



Transportation Committee

July 29, 2009

2010 Project Delivery Plan Process

Issue: Whether or not to approve the proposed process for the 2010 Delivery Plan.

Recommendation: That the Transportation Committee review and recommend that the Board approve the attached proposed 2010 Delivery Plan process.

Discussion: While the 2009 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. This is particularly impressive when one considers that the workload of local agencies has included the delivery of the American Recovery and Reinvestment Act (ARRA) projects. In order to foster and promote continued project delivery success, it is important to lay the groundwork now for the 2010 Federal Fiscal Year (FFY) which commences on October 1, 2009.

Last year, SACOG staff recommended advancing the deadlines for the 2009 Delivery Plan in order to encourage early delivery. The results were very favorable, with virtually all of the region's Regional Surface Transportation Program (RSTP) and Congestion Mitigation and Air Quality (CMAQ) funds authorized at this point in time. Next year we expect a number of delivery challenges which will make early delivery important if the region is to maintain its record of success in this area.

At least four project delivery challenges are on the horizon. First, federal rescissions or takeaways are becoming a way of life, and it is expected that the upcoming FFY will include continued reductions in apportionments, particularly since the existing Transportation Act appears headed for an 18 month extension. Second, the overall funding picture at both the state and federal levels continues to be murky due to the economy, state budget problems, and uncertainties about the current Transportation Act which expires on September 30, 2009. Third, Caltrans Headquarters Local Assistance Division has maintained May 1 (moved up from June 1) as the "free for all" date on which it will release Statewide Obligation Authority (OA). 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."

After consulting with the Regional Planning Partnership, Caltrans, and local agencies, SACOG staff has developed the attached proposal for the Transportation Committee's review. This process is almost identical to last year's process, which was adopted by the Board at its August 21, 2008, meeting and which has enjoyed a successful implementation.

Approved by:

Mike McKeever
Executive Director

MM:OW:gg
Attachment

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7/29/09

Proposed 2010 Delivery Plan Process

The SACOG region's delivery over the last ten years has been strong and, over the last six years in particular, has been exceptional. During this six-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, the Regional Planning Partnership, and local agency staffs to prepare for the 2010 Delivery Plan. This collaboration has resulted in SACOG staff's recommendation to continue the same process used successfully to implement the 2009 Delivery Plan.

Staff proposes to finalize the initial 2010 Delivery Plan by mid-October 2009. The plan will be comprised of projects submitted by local agencies through a call for projects that will be coordinated with Caltrans District 3 and Headquarters. As part of this call for projects, staff would continue to ask that submittals include key project information, including project title, phase of work, and intended source(s) of funds (i.e., RSTP, CMAQ, STIP), etc.

Through the winter of 2009-2010, staff will monitor delivery on a regular basis and then prepare an updated 2010 Delivery Plan for submittal to Caltrans Headquarters by its April 1, 2010, deadline. Coordination with local agencies would continue throughout this time period. The updated Delivery Plan 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 (2010 MTIP) for delivery for which a complete 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 (2011 MTIP) projects that were ready to deliver could then submit RFAs to Caltrans District 3. If on May 1, 2010, there were still undelivered projects in Tier I and Tier II, then Tier III (2012 MTIP) could come forward for obligation. Finally, after June 1, 2010, any projects on the Reserve List (2013 MTIP or later or unprogrammed projects ready for delivery) could be advanced.

Following past practice, staff proposes to expand SACOG's project delivery potential by borrowing apportionments, as appropriate, from other regional agencies and to continue to use as much OA as may be available from other local agencies or from the state. Extending these practices for the 2010 Delivery Plan may help fund additional projects in the region. With respect to borrowing funds, 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 discretion to commit SACOG for such purposes. Consistent with past practice, staff would then report back to the Board at the first opportunity.