887</u>	<u>34,403,082</u>	<u>6,337,805</u>	<u>18%</u>
 Current liabilities	 <u>1,337,791</u>	 <u>432,460</u>	 <u>905,334</u>	 <u>209%</u>
Net Position:				
Investment in capital assets	38,524,772	33,292,560	5,232,212	16%
Unrestricted	881,321	578,060	303,259	30%
Total Net Position	<u>\$ 39,406,093</u>	<u>\$ 33,870,622</u>	<u>\$ 5,535,471</u>	<u>16%</u>

The Connector JPA reported an increase of \$5.4 million in *net position* compared to prior year balances. In the current year, net position increased primarily due to the \$5.3 million increase in capital assets.

Current assets increased from \$1.1 million at June 30, 2020, to \$2.2 million at June 30, 2021. This increase primarily came from a increase in cash and accounts receivable. As stated above, capital assets increased approximately \$5.2 million during FY 2020-21, from \$33.3 million at June 30, 2020 to \$38.5 million at June 30, 2021. Significant additions to the Capital Southeast Connector Expressway project (Project)

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Management's Discussion and Analysis (Unaudited) (Continued)

For the Fiscal Year Ended June 30, 2021

during FY 2020-21 included \$509 thousand in land acquisitions and right of way, \$1.3 million in mitigation, \$630 thousand in construction-related activities, and \$1.8 million in project management, environmental, and engineering services.

Current liabilities increased from \$432 thousand as of June 30, 2020, to \$1.3 million at the end of the current fiscal year. The increase was due to higher amounts due to service providers, primarily the City of Elk Grove for construction-related activities, at the end of the current fiscal year compared to the end of the prior fiscal year.

The following table indicates the changes in net position for the Connector JPA's governmental activities:

Statement of Activities					
Year Ended June 30,					
	2021	2020	Increase/(Decrease)		
			Amount	Percentage	
Revenues					
Program Revenues:					
Capital grants and contributions	\$ 5,429,550	\$ 5,019,652	\$ 419,098	8%	
General Revenues:					
Interest income	5,721	11,108	(5,387)	(48%)	
Total Revenues	5,435,271	5,021,760	413,711	8%	
Net Position, July 1	33,970,622	28,948,662	5,021,760	17%	
Net Position, June 30	\$ 39,406,093	\$ 33,970,622	\$ 5,435,471	16%	

The increase in capital grants and contributions revenue was primarily due to an increase in Measure A reimbursements for project-related expenses compared to the prior year; member contributions remained the same at \$225 thousand. As stated above, significant additions to the project during FY 2020-21 included \$509 thousand in land acquisitions and right of way, \$1.3 million in mitigation expenses, \$630 thousand in construction-related activities, and \$1.8 million in project management, environmental, and engineering services. As the Connector JPA incurs these capitalized expenses, the reimbursement revenue follows.

FUND FINANCIAL ANALYSIS

As noted earlier, the Connector JPA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The public ways and facilities function is contained in the General Fund. The focus of the Connector JPA's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Connector JPA's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2021, and June 30, 2020, the Connector JPA's governmental funds reported a fund balance of \$881.3 thousand and \$640 thousand respectively, an increase of \$241.3 thousand. The increase in fund balance was attributed to an increase in current assets, notably accounts receivable, at the end of FY 2020-21 as compared to FY 2019-20. These changes are a result of the timing of expenditure and reimbursement activity.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Management's Discussion and Analysis (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Also, during FY 2020-21, the Connector JPA collected \$38 thousand in Federal revenues that was considered unavailable at the end of the prior fiscal year.

The Connector JPA received revenues from various sources. The following table presents the amount of revenues by source:

Revenues Classified by Source General Fund						
	2021	% of Total	2020	% of Total	Increase/(Decrease)	
					Amount	Percentage
Revenues:						
Intergovernmental Revenues	\$ 5,204,750	94%	\$ 4,785,652	94%	\$ 419,098	9%
Federal	38,000	1%	72,000	1%	(4,000)	(3%)
Contributions	225,000	4%	225,000	4%	-	0%
Interest	5,721	0%	11,708	1%	(5,987)	(48%)
Total Revenues	<u>\$ 5,473,471</u>	<u>100%</u>	<u>\$ 5,065,360</u>	<u>100%</u>	<u>\$ 408,711</u>	<u>8%</u>

The following provides an explanation of significant revenues by source that changed considerably over the prior year.

Intergovernmental revenues are allowable costs claimed from Measure A sales tax revenue bonds issued by the Sacramento Transportation Authority (STA). The sales tax revenue bonds are used to fund eligible Measure A capital projects. There was an increase in revenues from STA Measure A during FY 2020-21 from \$4.8 million to \$5.2 million. As previously discussed, as the Connector JPA incurs project-related expenditures, these amounts are reimbursed to the organization. Significant capitalized expenditures during FY 2020-21 included \$509 thousand in land acquisitions and right of way, \$1.3 million in mitigation expenses, \$630 thousand in construction-related activities, and \$1.8 million in project management, environmental, and engineering services.

Federal revenues are funding grants. The grants are for transportation related projects financed in part with federal-aid funds. The Connector JPA has executed an agreement with the California Department of Transportation (Caltrans) to allow for disbursement of federal funds directly to the Connector JPA. Federal revenues for FY 2019-20 and FY 2020-21 in the General Fund were recognized as revenues in the FY 2018-19 Statement of Activities, but due to the timing, these amounts were recorded as unavailable revenue at June 30, 2019. These funds were later collected and recognized in the General Fund during FY 2019-20 and FY 2020-21 in the amounts of \$42,000 and \$38,000 respectively.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Management's Discussion and Analysis (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

The following table presents expenditures of the General Fund:

	Expenditures by Function					
	General Fund					
	<u>2021</u>	<u>%</u>	<u>2020</u>	<u>%</u>	<u>Increase/(Decrease)</u>	
Expenditures		<u>of Total</u>		<u>of Total</u>	<u>Amount</u>	<u>Percentage</u>
Current:						
Public Ways and Facilities	<u>\$ 5,272,212</u>	<u>100%</u>	<u>\$ 5,250,355</u>	<u>100%</u>	<u>\$ (21,857)</u>	<u>(0%)</u>

The expenditure activity of the Project was comparable to the prior year. Initial construction costs amounted to \$630 thousand, and an additional \$28 thousand more in mitigation costs were incurred over the previous year.

Project management, environmental, and engineering services amounted to almost \$1.8 million but were \$580 thousand less than same expenditures in FY 2019-20. Although some construction activity started in FY 2020-21, the Project is in the planning stage and final completion is expected in 2033.

Analysis of General Fund Budget

During the year, total revenues were less than the final budgeted amounts by \$6.6 million. Actual expenditures were less than budgetary estimates by \$6.8 million. During FY 2020-21, the Project used Federal Grant Funds totaling \$38 thousand.

Economic Factors and Next Year's Budget

The FY 2021-22 Final Budget was adopted by the Connector JPA's Board of Directors on May 28, 2021.

The proposed means of financing the \$10.6 million in budgeted expenditures for FY 2021-22 include:

- Measure A Bond and Measure A Bond Proceeds: \$9.6 million
- Member Contributions: \$250 thousand
- State Funding: \$220 thousand
- Other Local Funding: \$500 thousand
- Interest: \$10 thousand

Request for Information

This financial report is designed to provide a general overview of the Connector JPA's finances for all those with an interest in the Connector JPA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Derek Minnema, Executive Director, Capital Southeast Connector Joint Powers Authority, 10640 Mather Blvd., Suite 120, Walnut, California 95655.

BASIC FINANCIAL STATEMENTS

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Statement of Net Position - Governmental Activities
June 30, 2021

ASSETS

Current Assets:

Cash and investments	\$ 909,429
Interest receivable	2,539
Prepaid expense	2,500
Accounts receivable	<u>1,301,847</u>
Total Current Assets	2,215,115

Noncurrent Assets:

Capital assets, non-depreciable	<u>38,524,772</u>
Total Assets	<u>40,740,887</u>

LIABILITIES

Current Liabilities:

Accounts payable and accrued expenses	1,284,794
Due to other government agencies	<u>50,000</u>
Total Liabilities	<u>1,334,794</u>

NET POSITION

Net investment in capital assets	38,524,772
Unrestricted	<u>881,321</u>
Total Net Position	<u>\$ 39,406,093</u>

See accompanying notes to the basic financial statements.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Statement of Activities - Governmental Activities

For the Fiscal Year Ended June 30, 2021

	<u>Expenses</u>	<u>Capital Grants and Contributions</u>	<u>Net Revenue and Change in Net Position</u>
FUNCTIONS/PROGRAMS			
Public ways and facilities	<u>\$ -</u>	<u>\$ 5,429,750</u>	\$ 5,429,750
General revenues:			
Interest income			<u>5,721</u>
Change in Net Position			5,435,471
Net Position, July 1			<u>33,970,622</u>
Net Position, June 30			<u>\$ 39,406,093</u>

See accompanying notes to the basic financial statements.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Balance Sheet - Governmental Fund

June 30, 2021

	<u>General Fund</u>
ASSETS:	
Cash and investments	\$ 909,429
Interest receivable	2,349
Prepaid expense	2,500
Accounts receivable	<u>1,391,847</u>
Total Assets	<u><u>\$ 2,216,115</u></u>
LIABILITIES AND FUND BALANCE	
LIABILITIES:	
Accounts payable and accrued liabilities	\$ 1,284,792
Due to other governmental agencies	<u>50,000</u>
Total Liabilities	<u>1,334,792</u>
FUND BALANCE:	
Nonspendable	2,500
Unassigned	<u>878,821</u>
Total Fund Balance	<u>881,321</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,216,115</u></u>

Reconciled to the Balance Sheet of the Governmental Fund to the Statement of Net Position:

Total Fund Balance - governmental fund	\$ 881,321
Amounts reported for governmental activities in the Statement of Net Position (page 8) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>38,524,773</u>
Net Position - Governmental Activities (page 8)	<u><u>\$ 39,406,093</u></u>

See accompanying notes to the basic financial statements.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Statement of Revenue, Expenditures, and Change in Fund Balance - Governmental Fund
For the Fiscal Year Ended June 30, 2021

	General Fund
REVENUES:	
Intergovernmental	\$ 5,264,750
Local	78,000
Contributions	225,000
Interest	5,721
Total Revenue	<u>5,473,471</u>
EXPENDITURES:	
Current:	
Public ways and facilities	<u>5,242,272</u>
Change in Fund Balance	241,259
Fund Balance - July 1	<u>610,062</u>
Fund Balance - June 30	<u>\$ 851,311</u>
Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balance - Governmental Fund to the Statement of Activities:	
Change in Fund Balance - governmental fund	\$ 241,259
Amounts reported for governmental activities in the Statement of Activities (page 9) are different because:	
Governmental funds report revenues that are measurable and available. However, in the statement of activities revenues are accrued when they are earned.	(18,000)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	<u>5,251,212</u>
Change in Net Position of Governmental Activities (page 9)	<u>\$ 5,435,471</u>

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE 1 – REPORTING ENTITY

Authorized Legislation and Organization

The Capital Southeast Connector JPA, (Connector JPA), which was created effective December 12, 2006, pursuant to Section 6500 of the California State Government Code and the provisions of a Joint Exercise of Powers Agreement, is a political subdivision of the State of California.

The Connector JPA is a jointly governed organization under Section 6500 of the California State Government Code. Parties to this agreement are the City of Elk Grove, County of Sacramento, City of Rancho Cordova, City of Folsom, and the County of El Dorado.

The Connector JPA was formed to acquire, plan, design, finance, construct, operate, and maintain a multi-modal transportation corridor (Project) to connect the City of Elk Grove, the County of Sacramento, the City of Rancho Cordova, the City of Folsom, and the County of El Dorado.

The Connector JPA is governed by a Board of Directors, which is composed of one member from the Sacramento County Board of Supervisors, one member from the Elk Grove City Council, one member from the Rancho Cordova City Council, one member from the Folsom City Council, and one member from the El Dorado County Board of Supervisors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the primary government (Connector JPA).

The Statement of Activities presents direct expenses and program revenues for the public ways and facilities function of the Connector JPA's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented instead as general revenues.

When both restricted and unrestricted resources are available, restricted resources are used first, then unrestricted resources as needed.

Fund Financial Statements

The fund financial statements provide information about the Connector JPA's fund, which includes only governmental funds.

The Connector JPA reports the following major governmental fund:

The *General Fund* is used to account for all revenues and expenditures necessary to carry out the basic governmental activities of the Connector JPA.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements (Continued)

For the Fiscal Year Ended June 30, 2021

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Connector JPA gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and contributions. Revenues from grants and contributions are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Interest and certain state and federal grants are accrued when their receipt occurs within a one hundred twenty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Cash and Investments

Pursuant to the Joint Exercise of Powers Agreement, the Treasurer of the County of Sacramento (County) has custody of all cash for the Connector JPA. The Connector JPA's share of the pooled cash account is separately accounted for and interest earned, net of related expenses, is apportioned at the end of each quarter based upon the relationship of its daily cash balance to the total of the pooled account.

Cash and investments in the County's investment pools are presented at fair value. Investment policies and related credit, custodial credit, concentration credit, and interest rate risk applicable to the Connector JPA's pooled funds are those of the County and are disclosed in the County's basic financial statements. The County treasurer's investment pool is subject to oversight by the Treasury Oversight Committee.

Net Position

Government-wide financial statements utilize a net position presentation.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Unrestricted Net Position* – This category represents net position of the Connector JPA not restricted for any project or other purpose.

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the Connector JPA is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for government funds are made up of the following:

- *Nonspendable Fund Balance* – Includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: amounts held for perpetuity and prepaid amounts.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2021

- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can only be used for the specific purposes determined by a formal action of the Connector JPA's highest level of decision-making authority, which is the Connector JPA's Board of Directors. Commitments may be changed or lifted only by the adoption of a Board Resolution.
- *Assigned Fund Balance* – comprises amounts intended to be used by the Connector JPA for specific purposes that are neither restricted nor committed. Intent is expressed by the Connector JPA's Board of Directors.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

As of June 30, 2021, all of the Connector JPA's General Fund balance is recorded as nonspendable and unassigned.

Fair Value Measurement

The Connector JPA categorizes the fair value measurement of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Connector JPA is a participant in the Sacramento County Treasurer's Pool (County Pool). The County Pool is an external investment pool, is not rated and is not registered with the Securities and Exchange Commission (SEC). The Sacramento County Treasury Oversight Committee conducts County Pool oversight. Cash or deposit in the County Pool at June 30, 2021, is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the County Pool, refer to the County of Sacramento Annual Comprehensive Financial Report.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements (Continued)

For the Fiscal Year ended June 30, 2021

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

The Connector JPA implemented GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. Implementation of this Statement resulted in no material impacts to the Connector JPA's financial statements.

The Connector implemented GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statement no. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. Implementation of this Statement resulted in no material impacts to the Connector JPA's financial statements.

Future Accounting Pronouncements

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of government financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The effective date of this Statement was postponed to fiscal years beginning after June 15, 2021 with the issuance of GASB Statement No. 95. The Connector JPA has not determined the effect, if any, on the financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The effective date of this Statement was postponed to fiscal years beginning after December 15, 2021, with the issuance of GASB Statement No. 95. The Connector JPA has not determined the effect, if any, on the financial statements.

In January 2020, GASB issued Statement No. 92, *Overhaul 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements (Continued)

For the Fiscal Year Ended June 30, 2021

certain GASB Statements. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The effective date of this Statement was postponed to fiscal years beginning after June 15, 2021, with the issuance of GASB Statement No. 95. The Connector JPA has not determined the effect, if any, on the financial statements.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements (except paragraphs 13 and 14) of this Statement are effective for reporting periods beginning after June 15, 2020. Paragraphs 13 and 14 have been postponed to reporting periods beginning after June 15, 2022, with the issuance of GASB Statement No. 95. The Connector JPA has not determined the effect, if any, on the financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Connector JPA has not determined the effect, if any, on the financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Connector JPA has not determined the effect, if any, on the financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No. 14 and No. 54, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Notes to the Basic Financial Statements (Continued)

For the Fiscal Year Ended June 30, 2021

requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The Connector JPA has not determined the effect, if any, on the financial statements.

NOTE 3 – CASH AND INVESTMENTS

As discussed in Note 2, the Connector JPA maintains cash deposits and investments with the County and involuntarily participates in the investment pool of the County, which is not rated by the credit rating agencies. The County Treasurer's cash and investment pool is not registered with the SEC. The County's Treasury Oversight Committee is charged with overseeing activity in the pool for compliance and code requirement. Additional information regarding the Pool, including the investment portfolio and related interest rate, custodial credit, credit and concentration credit risks, is presented in the County's basic financial statements.

Fair Value Measurement

In instances where inputs used to measure fair value into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Connector JPA's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Deposits and withdrawals from the County Pool are made on the basis of \$1 and not fair value. Accordingly, the Connector JPA's proportionate share of investments in the County Pool is an uncategorized input not defined as a Level 1 or Level 3 input.

NOTE 4 – ACCOUNTS RECEIVABLE

The majority of the Connector JPA's accounts receivable is comprised of Measure A claims submitted to the Sacramento Transportation Authority (STA) for expenditures incurred through June 30, 2021.

NOTE 5 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2021, is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Governmental activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 4234,300	\$ 908,639	\$ -	\$ 5,142,939
Infrastructure	1,686,001	1,314,280	-	2,999,281
Construction in progress	27,282,259	3,709,404	-	30,991,663
Total Capital Assets, not being depreciated	\$ 33,399,560	\$ 5,932,323	\$ -	\$ 39,331,883

NOTE 6 – RELATED PARTY TRANSACTIONS

The Connector JPA uses other County of Sacramento departments for other services, such as payroll, payment services, internet technology, human resources, administrative, and accounting. Expenditures paid to the County of Sacramento for Fiscal Year 2021 were approximately \$75,000.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2021

NOTE 7 – OPERATING LEASES

The Connector JPA entered into an office space lease agreement on July 1, 2020, for a lease term that expires on December 31, 2023. Office rent expenditures for Fiscal Year 2021 were \$51,337.

The following is the approximate amount due under the lease agreement signed on July 1, 2020:

Year Ending June 30,	Amount
2021	\$ 52,218
2022	52,295
2023	26,507

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The Connector JPA has executed contracts to purchase services from various vendors. The Connector JPA is contracted with these vendors through various dates. As of June 30, 2021, approximately \$9.4 million may be payable upon future performance under these contracts.

REQUIRED SUPPLEMENTARY INFORMATION

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Schedule of Revenues, Expenditures, and Changes in the General Fund Balance-Budget and Actual
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Intergovernmental	\$ 11,812,092	\$ 11,812,092	\$ 5,291,753	\$ (6,607,342)
Federal	-	-	29,909	29,909
Contributions	225,000	225,000	225,000	-
Fees	14,000	14,000	5,721	(8,279)
Total Revenues	<u>12,051,092</u>	<u>12,051,092</u>	<u>5,475,471</u>	<u>(6,575,621)</u>
 EXPENDITURES:				
Public ways and facilities	12,651,092	12,651,092	5,232,212	6,818,880
 NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 241,259</u>	<u>\$ 241,259</u>

See note to the required supplementary information.

CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY

Note to the Required Supplementary Information

For the Fiscal Year ended June 30, 2021.

NOTE 1 – BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and are used as a management control device for the general fund. All annual appropriations lapse at fiscal year-end. The Executive Director and Administrative Services Officer prepare and submit a proposed budget to the Board of Directors in May for review. After reviewing the proposed budget and making such revisions as it may deem advisable, a final budget is prepared and adopted no later than the June board meeting. Revisions to the adopted budget must be presented to the Board of Directors by the Executive Director and approved by resolution. The legal level of budgetary control is at the total fund level.



Certified
Public
Accountants

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Directors of the
Capital Southeast Connector JPA
Mather, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of Capital Southeast Connector Joint Powers Authority (Connector JPA) as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Connector JPA's basic financial statements, and have issued our report thereon dated February 28, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Connector JPA's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Connector JPA's internal control. Accordingly, we do not express an opinion on the effectiveness of the Connector JPA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Connector JPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions

was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Sacramento, California
February 28, 2022

ITEM 9

MEETING DATE: April 29, 2022

TITLE: Authorize the Executive Director to execute Amendment No. 4 to the Agreement with Robert Merritt, Certified Public Accountant

PREPARED BY: Susan Spalding

RECOMMENDATION

Approve Resolution 2022-05 to authorize the Executive Director to execute Amendment No. 4 to (1) extend the contract term 3 years to June 30, 2025, and (2) increase the not-to-exceed amount by \$36,000, for a total contract amount of \$85,900.

BACKGROUND

In October 2017, the JPA entered into an Agreement with Robert Merritt, Certified Public Accountant, to provide bookkeeping and accounting services, including:

- Preparation of the Financial Statements, budget-to-actual reports, and monthly accounting and fund reconciliation
- Preparation and assistance with the Independent Auditor

The Agreement has been amended previously on three occasions for purposes of extending the term and providing additional funds for services for the extended terms. Services average a cost of \$1,000/month.

DISCUSSION

The current contract expires on June 30, 2022. Amendment No. 4 is being presented to the Board for approval as the additional amount of the amendment, \$36,000 for three (3) years, results in the new contract not-to-exceed limit, \$85,900, exceeding contract authority and requires Board approval.

The funding for this amendment will come from Measure A.

ATTACHMENTS

- a. Amendment No. 4 with Robert Merritt, CPA
- b. Resolution 2022-05

ITEM 9 a

AMENDMENT NO. 4 TO THE AGREEMENT BETWEEN THE CAPITAL SOUTHEAST CONNECTOR AUTHORITY AND ROBERT MERRITT, CERTIFIED PUBLIC ACCOUNTANT

This Amendment No. 4 to the October 1, 2017, agreement (“Agreement”) between the Capital SouthEast Connector Authority¹, (“Authority”), and Robert Merritt, Certified Public Accountant (“Consultant”), is entered into effective April 29, 2022.

WHEREAS, the Executive Director entered into the Agreement with the Consultant, which required Consultant to provide Bookkeeping and Accounting Services to the Connector; and

WHEREAS, on April 1, 2018, the Executive Director entered into Amendment No. 1 to the Agreement, which increased the not to exceed amount to \$22,000; and

WHEREAS, on January 1, 2019, the Executive Director entered into Amendment No. 2 to the Agreement, which extended the term to June 30, 2020, and increased the not to exceed amount to \$38,500; and

WHEREAS, on June 30, 2020, the Executive Director entered into Amendment No. 3 to the Agreement, which extended the term to June 30, 2022, and increased the not to exceed amount to \$49,900; and

WHEREAS, the Authority and Consultant now wish to amend the Agreement.

NOW, THEREFORE, the Authority and Consultant agree as follows:

1. The third sentence of Section 1 of the Agreement is hereby amended as follows: “Work shall be completed and this Agreement shall expire on June 30, 2025, unless otherwise terminated as provided for in this Agreement or extended by written agreement between the parties.”
2. Exhibit B-1 of the Agreement is hereby amended and replaced by Exhibit B-2 attached hereto and incorporated herein.
3. Section 5 of the Agreement, “Consideration”, is hereby amended in its entirety as follows:
“Payment to Consultant by the Authority shall be made as set forth in **Exhibit “B-2” – Rates of Compensation**. The amount to be paid to Consultant under this Agreement shall not exceed Eighty-Five Thousand Nine Hundred Dollars (\$85,900), unless expressly authorized in writing by the Executive Director. In no instance shall the Authority be liable for any payments or costs for work in excess of this amount,

¹ The full legal name of the Capital SouthEast Connector Joint Powers Authority is the “Elk Grove-Rancho Cordova-El Dorado Connector Authority.”

not for any unauthorized costs. Consultant shall be paid at the times and in the manner set forth in this Agreement. The consideration to be paid Consultant, as provided in this Agreement, shall be in compensation for all of the Consultant's expenses incurred in the performance of work under this Agreement, including travel and per diem, unless otherwise expressly so provided."

4. Except as expressly amended herein, all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HAVE ENTERED INTO THIS AGREEMENT AS OF THE DATE HEREIN ABOVE APPEARING.

CAPITAL SOUTHEAST CONNECTOR AUTHORITY

DEREK MINNEMA
Executive Director

APPROVED AS TO FORM:

SLOAN SAKAI YEUNG & WONG LLP
Legal Counsel to the Authority

ROBERT MERRITT, CPA

ROBERT MERRITT
Certified Public Accountant

Attachment:

Exhibit B-2: Rates of Compensation

EXHIBIT B-2

Rates of Compensation

Standard Billing Rate: \$95 per hour, plus expenses such as auto mileage at the current IRS rate, duplication and/or printing costs not to exceed \$0.05 per page, mailing or shipping charges, and other expenses as may be approved by the Authority in writing prior to incurring the expense. Expenses shall be charged without mark-up.



ITEM 9 b

RESOLUTION 2022-05

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT NO. 4
TO THE AGREEMENT WITH ROBERT MERRITT, CPA**

BE IT RESOLVED that the Board of Directors ("Board") of the Capital SouthEast Connector Joint Powers Authority ("Connector JPA") hereby authorizes the Executive Director to execute Amendment No. 4 to the Agreement with Robert Merritt, CPA, to increase the not-to-exceed amount to \$85,900.

This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED this 29th day of April, 2022, on a motion by
Director _____, seconded by Director _____, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Secretary

ITEM 10

MEETING DATE: April 29, 2022

TITLE: Update on Federal and State funding efforts and Recognize and Thank elected leaders Senators Dianne Feinstein and Alex Padilla, Representative Ami Bera, Assemblymembers Jim Cooper and Ken Cooley for support of the Connector Project (Receive and File)

PREPARED BY: Derek Minnema

RECOMMENDATION

Receive and file this update.

FEDERAL FUNDING UPDATE

Staff and the Federal team continue to work with our California delegation to secure funding through the Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity ("RAISE") discretionary grant program. The team has had numerous conversations with Rep. Ami Bera, Senator Dianne Feinstein, Senator Alex Padilla, House Transportation and Infrastructure Committee staff, and the Department of Transportation's Office of Intergovernmental Affairs. Senator Padilla and Rep. Bera submitted their letters of support for the Connector's RAISE grant application.

In addition, staff is exploring other Federal funding opportunities, including the Department of Transportation's Infrastructure for Rebuilding America ("INFRA") Grant Program and Congressionally Directed Spending (aka earmarks).

STATE FUNDING UPDATE

Staff has been working with our state legislative delegation on funding opportunities for the 2022 budget. Assemblymember Cooper has submitted a letter requesting \$8 million to fund Connector Segment A1. In addition, staff and our State funding team have had discussions about championing a \$10 million budget request to purchase habitat and open space conservation easements in southeast Sacramento County. This request would be similar to last year with Assemblymember Cooley.

ATTACHMENTS

- a. Letters of Support



ITEM 10 a

United States Senate

April 7, 2022

The Honorable Pete Buttigieg
Secretary of Transportation
Attn: Office of Infrastructure Finance and Innovation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Buttigieg:

I am writing to express my support for the Capital SouthEast Connector (Connector) project's application to the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.

The Connector is a 34-mile interregional multimodal project that connects Interstate 5, State Route 99, State Route 16, and Highway 50. The project will improve travel choices and access for people and goods on the State's Interregional Transportation System in a safe, equitable, sustainable, multi-modal manner. This includes providing non-motorized access and public transit options on the Connector, as well as relieving traffic congestion and improving roadway safety.

When completed, the Connector is expected to reduce crash rates by nearly 40%, and improve emergency response times during critical emergencies such as wildfires and floods. Additionally, this project will reduce vehicle-miles traveled, lower greenhouse gas emissions, and improve air quality throughout the region; including in historically disadvantaged areas adjacent to the freeways. The Connector also creates a preserve system to ensure the long-term viability of plant and wildlife species and welfare of rural ranching operations.

I urge you to give the Capital SouthEast Connector's application your full consideration. If you have any questions, please do not hesitate to contact my San Francisco office at 415-393-0707.

Sincerely,

A handwritten signature in blue ink that reads "Dianne Feinstein".

Dianne Feinstein
United States Senator



March 11, 2022

The Honorable Pete Buttigieg
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

RE: Capital SouthEast Connector Joint Powers Authority's RAISE Grant Application

Dear Secretary Buttigieg:

I write in support of the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant application submitted by Capital SouthEast Connector Joint Powers Authority (Connector JPA) to complete the White Rock Road Improvement Project. The Connector JPA requests \$25 million in federal funding that would be matched with \$13,948,500 of local funds.

The Connector JPA was formed in 2006 when the cities of Elk Grove, Folsom, and Rancho Cordova, and the Counties of El Dorado and Sacramento created Sacramento's Capital SouthEast Connector Expressway Project. The Connector is a multimodal transportation initiative that seeks to construct a 34-mile expressway from Interstate 5, south of the City of Elk Grove, to U.S. Highway 50, near El Dorado Hills.

These improvements support transportation equity through the construction of bike and pedestrian paths adjacent to planned public transit opportunities that reduce reliance on vehicle ownership. Furthermore, the project addresses climate change and resiliency by reducing risks from heavy storms, lowering vehicle emissions in the area, a projected reduction of crash rate by nearly 40 percent, and improving access for firefighting activities to combat wildfires that occur frequently near the project area.

For all the aforementioned reasons, I urge your full and fair consideration for the Connector JPA's application consistent with all applicable laws, rules, and regulations. The Connector Project intends to address transportation inefficiencies across the Sacramento Region, expand access to multimodal transportation opportunities, advance natural disaster resiliency, and improve air quality throughout a region of utmost importance for the State of California.

Please keep my office informed of the status of this application, and if I can be of further assistance, do not hesitate to contact my Field Representative, Roberto Rizo, at (916) 247-8122. Thank you for your attention and consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Alex Padilla". The signature is fluid and cursive, with the first name "Alex" and last name "Padilla" clearly distinguishable.

ALEX PADILLA
United States Senator



March 11, 2022

The Honorable Pete Buttigieg
Secretary
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590

Dear Secretary Buttigieg,

Thank you for your commitment to rebuilding our nation's transportation network. As you know the Infrastructure Investment and Jobs Act provided historic investments in our nation's highway and transit systems and I look forward to working with you to implement this once-in-a-generation funding. I write to you regarding my top priority highway project, the Capital SouthEast Connector (Connector). I wholeheartedly support the RAISE and INFRA grant applications for the Connector.

The Connector is an interregional multimodal project that connects major freeways in the Sacramento region by connecting Interstate 5 to State Route 99 to Highway 50. It will reduce vehicle-miles traveled and significantly improve travel choices and critical access for people and goods on the State's Interregional Transportation System through improvements in safety, equity, and multi-modal options in a sustainable way.

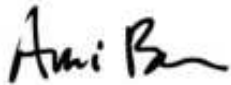
I wanted to share a few other key highlights of constructing the Connector for our region:

- The Connector would provide multi-modal access and transportation equity through the construction of Class I bicycle and pedestrian multi-use paths that will connect to the region's existing alternative transportation network.
- The Connector is a part of the National Highway System and reduces vehicle-miles traveled, lowers greenhouse gas emissions, and improves air quality throughout the region, including in Areas of Persistent Poverty/Historically Disadvantaged Communities adjacent to the freeways.
- The Connector supports environmentally sustainable growth efforts to preserve open space, habitat, and farmland in the region and addresses the impacts of increased heat and wet weather events resulting from climate change.

- The Connector uses a “fix it first, fix it right” methodology by reconstructing the existing failed pavement systems, addressing geometric deficiencies, and enhancing climate resiliency.
- The Connector has received its environmental approvals, been adopted into the General Plans of five agencies, and is in the planning, design, and construction phase at various locations along the 34 miles.

Funding the Capital SouthEast Connector projects is critical to stimulating our economy, creating necessary safety improvements, and reducing congestion in our region, which is why it is my top priority to get built. Thank you for your thorough and thoughtful consideration of their grant applications.

Be Well,

A handwritten signature in black ink, appearing to read "Ami Bera". The signature is fluid and cursive, with a prominent "A" and "B".

Ami Bera, M.D.
Member of Congress

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0009
(916) 319-2009
FAX (916) 319-2109

DISTRICT OFFICE
9250 LAGUNA SPRINGS DRIVE, SUITE 220
ELK GROVE, CA 95758
(916) 670-7888
FAX (916) 670-7893



COMMITTEES
BUDGET
BUDGET SUBCOMMITTEE NO. 4 ON
STATE ADMINISTRATION
BUDGET SUBCOMMITTEE NO. 6 ON
BUDGET PROCESS, OVERSIGHT AND
PROGRAM EVALUATION
GOVERNMENTAL ORGANIZATION
INSURANCE

March 31, 2022

Assemblymember Phil Ting
Chair, Assembly Budget Committee
1021 O Street, Room 8230
Sacramento, California 95814

Senator Nancy Skinner
Chair, Senate Budget Committee
1021 O Street, Room 8630
Sacramento, California 95814

RE: \$8 million for support of Capital SouthEast Connector Infrastructure Project

Dear Chairs Skinner and Ting,

We the undersigned, write to respectfully request your support for a state budget allocation of \$8 million to the Capital SouthEast Connector Joint Powers Authority (JPA) for road improvements on the Kammerer Road section of the project which will serve statewide transportation needs.

The Connector project addresses statewide transportation equity by providing new, safe, and modern multi-modal access. The sustainable design and strategies reduce emissions, improve equity, and spur economic growth, furthering the state's equity, accessibility, safety, climate, and air quality objectives from its transportation system.

With the necessary funding, the project is ready to begin. Specifically, this funding would be used to advance final engineering and construction. The JPA has cleared CEQA for the project and obtained its 404 permit. The project will grade-separate Kammerer Road over a Union Pacific Railroad corridor and will connect to Interstate 5. It also includes a Class 1 bike path along its length, making it a multi-modal project that facilitates interregional connectivity.

If you have any questions, please contact Roy Siañez of my staff at (916) 319-2009 or roy.sianez@asm.ca.gov. Thank you for your consideration of this important budget request.

Sincerely,

A handwritten signature in black ink that reads "Jim Cooper".

JIM COOPER
Assemblymember, 9th District

A handwritten signature in black ink that reads "Ken Cooley".

KEN COOLEY
Assemblymember, 8th District

ITEM 11

MEETING DATE: April 29, 2022

TITLE: Update on Construction Awards by the City of Folsom for the Connector Scott Road Realignment Project (Receive and File)

PREPARED BY: Matt Lampa

RECOMMENDATION

Receive an update on the construction contracts awarded by the City of Folsom for the Connector Scott Road Realignment Project ("Project")

BACKGROUND

The Project is a component of Connector Segment D3. It realigns Scott Road to the new signalized intersection at White Rock Road/Prairie City Road within the City of Folsom ("City") right of way.

The Project will significantly improve circulation, is VMT neutral, reduces vehicle idling time by facilitating movements into and out of the Prairie City SVRA State Park via a roundabout, and is climate-resilient by raising Scott Road out of flood-prone areas.

Construction is anticipated to start in May. Staff thanks the City and its Public Works Department for their efforts to continue the success of constructing the Connector project.

Public Bidding

On January 11, the City issued a Notice to Bidders to solicit cost proposals for construction and released a Request for Proposals for Construction Engineering and Materials Testing ("CM") services. The deadline to submit construction bid proposals was February 10, with CM proposals due February 11.

SUMMARY OF PROPOSALS

Construction Bids:

The City received bid proposals from seven contractors. Gabe Mendez, Inc. submitted the lowest responsive bid of \$2,673,518, which is below the engineer's estimate of \$2,738,967. The City awarded the construction agreement on March 8.



Below is a summary of bids received, listed from lowest to highest.

Contractor	Bid Amount
Gabe Mendez, Inc.	\$2,673,518
McGuire And Hester	\$2,688,351
Martin Brothers Construction	\$2,776,288
Western Engineering Contactors, Inc.	\$2,986,285
Central Valley Engineering & Asphalt, Inc.	\$3,103,069
A&E Arborists Tree Care, Inc.	\$3,489,284
All-American Construction, Inc.	\$3,530,277

Below is a comparison of recent bid items unit costs:

Bid Item	Unit	Recent Bids (Nov 2021)	Scott Rd Bids (Feb 2022)
Hot Mix Asphalt	TON	\$110 – \$215	\$100 - \$126
Aggregate Base	CY	\$55 - \$263	\$53 - \$125
Roadway Excavation	CY	\$74 - \$100	\$28 - \$80
Minor Concrete (Sidewalk & Median)	CY	\$736 - \$982	\$695 - \$2,045

Construction Management Proposals:

Salaber Associates, Inc. ("Salaber") and WSP, Inc. submitted proposals for construction management services. JPA and City staff evaluated the proposals and conducted consultant interviews on February 18.

Salaber was selected as the most qualified consultant, and the City awarded the CM services agreement to Salaber for \$409,000 on March 8.

ITEM 12

MEETING DATE: April 29, 2022

TITLE: Acknowledge and Honor Local Citizen John Merchant

PREPARED BY: Derek Minnema and Matt Lampa

RECOMMENDATION

Adopt Resolution 2022-06 acknowledging, recognizing and honoring Mr. John Merchant for his contributions and leadership related to the Connector's Scott Road Realignment Project.

BACKGROUND AND RECOGNITION OF PROJECT PROPONENT

John Merchant is a resident of the Rancho Murieta community ("Community") and has been a project champion. He has regularly attended JPA Board meetings to encourage the Board and staff to advance the Project as expeditiously as possible and share Community input.

Staff was introduced to Mr. Merchant sometime in late 2019 and began working with him on ideas to advance the Connector project, specifically the realignment of Scott Road to a signalized intersection at Prairie City Road.

On May 22, 2020, Mr. Merchant provided public comment at the JPA Board meeting to advocate for funding the final design of the Scott Road Realignment Project ("Project"). Completion of the final design of Scott Road would allow the JPA to explore construction funding opportunities with a project that was "shovel ready."

On August 28, 2020 the JPA Board adopted a budget to include funding for final engineering of the Project and staff subsequently executed an Agreement with Mark Thomas & Company, Inc. to prepare construction documents.

In January 2021, following the JPA Board decision to advance the Project, staff submitted a construction funding application for regional funds. Upon hearing about our request, Mr. Merchant mobilized the Rancho Murieta community ("Community") to garner support for the Project funding, and the Community subsequently submitted approximately 100 letters of support to regional elected leaders highlighting the project benefits and funding need.



Additionally, Mr. Merchant started an online petition to support the funding request, which gathered over 1,400 signatures. These efforts did not go unnoticed, and the project's construction funding was awarded.

Mr. Merchant has continued providing the JPA with valuable input from the Community as the construction of Segment D3a has progressed, allowing staff to quickly address any items that may become an issue during construction.

Staff would like to acknowledge, recognize and thank Mr. Merchant for all his efforts and support and contributions of the Connector program over the years.

ATTACHMENTS

- a. John Merchant Letter of Support for Scott Road Funding
- b. Resolution 2022-06

ITEM 12 a

January 9 2021

Garret Ballard-Rosa (via email and US Mail)
Regional Program Coordinator
Sacramento Area Council of Governments
1415 L Street Suite 300
Sacramento CA 95814

RE: Scott Road Realignment Grant Funding

Dear Mr. Ballard-Rosa:

We have worked for nine months coordinating a community effort to support the realignment of the Scott Road. The JPA Connector Board of Directors recently prioritized an application to fund Segment D2 of the roadway. Accompanying the D2 funding request, is a project request for the realignment of Scott Road. Both projects were approved the highest priority and a unanimous vote by the JPA Connector Board.

Rancho Murieta has lived with an unsafe Scott Road for over 30 years. Development in Eastern Sacramento County has transformed this road into both a commute artery and a primary route to services for the communities of Rancho Murieta, Sloughouse and Wilton. Nearly ten thousand local residents use Scott Road. Scott is also a GPS "alternative route" for commute traffic originating in Amador County. More than 3,200 cars per day use this rural road. Scott is a ranch road, with no shoulder, poor drainage, deep roadside culverts, poor visibility and inadequate drainage. From 2011 to 2016, daily trips increased by 22%. Yearly trips exceed 750,000. All this activity occurs on a "wagon road," simply paved over and transformed into a principal access to services. Severe and sometime fatal accidents are no stranger to this roadway. A recent historical measurement, revealed 31 total accidents in a 2.5 year period. All this, on a six mile segment of a rural road.

The Connector is a welcome project brings both efficiency and safety to the region. However, it magnifies our concerns for safety and convenience at the current intersection of Scott and White Rock Roads. This spring, the Connector will block our full access with its "right turn only" configuration when a median divides the highway.

Without funding, the JPA cannot complete Scott Road realignment at the signaled, modernized Prairie City intersection. The TEMPORARY configuration requires our westbound residents to turn right (East) and blend into traffic. They must then merge left into the high speed lane and enter a U-turn lane to proceed west to Prairie City Road.

On paper, this appears to be a “mere inconvenience” and I am sure there is a standard to support this plan. However, this leaves us, (we who know these roads well), with a significant concern for our safety. The Connector replaces an unsafe rural road already transformed into a major commuting thoroughfare. Traffic on the existing White Rock Road moves at high speeds, sometimes exceeding 70 mph. The new roadway will not change the travel speeds. Memorable accidents have occurred at an already dangerous intersection, soon to be converted into a “temporary fix”. Furthermore, one quarry presently operates White Rock Road and enters the highway with large gravel trucks. Two more approved quarry operations will soon operate on both the East and West side of Scott Road. These gravel trucks operate on White Rock road at high speeds. “Merge” maneuvers (as described in the temporary fix) and “high speed gravel trucks” are oil and water. Much of our community are seniors. Safety concerns have already driven away many older residents, who now completely avoid these roads. Approval of this project will make these current and future conflicts disappear with entry to the Connector controlled by a signaled intersection. The signaled intersection guarantees maximum safety. Safety is built into the realignment. The temporary work-around continues to make us uncomfortable.

Please consider this project to permanently realign Scott Road. Enhanced and efficient transportation is not simply about high speed highways, interstate on-ramps and mass transit. Rural and semi-rural communities have limited availability to these enhancements. The JPA has asked for approximately \$3,000,000, a minute percentage of what will be awarded. However, this project is forwarded to you as the NUMBER ONE PRIORITY in the maintenance and modernization category (for projects under five million dollars).

Our community is already hard at work and preparing to show SACCOG how important this project is to Rancho Murieta. We are circulating a petition we will present during your evaluation period. Nearly 1000

residents of the Eastern County have signed that petition in five days. Two hundred signers have specific comments that accompany their signature. Those comments echo what I have presented here today. Our governing bodies, legislators, . HOA's. commercial enterprises and service groups are also actively involved All are forwarding letters of support. The City of Folsom has also assigned this project a high priority. The realignment has tangible benefits to them as well.

Please let me know if there is anything more we may present that will demonstrate the importance of this funding approval.

Thank you very much for your time and consideration.

John Merchant
916-761-2765
merchant30@gmail.com



ITEM 12 b

RESOLUTION NO. 2022-06

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
RECOGNIZING JOHN MERCHANT AND HIS SUPPORT OF
THE CONNECTOR JPA

WHEREAS, John Merchant has been instrumental in generating community support for the Capital SouthEast Connector for over 4 years;

WHEREAS, John Merchant has provided valuable community input before the Board regarding the realignment of Scott Road for the Connector project;

WHEREAS, John Merchant championed the Connector’s 2020 regional construction funding request and was instrumental in engaging the community and encouraging the submission of letters of support, and in creating an online petition demonstrating overwhelming support to fund the Scott Road Realignment Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Capital SouthEast Connector Joint Powers Authority that John Merchant is hereby acknowledged, recognized, and honored for his leadership, support, and commitment towards the advancement of Capital SouthEast Connector project.

This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

Adopted by the Board of Directors of the Capital SouthEast Connector Joint Powers Authority on the 29th day of April, 2022

John Hidahl
County of El Dorado

Don Nottoli
County of Sacramento

Patrick Hume
City of Elk Grove

Kerri Howell
City of Folsom

David Sander
City of Rancho Cordova

ITEM 13

MEETING DATE: April 29, 2022

TITLE: Annual Report of Activities for the South Sacramento Habitat Conservation Plan (Receive and File)

PREPARED BY: Matt Lampa

RECOMMENDATION

Receive an update on the annual reporting process related to the South Sacramento Habitat Conservation Plan ("SSHCP") and the Federal FY 2021 ("FFY") annual report delivered to the South Sacramento Conservation Agency ("SSCA").

BACKGROUND - ANNUAL REPORT REQUIREMENTS

The JPA is an SSHCP Plan Partner Permittee that allows the JPA to undertake covered activities (i.e. Connector construction) utilizing regulatory agency permits issued under the SSHCP.

Section 8.4.1 of the SSHCP document requires the SSCA, as the implementing agency, to compile an annual report of covered activities authorized during the reporting period along with acreages impacted by the construction. The information is then submitted to the regulatory agencies as a record of activities authorized under their respective permits.

The annual reporting period for these efforts coincides with the federal fiscal year (October 1, 2020, through September 30, 2021).

While the SSCA is responsible for compiling information for the annual report, it relies on the SSHCP Permittees' project-specific information to support the overall reporting effort.

The SSCA published its first annual report for 2019-2020 (plan year October 1, 2019, through September 30, 2020) in December 2021. This report included the Connector's authorization for construction of Segment D3a, White Rock Road from Prairie City Road to East Bidwell Street.

FFY 2021 ANNUAL REPORT

Staff worked with our environmental consultant, Madrone Ecological Consultants, to prepare the required reporting information based on the SSHCP document. Staff created



a reporting template to simplify the reporting process and ensure consistency with future reporting efforts.

The JPA's 2021 Annual Report reflects acreages of covered activity for the construction of the Scott Road Realignment project, the only project authorized within the reporting period.

The JPA has paid all mitigation fees for this authorization, and the project is anticipated to begin construction in May of this year.

The 2021 annual report is included as Attachment A for reference.

ATTACHMENTS

- a. 2021 Annual Reporting of Covered Activity Authorizations



2021 Annual Report

South Sacramento Habitat Conservation Plan

Connector JPA Covered Activity Authorizations

Prepared For:

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South Sacramento Conservation Agency

Prepared By:

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Capital SouthEast Connector JPA

In Coordination with Madrone Ecological

March 18, 2022

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ANNUAL REPORTING OF COVERED ACTIVITY AUTHORIZATIONS FEDERAL FISCAL YEAR 2021

1. Number and acreage of each Covered Activity implemented during the reporting period categorized by Covered Activity type per SSHCP Chapter 5. Include a map of Covered Activity locations.

The Capital SouthEast Connector (Connector) is a covered activity under the SSHCP. Project activity authorized within the reporting period:

- Connector Segment D3 – Scott Road Realignment (8.482 acres)

A shapefile containing covered activity locations will be transmitted under separate cover.

2. A year-to-date and cumulative summary of permanent and temporary impacts on all SSHCP land cover types. Impacts to riparian and wetland land cover types will also be reported by watersheds. Include a map of impacted locations.

Year-to-date authorized impacts – permanent (acres):

- Connector Segment D3 – Scott Road Realignment

Land Cover Type	Direct Impact	Indirect Impact	Total
Seasonal Wetland	0.049		0.049
Streams/ Creeks	0.032		0.032
Swale	0.018	0.044	0.062
Vernal Pool	0.274	0.215	0.489
Valley Grassland	7.849		7.849
Year-to-Date Total	8.223	0.259	8.482

Cumulative authorized impacts for all authorized projects to date – permanent (acres):

Projects Authorized to Date:

- Segment D3 – Scott Road Realignment
- Connector Segment D3a

Land Cover Type	Direct Impact	Indirect Impact	Total
Seasonal Wetland	0.069		0.069
Streams/ Creeks	0.063		0.063
Swale	0.018	0.044	0.062
Vernal Pool	0.274	0.215	0.489
Valley Grassland	41.346		41.346
Cumulative Total	41.770	0.259	42.029

3. ***A year-to-date and cumulative summary of the total impacts to Critical Habitat of vernal pool fairy shrimp, vernal pool tadpole shrimp, Sacramento Orcutt grass, slender Orcutt grass, and California tiger salamander, and to Covered Species plant occurrences. Include a map of Critical Habitat impacts.***

No critical habitat impacts to date.

4. ***A year-to-date and cumulative summary of impacts associated with projects exempt from fees and/or conditions of the SSHCP.***

Nothing to report; Connector projects are covered activities requiring fee payment and compliance with SSHCP conditions.

5. ***An accounting of all conditions on Covered Activities applied to these activities per SSHCP Chapter 5.***

See **Attachment 1** for applicable Avoidance and Minimization Measures (AMMs).

6. ***A list of all Stream Setback exceptions and any other exceptions granted each calendar year per SSHCP Chapter 5.***

Not applicable in this reporting period.

7. ***A summary of monitoring results, including species status and trends.***

Not applicable in this reporting period. The JPA does not currently manage any preserve properties to which this item applies.

8. A description of the adaptive management process utilized during the reporting period.

Not applicable in this reporting period. The JPA does not currently manage any preserve properties to which this item applies.

9. A summary of the recommendations or advice provided by the Wildlife Agencies and TAC regarding adaptive management and monitoring.

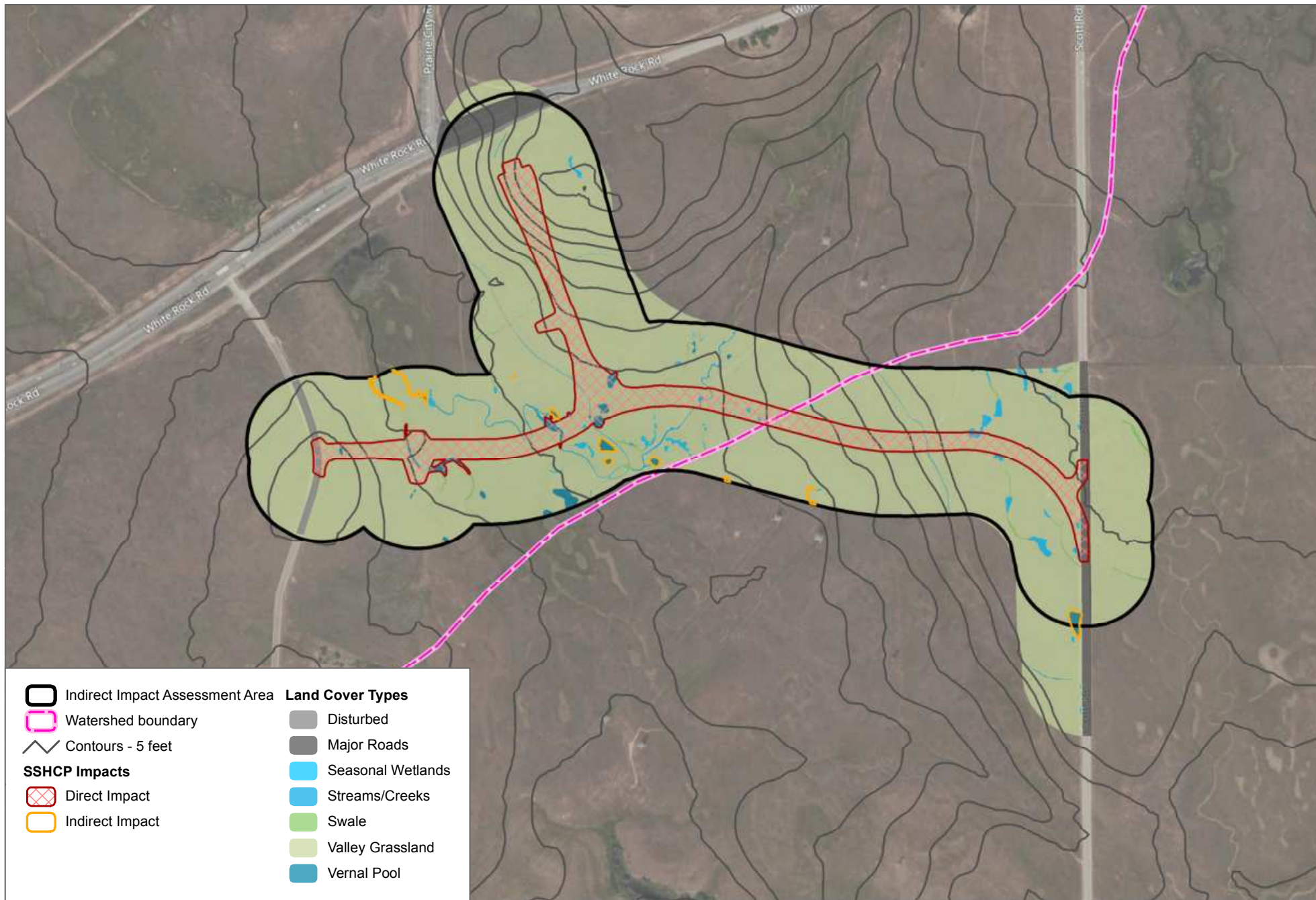
Not applicable in this reporting period. The JPA does not currently manage any preserve properties to which this item applies.

A shapefile for the *Segment D3 – Scott Road Realignment* project boundary is also included for your mapping needs.

Attachments

Attachment 1: Avoidance and Minimization Measures for the Segment D3 – Scott Road Realignment Project

Attachment 2: Shapefile for Segment D3 – Scott Road Realignment (attached electronically)



SOURCE: Bing Maps 2021, JPA 2014, County of Sacramento 2016, LSA 2021, USGS 2020

Avoidance and Minimization Measures

Connector Segment D3 – Scott Road Realignment

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
1	<u>BMP-1 (Construction Fencing)</u>	Orange construction fencing will be installed to ensure that ground disturbance does not extend beyond the allowed construction footprint (i.e., the limit of project construction plus equipment staging areas and access roads). Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will mark the outer boundary of any Preserve Setback or Stream Setback adjacent to or within the project site with orange construction fencing prior to ground disturbance. This fencing will remain in place until project completion, as identified by the Plan Permittee.	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Successful installation of orange construction fencing
2	<u>BMP-2 (Erosion Control)</u>	Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will install temporary control measures for sediment, stormwater, and pollutant runoff as required by the Plan Permittee to protect water quality and species habitat. Silt fencing or other appropriate sediment control device(s) will be installed downslope of any Covered Activity that disturbs soils.	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Installation of erosion control and use of appropriate erosion control materials

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		Fiber rolls and seed mixtures used for erosion control will be certified as free of viable noxious weed seed. As discussed in Section 5.4.2, Covered Species Take Avoidance and Minimization Measures, erosion controls installed in or adjacent to Plan Area modeled habitat for giant gartersnake (<i>Thamnophis gigas</i>), western pond turtle (<i>Actinemys marmorata</i>), California tiger salamander (<i>California tiger salamander</i>), or western spadefoot (see Chapter 3) must be of appropriate design and materials that will not entrap the species (e.g., not contain mesh netting). Regular monitoring and maintenance of the project's erosion control measures will be conducted until project completion to ensure effective operation of erosion control measures.					
3	<u>BMP-3 (Equipment Storage and Fueling)</u>	Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will ensure that equipment storage and staging will occur in the development footprint only (not sited in any existing on-site Preserve, planned on-site Preserve, Preserve Setback, Stream Setback, or aquatic land cover	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Equipment and fuel storage and equipment fueling occurs only within project footprint; appropriate response to any spill

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		type). Fuel storage and equipment fueling will occur away from waterways, stream channels, stream banks, and other environmentally sensitive areas within the development footprint. However, certain equipment storage and fueling activities can be allowed on Preserves within habitat re-establishment/establishment sites (refer to Section 5.2.7) if no location outside of the site is available. If a Covered Activity results in a spill of fuel, hydraulic fluid, lubricants, or other petroleum products, the spill will be absorbed and waste disposed of in a manner to prevent pollutants from entering a waterway, Preserve, Preserve Setback, or Stream Setback.					
4	<u>BMP-4 (Erodible Materials)</u>	Plan Permittees and Third-Party Project Proponents implementing Covered Activities must not deposit erodible materials into waterways. Vegetation clippings, brush, loose soils, or other debris material will not be stockpiled within stream channels or on adjacent banks. Erodible material must be disposed of such that it cannot enter a waterway,	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Successful prevention of any deposit of erodible materials into waterways

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		Preserve, Preserve Setback, Stream Setback, or aquatic land cover type. If water and sludge must be pumped from a subdrain or other structure, the material will be conveyed to a temporary settling basin to prevent sediment from entering a waterway.					
5	<u>BMP-5 (Dust Control)</u>	Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will water active construction sites regularly, if warranted, to avoid or minimize impacts from construction dust on adjacent vegetation and wildlife habitats. No surface water will be used from aquatic land covers; water will be obtained from a municipal source or existing groundwater well.	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Construction site watered regularly only with water from municipal or existing well
6	<u>BMP-6 (Construction Lighting)</u>	Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will direct all temporary construction lighting (e.g., lighting used for security or nighttime equipment maintenance) away from adjacent natural habitats, and particularly Riparian and Wetland habitats and wildlife movement areas.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Temporary lighting successfully directed away from natural habitats

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
7	BMP-7 (Biological Monitor)	If a Covered Activity includes ground disturbance within Covered Species modeled habitat, an approved biologist will be on site during the period of ground disturbance, and may need to be on site during other construction activities depending on the Covered Species affected. After ground-disturbing project activities are complete, the approved biologist will train an individual to act as the on-site construction monitor for the remainder of construction, with the concurrence of the Permitting Agencies. The on-site monitor will attend the training described in BMP-8. The approved biologist and the on-site monitor will have oversight over implementation of Avoidance and Minimization Measures, and will have the authority to stop activities if any of the requirements associated with those measures are not met. If the monitor requests that work be stopped, the Wildlife Agencies will be notified within one working day by email. The approved biologist and/or on-site monitor will record all observations of listed species on California Natural Diversity	During Construction	Construction Contractor, SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Successful monitoring of ground disturbance by SSHCP Approved Biologist and training of on-site monitor for remainder of construction after ground disturbance complete

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		Database field sheets and submit them to the CDFW. The approved biologist or on-site monitor will be the contact source for any employee or contractor who might inadvertently kill or injure a Covered Species or who finds a dead, injured or entrapped individual. The approved biologist and on-site monitor's names and telephone numbers will be provided to the Wildlife Agencies prior to the initiation of ground-disturbing activities. Refer to species-specific measures for details on requirements for biological monitors.					
8	<u>BMP-8 (Training of Construction Staff)</u>	A mandatory Worker Environmental Awareness Program will be conducted by an approved biologist for all construction workers, including contractors, prior to the commencement of construction activities. The training will include how to identify Covered Species that might enter the construction site, relevant life history information and habitats, SSHCP and statutory requirements and the consequences of non-compliance, the boundaries of the construction area and permitted disturbance zones, litter control	Prior to Construction	Construction Contractor, SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Completion of Worker Environmental Awareness Program by all construction workers and contractors prior to construction, including submission of written documentation of training

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		training (SPECIES-2), and appropriate protocols if a Covered Species is encountered. Supporting materials containing training information will be prepared and distributed by the approved biologist. When necessary, training and supporting materials will also be provided in Spanish. Upon completion of training, construction personnel will sign a form stating that they attended the training and understand all of the Avoidance and Minimization Measures. Written documentation of the training must be submitted to the Implementing Entity within 30 days of completion of the training, and the Implementing Entity will provide this information to the Wildlife Agencies.					
9	<u>BMP-9 (Soil Compaction)</u>	After construction is complete, all temporarily disturbed areas will be restored similar to pre-project conditions, including impacts relating to soil compaction, water infiltration capacity, and soil hydrologic characteristics.	Following Construction	Construction Contractor	Connector JPA/Sacramento County	Following Construction	Successful restoration of any disturbed areas
10	<u>BMP-10 (Revegetation)</u>	Plan Permittees and Third-Party Project Proponents implementing ground-disturbing Covered Activities will revegetate any cut-and-fill slopes with native or	Following Construction	Construction Contractor	Connector JPA/Sacramento County	Following Construction	Successful revegetation of any cut-and-fill slopes

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		existing non-invasive, non-native plants (e.g., non-native grasses) suitable for the altered soil conditions and in compliance with EDGE-2 and EDGE-8, if applicable.					
11	<u>BMP-11 (Speed Limit)</u>	Project-related vehicles will observe the posted speed limits on paved roads and a 10-mile-per-hour speed limit on unpaved roads and during travel in project areas. Construction crews will be given weekly tailgate instruction to travel only on designated and marked existing, cross-country, and project-only roads.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Speed limits enforced within project areas
12	<u>SPECIES-1 (Litter Removal Program)</u>	A litter control program will be instituted for the entire project site. All workers will ensure that their food scraps, paper wrappers, food containers, cans, bottles, and other trash are deposited in covered or closed trash containers. All garbage will be removed from the project site at the end of each work day, and construction personnel will not feed or otherwise attract wildlife to the area where construction activities are taking place.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Successful implementation of litter control program
13	<u>SPECIES-2 (No Pets in Construction Areas)</u>	To avoid harm and harassment of native species, workers and visitors will not bring pets onto a project site.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Pets not allowed on project site

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
14	<u>SPECIES-3 (Take Report)</u>	If accidental injury or death of any Covered Species occurs, workers will immediately inform the approved biologist or on-site monitor and site supervisor. The approved biologist or on-site monitor will phone the appropriate contact person at the Implementing Entity. The Implementing Entity will immediately contact the Wildlife Agencies by telephone. A memorandum will be provided to the Implementing Entity and Wildlife Agencies within 1 working day of the incident. The report will provide the date and location of the incident, number of individuals taken, the circumstances resulting in the take, and any corrective measures taken to prevent additional take.	During Construction	Construction Contractor, SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Appropriate handling of any accidental injury or death of Covered Species including preparation of memorandum reporting the incident
15	<u>SPECIES-4 (Post-Construction Compliance Report)</u>	A post-construction compliance report will be submitted to the SSHCP Implementing Entity within 30 calendar days of completion of construction activities or within 30 calendar days of any break in construction activity that lasts more than 30 days. The report will detail the construction start and completion dates, any information about meeting or failing to meet	Following Construction	Construction Contractor	Connector JPA/Sacramento County	Following Construction	Submission of post-construction compliance report

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		species take Avoidance and Minimization Measures (AMM), effectiveness of each AMM that was applied at the project site, and any known project effects to Covered Species.					
16	<u>PLANT-1 (Rare Plant Surveys)</u>	If a Covered Activity project site contains modeled habitat for Ahart's dwarf rush (<i>Juncus leiospermus</i> var. <i>ahartii</i>), Bogg's Lake hedge-hyssop (<i>Gratiola heterosepala</i>), dwarf downingia (<i>Downingia pusilla</i>), Legenere (<i>Legenere limosa</i>), or pincushion navarretia (<i>Navarretia myersii</i>), the Covered Activity project site will be surveyed for the rare plant by an approved biologist and following the CDFW rare plant survey protocols (CDFG 2009) or the most recent CDFW rare plant survey protocols. An approved biologist will conduct the field surveys and will identify and map plant species occurrences according to the protocols. Survey information will be submitted to the Plan Permittee and the Permitting Agencies in accordance with Chapter 10 of the SSHCP.	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Survey and mapping completed for rare plants
17	<u>PLANT-2 (Rare Plant Protection)</u>	If a rare plant listed in AMM PLANT-1 is detected within an area proposed to be disturbed by a	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Protection of at least one occurrence of any

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		Covered Activity or is detected within 250 feet of the area proposed to be disturbed by a Covered Activity, the Implementing Entity will assure one unprotected occurrence of the species is protected within a SSHCP Preserve before any ground disturbance occurs at the project site.					identified rare plants prior to commencement of ground disturbance
18	<u>TCB-1 (Tricolored Blackbird Surveys)</u>	If modeled habitat for tricolored blackbird is present within a Covered Activity's project footprint or within 500 feet of a project footprint, then an approved biologist will conduct a field investigation to determine if existing or potential nesting or foraging sites are present within the project footprint and adjacent areas within 500 feet of the project footprint. Adjacent parcels under different land ownership will be surveyed only if access is granted or if the parcels are visible from authorized areas. Within the Plan Area, potential tricolor blackbird nest sites are often associated with freshwater marsh and seasonal wetlands, or in thickets of willow, blackberry, wild rose, thistle, and other thorny vegetation. Tricolored blackbirds are also known to nest	Prior to Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Survey and mapping completed for potential nesting or foraging sites for tricolored blackbird

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		in crops associated with dairy farms. Foraging habitat is associated with annual grasslands, wet and dry vernal pools and other seasonal wetlands, agricultural fields (such as large tracts of alfalfa and pastures with continuous haying schedules and recently tilled fields), cattle feedlots, and dairies. The Third-Party Project Proponent will map all existing or potential nesting or foraging sites and provide these maps to the Local Land Use Permittees and Implementing Entity. Nesting sites must also be noted on plans that are submitted to a Local Land Use Permittee. See Chapter 10 for the process to conduct and submit survey information.					
19	<u>TCB-2 (Tricolored Blackbird Pre-Construction Surveys)</u>	Pre-construction surveys will be required to determine if active nests are present within a project footprint or within 500 feet of a project footprint if existing or potential nest sites were found during design surveys and construction activities will occur during the breeding season (March 1 through September 15). An approved biologist will conduct pre-construction surveys within 30 days and within 3 days of ground-	Prior to Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Completion of pre-construction surveys for tricolored blackbird

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		disturbing activities, and within the proposed project footprint and 500 feet of the proposed project footprint to determine the presence of nesting tricolored blackbird. Pre-construction surveys will be conducted during the breeding season (March 1 through August 31). Surveys conducted in February (to meet pre-construction survey requirements for work starting in March) must be conducted within 14 days and 3 days in advance of ground-disturbing activities. If a nest is present, then TCB-3 and TCB-4 will be implemented. The approved biologist will inform the Land Use Authority Permittee and the Implementing Entity of species locations, and they in turn will notify the Wildlife Agencies.					
20	<u>TCB-3 (Tricolored Blackbird Nest Buffer)</u>	If active nests are found within the project footprint or within 500 feet of any project-related Covered Activity, the Third-Party Project Proponent will establish a 500-foot temporary buffer around the active nest until the young have fledged.	Prior to and During Construction	Construction Contractor and SSHCP	Connector JPA/Sacramento County	Prior to and During Construction	Disturbance buffer established for active tricolored blackbird nests
21	<u>TCB-4 (Tricolored Blackbird Nest)</u>	If nesting tricolored blackbirds are present within the project footprint or within 500 feet of any	Prior to and During Construction	Construction Contractor and SSHCP	Connector JPA/Sacramento County	Prior to and During Construction	Daily monitoring of any nesting

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
	<u>Buffer Monitoring)</u>	project-related Covered Activity, then an approved biologist experienced with tricolored blackbird behavior will be retained by the Third-Party Project Proponent to monitor the nest throughout the nesting season and to determine when the young have fledged. The approved biologist will be on site daily while construction-related activities are taking place near the disturbance buffer. Work within the nest disturbance buffer will not be permitted. If the approved biologist determines that tricolored blackbirds are exhibiting agitated behavior, construction will cease until the buffer size is increased to a distance necessary to result in no harm or harassment to the nesting tricolored blackbirds. If the biologist determines that the colonies are at risk, a meeting with the Third-Party Project Proponent, Implementing Entity, and Wildlife Agencies will be held to determine the best course of action to avoid nest abandonment or take of individuals. The approved biologist will also train construction personnel on the required		Approved Biologist			tricolored blackbirds

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		avoidance procedures, buffer zones, and protocols in the event that a tricolored blackbird flies into an active construction zone (i.e., outside the buffer zone).					
22	<u>TCB-5 (Timing of Pesticide Use and Harvest Timing on Agricultural Preserves)</u>	On SSHCP Agricultural Preserves, pesticides (including herbicides) will not be applied from January 1 through July 15.	During Construction	Construction Contractor	Connector JPA/Sacramento County	Continually during construction	Use of pesticides limited to July 16-December 31
23	<u>WBO-1 (Western Burrowing Owl Surveys)</u>	Surveys within modeled habitat are required for both the breeding and non-breeding season. If the project site falls within modeled habitat, an approved biologist will survey the project site and map all burrows, noting any burrows that may be occupied. Occupied burrows are often (but not always) indicated by tracks, feathers, egg shell fragments, pellets, prey remains, and/or excrement. Surveying and mapping will be conducted by the approved biologist while walking transects throughout the entire project site plus all accessible areas within a 250-foot radius from the project site. The centerline of these transects will be no more than 50 feet apart and will vary in width to account for changes in terrain and	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Survey and mapping completed for burrows, including both occupied and non-occupied

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		vegetation that can preclude complete visual coverage of the area. For example, in hilly terrain with patches of tall grass, transects will be closer together, and in open areas with little vegetation, they can be 50 feet apart. This methodology is consistent with current survey protocols for this species (California Burrowing Owl Consortium 1993). Adjacent parcels under different land ownership will be surveyed only if access is granted or if the parcels are visible from authorized areas. If suitable habitat is identified during the initial survey, and if the project does not fully avoid the habitat, pre-construction surveys will be required. Burrowing owl habitat is fully avoided if project-related activities do not impinge on a 250-foot buffer established by the approved biologist around suitable burrows. See Chapter 10 for the process to conduct and submit survey information.					
24	<u>WBO-2 (Western Burrowing Owl Pre-Construction Surveys)</u>	Prior to any Covered Activity ground disturbance, an approved biologist will conduct pre-construction surveys in all areas that were identified as suitable habitat during the initial surveys.	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Completion of pre-construction surveys for burrowing owl

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		The purpose of the pre-construction surveys is to document the presence or absence of burrowing owls on the project site, particularly in areas within 250 feet of construction activities. To maximize the likelihood of detecting owls, the pre-construction survey will last a minimum of 3 hours. The survey will begin 1 hour before sunrise and continue until 2 hours after sunrise (3 hours total), or begin 2 hours before sunset and continue until 1 hour after sunset. Additional time may be required for large project sites. A minimum of two pre-construction surveys will be conducted (if owls are detected on the first survey, a second survey is not needed). All owls observed will be counted and their location will be mapped. Surveys will conclude no more than 2 calendar days prior to construction. Therefore, the Third-Party Project Proponent must begin surveys no more than 4 days prior to construction (2 days of surveying plus up to 2 days between surveys and construction). To avoid last-minute changes in schedule or contracting					

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		that may occur if burrowing owls are found, the Third-Party Project Proponent may also conduct a preliminary survey up to 15 days before construction. This preliminary survey may count as the first of the two required surveys as long as the second survey concludes no more than 2 calendar days in advance of construction.					
25	<u>WBO-3 (Burrowing Owl Avoidance)</u>	If western burrowing owl or evidence of western burrowing owl is observed on the project site or within 250 feet of the project site during pre-construction surveys, then the following will occur: During Breeding Season: If the approved biologist finds evidence of western burrowing owls within a project site during the breeding season (February 1 through August 31), all project-related activities will avoid nest sites during the remainder of the breeding season or while the nest remains occupied by adults or young (nest occupation includes individuals or family groups foraging on or near the site following fledging). Avoidance is establishment of a minimum 250-foot buffer zone	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Successful avoidance of any burrowing owls present and/or occupied nests

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		around nests. Construction and other project-related activities may occur outside of the 250-foot buffer zone. Construction and other project-related activities may be allowed inside of the 250-foot non-disturbance buffer during the breeding season if the nest is not disturbed, and the Third-Party Project Proponent develops an avoidance, minimization, and monitoring plan that is approved by the Implementing Entity and Wildlife Agencies prior to project construction based on the following criteria: • The Implementing Entity and Wildlife Agencies approve of the avoidance and minimization plan provided by the project applicant. • An approved biologist monitors the owls for at least 3 days prior to construction to determine baseline nesting and foraging behavior (i.e., behavior without construction). • The same approved biologist monitors the owls during construction and finds no change in owl nesting and foraging behavior in response to construction activities.					

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		If there is any change in owl nesting and foraging behavior as a result of construction activities, the approved biologist will have authority to shut down activities within the 250-foot buffer. Construction cannot resume within the 250-foot buffer until any owls present are no longer affected by nearby construction activities, and with written concurrence from the Wildlife Agencies. If monitoring by the approved biologist indicates that the nest is abandoned prior to the end of nesting season and the burrow is no longer in use, the non-disturbance buffer zone may be removed if approved by the Wildlife Agencies. The approved biologist will excavate the burrow in accordance with the latest CDFW guidelines for burrowing owl to prevent reoccupation after receiving approval from the Wildlife Agencies. The Implementing Entity and Wildlife Agencies will respond to a request from the Third-Party Project Proponent to review the proposed construction monitoring plan within 21 days.					

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		During Non-Breeding Season: During the non-breeding season (September 1 through January 31), the approved biologist will establish a minimum 250-foot non-disturbance buffer around occupied burrows. Construction activities outside of this 250-foot buffer will be allowed. Construction activities within the non-disturbance buffer will be allowed if the following criteria are met to prevent owls from abandoning over-wintering sites: • An approved biologist monitors the owls for at least 3 days prior to construction to determine baseline foraging behavior (i.e., behavior without construction). • The same approved biologist monitors the owls during construction and finds no change in owl foraging behavior in response to construction activities. • If there is any change in owl foraging behavior as a result of construction activities, the approved biologist will have authority to shut down activities within the 250-foot buffer.					

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		If the owls are gone for at least 1 week, the Third-Party Project Proponent may request approval from the Implementing Entity and Wildlife Agencies that an approved biologist excavate usable burrows and install one-way exclusionary devices to prevent owls from re-occupying the site. After all usable burrows are excavated, the buffer zone will be removed, and construction may continue. Monitoring must continue as described above for the non-breeding season as long as the burrow remains active.					
26	<u>WBO-4 (Burrowing Owl Construction Monitoring)</u>	During construction of Covered Activities, 250-foot construction buffer zones will be established and maintained around any occupied burrow. An approved biologist will monitor the site to ensure that buffers are enforced and owls are not disturbed. The approved biologist will also train construction personnel on avoidance procedures, buffer zones, and protocols in the event that a burrowing owl flies into an active construction zone.	During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Established and monitored buffer zones and personnel training

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
27	WBO-5 (Burrowing Owl Passive Relocation)	Passive relocation is not allowed without the express written approval of the Wildlife Agencies. Passive owl relocation may be allowed on a case-by-case basis on project sites during the non-breeding season (September 1 through January 31) with the written approval of the Wildlife Agencies if the other measures described in this condition preclude work from continuing. Passive relocation must be done in accordance with the latest CDFW guidelines for burrowing owl. Passive relocation will only be proposed if the burrow needing to be removed or with the potential to collapse from construction activities is the result of a Covered Activity. If passive relocation is approved by the Wildlife Agencies, an approved biologist can passively exclude birds from their burrows during the non-breeding season by installing one-way doors in burrow entrances. These doors will be in place for 48 hours to ensure that owls have left the burrow, and then the biologist will excavate the burrow to prevent reoccupation. Burrows will be excavated using hand tools only. During excavation,	During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Written permission acquired if any burrow identified for passive relocation, compliant with CDFW guidelines

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		an escape route will be maintained at all times. This may include inserting an artificial structure into the burrow to avoid having materials collapse into the burrow and trap owls inside. Other methods of passive relocation, based on best available science, may be approved by the Wildlife Agencies over the 50-year Permit Term.					
28	<u>WBO-6 (Burrowing Owl Timing of Maintenance Activities)</u>	All activities adjacent to existing or planned Preserves, Preserve Setbacks, or Stream Setback areas will be seasonally timed, when safety permits, to avoid or minimize adverse effects on occupied burrows.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Ongoing maintenance work seasonally limited
29	<u>WBO-7 (Rodent Control)</u>	Rodent control will be allowed only in developed portions of a Covered Activity project site within western burrowing owl modeled habitat. Where rodent control is allowed, the method of rodent control will comply with the methods of rodent control discussed in the 4(d) Rule published in the U.S. Fish and Wildlife Service's (2004) final listing rule for tiger salamander.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Limited rodent control in compliance with 4(d) Rule in USFWS final listing rule for CTS.
30	<u>SWHA-1 (Swainson's Hawk Surveys)</u>	If modeled habitat for Swainson's hawk (Figure 3-25) is present within a Covered Activity's project footprint or within 0.25 mile of a	Prior to Construction	Construction Contractor and SSHCP	Connector JPA/Sacramento County	Prior to Construction	Field investigations for potential Swainson's hawk

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		project footprint, then an approved biologist will conduct a survey to determine if existing or potential nesting sites are present within the project footprint and adjacent areas within 0.25 mile of the project footprint. Adjacent parcels under different land ownership will be surveyed only if access is granted or if the parcels are visible from authorized areas. Nest sites are often associated with Riparian land cover, but also include lone trees in fields, trees along roadways, and trees around structures. Nest trees may include, but are not limited to, Fremont's cottonwood (<i>Populus fremontii</i>), oaks (<i>Quercus</i> spp.), willows (<i>Salix</i> spp.), walnuts (<i>Juglans</i> spp.), eucalyptus (<i>Eucalyptus</i> spp.), pines (<i>Pinus</i> spp.), and Deodar cedar (<i>Cedrus deodara</i>). The Third-Party Project Proponent will map all existing and potential nesting sites and provide these maps to the Local Land Use Permittees and Implementing Entity. Nesting sites must also be noted on plans that are submitted to a Local Land Use Permittee. See Chapter 10 for the process to conduct and submit survey information.		Approved Biologist			nesting sites completed and noted on plans as needed

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
31	<u>SWHA-2 (Swainson's Hawk Pre-Construction Surveys)</u>	Pre-construction surveys will be required to determine if active nests are present within a project footprint or within 0.25 mile of a project footprint if existing or potential nest sites were found during initial surveys and construction activities will occur during the breeding season (March 1 through September 15). An approved biologist will conduct pre-construction surveys within 30 days and 3 days of ground-disturbing activities to determine presence of nesting Swainson's hawk. Pre-construction surveys will be conducted during the breeding season (March 1 through September 15). If a nest is present, then SWHA-3 and SWHA-4 will be implemented. The approved biologist will inform the Land Use Authority Permittee and Implementing Entity of species locations, and they in turn will notify the Wildlife Agencies.	Prior to Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Pre-construction surveys for active Swainson's hawk nests completed for work between March 1 and September 15 and notifications made as needed
32	<u>SWHA-3 (Swainson's Hawk Nest Buffer)</u>	If active nests are found within the project footprint or within 0.25 mile of any project-related Covered Activity, the Third-Party Project Proponent will establish a 0.25 mile disturbance buffer around the active nest until the	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Nest disturbance buffers established around any active nests

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		young have fledged, with concurrence from the Wildlife Agencies.					
33	<u>SWHA-4 (Swainson's Hawk Nest Buffer Monitoring)</u>	If nesting Swainson's hawks are present within the project footprint or within 0.25 mile of any project-related Covered Activity, then an approved biologist experienced with Swainson's hawk behavior will be retained by the Third-Party Project Proponent to monitor the nest throughout the nesting season and to determine when the young have fledged. The approved biologist will be on site daily while construction-related activities are taking place within the buffer. Work within the temporary nest disturbance buffer can occur with the written permission of the Implementing Entity and Wildlife Agencies. If nesting Swainson's hawks begin to exhibit agitated behavior, such as defensive flights at intruders, getting up from a brooding position, or flying off the nest, the approved biologist will have the authority to shut down construction activities. If agitated behavior is exhibited, the biologist, Third-Party Project Proponent, Implementing Entity, and Wildlife	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Daily monitoring if Swainson's hawks are present

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		Agencies will meet to determine the best course of action to avoid nest abandonment or take of individuals. The approved biologist will also train construction personnel on the required avoidance procedures, buffer zones, and protocols in the event that a Swainson's hawk flies into an active construction zone (i.e., outside the buffer zone).					
34	<u>RAPTOR-1 (Raptor Surveys)</u>	If modeled habitat for a covered raptor species (Figures 3-20, 3-23, 3-24, or 3-28) is present within a Covered Activity's project footprint or within 0.25 mile of a project footprint, then an approved biologist will conduct a field investigation to determine if existing or potential nesting sites are present within the project footprint and adjacent areas within 0.25 mile of the project footprint. Adjacent parcels under different land ownership will be surveyed only if access is granted or if the parcels are visible from authorized areas. The Third-Party Project Proponent will map all existing or potential nesting sites and provide these maps to the Local Land Use Permittees and Implementing Entity. Nesting sites must also be	Prior to Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Field investigations for potential nesting sites completed and noted on plans as needed

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		noted on plans that are submitted to a Local Land Use Permittee. See Chapter 10 for the process to conduct and submit survey information.					
35	<u>RAPTOR-2 (Raptor Pre-Construction Surveys)</u>	Pre-construction surveys will be required to determine if active nests are present with a project footprint or within 0.25 mile of a project footprint if existing or potential nest sites are found during initial surveys and construction activities will occur during the raptor breeding season. An approved biologist will conduct pre-construction surveys within 30 days and 3 days of ground-disturbing activities within the proposed project footprint and within 0.25 mile of the proposed project footprint to determine presence of nesting covered raptor species. Pre-construction surveys will be conducted during the raptor breeding season. If a nest is present, then RAPTOR-3 and RAPTOR-4 will be implemented. The approved biologist will inform the Land Use Authority Permittee and Implementing Entity of species locations, and they in turn will notify the Wildlife Agencies.	Prior to Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to Construction	Pre-construction surveys for active raptor nests completed and notifications made as needed

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
36	<u>RAPTOR-3 (Raptor Nest/Roost Buffer)</u>	If active nests are found within the project footprint or within 0.25 mile of any project-related Covered Activity, the Third-Party Project Proponent will establish a 0.25 mile temporary nest disturbance buffer around the active nest until the young have fledged.	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Nest disturbance buffers established around any active nests
37	<u>RAPTOR-4 (Raptor Nest/Roost Buffer Monitoring)</u>	If project-related Covered Activities within the temporary nest disturbance buffer are determined to be necessary during the nesting season, then an approved biologist experienced with raptor behavior will be retained by the Third-Party Project Proponent to monitor the nest throughout the nesting season and to determine when the young have fledged. The approved biologist will be on site daily while construction-related activities are taking place within the disturbance buffer. Work within the temporary nest disturbance buffer can occur with the written permission of the Implementing Entity and Wildlife Agencies. If nesting raptors begin to exhibit agitated behavior, such as defensive flights at intruders, getting up from a brooding position, or flying off the nest, the	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Daily monitoring during raptor nesting season

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		approved biologist/monitor will have the authority to shut down construction activities. If agitated behavior is exhibited, the biologist, Third-Party Project Proponent, Implementing Entity, and Wildlife Agencies will meet to determine the best course of action to avoid nest abandonment or take of individuals. The approved biologist will also train construction personnel on the required avoidance procedures, buffer zones, and protocols in the event that a covered raptor species flies into an active construction zone (i.e., outside the buffer zone).					
38	<u>CTS-1 (California Tiger Salamander Daily Construction Schedule)</u>	Ground-disturbing Covered Activities within California tiger salamander modeled habitat (Figure 3-16) will occur outside the breeding and dispersal season (occur after July 31 and before October 15), to the maximum extent practicable. If Covered Activities must be implemented in modeled habitat (Figure 3-16) during the breeding and dispersal season (after October 15 and before July 31), construction activities will not start until 30 minutes after sunrise and must be	During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Ground-disturbing work limited to July 31 to October 15 work window OR between 30 minutes after sunrise and 30 minutes prior to sunset

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		complete 30 minutes prior to sunset.					
39	<u>CTS-2 (California Tiger Salamander Exclusion Fencing)</u>	If a Covered Activity must be implemented in modeled habitat (Figure 3-16) during the breeding and dispersal season (after October 15 and before July 31), exclusion fencing will be installed around the project footprint before October 15. Temporary high-visibility construction fencing will be installed along the edge of work areas, and exclusion fencing will be installed immediately outside of the temporary high-visibility construction fencing to exclude California tiger salamanders from entering the construction area or becoming entangled in the construction fencing. Exclusion fencing will be at least 1 foot tall and be buried at least 6 inches below the ground to prevent salamanders from going under the fencing. Fencing will remain in place until all construction activities within the construction area are complete. No project activities will occur outside the delineated project footprint. An approved biologist must inspect the exclusion fencing and project site every morning	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Installation of exclusion fencing if any work done between October 15 and July 31

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		before 7:00 a.m. for integrity and for any entrapped California tiger salamanders. If a California tiger salamander is encountered, refer to CTS-5, below. (However, the Implementing Entity may, with approval of the USFWS and CDFW, determine that it is appropriate for a Covered Activity project to not implement CTS-2 for certain long and linear roadway Covered Activity projects if it appears that the exclusion fencing will likely trap individuals or cause more take of California tiger salamander than it would prevent.)					
40	CTS-3 (California Tiger Salamander Monitoring)	If Covered Activities must be implemented in modeled habitat (Figure 3-16), an approved biologist experienced with California tiger salamander identification and behavior will monitor the project site, including the integrity of any exclusion fencing. The approved biologist will be on site daily while construction-related activities are taking place, and will inspect the project site for California tiger salamander every morning before 7:00 a.m., or prior to construction activities. As required by BMP-8 (Training of Construction Staff), the	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Construction monitored daily

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		approved biologist will also train construction personnel on the required California tiger salamander avoidance procedures, exclusion fencing, and correct protocols in the event that a California tiger salamander enters an active construction zone. If a California tiger salamander is encountered, refer to CTS-5, below.					
41	<u>CTS-4 (Avoid California Tiger Salamander Entrapment)</u>	If Covered Activities must be implemented in modeled habitat, all excavated steep-walled holes or trenches more than 6 inches deep will be covered with plywood (or similar material) or provided with one or more escape ramps constructed of earth fill or wooden planks at the end of each work day or 30 minutes prior to sunset, whichever occurs first. All steep-walled holes or trenches will be inspected by the approved biologist each morning to ensure that no wildlife has become entrapped. All construction pipes, culverts, similar structures, construction equipment, and construction debris left overnight within California tiger salamander modeled habitat will be inspected for California tiger salamanders by	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Holes and trenches covered and/or equipped with escape ramps each night and inspected each morning

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		the approved biologist prior to being moved. If a California tiger salamander is encountered, refer to CTS-5, below.					
42	<u>CTS-5 (California Tiger Salamander Encounter Protocol)</u>	If a California tiger salamander is encountered during construction activities, the approved biologist will notify the Wildlife Agencies immediately (CDFW and USFWS). Construction activities will be suspended in a 100-foot radius of the animal until the animal is relocated by an approved biologist with appropriate handling permits from the Wildlife Agencies. Prior to relocation, the approved biologist will notify the Wildlife Agencies to determine the appropriate procedures related to relocation. If the animal is handled, a report will be submitted, including date(s), location(s), habitat description, and any corrective measures taken to protect the salamander, within 1 business day to the Wildlife Agencies. The biologist will report any take of listed species to USFWS and CDFW immediately. Any worker who inadvertently injures or kills a California tiger salamander or who finds dead, injured, or entrapped California tiger salamander(s) must	During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Appropriate handling and reporting of California Tiger Salamander encounter

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		immediately report the incident to the approved biologist.					
43	<u>CTS-6 (Erosion Control Materials in California Tiger Salamander Habitat)</u>	If erosion control (BMP-2) is implemented within California tiger salamander modeled habitat (Figure 3-16), non-entangling erosion control material will be used to reduce the potential for entrapment. Tightly woven fiber netting (mesh size less than 0.25 inch) or similar material will be used to ensure that salamanders are not trapped (no monofilament). Coconut coir matting and fiber rolls with burlap are examples of acceptable erosion control materials. This limitation will be communicated to the contractor through use of special provisions included in the bid solicitation package.	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Use of appropriate erosion control materials
44	<u>CTS-7 (Rodent Control)</u>	CTS-7 only applies to projects that are within California tiger salamander modeled habitat (Figure 3-16) and on Covered Activities. Rodent control will be allowed only in developed portions of a Covered Activity project site. Where rodent control is allowed, the method of rodent control will comply with the methods of rodent control discussed in the 4(d) Rule published in the U.S. Fish	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Limited rodent control in compliance with 4(d) Rule in USFWS final listing rule for CTS.

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		and Wildlife Service's (2004) final listing rule for tiger salamander.					
45	<u>WS-1 (Western Spadefoot Work Window)</u>	Ground-disturbing Covered Activities within western spadefoot modeled habitat (Figure 3-17) will occur outside the breeding and dispersal season (after May 15 and before October 15), to the maximum extent practicable.	During Construction	Construction Contractor	Connector JPA/Sacramento County	During Construction	Ground-disturbing work limited to May 15 to October 15 work window
46	<u>WS-2 (Western Spadefoot Exclusion Fencing)</u>	If Covered Activities must be implemented in modeled habitat (Figure 3-17) after October 15 and before May 15, exclusion fencing will be installed around the project footprint before October 15, and the project site must be monitored by an approved biologist following rain events. Temporary high-visibility construction fencing will be installed along the edge of work areas, and silt fencing will be installed immediately behind the temporary high-visibility construction fencing to exclude western spadefoot from entering the construction area. Fencing will remain in place until all construction activities within the construction area are completed. No project activities will occur outside the delineated project footprint. If a western spadefoot is	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Installation of exclusion fencing if any work done between October 15 and May 15

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Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		encountered, refer to WS-6, below.					
47	<u>WS-3 (Western Spadefoot Monitoring)</u>	If Covered Activities must be implemented in modeled habitat (Figure 3-17) in the breeding and dispersal season (after October 15 and before May 15), an approved biologist experienced with western spadefoot identification and behavior will monitor the project site, including the integrity of any exclusion fencing. The approved biologist will be on site daily while construction-related activities are taking place, and will inspect the project site daily for western spadefoot prior to construction activities. The approved biologist will also train construction personnel on the required avoidance procedures, exclusion fencing, and protocols in the event that a western spadefoot enters an active construction zone (i.e., outside the buffer zone). If a western spadefoot is encountered, refer to WS-6, below.	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Construction monitored between October 15 and May 15
48	<u>WS-4 (Avoid Western Spadefoot Entrapment)</u>	If a Covered Activity occurs in western spadefoot modeled habitat (Figure 3-17), all excavated steep-walled holes and trenches more than 6 inches deep will be	During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	During Construction	Holes and trenches covered and/or equipped with escape ramps each night and

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		covered with plywood (or similar material) or provided with one or more escape ramps constructed of earth fill or wooden planks at the end of each work day or 30 minutes prior to sunset, whichever occurs first. All steep-walled holes and trenches will be inspected by the approved biologist each morning to ensure that no wildlife has become entrapped. All construction pipes, culverts, similar structures, construction equipment, and construction debris left overnight within western spadefoot modeled habitat will be inspected for western spadefoot by the approved biologist prior to being moved. If a western spadefoot is encountered, refer to WS-6, below.					inspected each morning
49	<u>WS-5 (Erosion Control Materials in Western Spadefoot Habitat)</u>	If erosion control (BMP-2) is implemented within western spadefoot modeled habitat (Figure 3-17), non-entangling erosion control material will be used to reduce the potential for entrapment. Tightly woven fiber netting (mesh size less than 0.25 inch) or similar material will be used to ensure that western spadefoots are not trapped (no	Prior to and During Construction	Construction Contractor	Connector JPA/Sacramento County	Prior to and During Construction	Use of appropriate erosion control materials

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Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		monofilament). Coconut coir matting and fiber rolls containing burlap are examples of acceptable erosion control materials.					
50	<u>WS-6 (Western Spadefoot Encounter Protocol)</u>	If Covered Activities must be implemented in modeled habitat (Figure 3-17) during the breeding and dispersal season (after October 15 and before May 15), and a western spadefoot is encountered during construction activities, the approved biologist will notify the Wildlife Agencies immediately. Construction activities will be suspended in a 100-foot radius of the animal until the animal leaves the project site on its own volition. If necessary, the approved biologist will notify the Wildlife Agencies to determine the appropriate procedures related to relocation. If the animal is handled, a report will be submitted, including date(s), location(s), habitat description, and any corrective measures taken to protect the western spadefoot within 1 business day to the Wildlife Agencies. The biologist will report any take of listed species to the USFWS and CDFW immediately. Any worker who inadvertently injures or kills a	Prior to and During Construction	Construction Contractor and SSHCP Approved Biologist	Connector JPA/Sacramento County	Prior to and During Construction	Appropriate handling and reporting of western spadefoot encounter

South Sacramento Habitat Conservation Plan Avoidance and Minimization Measures

Monitoring Item Number	SSHCP Avoidance and Minimization Measure	Avoidance and Minimization Measure	Timing	Implementing Party	Monitoring Party	Frequency and Duration of Monitoring	Performance Criteria
		western spadefoot or who finds dead, injured, or entrapped western spadefoot(s) must immediately report the incident to the approved biologist.					

ITEM 14

MEETING DATE: April 29, 2022

TITLE: Authorize the Executive Director to Execute an Amendment to the Memorandum of Understanding with the City of Folsom for Reimbursement of the Construction of a Class 1 Multi-Use Path

PREPARED BY: Matt Lampa

RECOMMENDATION

Approve Resolution 2022-07 authorizing the Executive Director to execute a second Amendment to the Memorandum of Understanding with the City of Folsom related to construction of a Class 1 Multi-Use Path and removal of funding related to the Rubberized asphalt grant.

SUMMARY AND BACKGROUND

The City of Folsom is currently administering the construction of Connector Segment D3a. Due to various construction cost and schedule savings to date, an opportunity arose to add a Class 1 multi-use path to the project. Given the contract is mobilized and rough-graded already, the potential cost savings makes the timing opportune.

The limits of the Class 1 path will be from Prairie City Road to East Bidwell Street (approximately 2 miles). The path includes a bridge over Alder Creek, where it will ultimately connect to the Class 1 path system for the Folsom Plan Area and provide greater regional connectivity.

The City of Folsom requests an amendment to the MOU that would provide an additional \$400,000 to reimburse the City for costs associated with Path construction. The funds will be provided through the JPA's Measure A contract; The City and JPA discussed the reimbursement with Sacramento Transportation Authority on April 5.

JPA staff and City staff have agreed to the draft MOU and City Council consideration of the MOU is anticipated in May.

ATTACHMENTS

- a. Resolution 2022-07
- b. Draft MOU amendment with the City of Folsom



ITEM 14 a

RESOLUTION 2022-07

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAPITAL SOUTHEAST CONNECTOR JOINT POWERS AUTHORITY
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO
THE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF FOLSOM
RELATED TO A PORTION OF SEGMENT D3 OF THE CAPITAL SOUTHEAST
CONNECTOR**

WHEREAS, On November 10, 2020, the City of Folsom ("City") and the Capital SouthEast Connector Joint Powers Authority ("Connector JPA") entered into a Memorandum of Understanding ("MOU") related to a portion of Segment D3 of the Capital SouthEast Connector beginning at the intersection of Prairie City Road and continuing to the intersection of East Bidwell Street; and

WHEREAS, On December 9, 2021, the City and the Connector JPA entered into an amendment to the MOU related to construction funding and administration of the realignment of Scott Road; and

WHEREAS, On March 2, 2022 the JPA withdrew from the Rubberized Pavement Grant Program, administered by Calrecycle, due to substantial cost savings by using different paving material for Segment D3 than what was specified in the Grant. The savings experienced were in excess of the Grant award; and

WHEREAS, the City and JPA desire to construct a Class 1 Multi-Use Path beginning at the intersection of Prairie City Road and continuing to the intersection of East Bidwell Street (the "Project"); and

WHEREAS, the City desires to administer and manage construction of the Project and the JPA agrees to reimburse the City up to an amount of \$400,000 for costs related to construction; and

WHEREAS, the City and JPA desire to amend the MOU to incorporate obligations related to the construction of the Project and remove all funding associated with Rubberized Pavement Grant Program.

NOW, THEREFORE, the Board of Directors of the Capital SouthEast Connector Joint Powers Authority hereby authorizes the Executive Director to execute an amendment to the MOU, in substantially the form attached hereto, with the City of Folsom related to Connector Segment D3 and the Project.

This Resolution shall take effect from and after the date of its passage and adoption.



* * * * *

PASSED AND ADOPTED this 29th day of April, 2022, on a motion by
Director _____, seconded by Director _____, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Secretary

ITEM 14 b

SECOND AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE CAPITAL SOUTHEAST CONNECTOR JPA AND THE CITY OF FOLSOM RELATED TO A PORTION OF SEGMENT D3 OF THE CAPITAL SOUTHEAST CONNECTOR EXPRESSWAY

This Second Amendment (“Amendment”) to the November 10, 2020, Memorandum of Understanding (“MOU”) is made and entered into on this ____ day of _____, 2022 by and between the Capital SouthEast Connector Joint Powers Authority, a joint powers authority, (“JPA”) and the City of Folsom, a Municipal Corporation (“City”).

RECITALS

WHEREAS, the City and JPA entered into a MOU regarding a portion of Segment D3 of the Capital SouthEast Connector expressway beginning at the intersection of Prairie City Road and continuing to the intersection of East Bidwell Street (the “Project”); and

WHEREAS, the Project involves the construction of four lanes and a bridge over Alder Creek, which will result in a new alignment of White Rock Road adjacent and immediately south of its existing location; and

WHEREAS, the City and JPA entered into an amendment to the MOU on December 9, 2021 to provide funding for the realignment of existing Scott Road to the signalized intersection at White Rock Road/Prairie City Road within the City’s right of way (the “Scott Road Project”); and

WHEREAS, the City and JPA now desire to further amend the MOU to no longer provide for reimbursement of funds in connection with a Grant issued to the JPA by CalRecycle as the Project experienced significant cost savings, in excess of the grant award, by using alternate construction materials than those required by the Grant; and

WHEREAS, the City and JPA further desire to provide additional funding for the construction of Class 1 multi-use path improvements within the Project limits (the “Multi-Use Path”); and

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, do hereby agree to amend the MOU as follows:

1. Recitals. The above recitals are true and correct and are hereby made a part of the MOU.
2. Term. The MOU shall terminate on March 1, 2023.
3. Elimination Grant Funding. The JPA and City hereby agree that Sections 4 and 5 of the MOU are hereby deleted in their entirety and that these Sections of the MOU shall now read “[RESERVED]”.

4. Funding for Multi-Use Path. The JPA will reimburse the City up to Four Hundred Thousand dollars (\$400,000.00) for the Multi-Use Path (“Multi-Use Path Funds”). The JPA shall reimburse the City for Multi-Use Path improvements within thirty (30) days of receipt of an invoice from the City.
5. City Obligations. The City agrees to include the JPA in Multi-Use Path related decisions affecting construction cost, including those related to any design revisions or contract change order requests. The City shall submit monthly invoices related to the Multi-Use Path. Invoices shall include dates and description of the work performed, summary of 1) total Multi-Use Path Funds; 2) amount of current bill; 3) amount billed to date; 4) amount of remaining Multi-Use Path Funds, and documentation of reimbursable expenses and billed items.
6. No Additional Funding. Except as otherwise provided in this MOU and the existing Federal Funding of the project, neither party shall be responsible for contributing additional funds.
7. Except as expressly amended herein, all terms and conditions of the MOU shall remain in full force and effect.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment in the County of Sacramento, State of California, on the date set forth above.

CITY OF FOLSOM

Elaine Andersen, City Manager

Approved as to Form:

Steven Wang, City Attorney

Attest:

Mark Rackovan, Public Works Director

Stacey Tamagni, Finance Director

Christa Freemantle, City Clerk

CAPITAL SOUTHEAST CONNECTOR AUTHORITY

Derek Minnema, Executive Director

Approved as to Form:

Sloan Sakai Yeung & Wong, LLP
Legal Counsel to JPA



ITEM 15

MEETING DATE: April 29, 2022

TITLE: Review of Connector Project Visual Design Concepts for Segment C

PREPARED BY: Matt Lampa

RECOMMENDATION

Receive an update on visual design concepts on Connector Segment C and provide input if desired.

BACKGROUND

Connector Segment C will improve Grant Line Road to four lanes with a median and an adjacent multi-use path from Bond Road to Calvine Road.

To memorialize Segment C's planning efforts and initial design, the JPA and the City of Elk Grove are completing a Precise Roadway Plan ("PRP"). The PRP contains preliminary engineering plans of a four-lane facility and intersection control at 6 locations on the Connector. All PRP documents are available at the following link:

https://elkgrovecity.org/city_hall/departments_divisions/public_works/capital_improvements/grant_line_sheldon_feasibility_study

PROJECT VISUAL DESIGN CONCEPTS

AECOM, Inc. prepared conceptual renderings and video for portions of the Connector using the PRP. The aesthetics and landscape concepts replicate elements present at the existing Bradshaw Road/Sheldon Road roundabout and are for visualization purposes only. These elements will be finalized at a future date, but the concepts provide a visual of what the Connector could look like upon completion.

The renderings and video are available on the JPA website at the following link:

<https://www.connectorjpa.net/sheldon-wilton-c.html>

ATTACHMENTS

- a. Renderings for Connector Segment C



Sheldon Road/Grant Line Road Roundabout



Aleilani Lane/Grant Line Road Roundabout



Sheldon Rd

Southbound Lanes on Grant Line Road
toward Sheldon Roundabout



Grant Line Rd

Grant Line Rd

Eastbound Lanes on Sheldon Road
toward Sheldon Roundabout



Sheldon Rd

Northbound Lanes on Grant Line Road
toward Sheldon Roundabout



Aleilani Ln

Grant Line - Siefker
Substation

Southbound Lanes on Grant Line Road
toward Aleilani Roundabout



Aleilani Ln

Aleilani Ln

Northbound Lanes on Grant Line Road
toward Aleilani Roundabout



to Aleilani Ln

At Aleilani Roundabout Looking North

ITEM 16

MEETING DATE: April 29, 2022

TITLE: Review of Economic Impact Study prepared by Varshney & Associates

PREPARED BY: Derek Minnema

RECOMMENDATION

Review this draft report and provide input as desired.

BACKGROUND

Staff has been working with Varshney & Associates to prepare an Economic Impact Analysis that compliments the Benefit-Cost Analysis of the 34-mile Connector project.

The study's overall objective is to measure the direct, indirect, and induced benefits associated with building the Connector and the benefits that will continue to accrue to the residents and businesses of the Greater Sacramento metro area ("Region") for years after the Connector is complete.

EXECUTIVE SUMMARY

Total measurable economic impact resulting from Connector construction, new incremental housing construction, and new incremental household spendings through 2040 can generate the following impact:

- Produce \$1.8 billion of economic output
- Create 11,300 new jobs through 2040
- Result in \$770 million of new labor income
- Yield \$1.1 billion of new value added
- Generate \$80 million in new state and local taxes on production and imports

DISCUSSION

Varshney & Associates calculates the economic impact using the econometric input-output impact model called IMPLAN. It is widely recognized and used nationally and regionally. IMPLAN data can be used to compute economic impact at the national, state, regional, and county levels.



Particular outputs include employment, value added as measured by employee compensation, proprietary income, other property income, taxes on production and imports, and final demand of institutions (i.e., households, federal government, state and local governments, businesses).

The economic benefit from the Connector is not limited by the effect of the road construction and related activities. The easier connection between employment and population centers will contribute to the vibrancy of the local economy. The additional benefit will result from making the Region more attractive for investment in new housing construction due to creating new options for transportation and commuting.

SUMMARY

This study finds that investment in the construction program by the JPA over the next few years would create a substantial gross economic impact in the Region.

The Connector is a strategic interregional corridor that will drive economic growth by linking residential areas with employment centers, attracting new corporations in the Region, providing mobility for critical rural freight, and facilitating community development.

The improvement in ease and speed of transportation of goods will lead to the increased economic vibrancy of the Region bringing higher growth and prosperity.

According to Mr. Varshney:

"Constructing the Connector will be a historic chance to increase long-term economic competitiveness and attractiveness of the Project area communities and Sacramento and El Dorado counties as a whole.

The investment has a tremendous payoff potential worth billions of dollars in the long run. The new local taxes on production and imports could benefit the jurisdictions as they seek to make their local communities more economically vibrant.

A spirit of entrepreneurship, cooperation, and investment together with the vision of the long-term benefits of the Connector will lead the area to a new level of competitiveness and prosperity as a region."

ATTACHMENTS

- a. Draft Economic Impact Study, dated March 03, 2022

THE ECONOMIC IMPACT OF THE CAPITAL SOUTHEAST CONNECTOR



Prepared for:

Derek Minnema, PE, Executive Director
Capital Southeast Connector JPA
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THE ECONOMIC IMPACT OF THE CAPITAL SOUTHEAST CONNECTOR

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THE ECONOMIC IMPACT OF THE CAPITAL SOUTHEAST CONNECTOR

Varshney & Associates

Sanjay B. Varshney, Ph.D.
Andrey G. Mikhailitchenko, DBA

EXECUTIVE SUMMARY

This study describes the economic impact of constructing the Capital SouthEast Connector (hereafter “Connector”). The Connector, a multi-lane roadway with 34.26 miles length, when built, will connect the communities of El Dorado County and Sacramento County and link the cities of Folsom and Rancho Cordova to Elk Grove. Another major benefit of the Connector would be alleviation of traffic congestion on Routes 50, 5, and 99, time and distance savings for those travelling along those corridors by bypassing the downtown area of Sacramento, and avoidance of delays due to rush hour traffic.

The overall objective of the study is to measure the direct, indirect, and induced benefits associated with building the Connector, and the benefits that will continue to accrue to the residents and businesses of the Greater Sacramento metro area (thereafter “Region”)¹ for years after the Connector project is completed.

The Connector could be viewed as an important catalyst for greater economic activity and new jobs that would be created both directly and indirectly. The areas of economic impact will include:

- ***Capital Investments to Construct the Connector***
- ***Economic Value of Linking Residential Areas with Employment Centers (Attraction of New Employment Centers, Housing, and Other Economic Activity)***
- ***Economic Value of Time and Distance Savings (Improvement in Ease and Speed of Transportation of Goods)***
- ***Increased Economic Vibrancy of the Region Leading to Higher Growth***

The estimates of economic impact are calculated using the econometric input-output impact model called IMPLAN. It provides modeling based on data and tools to assess economic impacts at the state, county, and multi-county levels. It is widely recognized and used nationally and regionally. IMPLAN data can be used to compute economic impact at the national, state, regional, and county levels. Of particular interest are industry output, employment, value added as measured by employee compensation, proprietary income, other property type income, and taxes on production and imports), and final demand of institutions (i.e., households, federal government, state and local governments, businesses). The full range of economic impacts includes direct, indirect, and induced benefits.

¹ Greater Sacramento metro area for the purpose of this study is defined as the seven-county region including Sacramento, El Dorado, Nevada, Placer, Sutter, Yolo, and Yuba counties.

- **Direct benefits** consist of economic activity contained exclusively within the designated sector(s). This includes all expenditures made by the company and all of its employees.
- **Indirect benefits** define the creation of additional economic activity that results from linked businesses, suppliers of goods and services, and provision of operating inputs.
- **Induced benefits** measure the consumption expenditures of direct and indirect sector employees. Examples of induced benefits include employees' expenditures on items such as retail purchases, housing, doctors and dentists, banking, and insurance.

The total direct, indirect, and induced benefits arising due to the multiplier effect are presented in the following ways:

- **Employment** demonstrates the number of jobs generated and is calculated in a full-time equivalent employment value on an annual basis.
- **Output** accounts for total revenues including all sources of income or the value of production generated by an industry for a given time period. This is the best overall measure of business and economic activity because it is the measure most firms use to determine current activity levels.
- **Taxes on Production & Imports, less Subsidies (TOPI)** (previously called Indirect Business Taxes) include sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments that would be paid by businesses and generated for the local economy. While all taxes during the normal operation of businesses are included, taxes on profits or income are not included.
- **Total Value Added** is the gross regional product derived from the income paid to the owners of the factors of production in the model year. This is the same as GDP.
- **Labor Income** includes all forms of employee compensation that would be paid by employers (e.g., total payroll costs including benefits, wages and salaries of workers, health and life insurance, retirement payments, non-cash compensation), and proprietary income (e.g., self employment income, income received by private business owners including doctors, lawyers).

The construction of the Connector proposes total investment of approximately \$600.3 million US dollars \$340.3 million of which (NPV in 2021 US dollars) have yet to be invested over the next several years. The size and scope of such large scale investments will add to the economic output of the seven county Region, act as a catalyst for new economic activity, create new jobs, add to the labor income, produce net new taxes on production and imports, and in general add to the gross state product of the Region.

This study finds that a \$340.3 million investment in the construction program by the JPA over the next few years would create a substantial gross economic impact in the Region. The total economic impact to the Region (to include direct, indirect, and induced effects) would:

- Produce \$552.5 million of economic Output
- Create 2,961 new Employment full-time equivalent jobs calculated on annual basis²
- Result in \$220.6 million of new Labor Income
- Yield \$334.8 million of new Value Added
- Generate \$25.3 million in new state and local Taxes on Production & Imports

The economic impact from the Connector is not limited by the effect of the road construction and related activities. The additional impact will result from making the Region more attractive for investment in new housing construction due to creating new options for transportation and commuting. The easier connection between employment and population centers will contribute to the vibrancy of the local economy. According to the SACOG 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) Update the total number of housing units in the six county Region is expected to achieve 1,180,950 by 2040³ which means construction of approximately 188,800 new housing units or 19% increase of their total number during the period between 2021 and 2040.⁴

Regarding the areas directly adjacent to the Connector (Cities of Folsom, Rancho Cordova, Elk Grove, CDPs El Dorado Hills, Vineyard, Franklin, and unincorporated communities on both sides of the road)⁵, the total number of their housing units in 2021 is 167,023 that constitutes 13.35% growth compared to 2010. This is the substantially higher growth than in Sacramento County and State of California during the same period (8.01% and 6.36% respectively).⁶ Under the No Project Alternative (assuming that the Connector is not built) and assumption of retaining the same growth rate there are still 35,300 new housing units that are expected to be built in the Project area till 2040.

This study finds that an increase in population and households and construction of approximately 35,300 new housing units between 2021 and 2040 would create the following gross economic impact in the Region:

- Produce \$22.3 billion of economic Output
- Create 165,576 new Employment full-time equivalent jobs calculated on annual basis
- Result in \$10.1 billion of new Labor Income
- Yield \$13.9 billion of new Value Added
- Generate \$883 million in new state and local Taxes on production and imports

² Employment demonstrates the number of jobs generated and is calculated on an annual full-time/part-time basis. IMPLAN is an annual model, therefore Employment estimates provided by IMPLAN represent annualized Employment values (i.e. if a worker works 6 months, IMPLAN counts that as 0.5 jobs, and one job sustained over 5 years counts as 5 jobs).

³ Sacramento Area Council of Governments (SACOG) 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy, <https://www.sacog.org/2020-metropolitan-transportation-plansustainable-communities-strategy-update>

⁴ According to State of California Department of Finance 2021 Population and Housing Estimate the total number of housing units in six county region is 992,102 as of beginning of 2021. <https://www.dof.ca.gov/forecasting/demographics/estimates/e-5/>.

⁵ For the purpose of this study the territories of the following twelve zip codes were considered adjacent to the Connector: 95762, 95672, 95682 (all El Dorado Hills), 95630 (Folsom), 95670, 95742, 95827 (all Rancho Cordova), 95624, 95758 (both Elk Grove), 95757 (Elk Grove and Franklin), 95829 (Vineyard), 95830 (unincorporated).

⁶ Sacramento County Public Health. 2021 *Demographics*. <http://www.behealthysacramento.org/demographicdata>

The economic activity outlined here is expected to take place even if the Connector is not built. However the Project will support it and become a catalyst of the additional activity due to increased connectivity in the area. While it is difficult to precisely estimate what incremental economic activity will take place due to the Connector construction and operation it is evident that it will facilitate additional population growth and contribute to the economic vibrancy of the area. It is conceivable that once the Project enters its active stage the real estate owners, investors, and developers will accelerate repurposing and development of properties located along the Connector. It can be expected that the growth of population and new jobs creation will take place sooner than could be expected under No Project Alternative. This, in turn, will result in the incremental economic growth attributed to the Project.

In order to quantify this incremental economic impact we make a conservative assumption that the Connector role in new housing construction will be limited by accelerating its timetable by 5% per year. It is simply that 5% of the homes projected to be built will get built faster due to the perceived benefits of the Connector resulting in population and economic activity occurring sooner than otherwise would happen, and this effect will take place starting from 2022. Based on the assumption above, the incremental economic impact of the Connector on the housing construction sector in the Project area (to include direct, indirect, and induced effects) between 2021 and 2040 can be expected as the following:

- Produce \$1.1 billion of economic Output.
- Create 7,347 new Employment full-time full-time equivalent jobs calculated on annual basis
- Result in \$495 million of new Labor Income.
- Yield \$678 billion of new Value Added
- Generate \$43.1 million in new state and local Taxes on production and imports.

In addition to it the incremental impact of new households spending will result in:

- \$166 million of economic Output
- 971 new Employment (full-time equivalent jobs calculated on annual basis)
- \$53 million of new Labor Income
- \$101 million of new Value Added
- \$12 million of new state and local Taxes on production and imports

As a result total measurable economic impact resulting from Connector construction, new incremental housing construction and new incremental households spendings between 2021 and 2040 can generate the following impact:

- Produce \$1.8 billion of economic Output.
- Create 11,3 thousand of new Employment (full-time equivalent jobs calculated on annual basis)
- Result in \$770 million of new Labor Income.
- Yield \$1.1 billion of new Value Added
- Generate \$80 million in new state and local Taxes on production and imports.

The most current post-COVID demographic data also provides the evidence in favor of importance of the Connector as the regional driver of economic growth. While California lost 182,000 residents last year,

bringing the state's population to 39.467 million, the Sacramento region continued to grow. The region netted 12,750 new residents (a 0.5 percent increase), bringing the six-county population total to 2.56 million. The bulk of the growth occurred in Placer and Sacramento counties (the area of Connector construction), in high degree due to COVID-related workforce migration from Bay Area. Placer County grew at a rate of 1.5 percent. Among the region's cities, Elk Grove (1.2 percent growth) jumped to the 26th largest city in the state and City of Sacramento (0.5 percent growth) remains the 6th largest in the state.⁷

Finally, to fully understand the total economic impact of the Connector once it is completed, one must also understand the economic value of time and distance savings, linking residential areas with employment centers, attraction of new corporations in the Region, infrastructure and community development and other economic activities. The improvement in ease and speed of transportation of goods will lead to the increased economic vibrancy of the Region leading to higher growth and prosperity.

This is especially promising in the context of the upcoming post-COVID era that brought historically large scale geographic shifts on the workforce market. According to a Gallup poll, "Three in five U.S. workers who have been doing their jobs from home during the coronavirus pandemic would prefer to continue to work remotely as much as possible, once public health restrictions are lifted."⁸ According to Global Workplace Analytics, just 3.6% of the US workforce worked from home in 2018 while the estimate is that 25-30% of the workforce will be working-from-home multiple days a week by the end of 2021. It is estimated that after full lifting of restrictions at least a half of this time will still remain work-from-home.⁹ In the context of this study this historical shift first of all means that the increase of San Francisco and Bay Area workforce in Greater Sacramento Area is a long-term trend, and part of the housing demand along the Connector (first of all Vineyard and other communities located between I-5 and US-50) can be expected due to this workforce migration.

In recent years Greater Sacramento Area struggled a lot in attracting new industries, business, and jobs. Transport infrastructure is a well proven driver of economic development and vibrancy. For instance, construction of Highway 65 was a huge positive impact on communities of Lincoln and Roseville as well as the whole Placer county. This Project will be a historic chance to increase long-term economic competitiveness and attractiveness of Project area communities as well as Sacramento and El Dorado counties as a whole. The investment of \$600 million has a tremendous payoff potential that is worth billions of dollars in the long run. The new local taxes on production and imports could be beneficial to the jurisdictions as they seek to make their local communities more economically vibrant. A spirit of entrepreneurship, cooperation, and investment together with vision of the long-term benefits will lead Project area to the new level of competitiveness and prosperity as a region.

⁷ SACOG. *Sacramento Region Grows While State Loses Population Overall*. <https://www.sacog.org/post/sacramento-region-grows-while-state-loses-population-overall>

⁸ Gallup. *U.S. Workers Discovering Affinity for Remote Work*, by Megan Brenan, <https://buildremote.co/companies/companies-going-remote-permanently/>

⁹ Globalworkplaceanalytics.com. *Latest Work-At-Home/Telecommuting/Mobile Work/Remote Work Statistics*, June 2021. <https://globalworkplaceanalytics.com/telecommuting-statistics>

THE ECONOMIC IMPACT OF THE CAPITAL SOUTHEAST CONNECTOR

Varshney & Associates

Sanjay B. Varshney, Ph.D.
Andrey G. Mikhailitchenko, DBA

INTRODUCTION

This study describes the economic impact of constructing the Capital SouthEast Connector (hereafter “Connector”). The Connector, a multi-lane roadway with 34.26 miles length, when built, will connect the communities of El Dorado County and Sacramento County and link the cities of Folsom and Rancho Cordova to Elk Grove. Another major benefit of the Connector would be alleviation of traffic congestion on Routes 50, 5, and 99, time and distance savings for those travelling along those corridors by bypassing the downtown area of Sacramento, and avoidance of delays due to rush hour traffic.

The study presents the objectives, some of the major areas of economic impact, and the resulting analyses.

OBJECTIVES OF THE STUDY

The overall objective is to measure the direct, indirect, and induced benefits associated with building the Connector, and the benefits that will continue to accrue to the residents and businesses of the greater Sacramento region for years after the Connector project is completed.

The study measures and presents the economic impact and analysis along at least three dimensions:

- **Geography.** The values are computed for the seven-county Greater Sacramento Region (officially Sacramento–Roseville, CA Combined Statistical Area) that includes El Dorado County, Nevada County, Placer County, Sacramento County, Sutter County, Yolo County, and Yuba County. The study provides a localized analysis of the value to people and businesses within the community.
- **Industry Sectors.** The study measures the impacts by industry sectors (hotels, restaurants, construction, agriculture, financial services) for all activities directly and indirectly impacted by the activities.
- **Particular constituencies.** The analysis examines the value of the Connector not only to the general population but to particular constituencies such as local and county governments.

BACKGROUND

Project Overview

Project site

The Capital SouthEast Connector (Project) will cover the area starting from the interstate 5/Hood-Franklin Road interchange in southwest Sacramento County and terminating at US Highway 50 in the vicinity of Silva Valley Parkway approximately 3 miles past the El Dorado County line. It is expected to provide 4-6 lanes to accommodate existing vehicle traffic and create new multi-modal options.

Figure 1. Project map



Project purpose

The Project is envisioned to serve regional and local transportation needs by filling an existing gap in the connectivity in Greater Sacramento Area with linking the residential and employment centers for the surrounding communities. Together with transforming of two lane rural roads into four to six lanes expressway will substantially reduce the excessive traffic and provide the congestion relief on the existing roadways.

Currently there are numerous issues related to connectivity and transportation infrastructure in the Project area. The most critical ones include but are not limited to inadequate transportation capacity and mobility for people, goods, and freight, lack of connectivity between residential areas and employment centers in the region, lack of routes of effective evacuation in case of natural disasters, technological or man-made accidents, medical and other emergencies, traffic congestions caused by the necessity to use US 50/Business 80/SR 99 interchange in Sacramento Downtown for traveling from east of El Dorado Hills to Elk Grove area and further to the south on I-5. The Project will provide a remedy for the limitations in transportation capacity, safety, resiliency, environmental protection, and land use. Together with these benefits the Project will have the immediate and substantial impact in developing economic vibrancy for the region.

PEIR Study

The Capital SouthEast Connector Joint Powers Authority (JPA) was established in December 2006 as a result of collaborative efforts of Sacramento and El Dorado Counties along with Cities of Elk Grove, Rancho Cordova, and Folsom. The purpose of forming this structure was to facilitate planning, environmental review, engineering design, and development of the Capital SouthEast Connector Expressway.

The Program Environmental Impact Report (EIR) was completed by JPA for the purpose of providing the CEQA and other stakeholders with the expert review of existing and potential environmental issues and related data. Another goal of PEIR was to clarify the areas of environmental impact and avoid unnecessary repetition for future Project reviews.

Significant and unavoidable impacts

According to PEIR¹⁰, implementation of this Project does have certain significant and unavoidable impacts that include:

¹⁰ Capital SouthEast Connector Joint Powers Authority. *Findings of Fact And Statement of Overriding Considerations Regarding the Program Environmental Impact Report for the Capital SouthEast Connector Project Final Program Environmental Impact Report.* http://www.mmrandletest.weebly.com/uploads/8/3/3/5/83350278/2012_03_findings_of_fact_statement_of_overriding_considerations_re_peir.pdf

- A diminished rural, agricultural, and natural visual character of certain areas
- Contribution to increased traffic emissions above the current threshold
- Permanent impacts on wetlands and loss or disturbance on special-species wildlife and habitats
- Possible destruction or damage to cultural resources or historic architectural resources
- Conversion of prime farmland and Williamson Act lands to non-agricultural uses
- Exposure of noise-sensitive land uses to noise and vibration
- Increase in traffic volumes on some nonproject roadways and intersections

Project benefits

Together with that the benefits of the Project that will offset some of the less desired impacts include the following:

- Decreased traffic on several arterial/collector segments and portions of the US 50, SR 99, and I-5
- Reduced congested VMT and VHT percentages that would occur on congested roadways
- Substantially reduced overall delay and travel times along the project alignment
- Reduced overall delay on entire roadway system serving the area
- Reduced travel time between communities along project alignment
- Improved goods movement in the corridor by substantially reducing delay and travel times
- Increased transit ridership through capital improvements

Cumulative and growth-related impacts

The cumulative impacts outlined in the PEIR include:

- Degradation in aesthetic character and visual quality
- Increased greenhouse gas emissions
- Conversion of land uses to urban uses and disruption of established communities
- Conversion of agricultural lands
- Increased traffic noise
- Increased loss of vernal pool species and habitat
- Level of Service (LOS) impacts on non-project roadway segments

Growth-inducing impact

According to PIER, under certain circumstances, improvements in mobility can result in making land more attractive for development. Through the improved transportation and access the Project could have the unintentional impact of contributing to the inducement of economic and population growth. Improvements in mobility can result in making some areas not currently planned for development more attractive to urbanization, economic activity, and settlement. As a result, the Project would result in a significant unavoidable impact regarding inducement of substantial population growth because it could remove an obstacle to growth.

Further study is aimed at quantifying total direct, indirect and induced economic impact from the road construction as well as future population and housing construction incremental growth caused by the Project.

AREA OF ECONOMIC IMPACT

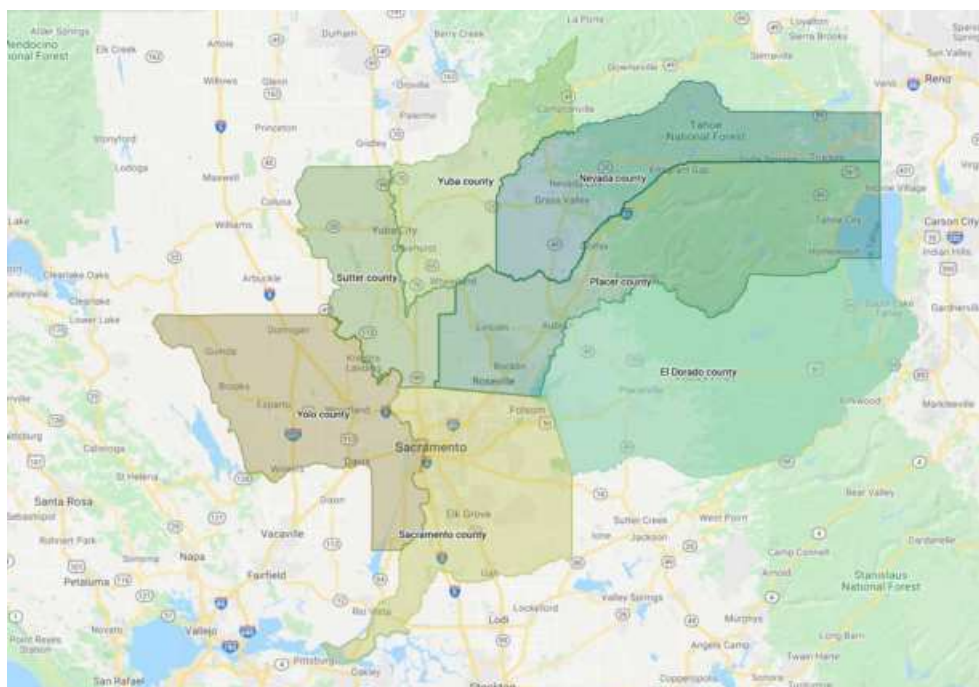
Geographic scope

The economic impact analysis is performed for the Greater Sacramento Area (GSA) that for the purposes of this study was defined to include Sacramento, Placer, Yolo, El Dorado, Yuba, Nevada, and Sutter counties. It corresponds to the definition of the Greater Sacramento area, or officially Sacramento–Roseville, CA Combined Statistical Area (CSA) as a territory consisting of the two metropolitan statistical areas and one micropolitan statistical area. The two metropolitan statistical areas (MSA) are Sacramento–Roseville–Folsom, CA MSA (Sacramento, Yolo, Placer, and El Dorado counties) and Yuba City, CA MSA (Sutter and Yuba counties). The micropolitan area is Truckee–Grass Valley, CA MSA comprised of Nevada county.

In the 2020 census, the Sacramento–Roseville, CA Combined Statistical Area had a population of 2,639,124. The total area of CSA is 7,287.2 sq. miles, population density is 362.2 people per square mile, median per capita income is \$37,458, and median household income is \$75,428¹¹.

For a graphic representation of the GSA definition for the purposes of this study see Figure 2.

Figure 2. Greater Sacramento Area definition for the purpose of the study



¹¹ U.S.Sensus Bureau. *Census Reporter*. <https://censusreporter.org/profiles/33000US472-sacramento-roseville-ca-csa/>

While the Connector links communities in Sacramento and El Dorado Counties including the cities of Folsom, Rancho Cordova, and Elk Grove, the industries and households that will be impacted and the economic impacts are more than likely to be present in the seven county Region than just be isolated to the counties of Sacramento and El Dorado. This is because the people who will be employed through the activities of the construction of the Connector and the linking of population and employment centers thereafter, take home labor income, spend on goods and services that will in turn affect other industries and generate taxes on production and imports and new economic output, and are likely to live anywhere in the seven county Region. It is also likely that some of the economic impact leakages will occur due to some people living and working outside the seven county Region. However, for the purpose of the study defining the study area to comprise the adjoining seven counties will likely capture the vast majority of new economic activity and impact generated.

Industrial scope

As more population was attracted to the Greater Sacramento Area, the construction sector became one of the largest sources of employment and one of the key drivers for the region's economic growth and investment activity. It is also one of the leading forces of the economic recovery in the region after COVID-19 pandemic. The expected total growth in construction in 2021 is 15.7% compared to 2020.¹²

The Greater Sacramento Area ranks larger in economic output than the total state economies of more than half the states in the United States. However, much of the region's economy comprises public administration, educational, health, social services, and other service sector jobs that service the increased population. Overall, service sector share in GSA employment is substantially higher than in State of California economy as a whole (see Table 1).

Table 1. Comparison of Occupation (Service Sector) in State of California and Greater Sacramento¹³

	California		Sacramento-Roseville, CA CSA	
	Number of employed	Percent of total employed	Number of employed	Percent of total employed
Finance and insurance, and real estate and rental and leasing	1,112,459	5.8%	84,100	6.8%
Professional, scientific, and management, and administrative and waste management services	2,700,235	14.2%	150,375	12.1%
Educational services, and health care and social assistance	4,037,088	21.2%	276,767	22.3%
Arts, entertainment, and recreation, and accommodation and food services	1,966,467	10.3%	124,281	10.0%
Other services, except public administration	960,853	5.0%	58,634	4.7%

¹²Cumming Group. *Following a surprisingly active market in the first quarter, construction in Sacramento is expected to see a lot of attention in the coming years.* <https://infogram.com/2021-q3-w-sacramento-1-1hd12yxewdn7w6k>

¹³ Source: U.S.Census Bureau. *American Community Survey, 2019.* https://data.census.gov/cedsci/table?q=&t=Industry%3AOccupation&g=0400000US06_330M600US472&tid=ACSST1Y2019.S2405

Public administration	855,686	4.5%	106,102	8.6%
<i>Total Percent Allocated in Service Sector</i>		<i>61.0%</i>		<i>64.5%</i>

Subsequently the share of employment in industrial sectors in GSA is lower than is California as a whole (Table 2). Economists agree that the industry mix of the region needs diversification and wonder why GSA is slow in attracting new industries, companies, and jobs. In addition to it, GSA also trails the State in per household income (\$80,440 in State vs \$75,428 in GSA)¹⁴.

Table 2. Comparison of Occupation (Industry Sector) in State of California and Greater Sacramento CSA¹⁵

	California		Sacramento-Roseville, CA CSA	
	Number of employed	Percent of total employed	Number of employed	Percent of total employed
Agriculture, forestry, fishing and hunting, and mining	409,074	2.1%	17,445	1.4%
Construction	1,288,091	6.8%	92,410	7.5%
Manufacturing	1,660,969	8.7%	66,915	5.4%
Wholesale trade	516,975	2.7%	33,986	2.7%
Retail trade	1,939,035	10.2%	138,952	11.2%
Transportation and warehousing, and utilities	1,089,249	5.7%	69,946	5.6%
Information	541,920	2.8%	20,137	1.6%
<i>Total Percent Allocated in Industry Sector</i>		<i>39.0%</i>		<i>35.5%</i>

Directions of growth catalyzation

One of the reasons of lower economic vibrancy of GSA compared to the State as a whole is that the region's public roads and infrastructure are overburdened and seem inadequate for the region's needs. The Connector could be viewed as that catalyst for greater economic activity and new jobs that would be created both directly and indirectly.

The direction of economic impact will include:

- *Capital Investments to Construct the Connector*
- *Economic Value of Linking Residential Areas with Employment Centers (Attraction of New Employment Centers, Housing, and Other Economic Activity)*
- *Economic Value of Time and Distance Savings (Improvement in Ease and Speed of Transportation of Goods)*
- *Increased Economic Vibrancy of the Region Leading to Higher Growth*

¹⁴ Source: U.S.Census Bureau. American Community Survey, 2019. https://data.census.gov/cedsci/table?t=Earnings%20%28Individuals%29%3AIncome%20and%20Poverty&g=0400000US06_330M500US472_330M600US472&tid=ACSST1Y2019.S1901

¹⁵ Source: U.S.Census Bureau. American Community Survey, 2019. https://data.census.gov/cedsci/table?q=&t=Industry%3AOccupation&g=0400000US06_330M600US472&tid=ACSST1Y2019.S2405

While not all areas of impact above may be easily measured, a discussion on the benefits associated with all of these can certainly be useful to better understand the areas of economic impact and resultant activity.

MEASURES OF ECONOMIC IMPACT

Methodology

The methodology applied in this study is based on economic input–output modeling. It is a quantitative approach that measures and forecasts the interdependencies between different sectors of a national economy. Under this methodology inter-industry relationships within an economy are quantified and represented in the input-output matrix.

Model

The estimates of economic impact are calculated using the econometric model called IMPLAN. This model is the mechanism that computes the impact of a level of expenditures in terms of overall economic activity, job creation, non-income tax generation, etc. It is widely recognized and used nationally and regionally. IMPLAN has more than 2,000 active users in the United States and internationally. These include clients in federal and state government, universities, and private sector consultants. The model provides modeling based on data and tools to assess economic impacts at the state, county, and micro (zip-code) levels.

The benefit of using input-output models, including IMPLAN, is that they help evaluate the effects of industries on each other based on the supposition that industries use the outputs of other industries as inputs. Some other models measuring economic activity examine only the total output or employment of an industry, and not the dual causality that may run both ways. The use of an input-output model provides a much more comprehensive view of the inter-related economic impacts. It examines economic relationships between businesses and between business and consumers. This impact analysis then measures changes in any one or several economic variables on an entire economy.

Multiplier Effect

Multipliers are the basis of how an input-output analysis system such as IMPLAN makes estimations of the potential impacts of economic changes. Each industry that produces goods and services has an influence on, and in turn is influenced by, the production of goods and services of other industries. These interrelationships are captured through a multiplier effect as the demand and supply vary from industry to industry (direct and derived demand) and thus impact total output, compensation, employment, etc.

Content and definition

The multiplier is defined as the impact of a one-unit change in indicators such as income, sales, employment, that causes the respective effect in income, sales, employment in the economy of the area. Expressed as a rate of change, a multiplier describes how for a given change in a particular industry a resultant change will occur in the overall economy. For instance, for every dollar spent in the economy an additional \$0.25 of economic activity is generated locally, implying a multiplier of 1.25.

The multiplier effect is generated when new output or employment is added in one sector, but generates additional output or employment in other sectors that supply goods and services (indirect impact) and consumer services to employees (induced impact). Multipliers may differ across the regions depending on the strength of these interrelationships. Of particular interest are industry output, employment, labor income, value added, proprietary income, other property type income, taxes on production and imports, and final demand of institutions (i.e., households, federal government, state and local governments, businesses).

Types of multipliers

The direct, indirect, and induced benefits arising due to the multiplier effects can be measured as five different types: output, employment, labor income, value added, and taxes on production and imports.

- **Output** accounts for total revenues including all sources of income for a given time period for an industry in dollars. It is the total production value and includes all components of production such as employee compensation, proprietor income, intermediate expenditures, taxes on production and imports, and other property type income. This is the best overall measure of business and economic activity. For example, an output multiplier of 1.5 means that for each dollar of spending on the Project, an additional 50 cents is spent in other sectors because of related business-to-business and consumer spending.
- **Employment** demonstrates the number of jobs generated and is calculated on an annual full-time/part-time basis. IMPLAN is an annual model, therefore Employment estimates provided by IMPLAN represent annualized Employment values (i.e. if a worker works 6 months, IMPLAN counts that as 0.5 jobs, and one job sustained over 5 years counts as 5 jobs). A person can hold more than one job, so the job count is not necessarily the same as the count of employed persons. For example, an employment multiplier of 1.5 means that for each two jobs created by the Project, an additional one job is created because of related business-to-business and consumer spending.
- **Labor Income** represents the total value of all forms of employment income paid for a given time period. It includes all forms of employee compensation paid by employers (e.g., total payroll costs including benefits, wages and salaries of workers, health and life insurance, retirement payments, non-cash compensation), and proprietary income (payments received by self-employed individuals and/or unincorporated business owners such as self-employment income, income received by private business owners including doctors, lawyers). For example, a labor income multiplier of 1.5 means that for each dollar of labor income created by the Project, an additional 50 cents of labor income is created in other sectors because of related business-to-business and consumer spending.
- **Value Added** is the difference between an industry's total output and the cost of its intermediate inputs for a given time period. It equals gross output (i.e., sales or receipts and other operating income, plus inventory change) minus intermediate inputs (i.e., consumption of goods and services purchased from other industries or imported). Value Added is a measure of the contribution to GDP made by an individual producer, industry, or sector. For example, a Value Added multiplier of 1.5 means that for each dollar of value added by the Project there will be an additional value added in the amount of 50 cents in other sectors because of related business-to-business and consumer spending.

- **Taxes on Production and Imports less Subsidies (TOPI)**¹⁶ is one of the components of Value Added and includes sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments. For all industries other than government enterprises, subsidies are counted as a negative figure towards TOPI. While all taxes during the normal operation of businesses are included, taxes on profits or income are not included. For example, a TOPI multiplier of 1.5 means that for each dollar of taxes generated by the Project an additional 50 cents is paid as taxes by taxpayers in other sectors because of related business-to-business and consumer spending.

Types of effects

Four types of multiplier effect are usually analyzed in the output-input models like IMPLAN: direct, indirect, induced, and total.

- The *direct* effect characterizes an initial impact of an economic activity on the region's economy. For every dollar spent in an industry, if the industry exists in the region, there is one-dollar worth of direct impact in the local economy.
 - For Output, this Effect is either 1.00 or 0.00. For every dollar spent in an Industry, if the Industry exists in the region, there is a dollar's worth of activity in the local economy. If the Industry doesn't exist in the region, the effect is 0.00.
 - For Employment, the Effect represents the number of jobs per \$1,000,000 of production in the Industry.
 - Labor Income Effects represent the Labor Income dollars per \$1,000,000 of production in the Industry.
 - Value Added Effects represent the Total Value Added and various Value Added subset dollars per \$1,000,000 of production in the Industry.
 - For TOPI, the Effect represents the tax dollars per \$1,000,000 of production in the Industry.
- The *indirect* effect defines the creation of additional economic activity that results from linked businesses, suppliers of goods and services, and provision of operating inputs. For example, the Project purchases food, detergents, blankets and other products and services.
 - For Output, the Effect represents the sum of local business-to-business purchases per dollar of Output.
 - For Employment, the Effect represents the number of jobs per \$1,000,000 of business-to-business purchases by all resultant rounds of local Industry purchases.
 - Labor Income Effect represents the value of Labor Income dollars per \$1,000,000 of business-to-business purchases by all resultant rounds of local Industry purchases.
 - Value Added Effect represents the value of Value Added dollars per \$1,000,000 of business-to-business purchases by all resultant rounds of local Industry purchases.

¹⁶ In IMPLAN based studies "taxes on production and import (TOPI)" are also termed as "indirect business taxes (IBT)".

- For TOPI, the Effect represents the value of tax dollars per \$1,000,000 of business-to-business purchases by all resultant rounds of local Industry purchases.
- The *induced* effect measures the consumption expenditures of direct and indirect sector employees. While indirect effect considers business-to-business transactions only, the induced effect includes the sum of household purchases per dollar spent, based on the respective labor income payments. Examples of induced benefits include employees' expenditures on items such as retail purchases, housing, banking, medical services, and insurance.
 - For Output, the Effect represents the sum of local Household purchases per dollar of Output, based on Labor Income payments made by the originating Industry and the local Industries from which they purchase.
 - For Employment, the Effect represents the number of jobs supported in local Industries per \$1,000,000 of Direct spending in the originating Industry as a result of Household purchases derived from Labor Income payments throughout all rounds of the impact.
 - Labor Income Effect represents the value of Labor Income dollars per \$1,000,000 of Direct spending in the originating Industry in local Industries as a result of Household purchases derived from Labor Income payments throughout all rounds of the impact.
 - Value Added Effect represents the Value Added dollars per \$1,000,000 of Direct spending in the originating Industry in local Industries as a result of Household purchases derived from Labor Income payments throughout all rounds of the impact.
 - For TOPI, the Effect represents the value of tax dollars per \$1,000,000 of Direct spending in the originating Industry in local Industries as a result of Household purchases derived from Labor Income payments throughout all rounds of the impact.
- The *total* effect is the sum of the direct, indirect, and induced effects.

Table 3 contains the summary of types of multipliers and effects.

Table 3. Project-Related Economic Impact Multiplier

Type of Multiplier	Direct	Indirect	Induced
Output Multiplier	Project spending	Local business- to-business purchases due to Project spendings	Local household purchases due to Project spendings
Employment Multiplier	Number of jobs in the Project	Number of jobs due to all resultant rounds of local industry purchases caused by Project spendings	Number of jobs as a result of household purchases caused by Project spendings

Labor Income Multiplier	Labor income of Project employees and proprietors	Labor income due to all resultant rounds of local industry purchases caused by Project spendings	Labor income as a result of household purchases caused by Project spendings
Value Added	Total value added dollars created by Project operations	Value added dollars due to all resultant rounds of local industry purchases caused by Project spendings	Value added dollars as a result of household purchases caused by Project spendings
TOPI	Sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments paid by the Project	Sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments paid due to all resultant rounds of local industry purchases caused by Project spendings	Sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments paid as a result of household purchases caused by Project spendings

Other Assumptions of the Study

To measure the economic impact of the Project, the study makes the following assumptions:

- No price changes after 2021 are built in the model. All impacts are estimated in 2021 Net Present Value dollars, and for updating the analysis base, IMPLAN dataset(s) for subsequent years should be used;
- This is the benefit-only study which scope does not include possible offsets (e.g., adverse impacts from rental or housing price increases, land acquisition, crowding out effects, traffic and environmental issues etc.) that should be the subject of separate studies;
- All benefits are computed for a 10-year period and while in any individual year the numbers could vary, the totals represent aggregate impact over 10 years.
- The numerical input in the model is based on the data provided by The Capital SouthEast Connector Joint Powers Authority (JPA). Given the longitudinal nature of the study, an assumption of inflation is made, and deflator coefficients are used by IMPLAN for calculating real rather than nominal values.

Model Output

The IMPLAN model quantifies the multiplier effect that occurs when new output or employment is added in the geographical area via the designated economic activities. The economic impact is measured for 544 industries identified in the newest version of IMPLAN. For purposes of this study, the analysts then aggregated the results for the individual industries into 8 industry categories which were created in a manner

that takes into account key sectors in the regional economy and are based generally on the North American Industrial Classification System (NAICS):

- Agriculture
- Mining
- Construction
- Manufacturing
- Transportation, Information, Power, and Utilities
- Trade
- Service
- Government

ANALYSIS AND FINDINGS

As described in the Measures of Economic Impact section, the IMPLAN analysis consists of five measures: Output, Employment, Labor Income, Value Added, and Taxes on Production and Import (TOPI). The results for the direct, indirect, and induced economic impact of the Capital SouthEast Connector on the seven county Greater Sacramento Area comprising El Dorado County, Nevada County, Placer County, Sacramento County, Sutter County, Yolo County, and Yuba County are described below. Summary data from IMPLAN output are presented within the report narrative as exhibits.

Regional Demographics

Tables 4.A through 4.D present the population and employment data and characteristics for the seven county Region.

Table 4.A shows the population and growth for the period from 2010 till 2020 for the State of California, El Dorado County, Nevada County, Placer County, Sacramento County, Sutter County, Yolo County, and Yuba County. The population for the State grew from 37.2 million people in the year 2010 to 39.5 million people in 2020, approximately by 6.1% total and averaging annual growth rate of approximately 0.5%.

During the same time, the seven county Region grew faster at 11.0% total and annual average growth rate of 0.92% from 2.4 million people to 2.7 million people. El Dorado County grew from 181,058 people to 191,185 averaging an annual growth rate of 0.47%. Nevada County grew from 98,764 people to 102,241 averaging the lowest among seven counties annual growth rate of 0.29%. Placer County grew from 348,432 people to 404,739 averaging the highest among seven counties annual growth rate of 1.35%. Sacramento County grew from 1.42 million people to 1.59 million people averaging an annual growth rate of 0.98%. Sutter County grew from 94,737 people to 99,633 people averaging an annual growth rate of 0.43%. Yolo County grew from 200,849 people to 216,403 people averaging an annual growth rate of 0.65%. Finally, Yuba County grew from 72,155 people to 81,575 people averaging an annual growth rate of 1.09%.

Table 4.B contains the population growth data on four major Cities in the region impacted by the Project – Elk Grove, Folsom, Rancho Cordova, and Sacramento. Population of each of these cities during the period

between 2010 and 2020 Census grew at a rate higher than State of California average, with the annual growth rate either exceeding or being close to 1%. Elk Grove grew from 153,015 people to 176,124 people averaging an annual growth rate of 1.26%. Folsom grew from 72,203 people to 80,454 people averaging an annual growth rate of 0.95%. Rancho Cordova grew from 64,776 people to 79,332 people averaging an annual growth rate of 1.87%. City of Sacramento grew from 466,488 people to 524,943 people averaging an annual growth rate of 1.04%.

Tables 4.C and 4.D present data on number of households, average household size, civilian workforce older than 16 years, and employment within the seven county CSA¹⁷.

Regional Model Area Information

Tables 5.A through 5.G provide detailed information from IMPLAN about the seven county Region as well as about each of the individual counties that comprise the Region. Tables 6.A through 6.G provide summary measures of employment, labor income, and output for the top 10 industries for the Region as well for each of the counties in the Region. Tables 7.A through 7.G provide summary economic measures for the Region and Counties aggregated by the two digit SIC code for all industries in the region.

The Region is a vibrant economic center of over 2.6 million people, producing an annual Gross Regional Product of over \$158.7 billion, employment of 1.532 million people, personal income of approximately \$154 billion, and taxes on production and imports worth \$11.96 billion. The region encompasses 7,285 square miles of land mass, has 461 industries, and 960,771 households with an average household income of \$160,486.

El Dorado County has 192,843 people, producing an annual Gross Regional Product of over \$8.18 billion, employment of 94,382 people, personal income of approximately \$13.3 billion, and taxes on production and imports worth \$635 million. The County encompasses 1,711 square miles of land mass, has 275 industries, and 73,843 households with an average household income of \$180,256.

Nevada County has 99,755 people, producing an annual Gross Regional Product of over \$4.84 billion, employment of 59,077 people, personal income of approximately \$6.33 billion, and taxes on production and imports worth \$690 million. The County encompasses 958 square miles of land mass, has 262 industries, and 41,449 households with an average household income of \$152,747.

Placer County has 398,329 people, producing an annual Gross Regional Product of over \$25.89 billion, employment of 246,255 people, personal income of approximately \$27.16 billion, and taxes on production and imports worth \$2.19 billion. The County encompasses 1,404 square miles of land mass, has 331 industries, and 149,595 households with an average household income of \$181,573.

¹⁷ Source: U.S.Census Bureau. QuickFacts.

<https://www.census.gov/quickfacts/fact/table/yubacountycalifornia,yolocountycalifornia,nevadacountycalifornia,placercountycalifornia,sacramentocountycalifornia,eldoradocountycalifornia/PST045219>

Sacramento County has 1,522,058 people, producing an annual Gross Regional Product of over \$96.68 billion, employment of 906,933 people, personal income of approximately \$86.85 billion, and taxes on production and imports worth \$6.70 billion. The County encompasses 966 square miles of land mass, has 404 industries, and 559,224 households with an average household income of \$155,302. In the Region, Sacramento County is the largest economic center.

Sutter County has 96,971 people, producing an annual Gross Regional Product of nearly \$3.80 billion, employment of 44,950 people, personal income of approximately \$4.44 billion, and taxes on production and imports worth \$329 million. The County encompasses 603 square miles of land mass, has 228 industries, and 31,774 households with an average household income of \$139,691.

Yolo County has 220,500 people, producing an annual Gross Regional Product of over \$15.73 billion, employment of 148,882 people, personal income of approximately \$12.77 billion, and taxes on production and imports worth \$1.15 billion. The County encompasses 1,012 square miles of land mass, has 292 industries, and 78,579 households with an average household income of \$162,559.

Yuba County has 78,668 people, producing an annual Gross Regional Product of nearly \$3.62 billion, employment of 31,973 people, personal income of approximately \$3.33 billion, and taxes on production and imports worth \$270 million. The County encompasses 630 square miles of land mass, has 217 industries, and 26,306 households with an average household income of \$126,405. In the Region, Yuba County is the smallest economic center.

Economic Impact of Road Construction

Overall impact

The findings of the IMPLAN analyses are presented below, and in detail in Tables 6.A through 6.F and 7.A through 7.E at the end of this Summary Report. The impacts are grouped into the categories of output, employment, labor income, value added, and taxes on production and imports. They are further separated in each category into the major industrial sectors such as agriculture, mining, construction, manufacturing, TIPU (transportation, information, power, and utilities), trade, service, and government. For demonstrating the industry-specific effect the findings are also presented for each category for the top twenty industries that will experience the greatest impact.

Exhibit A. Overall Impact of Connector Construction – Direct, Indirect, Induced

Impact Type	Employment	Labor Income	Value Added	Output	Taxes on Production & Imports (TOPI)
Direct Effect	1,796	\$152,786,887	\$210,720,572	\$340,290,006	\$8,662,588
Indirect Effect	334	\$22,742,659	\$39,468,668	\$73,090,970	\$6,639,210
Induced Effect	831	\$45,110,839	\$84,626,700	\$139,085,802	\$10,007,606
Total Effect	2,961	\$220,640,386	\$334,815,941	\$552,466,778	\$25,309,404

Exhibit A shows that in 2021 NPV dollars, a \$340 million investment in the Connector construction would create a gross economic impact (to include direct effects, indirect effects, and induced effects) of \$552.5 million of economic Output, 2,961 new full-time equivalent Employment of jobs, \$220.6 million in new Labor Income, \$334.8 million of new Value Added in the regional economy, and generate \$25.3 million in new Taxes on Production and Imports for the seven county Region. This total impact, as measured over the duration of the actual period of construction, would provide a significant economic boost to the Region.

This new economic activity is the total gross impact of all monies spent through the construction of the Connector. It does not measure the incremental economic activity after accounting for any redistribution of economic resources based on how the Connector construction is financed. In other words, it does not account for any economic benefits lost due to a potential substitution effect due to resources being redirected away from other uses (for example, toll that people may pay to finance the construction may result in lower consumer spending on other goods and services).

Industry-specific impact

Table 6.B provides summary measures of all key economic variables of activity (Output, Value Added, Employment, Labor Income, and Taxes on Production and Imports) for the seven county Region aggregated by eight key sectors of economy as introduced in Model Output section above. Tables 6.C through 6.F show the total impact for each measure (direct, indirect, and induced) aggregated by eight key sectors of regional economy. Tables 7.A through 7.E present the same impact on the top 20 industries in the Region.

Economic Impact of Housing Construction

Methodology of approach

The economic impact from the Connector is not limited by the effect of the road construction and related activities. The additional impact will result from making the Region more attractive for investment in new housing construction due to creating new options for transportation and commuting. The easier connection between employment and population centers will contribute to the vibrancy of the local economy. According to the SACOG 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) Update the total number of housing units in the six county Region¹⁸ is expected to achieve 1,181,251 by 2040¹⁹ which means construction of approximately 188,800 new housing units or 19% increase of their total number during the period between 2021 and 2040.²⁰

¹⁸ SACOG geographical area includes six out of seven Sacramento-Roseville CSA counties (except Nevada County)

¹⁹ Sacramento Area Council of Governments (SACOG). 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy, https://www.sacog.org/sites/main/files/file-attachments/ch._12_lu__planning_pdeir.pdf?1569040194

²⁰ According to State of California Department of Finance 2021 Population and Housing Estimate the total number of housing units in six county region is 992,102 as of beginning of 2021. <https://www.dof.ca.gov/forecasting/demographics/estimates/e-5/>.

Regarding the areas directly adjacent to the Connector (Cities of Folsom, Rancho Cordova, Elk Grove, CDPs El Dorado Hills, Vineyard, Franklin, and unincorporated communities on both sides of the road)²¹, the total number of their housing units in 2021 is 167,023 that constitutes 13.35% growth compared to 2010. This is the substantially higher growth than in Sacramento County and State of California during the same period (8.01% and 6.36% respectively).²² Under the No Project Alternative (assuming that the Connector is not built) and assumption of retaining the same growth rate there are still 35,300 new housing units that are expected to be built in the Project area till 2040.

Overall impact

The study evaluated the gross economic impact from increase in population and households and construction of approximately 35,300 new housing units between 2021 and 2040 in the Region.

Exhibit B. Overall Impact of New Housing Construction – Direct, Indirect, Induced

Impact Type	Employment	Labor Income	Value Added	Output	Taxes on Production & Imports (TOPI)
Direct Effect	108,231	\$ 6,944,536,905	\$ 8,085,410,726	\$12,614,118,419	\$136,262,026
Indirect Effect	19,137	\$ 1,118,864,027	\$ 1,915,995,748	\$ 3,345,278,212	\$339,330,797
Induced Effect	38,208	\$ 2,073,605,918	\$ 3,889,083,226	\$ 6,392,125,945	\$407,511,480
Total Effect	165,576	\$10,137,006,849	\$13,890,489,699	\$ 22,351,522,576	\$883,104,303

Exhibit B shows that in 2021 NPV dollars, building new housing units in the Region would create a gross economic impact (to include direct effects, indirect effects, and induced effects) of more than \$22.3 billion of economic Output, 165,576 new full-time equivalent Employment of jobs (8,714 jobs per year), more than \$10.1 billion in new Labor Income, nearly \$13.9 billion of new Value Added in the regional economy, and generate more than \$883 million in new Taxes on Production and Imports for the seven county Region.

The economic activity outlined here is expected to take place even if the Connector is not built. However the Project will support it and become a catalysator of the additional activity due to increased connectivity in the area. While it is difficult to precisely estimate what incremental economic activity will take place due to the Connector construction and operation it is evident that it will facilitate additional population growth and contribute to the economic vibrancy of the area. It is conceivable that once the Project enters its active stage the real estate owners, investors, and developers will accelerate repurposing and development of properties located along the Connector. It can be expected that the growth of population and new jobs creation will take place sooner than could be expected under No Project Alternative. This, in turn, will result in the incremental economic growth attributed to the Project.

²¹ For the purpose of this study the territories of the following twelve zip codes were considered adjacent to the Connector: 95762, 95672, 95682 (all El Dorado Hills), 95630 (Folsom), 95670, 95742, 95827 (all Rancho Cordova), 95624, 95758 (both Elk Grove), 95757 (Elk Grove and Franklin), 95829 (Vineyard), 95830 (unincorporated).

²² Sacramento County Public Health. 2021 Demographics. <http://www.behealthysacramento.org/demographicdata>

Incremental impact

In order to quantify the incremental economic impact we make a conservative assumption that the Connector role in new housing construction will be limited by accelerating its timetable on average by 5% per year. It is simply that on average 5% of the homes projected to be built will get built faster due to the perceived benefits of the Connector resulting in population and economic activity occurring sooner than otherwise would happen, and this effect will take place starting from 2022.

Another assumption is that this incremental effect will take place with increasing rate during the Connector construction period, i.e. be smaller than 5% at the beginning and larger than that at the end. The reason for that assumption is that road infrastructure investments are usually making long- rather than short-term impact on residential housing development, and this impact is not immediate but delayed by years or sometimes even decades²³.

Based on the assumptions above, the incremental economic impact of the Connector on the housing construction sector in the Project area (to include direct, indirect, and induced effects) between 2022 and 2040 can be expected as the following.

Exhibit C. Incremental Impact of New Housing Construction – Direct, Indirect, Induced

Impact Type	Employment	Labor Income	Value Added	Output	Taxes on Production & Imports (TOPI)
Direct Effect	4,549	\$338,802,862	\$394,462,630	\$615,404,522	\$6,647,810
Indirect Effect	934	\$54,585,977	\$93,475,613	\$163,205,963	\$16,554,919
Induced Effect	1,864	\$101,164,934	\$189,736,558	\$311,852,409	\$19,881,247
Total Effect	7,347	\$494,553,773	\$677,674,800	\$1,090,462,894	\$43,083,977

Exhibit C shows that in 2021 NPV dollars, building new housing units in the Region would create a gross economic impact (to include direct effects, indirect effects, and induced effects) of nearly \$1.1 billion of economic Output, 7,347 new full-time equivalent Employment of jobs (387 jobs per year), more than \$494 million in new Labor Income, nearly \$678 million of new Value Added in the regional economy, and generate more than \$43 million in new Taxes on Production and Imports for the seven county Region.

Other impact factors

The most current post-COVID demographic data also provides the evidence in favor of importance of the Connector as the regional driver of economic growth. While California lost 182,000 residents last year, bringing the state's population to 39.467 million, the Sacramento region continued to grow. The region netted 12,750 new residents (a 0.5 percent increase), bringing the six-county population total to 2.56

²³ Congressional Research Service. *Economic Impact of Infrastructure Investment* by Jeffrey M. Stupak, <https://sgp.fas.org/crs/misc/R44896.pdf>

million. The bulk of the growth occurred in Placer and Sacramento counties (the area of Connector construction), in high degree due to COVID-related workforce migration from Bay Area. Placer County grew at a rate of 1.5 percent. Among the region's cities, Elk Grove (1.2 percent growth) jumped to the 26th largest city in the state and City of Sacramento (0.5 percent growth) remains the 6th largest in the state.²⁴

Except new residential construction the incremental economic activity will happen due to additional household spendings. The assumption is that the number of new households will equal the number of new housing units. With Sacramento median household income of \$83,184 the incremental household spendings due to the project are expected to be 165.9 million. Unlike construction incremental household spendings create induced impact only.

The incremental impact of new households spending will result in:

- \$166 million of economic Output
- 971 new Employment (full-time equivalent jobs calculated on annual basis)
- \$53 million of new Labor Income
- \$101 million of new Value Added
- \$12 million of new state and local Taxes on production and imports

As a result total measurable economic impact resulting from Connector construction, new incremental housing construction and new incremental households spendings between 2021 and 2040 can generate the following impact:

- Produce \$1.8 billion of economic Output.
- Create 11,3 thousand of new Employment (full-time equivalent jobs calculated on annual basis)
- Result in \$770 million of new Labor Income.
- Yield \$1.1 billion of new Value Added
- Generate \$80 million in new state and local Taxes on production and imports.

Finally, to fully understand the total economic impact of the Connector once it is completed, one must also understand the economic value of time and distance savings, linking residential areas with employment centers, attraction of new corporations in the Region, infrastructure and community development and other economic activities. The improvement in ease and speed of transportation of goods will lead to the increased economic vibrancy of the Region leading to higher growth and prosperity.

This is especially promising in the context of the upcoming post-COVID era that brought historically large scale geographic shifts on the workforce market. According to a Gallup poll, "Three in five U.S. workers who have been doing their jobs from home during the coronavirus pandemic would prefer to continue to work remotely as much as possible, once public health restrictions are lifted."²⁵ According to Global

²⁴ SACOG. *Sacramento Region Grows While State Loses Population Overall*. <https://www.sacog.org/post/sacramento-region-grows-while-state-loses-population-overall>

²⁵ Gallup. *U.S. Workers Discovering Affinity for Remote Work*, by Megan Brenan, retrieved from <https://buildremote.co/companies/companies-going-remote-permanently/>

Workplace Analytics, just 3.6% of the US workforce worked from home in 2018 while the estimate is that 25-30% of the workforce will be working-from-home multiple days a week by the end of 2021. It is estimated that after full lifting of restrictions at least a half of this time will still remain work-from-home.²⁶ In the context of this study this historical shift first of all means that the increase of San Francisco and Bay Area workforce in Greater Sacramento Area is a long-term trend, and part of the housing demand along the Connector (first of all Vineyard and other communities located between I-5 and US-50) can be expected due to this workforce migration.

CONCLUSION

In recent years Greater Sacramento Area struggled a lot in attracting new industries, business, and jobs. Transport infrastructure is a well proven driver of economic development and vibrancy. For instance, construction of Highway 65 was a huge positive impact on communities of Lincoln and Roseville as well as the whole Placer county.

This Project will be a historic chance to increase long-term economic competitiveness and attractiveness of Project area communities as well as Sacramento and El Dorado counties as a whole. The investment has a tremendous payoff potential that is worth billions of dollars in the long run. The new local taxes on production and imports could be beneficial to the jurisdictions as they seek to make their local communities more economically vibrant. A spirit of entrepreneurship, cooperation, and investment together with vision of the long-term benefits will lead Project area to the new level of competitiveness and prosperity as a region.

²⁶ Globalworkplaceanalytics.com. *Latest Work-At-Home/Telecommuting/Mobile Work/Remote Work Statistics*, June 2021. <https://globalworkplaceanalytics.com/telecommuting-statistics>

APPENDIX

Table 4A. Population in Sacramento Seven County Region

	Population, Census, April 1, 2010	Population, Census, April 1, 2020	10 year Percent Change	Annual Percent Change
State of California	37,253,956	39,538,223	6.1%	0.51%
El Dorado County	181,058	191,185	5.6%	0.47%
Nevada County	98,764	102,241	3.5%	0.29%
Placer County	348,432	404,739	16.2%	1.35%
Sacramento County	1,418,788	1,585,055	11.7%	0.98%
Sutter County	94,737	99,633	5.2%	0.43%
Yolo County	200,849	216,403	7.7%	0.65%
Yuba County	72,155	81,575	13.1%	1.09%
Seven County Region Total	2,414,783	2,680,831	11.0%	0.92%

Table 4B. Population in Major Cities Impacted by the Project

	Population, Census, April 1, 2010	Population, Census, April 1, 2020	Percent change	Percent change per year
Folsom City	72,203	80,454	11.4%	0.95%
Rancho Cordova City	64,776	79,332	22.5%	1.87%
Elk Grove City	153,015	176,124	15.1%	1.26%
Sacramento City	466,488	524,943	12.5%	1.04%
Four Cities Total	756,482	860,853	13.8%	1.15%

Table 4C. Households in Sacramento Seven County Region

	Households, 2015- 2019	Persons per household, 2015-2019
El Dorado County	70,974	2.63
Nevada County	40,855	2.40
Placer County	142,855	2.67
Sacramento County	543,025	2.76
Sutter County	32,636	2.91
Yolo County	74,296	2.81
Yuba County	26,354	2.84

Table 4D. Employment and Payroll in Sacramento Seven County Region

	Total employer establishments, 2019	Total employment, 2019	Total annual payroll, 2019 (\$1,000)
El Dorado County	4,626	49,977	2,560,132
Nevada County	3,119	29,332	1,256,289
Placer County	11,279	160,796	8,832,781
Sacramento County	30,796	505,255	30,063,622
Sutter County	1,849	22,192	993,026
Yolo County	4,234	70,273	3,569,326
Yuba County	828	10,834	531,526

Table 5A. Sacramento Seven County Region IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$158,754,307,655	Employee Compensation	\$90,640,188,020
Total Personal Income	\$154,190,600,000	Proprietor Income	\$12,026,659,599
Total Employment	1,532,452	Other Property Type Income	\$44,123,943,750
		Tax on Production and Import	\$11,963,516,284
Number of Industries	461		
Land Area (Sq. Miles)	7,285	Total Value Added	\$158,754,307,655
Area Count	7		
Population	2,639,124	<i>Final Demand</i>	
Total Households	960,771	Households	135,216,362,753
Average Household Income	\$160,486	State/Local Government	\$50,192,644,728
		Federal Government	\$7,215,012,088
Trade Flows Method	Trade Flows Model	Capital	\$38,179,520,778
Model Status	Multipliers	Exports	\$46,955,872,452
		Imports	-\$109,934,109,572
Economic Indicators		Institutional Sales	-\$9,070,991,496
Shannon-Weaver Index	.73847	Total Final Demand:	\$158,754,311,732

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Table 5B. El Dorado County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$8,184,314,041	Employee Compensation	\$4,009,758,588
Total Personal Income	\$13,310,710,000	Proprietor Income	\$1,015,911,421
Total Employment	94,382	Other Property Type Income	\$2,523,993,527
		Tax on Production and Import	\$634,650,504
Number of Industries	275		
Land Area (Sq. Miles)	1,711	Total Value Added	\$8,184,314,041
Area Count	1		
Population	192,843	<i>Final Demand</i>	11,469,079,837
Total Households	73,843	Households	\$1,587,419,080
Average Household Income	\$180,256	State/Local Government	\$184,647,294
		Federal Government	\$3,345,227,119
Trade Flows Method	Trade Flows Model	Capital	\$3,577,294,450
Model Status	Multipliers	Exports	-\$11,646,698,724
		Imports	-\$332,654,785
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.72425	Total Final Demand:	\$8,184,314,271

Table 5C. Nevada County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$4,844,000,992	Employee Compensation	\$2,049,721,822
Total Personal Income	\$6,331,232,000	Proprietor Income	\$773,272,854
Total Employment	59,077	Other Property Type Income	\$1,330,703,343
		Tax on Production and Import	\$690,302,973
Number of Industries	262		
Land Area (Sq. Miles)	958	Total Value Added	\$4,844,000,992
Area Count	1		
Population	99,755	<i>Final Demand</i>	5,688,681,850
Total Households	41,449	Households	\$1,090,652,731
Average Household Income	\$152,747	State/Local Government	\$83,372,107
		Federal Government	\$1,933,601,175
Trade Flows Method	Trade Flows Model	Capital	\$2,535,564,747
Model Status	Multipliers	Exports	-\$5,924,565,394
		Imports	-\$563,306,146
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.73189	Total Final Demand:	\$4,844,001,070

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Table 5D. Placer County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$25,892,558,116	Employee Compensation	\$13,388,328,404
Total Personal Income	\$27,162,270,000	Proprietor Income	\$2,073,854,334
Total Employment	246,255	Other Property Type Income	\$8,243,585,447
		Tax on Production and Import	\$2,186,789,931
Number of Industries	331		
Land Area (Sq. Miles)	1,404	Total Value Added	\$25,892,558,116
Area Count	1		
Population	398,329	<i>Final Demand</i>	23,464,842,533
Total Households	149,595	Households	\$3,420,531,530
Average Household Income	\$181,573	State/Local Government	\$205,095,031
	\$25,892,558,116	Federal Government	\$8,254,757,251
Trade Flows Method	\$27,162,270,000	Capital	\$11,359,026,134
Model Status	246,255	Exports	-\$20,113,336,099
		Imports	-\$698,357,634
Economic Indicators	331	Institutional Sales	
Shannon-Weaver Index	1,404	Total Final Demand:	\$25,892,558,746

Table 5E. Sacramento County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$96,684,619,791	Employee Compensation	\$58,028,505,840
Total Personal Income	\$86,848,890,000	Proprietor Income	\$6,464,975,275
Total Employment	906,933	Other Property Type Income	\$25,486,844,364
		Tax on Production and Import	\$6,704,294,311
Number of Industries	404		
Land Area (Sq. Miles)	966	Total Value Added	\$96,684,619,791
Area Count	1		
Population	1,552,058	<i>Final Demand</i>	76,211,911,313
Total Households	559,224	Households	\$35,313,035,645
Average Household Income	\$155,302	State/Local Government	\$3,869,676,598
		Federal Government	\$20,592,619,422
Trade Flows Method	Trade Flows Model	Capital	\$28,366,185,045
Model Status	Multipliers	Exports	-\$61,464,184,255
		Imports	-\$6,204,620,478
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.71834	Total Final Demand:	\$96,684,623,289

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Table 5F. Sutter County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$3,797,841,025	Employee Compensation	\$1,877,087,470
Total Personal Income	\$4,438,553,000	Proprietor Income	\$428,459,049
Total Employment	44,950	Other Property Type Income	\$1,162,826,700
		Tax on Production and Import	\$329,467,806
Number of Industries	228		
Land Area (Sq. Miles)	603	Total Value Added	\$3,797,841,025
Area Count	1		
Population	96,971	<i>Final Demand</i>	4,045,350,545
Total Households	31,774	Households	\$718,422,399
Average Household Income	\$139,691	State/Local Government	\$41,229,671
		Federal Government	\$752,568,704
Trade Flows Method	Trade Flows Model	Capital	\$2,272,630,345
Model Status	Multipliers	Exports	-\$3,837,042,647
		Imports	-\$195,317,881
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.69341	Total Final Demand:	\$3,797,841,136

Table 5G. Yolo County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$15,734,302,661	Employee Compensation	\$9,421,981,807
Total Personal Income	\$12,773,700,000	Proprietor Income	\$1,058,156,336
Total Employment	148,882	Other Property Type Income	\$4,106,000,984
		Tax on Production and Import	\$1,148,163,534
Number of Industries	292		
Land Area (Sq. Miles)	1,012	Total Value Added	\$15,734,302,661
Area Count	1		
Population	220,500	<i>Final Demand</i>	11,141,755,083
Total Households	78,579	Households	\$7,280,863,893
Average Household Income	\$162,559	State/Local Government	\$242,451,545
		Federal Government	\$2,616,636,761
Trade Flows Method	Trade Flows Model	Capital	\$9,106,951,927
Model Status	Multipliers	Exports	-\$13,752,110,917
		Imports	-\$902,245,456
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.70248	Total Final Demand:	\$15,734,302,834

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Table 5H. Yuba County IMPLAN Model Information

		<i>Value Added</i>	
GRP	\$3,616,672,325	Employee Compensation	\$1,864,804,670
Total Personal Income	\$3,325,281,000	Proprietor Income	\$212,030,365
Total Employment	31,973	Other Property Type Income	\$1,269,989,898
		Tax on Production and Import	\$269,847,392
Number of Industries	217		
Land Area (Sq. Miles)	630	Total Value Added	\$3,616,672,325
Area Count	1		
Population	78,668	<i>Final Demand</i>	3,194,742,138
Total Households	26,306	Households	\$781,720,494
Average Household Income	\$126,405	State/Local Government	\$2,588,539,643
		Federal Government	\$684,110,302
Trade Flows Method	Trade Flows Model	Capital	\$1,377,464,333
Model Status	Multipliers	Exports	-\$4,835,415,422
		Imports	-\$174,489,131
Economic Indicators		Institutional Sales	
Shannon-Weaver Index	.64389	Total Final Demand:	\$3,616,672,357

Table 6A. Overall Impact of Connector Construction

Impact Type	Employment	Labor Income	Value Added	Output	Taxes on Production & Imports (TOPI)
Direct Effect	1,796	\$152,786,887	\$210,720,572	\$340,290,006	\$8,662,588
Indirect Effect	334	\$22,742,659	\$39,468,668	\$73,090,970	\$6,639,210
Induced Effect	831	\$45,110,839	\$84,626,700	\$139,085,802	\$10,007,606
Total Effect	2,961	\$220,640,386	\$334,815,941	\$552,466,778	\$25,309,404

Table 6B. Combined Direct, Indirect, and Induced Economic Impact of Connector Construction - Aggregated Key Sectors

Sector	Output	Value Added	Labor Income	Employment
Agriculture	\$ 286,541.37	\$ 185,608.82	\$ 108,591.95	2
Mining	\$ 1,345,039.92	\$ 593,988.20	\$ 233,707.11	4
Construction	\$ 342,385,612.27	\$211,749,896.98	\$ 153,444,331.67	1,805
Manufacturing	\$ 14,280,479.69	\$ 4,479,471.96	\$ 2,691,122.82	37
TIPU	\$ 20,217,627.31	\$ 9,874,181.63	\$ 6,151,736.02	109
Trade	\$ 37,468,440.30	\$ 22,907,886.57	\$ 10,656,247.70	213
Service	\$ 131,564,243.07	\$ 82,570,459.91	\$ 45,290,198.06	773
Government	\$ 4,918,794.92	\$ 2,454,447.36	\$ 2,064,450.80	17
Total	\$ 552,466,778.86	\$334,815,941.43	\$ 220,640,386.12	2,961

THE ECONOMIC IMPACT OF THE CAPITAL SOUTHEAST CONNECTOR

Table 6C. Economic Impact of Connector Construction by Output – Aggregated Key Sectors

Sector	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 68,993.78	\$ 217,547.60	\$ 286,541.37
Mining	\$ -	\$ 1,286,186.45	\$ 58,853.47	\$ 1,345,039.92
Construction	\$ 340,290,006.72	\$ 405,046.19	\$ 1,690,559.37	\$342,385,612.27
Manufacturing	\$ -	\$ 12,705,963.37	\$ 1,574,516.31	\$ 14,280,479.69
TIPU	\$ -	\$ 9,470,546.88	\$ 10,747,080.43	\$ 20,217,627.31
Trade	\$ -	\$ 18,095,273.22	\$ 19,373,167.08	\$ 37,468,440.30
Service	\$ -	\$ 29,965,264.42	\$ 101,598,978.65	\$131,564,243.07
Government	\$ -	\$ 1,093,695.78	\$ 3,825,099.14	\$ 4,918,794.92
Total	\$ 340,290,006.72	\$ 73,090,970.10	\$ 139,085,802.04	\$552,466,778.86

Table 6D. Economic Impact of Connector Construction by Value Added – Aggregated Key Sectors

Sector	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 53,785.20	\$ 131,823.62	\$ 185,608.82
Mining	\$ -	\$ 578,834.11	\$ 15,154.08	\$ 593,988.20
Construction	\$210,720,572.93	\$ 199,069.07	\$ 830,254.98	\$ 211,749,896.98
Manufacturing	\$ -	\$ 4,048,853.79	\$ 430,618.17	\$ 4,479,471.96
TIPU	\$ -	\$ 4,614,763.66	\$ 5,259,417.96	\$ 9,874,181.63
Trade	\$ -	\$ 11,177,008.69	\$11,730,877.88	\$ 22,907,886.57
Service	\$ -	\$ 18,202,537.26	\$64,367,922.65	\$ 82,570,459.91
Government	\$ -	\$ 593,816.51	\$ 1,860,630.86	\$ 2,454,447.36
Total	\$210,720,572.93	\$ 39,468,668.29	\$84,626,700.20	\$ 334,815,941.43

Table 6E. Economic Impact of Connector Construction by Labor Income – Aggregated Key Sectors

Sector	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 48,482.46	\$ 60,109.49	\$ 108,591.95
Mining	\$ -	\$ 229,621.48	\$ 4,085.62	\$ 233,707.11
Construction	\$152,786,887.19	\$ 125,096.19	\$ 532,348.28	\$153,444,331.67
Manufacturing	\$ -	\$ 2,443,160.98	\$ 247,961.84	\$ 2,691,122.82
TIPU	\$ -	\$ 3,368,757.09	\$ 2,782,978.93	\$ 6,151,736.02
Trade	\$ -	\$ 4,089,861.56	\$ 6,566,386.14	\$ 10,656,247.70
Service	\$ -	\$ 11,929,912.87	\$ 33,360,285.18	\$ 45,290,198.06
Government	\$ -	\$ 507,766.66	\$ 1,556,684.14	\$ 2,064,450.80
Total	\$152,786,887.19	\$ 22,742,659.29	\$ 45,110,839.64	\$220,640,386.12

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Table 6F. Economic Impact of Connector Construction by Taxes on Production and Import – Aggregated Key Sectors

Sector	Direct	Indirect	Induced	Total
Agriculture	\$ -	\$ 1,140.59	\$ 2,117.57	\$ 3,258.15
Mining	\$ -	\$ 71,499.57	\$ 5,062.87	\$ 76,562.44
Construction	\$ 1,601,922.17	\$ 3,806.97	\$ 26,478.38	\$ 1,632,207.52
Manufacturing	\$ -	\$ 114,065.15	\$ 32,983.32	\$ 147,048.47
TIPU	\$ -	\$ 126,681.55	\$ 363,781.22	\$ 490,462.77
Trade	\$ -	\$ 5,174,089.76	\$ 3,602,000.81	\$ 8,776,090.57
Service	\$ -	\$ 964,329.71	\$ 5,054,065.96	\$ 6,018,395.67
Government	\$ -	\$ (38,092.14)	\$ (215,379.31)	\$ (253,471.45)
Total	\$ 1,601,922.17	\$ 6,417,521.15	\$ 8,871,110.82	\$ 16,890,554.15

Table 6G. Economic Impact of Connector Construction by Employment – Aggregated Key Sectors

Sector	Direct	Indirect	Induced	Total
Agriculture	0	1	2	3
Mining	0	4	0	4
Construction	1,796	2	7	1,805
Manufacturing	0	33	4	37
TIPU	0	52	57	109
Trade	0	63	150	213
Service	0	175	598	773
Government	0	4	13	17
Total	1,796	334	831	2,961

Table 7A. Economic Impact of Connector Construction by Output – Top 20 Industries

Industry	Direct	Indirect	Induced	Total
Construction of new highways and streets	\$340,290,006.72	\$ -	\$ -	\$340,290,006.72
Owner-occupied dwellings	\$ -	\$ -	\$22,062,899.57	\$ 22,062,899.57
Other real estate	\$ -	\$ 3,879,396.32	\$ 5,667,432.54	\$ 9,546,828.86
Hospitals	\$ -	\$ -	\$ 7,703,651.47	\$ 7,703,651.47
Wholesale - Other durable goods merchant wholesalers	\$ -	\$ 6,569,382.43	\$ 844,544.43	\$ 7,413,926.86
Truck transportation	\$ -	\$ 4,269,276.62	\$ 1,181,033.52	\$ 5,450,310.14
Insurance carriers, except direct life	\$ -	\$ 589,845.22	\$ 4,778,724.46	\$ 5,368,569.68
Commercial and industrial machinery	\$ -	\$ 4,827,905.62	\$ 244,646.22	\$ 5,072,551.85

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and equipment rental and leasing				
Ready-mix concrete manufacturing	\$ -	\$ 4,931,538.19	\$ 28,238.67	\$ 4,959,776.86
Wholesale - Petroleum and petroleum products	\$ -	\$ 3,716,662.19	\$ 874,837.42	\$ 4,591,499.61
Architectural, engineering, and related services	\$ -	\$ 3,910,030.82	\$ 331,921.38	\$ 4,241,952.21
Limited-service restaurants	\$ -	\$ 97,325.99	\$ 4,006,683.42	\$ 4,104,009.41
Management of companies and enterprises	\$ -	\$ 2,132,261.31	\$ 1,797,077.52	\$ 3,929,338.83
Monetary authorities and depository credit intermediation	\$ -	\$ 1,123,030.73	\$ 2,641,599.03	\$ 3,764,629.76
Offices of physicians	\$ -	\$ -	\$ 3,673,355.82	\$ 3,673,355.82
Full-service restaurants	\$ -	\$ 219,387.59	\$ 3,406,201.35	\$ 3,625,588.94
Tenant-occupied housing	\$ -	\$ -	\$ 3,514,656.94	\$ 3,514,656.94
Insurance agencies, brokerages, and related activities	\$ -	\$ 467,266.11	\$ 3,043,104.25	\$ 3,510,370.37
Legal services	\$ -	\$ 1,548,017.84	\$ 1,597,377.51	\$ 3,145,395.35
Employment services	\$ -	\$ 1,539,878.56	\$ 1,519,562.46	\$ 3,059,441.02

Table 7B. Economic Impact of Connector Construction by Value Added – Top 20 Industries

Industry	Direct	Indirect	Induced	Total
Construction of new highways and streets	\$210,720,572.93	\$ -	\$ -	\$210,720,572.93
Owner-occupied dwellings	\$ -	\$ -	\$17,230,812.22	\$ 17,230,812.22
Hospitals	\$ -	\$ -	\$ 4,757,763.77	\$ 4,757,763.77
Other real estate	\$ -	\$ 1,796,726.16	\$ 2,624,847.65	\$ 4,421,573.81
Wholesale - Petroleum and petroleum products	\$ -	\$ 3,484,293.06	\$ 820,141.78	\$ 4,304,434.84
Wholesale - Other durable goods merchant wholesalers	\$ -	\$ 3,229,115.73	\$ 415,127.56	\$ 3,644,243.30
Commercial and industrial machinery and equipment rental and leasing	\$ -	\$ 3,442,288.36	\$ 174,432.33	\$ 3,616,720.69
Tenant-occupied housing	\$ -	\$ -	\$ 3,313,933.73	\$ 3,313,933.73
Truck transportation	\$ -	\$ 2,171,469.51	\$ 600,705.58	\$ 2,772,175.09
Offices of physicians	\$ -	\$ -	\$ 2,766,895.08	\$ 2,766,895.08

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Architectural, engineering, and related services	\$ -	\$ 2,336,333.63	\$ 198,330.68	\$ 2,534,664.31
Monetary authorities and depository credit intermediation	\$ -	\$ 680,733.38	\$ 1,601,224.79	\$ 2,281,958.17
Legal services	\$ -	\$ 1,116,972.73	\$ 1,152,588.21	\$ 2,269,560.93
Management of companies and enterprises	\$ -	\$ 1,220,991.46	\$ 1,029,056.01	\$ 2,250,047.47
Full-service restaurants	\$ -	\$ 134,911.08	\$ 2,094,623.03	\$ 2,229,534.10
Insurance carriers, except direct life	\$ -	\$ 242,220.57	\$ 1,962,388.29	\$ 2,204,608.86
Employment services	\$ -	\$ 1,048,132.99	\$ 1,034,304.64	\$ 2,082,437.64
Limited-service restaurants	\$ -	\$ 48,798.19	\$ 2,008,907.49	\$ 2,057,705.69
Automotive repair and maintenance, except car washes	\$ -	\$ 500,675.94	\$ 1,234,162.70	\$ 1,734,838.63
Retail - Building material and garden equipment and supplies stores	\$ -	\$ 1,143,332.34	\$ 493,818.60	\$ 1,637,150.94

Table 7C. Economic Impact of Connector Construction by Labor Income– Top 20 Industries

Industry	Direct	Indirect	Induced	Total
Construction of new highways and streets	\$152,786,887.19	\$ -	\$ -	\$152,786,887.19
Hospitals	\$ -	\$ -	\$ 4,053,602.86	\$ 4,053,602.86
Offices of physicians	\$ -	\$ -	\$ 2,600,320.08	\$ 2,600,320.08
Truck transportation	\$ -	\$ 1,954,049.92	\$ 540,559.60	\$ 2,494,609.52
Architectural, engineering, and related services	\$ -	\$ 2,017,207.48	\$ 171,240.16	\$ 2,188,447.64
Management of companies and enterprises	\$ -	\$ 1,060,534.15	\$ 893,822.01	\$ 1,954,356.16
Wholesale - Other durable goods merchant wholesalers	\$ -	\$ 1,680,730.86	\$ 216,070.83	\$ 1,896,801.69
Automotive repair and maintenance, except car washes	\$ -	\$ 513,616.80	\$ 1,266,061.84	\$ 1,779,678.64
Employment services	\$ -	\$ 760,084.00	\$ 750,055.97	\$ 1,510,139.97
Full-service restaurants	\$ -	\$ 89,770.30	\$ 1,393,769.45	\$ 1,483,539.75
Other real estate	\$ -	\$ 592,482.55	\$ 865,561.19	\$ 1,458,043.74
Legal services	\$ -	\$ 682,929.01	\$ 704,704.69	\$ 1,387,633.70
Limited-service restaurants	\$ -	\$ 29,580.15	\$ 1,217,745.58	\$ 1,247,325.73

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Commercial and industrial machinery and equipment rental and leasing	\$ -	\$ 1,148,674.62	\$ 58,207.21	\$ 1,206,881.83
Outpatient care centers	\$ -	\$ -	\$ 1,146,306.71	\$ 1,146,306.71
Insurance agencies, brokerages, and related activities	\$ -	\$ 148,432.55	\$ 966,677.68	\$ 1,115,110.23
Other local government enterprises	\$ -	\$ 160,442.53	\$ 894,915.01	\$ 1,055,357.54
Retail - Food and beverage stores	\$ -	\$ 7,243.24	\$ 1,005,257.84	\$ 1,012,501.07
Ready-mix concrete manufacturing	\$ -	\$ 1,001,309.76	\$ 5,733.64	\$ 1,007,043.39
Insurance carriers, except direct life	\$ -	\$ 107,239.87	\$ 868,820.83	\$ 976,060.71

Table 7D. Economic Impact of Connector Construction by Taxes on Production and Import – Top 20 Industries

Industry	Direct	Indirect	Induced	Total
Wholesale - Petroleum and petroleum products	\$ -	\$ 3,328,969.50	\$ 783,581.33	\$ 4,112,550.83
Owner-occupied dwellings	\$ -	\$ -	\$ 2,328,936.72	\$ 2,328,936.72
Construction of new highways and streets	\$ 1,601,922.17	\$ -	\$ -	\$ 1,601,922.17
Wholesale - Other durable goods merchant wholesalers	\$ -	\$ 753,658.84	\$ 96,888.62	\$ 850,547.46
Wholesale - Other nondurable goods merchant wholesalers	\$ -	\$ 216,051.95	\$ 371,620.10	\$ 587,672.06
Retail - Building material and garden equipment and supplies stores	\$ -	\$ 365,056.11	\$ 157,672.00	\$ 522,728.11
Retail - General merchandise stores	\$ -	\$ 8,864.78	\$ 410,157.16	\$ 419,021.95
Limited-service restaurants	\$ -	\$ 9,029.52	\$ 371,724.31	\$ 380,753.84
Automotive repair and maintenance, except car washes	\$ -	\$ 96,819.77	\$ 238,660.07	\$ 335,479.84
Tenant-occupied housing	\$ -	\$ -	\$ 306,864.03	\$ 306,864.03
Full-service restaurants	\$ -	\$ 18,566.42	\$ 288,261.32	\$ 306,827.73
Commercial and industrial machinery and equipment rental and leasing	\$ -	\$ 287,746.64	\$ 14,581.09	\$ 302,327.73

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Wholesale - Household appliances and electrical and electronic goods	\$ -	\$ 247,749.98	\$ 35,250.17	\$ 283,000.14
Insurance carriers, except direct life	\$ -	\$ 29,938.44	\$ 242,550.98	\$ 272,489.42
Retail - Motor vehicle and parts dealers	\$ -	\$ 10,578.46	\$ 259,792.91	\$ 270,371.37
Retail - Nonstore retailers	\$ -	\$ 6,276.65	\$ 241,062.86	\$ 247,339.50
Retail - Food and beverage stores	\$ -	\$ 1,768.09	\$ 245,385.06	\$ 247,153.14
Car washes	\$ -	\$ 41,287.48	\$ 202,463.86	\$ 243,751.35
Retail - Clothing and clothing accessories stores	\$ -	\$ 123.09	\$ 213,862.85	\$ 213,985.94
Other real estate	\$ -	\$ 73,138.69	\$ 106,848.73	\$ 179,987.42

Table 7E. Economic Impact of Connector Construction by Employment– Top 20 Industries

Industry	Direct	Indirect	Induced	Total
Construction of new highways and streets	1,796	0	0	1,796
Full-service restaurants	0	3	45	48
Limited-service restaurants	0	1	46	47
Other real estate	0	17	25	43
Individual and family services	0	0	35	35
Truck transportation	0	27	7	34
Hospitals	0	0	33	33
Employment services	0	16	16	32
Wholesale - Other durable goods merchant wholesalers	0	27	3	31
Transit and ground passenger transportation	0	6	21	27
Automotive repair and maintenance, except car washes	0	7	18	26
Architectural, engineering, and related services	0	22	2	24
Retail - Food and beverage stores	0	0	22	22
Retail - General merchandise stores	0	0	21	22
All other food and drinking places	0	1	19	20
Offices of physicians	0	0	20	20
Personal care services	0	0	18	18
Management of companies and enterprises	0	10	8	18
Retail - Building material and garden equipment and supplies stores	0	12	5	17
Legal services	0	8	8	16