



**Item #08-8-7
Consent**

SACOG Board of Directors

August 13, 2008

2009 Project Delivery Plan Process

Issue: What process changes, if any, should be considered for the 2009 Project Delivery Plan?

Recommendation: The Transportation Committee recommends that the Board approve the attached proposed 2009 Project Delivery Plan process.

Committee Action/Discussion: While the 2008 Project Delivery Plan process is not yet finished, it is expected that, when the final accounting is completed next month, the results will be very positive. There are, however, some changes looming on the horizon that are causing us to propose some modifications to the Project Delivery Plan process for 2009.

First, Federal recissions are becoming a way of life and it is expected that the upcoming Federal Fiscal Year (FFY) will include at least one and maybe more reductions in the amount of apportionments available to the region. Second, the overall funding picture at both the State and Federal level is becoming murkier, due to the economy and Federal budget problems, an upcoming Presidential election, and the fact that the current Transportation Act will expire on September 30, 2009. Third, Caltrans Headquarters Local Assistance Division has recently moved up the date on which it releases Statewide Obligation Authority (OA) from June 1 to May 1. Lastly, other regional agencies are becoming more aggressive in their efforts to obtain OA, making it more difficult for the SACOG region to continue to count on getting “more than its fair share”.

As a result, SACOG staff has been exploring with Caltrans and local agencies what tweaks in the 2009 Project Delivery Plan process might lead to a more effective way of doing business in the new FFY that commences on October 1, 2008. Staff has developed the attached proposal, which has been reviewed and concurred in by the Regional Planning Partnership (RPP) and the Transportation Committee.

We do not consider the proposed process to be largely different than the informal process we have followed in the past; however, it does move the timelines forward by about five months over current practice. The concluding paragraph of the attached proposed 2009 Project Delivery Plan process has been modified, consistent with staff’s presentation to the Transportation Committee clarifying the authority of the Executive Director in approving loans.

Approved by:

Mike McKeever
Executive Director

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Attachment

Key Staff: Olin Woods, Manager of Capital Programs, (916) 340-6220
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Proposed 2009 Delivery Plan Process

The SACOG region's delivery over the last ten years has been strong and over the last five years in particular has been exceptional. During this five-year period the region has been among the top leaders in the state for authorizing apportionments and using Obligation Authority (OA). In order to keep performing at this high level, SACOG staff has consulted with Caltrans and local agency staffs and proposes the changes referenced here to the existing process.

We recommend making a call for projects, in coordination with Caltrans District 3 and Headquarters, and compile an initial 2009 Delivery Plan in the next several months (no later than October 15, 2008). As part of this call, we would likely ask that submittals include the usual information: project title, phase of work, and intended source(s) of funds (i.e., RSTP, CMAQ, STIP), etc.

SACOG would monitor the Delivery Plan on a monthly basis and then in the spring (no later than March 15, 2009), in consultation with the local agencies prepare an updated 2009 Delivery Plan for submittal to Caltrans Headquarters. This would be based on an assessment of the region's delivery to date and the state's revised forecast of apportionments and OA. Any project approved in Tier I (2009 MTIP) for delivery for which a "clean" Request for Authorization (RFA) had not been received by Caltrans would lose its priority status. At this point, the project would remain in the plan, but SACOG would no longer hold its "place in line". Any Tier II (2010 MTIP) projects that were ready to deliver could then submit RFA's to Caltrans D-3. If on May 1, 2009, there were still undelivered projects in Tier I and Tier II, then Tier III (2011 and beyond) projects that were ready could come forward for obligation.

As part of the updated Delivery Plan, as we have done in past years, SACOG would attempt to expand our delivery potential by borrowing apportionments, as appropriate, from other regional agencies. Also, we would plan to continue to use as much OA as may be left on the table by other local agencies or by the state. This would provide again in 2009, it is hoped, the opportunity to fund additional work in the region.

Under normal circumstances, staff will bring any proposed loan agreements to the Board for its review and approval prior to signature by the Executive Director. In the event that there is an urgent need for SACOG to execute a loan agreement, current Board delegation gives the Executive Director authority to commit SACOG for such purposes. Consistent with past practice, staff will report back to the Board at the first opportunity.