



# 2022/23 REGIONAL PROGRAM MAINTENANCE & MODERNIZATION CATEGORY

## GUIDELINES

APPLICATION AND GUIDELINES RELEASE DATE:

~~01/2022~~

APPLICATIONS DUE:

**4:00 p.m., Wednesday, January 25, 2023**

This document contains the guidelines for the Maintenance & Modernization category of the Sacramento Area Council of Governments (SACOG) 2022/23 Regional Program. The program grants funding from a variety of sources to local government agencies and their partners to projects that meet performance outcomes, overall policy, and selection considerations identified by the SACOG Board.

Please note: This Funding Program applies to the counties of Sacramento, Sutter, Yolo, and Yuba only. Placer and El Dorado Counties have their own programming process through a Memorandum of Understanding with SACOG. Projects must be located within the four-county portion of the region.

**Section 1** contains the guidelines for the Maintenance & Modernization category of the 2022/23 Regional Program. Page 3 provides the schedule for this funding round.

**Section 2** contains application instructions for the Maintenance & Modernization category of the 2022/23 Regional Program. Please note the application itself is a separate document.

**Section 3** contains evaluation guidance on addressing performance outcomes and evaluation criteria in the Maintenance & Modernization category of the 2022/23 Regional Program.

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## REFERENCE INFORMATION

### Schedule

Please note all dates are subject to change. To view the most recent information please go to:

<https://www.sacog.org/regional-program>.

**November 1, 2022** Call for Projects begins with release of program guidelines and application

**January 25, 2023** Project applications due by 4:00 p.m.

During the review period that follows, the applications will be evaluated and programming recommendations for the various funding programs, including the Regional Program, will be made.

**March 31, 2023** Staff releases project award recommendations

**April 6, 2023** Transportation Committee recommends project awards to the SACOG board for final approval

**April 20, 2023** SACOG board takes final action on recommended projects and determines final program funding amount

**July 2023** Initiate programming and federal authorization request process, depending on fund type received. The earliest opportunity anticipated to receive funds is July 1, 2023<sup>1</sup>

### Program Contact

Please direct any questions regarding the Regional Program or the application process to the Regional Program coordinator:

**Chris Dougherty**  
Funding and Grants Program Manager  
E-mail: [cdougherty@sacog.org](mailto:cdougherty@sacog.org)

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<sup>1</sup> 1 Actual receipt of funds will vary. Please contact Miguel Mendoza of the Metropolitan Transportation Improvement Program team at [MMendoza@sacog.org](mailto:MMendoza@sacog.org) for more information on project delivery, such as how to accelerate the delivery of your project and when to expect receipt of funds, especially if you would like to start state or federally-reimbursable work as soon as possible.

## SECTION 1: PROGRAM GUIDELINES

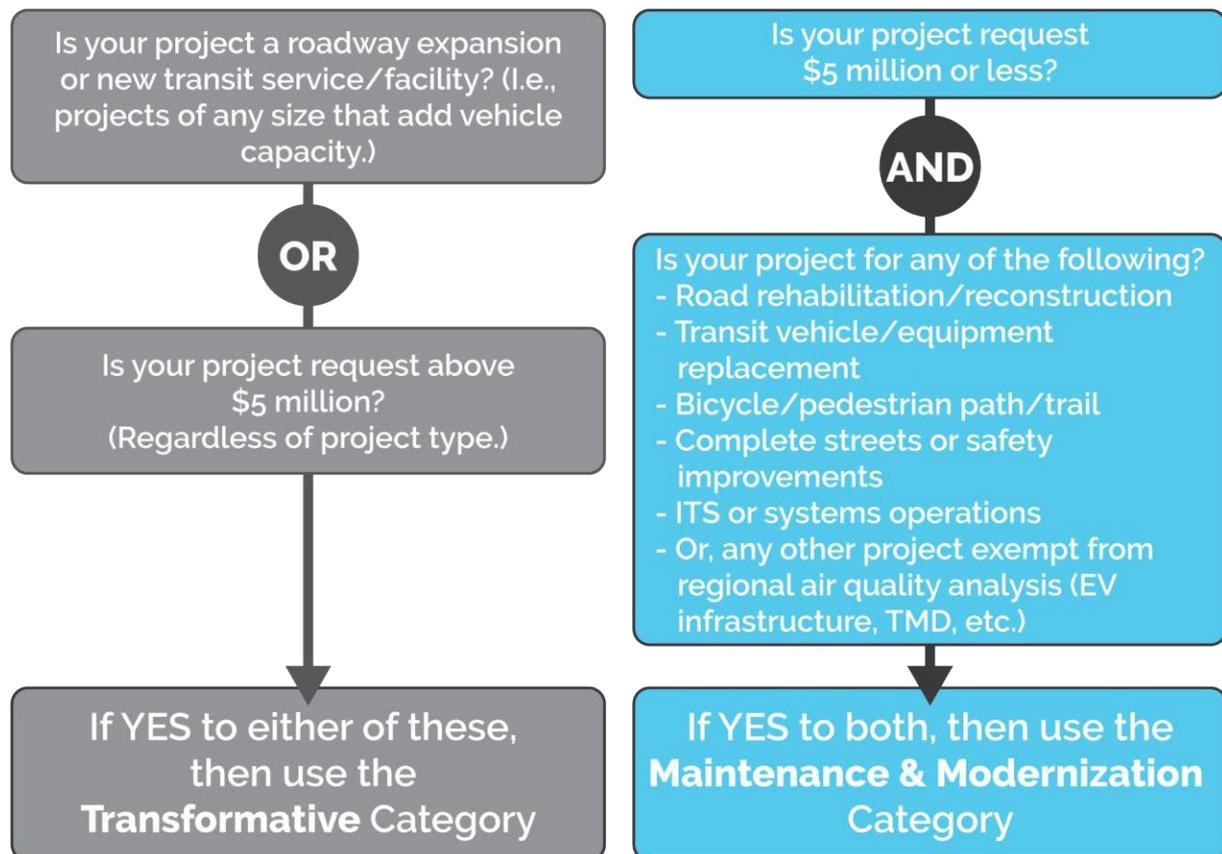
This section addresses the policy and processes to be utilized for the Regional Program. Application instructions may be found in Section 2. The Regional Program is SACOG's largest competitive program and is comprised of two primary program categories.

- The **Maintenance & Modernization** category is for non-expansion project requests of \$5 million or less that improve the management and condition of existing transportation assets.
- The **Transformative** category is for all system expansion project requests (of any size) and for larger (above \$5m) non-expansion project requests that can demonstrate significant regional benefit.

Below gives a simple decision tree chart distinguishing between the Transformative and Maintenance & Modernization categories. Sponsors can reach out to SACOG staff during the consultation phase if they have detailed questions about project eligibility.

### Which category is right for your project?

#### Transformative or Maintenance & Modernization



## Program Goal and Objectives

SACOG board input in September 2022 provides the policy foundation for the Regional Program. The emphasis of the Regional Program is to fund cost-effective transportation projects that realize the performance benefits of the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). A primary goal of the Maintenance and Modernization program category is to support projects that demonstrate “state of good repair” benefits that maintain and improve the existing transportation system. Projects are also asked to demonstrate how modernization features support additional MTP/SCS performance objectives: reduce VMT and/or GHG per capita; increase multi-modal travel and choice of transportation options; provide long-term economic benefit; improve goods movement; or improve safety.

The 2022/23 cycle includes “advance racial equity” as a goal for the Regional Program. This is part of SACOG’s commitment to work toward a just and equitable region that addresses the historic wrongs and where health and economic outcomes for all groups are improved. The Maintenance & Modernization program category incorporates racial equity as a cross-cutting objective across performance outcomes. Further, projects in the Maintenance & Modernization program category that fall within a disadvantaged community can waive the program category’s local match requirement (as explained in section 2.7). This aligns with the MTP/SCS policy to incentivize transportation investments that serve environmental justice communities.

## Funding

A budget of \$ \$115.1 million for the three Regional Program categories (Maintenance & Modernization, Transformative, and Revolving Match) will be available to project sponsors. The budget reserves up to 25 percent of the Regional Program budget for the Revolving Match program to support projects competing for federal or state competitive grant applications (up to \$28.75 million total, \$4 million cap per sponsor). The Revolving Match Guidelines and applications are provided as a separate document due to the different schedule and ongoing/semi-annual call for projects. The budget for the Maintenance & Modernization program category is a minimum of 50 percent, or \$57.55 million. Lastly, up to 25 percent, or \$28.75 million, is identified for the Transformative program category.

Financial support for this and other SACOG programs will come primarily from federal funding sources expected to be available to the region. The SACOG Board of Directors approved the amounts allocated to each program before the start of the project selection process, according to the 2020 MTP/SCS and the agency’s more immediate priorities. The overall selection of projects, across programs, is dependent on the funding and fund sources available. Most of the available funding and associated programming in the MTIP will be between FY 2024-2025 and FY 2026-2027. Projects may receive an earlier funding allocation if there is delivery failure for other projects programmed earlier in the MTIP, consistent with the SACOG Delivery Plan Process.

Most of the projects selected for this and other SACOG programs must qualify for the federal/state funding sources available to SACOG. Federal funding requirements are applicable. For capital projects, federal funds may be used for the preliminary engineering phase, which includes environmental work and design, as well as for right-of-way and construction phases.

SACOG reserves the right to award less than the amount reserved for each funding program in a given funding cycle. Additionally, SACOG encourages project applicants to seek other sources of funding that

may be available, and to demonstrate the ability to absorb any cost overruns and deliver the approved project with no additional funding from the Regional Program.

Note that many projects selected for the Regional Program will receive STIP funding. Projects receiving this funding will be included in the SACOG Regional Transportation Improvement Program (RTIP) that is submitted to the California Transportation Commission for approval. As such these projects will require supplemental information to be included prior to the grant award.

## Project Eligibility

A full application must be submitted to SACOG staff to be considered for funding. All of the following conditions must be met for a project to proceed in the evaluation process. Failure to meet each screening consideration will eliminate the project from further consideration.

1. Public agencies in the four-county region, Caltrans District 3, and special districts (e.g., air districts, JPAs, transit agencies) are eligible to apply if they have a master agreement with Caltrans to manage federal-aid funds or with the Federal Transit Administration to manage FTA funds as an FTA Grantee. Member agencies, Caltrans District 3, and transit districts can independently submit their application. Other special districts and public agencies (e.g., air districts, JPAs, transportation management associations) are eligible to apply directly, but they must have a member agency co-applicant with whom they coordinate during the consultation process to receive a funding request priority ranking from the member agency in addition to their application prioritization.
2. Projects must be listed in the 2020 MTP/SCS or fit within a lump-sum project category. Lump sum project categories include road maintenance and reconstruction, transit vehicle replacements, operational improvements, Intelligent Transportation Systems, and bicycle and pedestrian investments. In other words, if your project is a road maintenance or operations, transit vehicle replacement, and/or bicycle/pedestrian project it meets the MTP lump sum eligibility requirement.
3. The project must be identified as an “exempt” project on the application to help determine eligibility related to air quality considerations. “Exempt” refers to any project listed by the U.S. Environmental Protection Agency (USEPA) as an approved exemption from a regional air quality analysis, per 40 CFR Subpart A § 93.126 and 93.127. “Exempt” projects are typically considered non-expansion projects, while “non-exempt” projects are typically considered expansion projects.
4. Project scopes must be federal-aid eligible for Congestion Mitigation & Air Quality (CMAQ), Regional Surface Transportation Program (RSTP) or State Transportation Improvement Program (STIP) funding. Federal-aid eligible projects are those that significantly contain transportation infrastructure in public right-of-way. Activities or tasks within the project must be either categorized as “construction,” “environmental,” “design” or “right-of-way.” Other planning activities (e.g., general planning studies) are typically not federal-aid eligible and, therefore, not eligible in the Maintenance & Modernization category.
5. Sponsors must provide a minimum of 11.47 percent match in non-federal funds towards the project cost, unless the project is in a disadvantaged community; in that case, the match requirement is waived.

Example: For every \$100,000 of total project cost (grant and match combined), the program will pay up to \$88,530 for every \$11,470 of match provided by the project applicant. State program funds that are supported by federal revenues (e.g., HSIP, HBR) may also be used to meet the matching requirements.

6. In addition to funding for capital projects, project development funding for federal-aid eligible scope activities is also available for projects listed for implementation within the next 10 years of the 2020 MTP/SCS. The application must be for a non-expansion capital project that will support a phase of technical work that will lead to construction.
7. The project must be scheduled to begin construction no later than June 2027, with preliminary engineering and environmental analysis scheduled within three years.
8. A request for construction funding must demonstrate that environmental, engineering, and right-of-way are reasonably estimated in the application materials and the agency has the financial capacity for ongoing operations and maintenance.

SACOG staff will advance any applications meeting all screening criteria into the project selection phase.

## **Project Selection Process**

The process is simpler and streamlined from prior funding rounds so it reduces the time and resources required from project sponsors. Streamlining elements include uniform Project Programming Requests and eliminating several SACOG-specific forms. Project selection involves three distinct phases:

### **Advance Consultation & Sponsor Project Application Priorities**

- All potential applicants requesting a pre-application consultation are required to complete a short “pre-application form” (which will be provided as part of the pre-application coordination). The form provides background so that SACOG can offer input on project eligibility by program category and will be a helpful reference for the advance consultation meeting.
- SACOG staff will meet individually with any potential applicant who requests an advance consultation. Through these optional meetings, a sponsor’s transportation investment needs for a two to five-year period will be discussed and SACOG staff will offer information and advice about the various funding round programs. Technical assistance (e.g., data, mapping) from SACOG will also be offered during the consultation.
- Consultation will focus on the sponsor’s planning documents (e.g., capital improvement program, pavement management system, transit asset management plan, active modes plans) in the context of the funding round guidelines.
- SACOG will ask project sponsors to share and discuss local engagement efforts, including activities to engage underserved communities, that shape the discussion of the project and performance outcomes in the context of the funding round guidelines.
- SACOG seeks to also engage with potential new project sponsors, including disinvested communities, who have been underrepresented in previous funding rounds. SACOG will ask sponsors to describe any need for technical assistance that offers capacity-building benefits towards application development.

- Performance benefits and competitiveness of potential applications will be discussed, and technical assistance offered during this phase of work. As part of this coordination, SACOG staff will run the project performance assessment tool, a required part of the application, for any sponsor who requests it.
- The consultation process will also be used to confirm context-sensitive Maintenance & Modernization features (e.g., safety, multi-modal) that are part of the proposed scope for a road rehabilitation project or transit asset improvement and discuss consistency with locally approved plans.
- The consultation phase ends when the project sponsor submits their application and prioritizes their funding requests.

### **Interagency Consultations & Application Submittal**

- Applicants are encouraged to coordinate their application preparation work with relevant agencies and involve them in the consultation process (e.g., Caltrans, air quality management districts, adjacent cities and counties, transit districts, or STA for Sacramento County project sponsors).
- Projects that were submitted in a prior round can carry forward the prior information into the new application with a simple update instead of submitting brand-new material.
- Project sponsors must provide a priority ranking for all submitted applications in the Maintenance & Modernization category and an “overall prioritization” for how these applications are ranked in comparison to any applications in the Transformative category, as detailed in section 2.7.
- Eligible project sponsors complete and submit all required application materials by the January 25, 2023, deadline.

### **Project Evaluation and Selection Process**

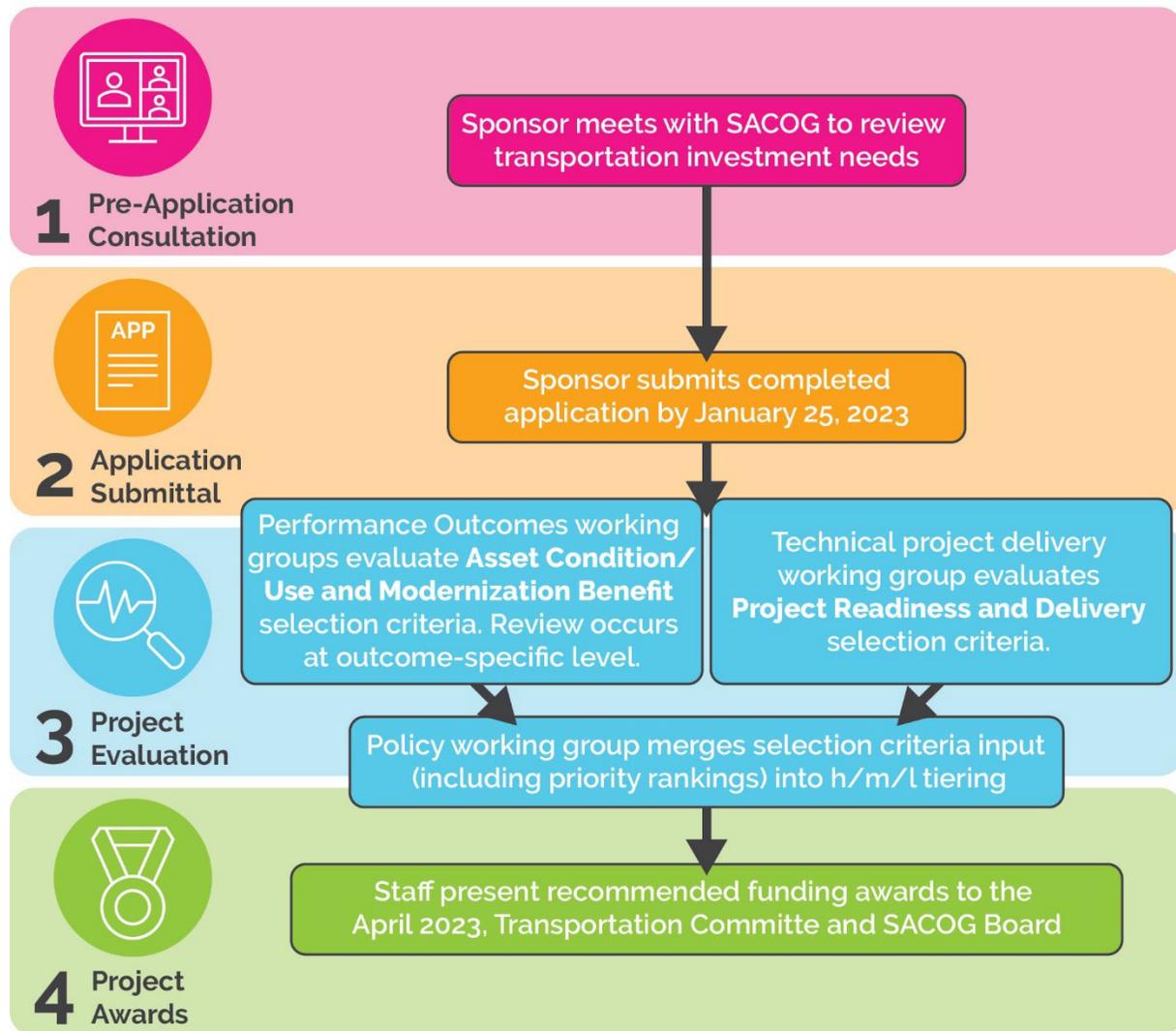
- Work during this phase is completed by working groups comprised of SACOG staff, external experts, and project sponsors. All involved individuals will sign an agreement that ensures conflict of interest requirements are met.
- Section 3 defines the selection criteria and performance outcomes used by the working groups. Applicants should use Section 3 to understand the approach that the working groups will take when evaluating the proposed project against the performance outcomes. Applicants should also consider the selection criteria when selecting competitive projects.
- The process begins with the **technical project delivery working group** comprised of experienced project engineers reviewing the project applications to confirm eligibility and completing a programming risk assessment. The focus is on the sponsor’s project delivery track- record and the feasibility of the scope, schedule, and budget elements from the project application. The technical working group review also looks at the cost-effectiveness measure.
- A separate **performance outcome working group** then evaluates projects on their ability to demonstrate state of good repair improvements as well as additional modernization benefits

(safety, multi-modal, etc.). The review occurs at outcome-based subgroups. The performance outcome review draws on both the Project Performance Assessment (PPA) or TAM results and application material to evaluate the project benefits against the performance selection criteria. The PPA is a lower scored criterion for Maintenance & Modernization project applications than for Transformative project applications.

- The **policy working group** considers each application as an integrated whole, drawing on input from the technical project delivery working group and the performance outcomes-based working groups to complete the final evaluation. All application components (engineering cost/feasibility analysis, cost-effectiveness, PPA outcomes, narrative responses, project sponsor rankings) are reviewed individually by experts and at the group level. The policy working group categorizes submitted projects into three priority tiers (low, medium, and high) by the selection criteria adopted by the SACOG board.
- As a final step, SACOG staff and management review all working group recommendations across the selection criteria and Regional Program categories to recommend a full project list to the SACOG board for funding awards.

The following graphic illustrates this process.

### Maintenance & Modernization Program Category Application and Evaluation



## Implementation

Successful applicants who are awarded a grant will be asked to:

- Amend their project into the Metropolitan Transportation Improvement Program (MTIP) via SACTrak, the online MTIP project database.
- Follow SACOG’s delivery policy at the time of the award for obligating and spending the grant funds. The policy requires that project applicants honor the MTIP schedule and/or delivery commitment schedules for obtaining funds and implementing the phases of the project.
- Provide a local (non-federal) match, except if the project serves a disadvantaged community. The required match for most federal funding is 11.47 percent of the participating phase cost and/or the total participating project cost required for projects receiving federal funding in the Sacramento region. This does not include “in kind” match but must be funding that is dedicated to eligible features within the project and included in its overall cost.
- Comply with the California Transportation Commission’s State Transportation Improvement Program Guidelines; the Caltrans’ Local Assistance Procedures Manual; and Caltrans’ Local Assistance Program Guidelines.
- Comply with SACOG’s delivery guidelines at the time of the award. SACOG makes RSTP and CMAQ available on a first-come, first-served basis. STIP funds do not deliver on a first-come, first-served basis, and so may not be as available for advancement. Some STIP funds may not be available until SFY 2028/29. The earliest opportunity to receive awarded funding is July 1, 2023.<sup>2</sup>
- When a project is programmed in the MTIP and is ready for implementation, the lead agency requests a federal authorization (E-76) and/or STIP Allocation Request from Caltrans District 3 Local Assistance. Only after the project is authorized and/or allocated, can the sponsor incur expenses that will then be reimbursed from the grant.

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<sup>2</sup> Actual receipt of funds will vary. Please contact Miguel Mendoza of the Metropolitan Transportation Improvement Program team at [MMendoza@sacog.org](mailto:MMendoza@sacog.org) for more information on project delivery, such as how to accelerate the delivery of your project and when to expect receipt of funds, especially if you would like to start state or federally-reimbursable work as soon as possible.

## SECTION 2: APPLICATION INSTRUCTIONS

This section outlines the requirements for applying for a 2022/23 Regional Program grant in the Maintenance & Modernization category. Check for any program updates under the 2022/23 Regional Program link at the SACOG website: <https://www.sacog.org/regional-program>.

### Application Submittal

Applications are due by 4:00 p.m. PST on Friday, January 25, 2023. Applications will be submitted electronically (i.e., no paper applications will be accepted). All submittals will receive a confirmation of receipt email.

### Applicant Reminders

1. **Complete pre-application form in advance of consultation** with SACOG prior to the application deadline. Pre-application forms are shared as part of the consultation coordination.
2. **Coordinate Project Performance Assessment (PPA) data table:** SACOG will run the PPA tool for any interested sponsor that requests a run prior to deadline, 5:00 pm on December 18, 2022.
3. **Check eligibility:** If you require a co-applicant, please coordinate early with the eligible agency to establish a partnership/sponsorship.
4. **Include all required elements:** The Regional Program application requires six components detailed below.
5. **Use the right templates:** All SACOG-provided templates are available on the 2022/23 Regional Program website: <https://www.sacog.org/regional-program>
6. **Submittal Deadline:** By no later than 4:00 p.m. on January 25, 2021, please submit your application electronically. Direct all questions to Chris Dougherty, Regional Program coordinator, at: [CDougherty@sacog.org](mailto:CDougherty@sacog.org).

## Application Contents Description

The Maintenance & Modernization category of the 2022/23 Regional Program includes six required components: (1) Project Application, (2) Project Programming Request, (3) Engineer’s Cost Estimate, (4) either PPA or TAM data table, (5) Cost Effectiveness calculation, and (6) CMAQ Calculation. Sponsors need to include their Priority Ranking Table (7) once, either as part of the submission for their highest priority project or separately to the SACOG program coordinator (i.e., no need to include the table in every submission). Sponsors that are requesting to waive the local match requirement must also include a brief supplemental section (8). Finally, sponsors may include additional graphics, visuals, or support letters (9), though these elements are optional. Applications must use the templates provided on the SACOG website for the required elements.

Ref. No.	Application Content	Template provided by SACOG?	Applies to	Submitted as
1	Project Application	Yes	All projects	PDF
2	Simplified Project Programming Request	Yes	All projects	Excel
3	Engineer Cost Estimate	Yes	All projects	Excel
4a	Project Performance Assessment: Data Output	Yes	All projects, except transit vehicle replacements	PDF/Excel (report output)
4b	Transit Asset Management Data	Yes	Transit vehicle replacements/equipment	Excel
5	Cost Effectiveness calculation	Yes	All projects	Excel
6	CMAQ Calculation	Yes	All projects with CMAQ-eligible scope	Excel
7	Sponsor priority ranking table	Yes	Only need to include once, not in every app	PDF
8	Supplemental Section for Local Match Waiver	Yes	Eligible projects in disadvantaged community areas	PDF
9	Optional additional graphics, maps, visuals	No	All projects, but optional	PDF

All SACOG-provided templates are available on the 2022/23 Regional Funding Program website: <https://www.sacog.org/regional-program>.

### 2.1 Project Application

Complete the narrative-based questions and prompts contained in the application. The application provides suggested lengths but does not require a minimum or maximum length for question responses. If necessary, you may expand any of the application text boxes to fully answer the question, including carrying the response or formatting over to the next page, or creating a new page.

Below are more detailed instructions for several of the questions.

## **Project Background Section**

For the **project description**, be concise. Provide a one-to two-sentence description of your project. Do not include purpose, benefits, or anything beyond a concise description of the work to be done. SACOG will use the description to program the project in the MTIP and STIP via SACTrak (if it's new). Therefore, ensure that the description includes all relevant scope necessary for federal approvals. Do not include any additional scope that won't be delivered by this particular project. Use the following structure:

**Location, facility, limits: Improvement** (Repeat for multiple locations or limits).

### **Example Project Descriptions**

- Ex 1 In Rancho Cordova, on Folsom Blvd., from Bradshaw Rd. to Horn Rd.: Streetscape improvements, including sidewalk gap closure, new bifurcated sidewalks (on south side of Folsom Blvd.), new Class II bike lanes, and landscaped medians.
- Ex 2 In Elk Grove, along the south side of Elk Grove Creek from Laguna Springs Drive to Oneto Park: Construct a separate Class I (off-street) bicycle/pedestrian trail. Along Laguna Springs Drive, from Elk Grove Boulevard to Laguna Palms Way: Construct Class II (on-street) bike lanes.

## **Asset Conditions and Use**

All applications are required to complete this section to demonstrate state of good repair benefits. As part of this section, sponsors will also complete a simple cost-effectiveness calculation, described in section 2.5 below.

## **Modernization Benefits**

In the modernization benefits section of the application, sponsors will select up to two of the remaining program performance outcomes (VMT, multi-modal, economic prosperity, freight, or safety). The sponsor will answer the narrative question on how the project supports modernization benefits within the selected outcome(s). In the narrative component of the performance outcomes section the applicant can choose to include any additional data, studies, or documentation to support the relevant performance outcome, especially data the applicant feels is essential to describe the project conditions and purpose beyond data from the PPA tool.

## **Project Delivery and Readiness**

All applications will complete this section following the application prompts.

### **2.2 Simplified Project Programming Request (PPR)**

The second required component of the 2022/23 Regional Program application is the Project Programming Request (PPR). All projects need to complete a PPR that includes an estimated full project cost, even if the project is for project development only. SACOG has simplified the standard PPR used by the state for the STIP. Projects that are recommended for funding and programmed with STIP funds will be asked to update the PPR with additional information as required by the California Transportation Commission.

## How to fill out the simplified PPR?

Begin with the “**Project Info**” tab. Input the requested information in the white text boxes. Any cell that is grey is either a header or will auto populate as you complete the form (i.e., don’t input into any grey field, just white text boxes). The red triangles in the top right of the header cells provide reference for each input.

For the “**Project Milestone**” table: for each phase of the project fill in either the “Completed” column (date when milestone was completed) or the “Planned” column (date when you expect the milestone to be completed). For example, a project that is currently in the design phase would use the “Completed” column for all phases up to begin design, and then use the “Planned” column for all subsequent phases. Transit vehicle replacement projects should have the vehicle purchase occur in the “construction” phase of the PPR and need not fill out project milestones not applicable to transit.

Once the “Project Info” tab is complete, move to the “**Funding Info**” tab. All cells in rows 1 through 6 will have automatically populated with material from the project info tab, except the SACOG ID cell. If your project does not yet have a SacTrak project ID, you may leave this cell blank.

Next, fill in the various funding sources that comprise your project. The “**Total Project Cost**” table (rows 8-16) will auto-populate as you add in fund sources, so do not input any data into this grey table.

Instead, begin with Fund No. 1 (rows 18-27). Fund No. 1 is the request you are making in this application on the 2022/23 SACOG funding round. Input your funding request (in \$1,000s), split by project phase and requested year of the funding. All requests should be rounded to the nearest \$1,000. Then input all additional funding sources for your project (in \$1,000s). Reference the source of each fund in the cell next to its fund number. For many projects this could include funding not yet secured. In the “**note funding status here**” cell of each fund table, identify whether the funds are committed/already programmed on the project, being competed through a separate funding source, or a different status.

In the case that you have more than eight funding sources, you may copy the “funding info” table or tab with as many additional funding sources as you need. You would need to update the “Total Project Cost” table if adding additional funding source tables.

## 2.3 Engineer’s Cost Estimate

Fill out the Engineer’s Cost Estimate with your project information. Please use the Excel version available on the program website. Project development requests do need to include a cost estimate but can use planning level estimates.

## 2.4 Project Performance Data

The 2022/23 Regional Program continues the tradition of using both quantitative and qualitative analysis as part of project evaluation. As in prior cycles, each sponsor in the 2022/23 Regional Program is required to include a project performance data table as part of the application package. Most projects will use the Project Performance Assessment tool (4a) to create the required data table (for the 2022/23 round SACOG has offered to run the PPA tool for any interested sponsors). Projects applying for transit vehicle replacements or equipment are the one exception to using the PPA; these projects instead use the TAM Data Table (4b).

The required data metrics are a uniform piece of information for each project's evaluation but can only provide part of the story of a project's potential. As such, sponsors are encouraged to add any additional data/analysis/evidence of project benefit in their application narrative response.

#### **4a. Project Performance Assessment Data Table**

With the exception of projects falling under Section 4b, applicants to the 2022/23 Regional Program are required to attach a Project Performance Assessment (PPA) data table as part of the application. The data table for 4a must be submitted as an Excel file.

For the 2022/23 funding round SACOG has offered to run the PPA tool for all interested sponsors. If a sponsor wants SACOG to complete any PPA runs, it should make a request to SACOG by 5:00 pm on December 18, 2023. SACOG's contact for the PPA runs is Darren Conly, [dconly@sacog.org](mailto:dconly@sacog.org).

For any PPA requested by the sponsor by the deadline, SACOG will provide a completed PPA workbook that the sponsor can use as element 4a. If the sponsor wishes to run the tool themselves, detailed instructions are found in the tool landing page at: <https://www.sacog.org/project-performance-assessment>.

#### **4b. TAM Data Table**

Transit agencies applying for transit vehicle replacements or equipment are required to submit Transit Asset Management (TAM) data instead of using the PPA tool. Note that transit agencies submitting requests for other types of projects (e.g., new service, new station, station improvements) are required to attach the PPA data table (4a). Transit agencies should consult with SACOG staff in advance if unsure whether they are required to provide TAM data or the PPA data table as part of their project application.

Sponsors submitting TAM data will use the data table template on the Regional Program website. The sponsor should use the most current data available and reference the data year in the table. Note that sponsors using the TAM data will not have PPA indicators. Instead, the sponsor will provide evidence for these performance outcomes through the narrative section and with any additional data or analysis provided in the application.

## 2.5 Cost-Effective Calculation

Sponsors are asked to calculate a simple measure of project cost effectiveness. The measure looks at annual total travel over annual cost and is calculated as:

$$(\text{average daily travel} \times \text{annualization factor}) / (\text{total project cost} / \text{useful life estimate})$$

In preparing the inputs, use your best available estimates. We recognize the level of estimates may vary based on the project's stage. Planning level estimates are acceptable.

### Input Description

**Daily Travel:** Use the estimated daily travel for once the investment is built. Road rehabilitation projects can use existing ADT (average daily travel). For transit projects use daily boardings. Bike/ped/trail projects should report expected users.

- Ex 1. Main Street has an estimated ADT of 14,000 and bicycle and pedestrian counts estimate a combined 1,000 walk and bike trips per day. The sponsor has requested a grant for maintenance and modernization activities on Main Street that include bike/ped treatments. The sponsor should use 15,000 as the input in the daily travel cell.
- Ex 2. Western Transit District is asking for a grant to replace part of their vehicle fleet. The operator's average number of daily boardings per bus is 1,500 and the award would allow the sponsor to purchase 10 vehicles. The sponsor should use 15,000 boardings (1,500 per bus x 10 buses) as the input in the daily travel cell.

**Annualization:** factor to convert the typical daily travel/users into a yearly estimate. Use 365 as the annualization factor.

**Total project cost:** Use the total cost to build (implement) the project, NOT just the project request.

- Ex 1. A sponsor is asking for \$1 million for project development activities for a project that will ultimately cost \$5 million to complete. The sponsor should use \$5 million in the project cost cell.
- Ex 2. A sponsor is asking \$4 million for construction and has already spent \$1 million on project development. The sponsor should use \$5 million in the project cost cell.

**Useful life estimate:** This is the expected useful service life of the improvement (in years). The useful life estimate covers the operating period during which the project provides full benefits. In other words, the number of years until the same type of action (reconstruction, vehicle replacement, etc.) would need to take place.

### Input Tables (for application)

#### SPONSOR INPUTS ON COST EFFECTIVENESS

Daily Travel (ADT or boardings)	
Annualization Factor	365
Project Cost	
Useful Life Estimate (years)	

## COMPLETE THE COST EFFECTIVENESS CALCULATION

Cost Effectiveness Calculation = (daily travel x annualization factor) / (project cost/ useful life estimate)

## 2.6 CMAQ Calculation

Through the Regional Program SACOG awards CMAQ funds to projects that will help our region meet the requirements of the Clean Air Act. Sponsors are asked to calculate the potential emissions benefits of their project. Sponsors should consult with SACOG staff in advance of the application due date if they need assistance identifying the emissions reductions attributable to the project.

## 2.7 Sponsor Priority Ranking Table

Project priority rankings are a weighted selection criterion in the Maintenance & Modernization Category. As such, each sponsor needs to complete a table of priorities within the Maintenance & Modernization program category (Sample Table 1, below).

If a sponsor is submitting to the Transformative program, the sponsor must also submit an additional table that ranks all their submissions to the 2022/23 Regional Program in terms of local agency priority (Sample Table 2, below).

The sponsor should include these tables either in the application of their highest ranked project, or directly to the SACOG program coordinator separate from the application (i.e., it does not need to be provided in every application submission), using the template provided on the program website.

### Sample Table 1 –

**MAINTENANCE & MODERNIZATION PROGRAM CATEGORY** Funding Priorities for County of Kalamazoo

Sponsor Priority Rank w/in Maintenance & Modernization	Project Name
1	Elm Avenue Complete Streets Road Diet
2	Main Street Rehabilitation and Safety Project
3	Spruce Street Signalization and Operations

### Sample Table 2 –

**OVERALL 2022/23 REGIONAL PROGRAM** Funding Priorities for County of Kalamazoo

Sponsor Priority Rank	Project Name	Regional Program Category
1	Elm Avenue Complete Streets Road Diet	Maintenance & Modernization
2	Riverfront Trail Extension	Transformative
3	Main Street Rehabilitation and Safety Project	Maintenance & Modernization
4	Spruce Street Signalization and Operations	Maintenance & Modernization
5	Pine Avenue Widening	Transformative

## 2.8 Supplemental Section for Local Match Waiver

If you have requested to waive the program's local match requirement you must fill out the supplemental section on how your project serves a disinvested community. If you are providing at least 11.47 percent match you do not need to include this element. Projects requesting to waive the program's local match requirement must fall within SACOG's Environmental Justice geography or make a compelling case of how they serve a disinvested community.

SACOG has created the online Environmental Justice map ([accessed here](#)) or through the template for application element #7) to help project sponsors with this determination. The icons in the top right of the map provide a legend and the ability to turn off layers, while the left gives definitions. The map displays both Environmental Justice areas and other definitions for disadvantaged communities. SACOG's Environmental Justice geography consists of four components: low income, minority, minority & low income, and other vulnerabilities. To waive the program match requirement the project must fall within any of these four Environmental Justice areas, or the sponsor must show how the project falls within another disadvantaged community definition, including one locally-derived.

Project sponsors requesting to waive the program's local match requirement must also answer the brief Supplemental narrative question on how the project serves a disinvested community. The response must demonstrate that the project responds to the needs of and has engaged (or will engage through the grant award) with the disinvested community.

## 2.9 Optional Content

Project applicants may attach additional information to help the working groups understand the significance of your project. This may include pictures of the project area, letters of support, and/or other exhibits related to your project. Address any support letter to James Corless, SACOG's Executive Director and submit them with the application. Do not send the letters of support directly to SACOG's Executive Director. Do not attach completed local planning documents.

SACOG encourages complete street and active transportation projects to include a cross section visual as part of the application material. (StreetMix is available if you do not already have these documents.)

### Application checklist

Your application must include:

Required content:

- 1.** Complete project application.
- 2.** SACOG Project Programming Request
- 3.** SACOG Engineer's Cost Estimate
- 4a.** Project Performance Assessment Data Table or
- 4b.** Transit Asset Management Data Table (for transit vehicle replacement and equipment projects)
- 5.** Cost-Effectiveness Calculation
- 6.** CMAQ Calculation

Additional content:

- 7.** Sponsor priority ranking tables (only needed once per sponsor, not in every application)
- 8.** Supplemental Section for Local Match Waiver (for eligible applicants)
- 9.** Additional graphics, maps, visuals, letters of support (optional)

## SECTION 3: PROJECT APPLICATION EVALUATION GUIDANCE

The Maintenance & Modernization category of the 2022/23 Regional Program evaluates submitted applications across four primary selection criteria: **Project Sponsor Priorities, Asset Condition & Use, Performance Outcomes from Modernization, and Project Deliverability & Readiness**. Each selection criteria category has two evaluation factors:

### **3.1 Project Sponsor Priorities** (45 points possible)

- (1) Sponsor Priority Ranking
- (2) Documentation & Support for Priorities

### **3.2 Asset Condition & Use** (20 points possible)

- (1) Maintenance need
- (2) Cost-effectiveness

### **3.3 Project Sponsor Priorities** (45 points possible)

- (1) Sponsor Priority Ranking
- (2) Documentation & Support for Priorities

### **3.4 Asset Condition & Use** (20 points possible)

- (1) Maintenance need
- (2) Cost-effectiveness

Both quantitative data and qualitative narrative factors are part of the evaluation. This section provides guidance on how the working groups will evaluate both the data and narrative components of the selection criteria using high, medium, and low performance ranges.

### **3.1 Project Sponsor Priorities**

Sponsors will provide a table of their priority rankings within the Maintenance & Modernization program category, as described in section 2.7.

Sponsors can provide documentation and support for their priorities as part of the pre-application consultation. Sponsors should reference indicators such as existing transportation need, growth factors, or historic funding levels when establishing their priority list. SACOG will take into consideration the sponsor's documentation of the funding request as part of the project evaluation.

## 3.2 Asset Condition & Use (State of Good Repair)

### (1) Maintenance Need (up to 10 points possible)

Projects will be evaluated based on their category (i.e., road or bike/ped rehabilitation projects will be evaluated on the road/bike/ped rehabilitation criteria, with up to 10 points possible; transit vehicle replacement on the transit criteria, with up to 10 points possible; and, combined road rehabilitation and transit replacement on both criteria, with up to 10 points possible). Combined road rehabilitation and transit replacement scores will be weighted by their share of the overall proposed project budget.

The working group will consider both the data inputs and the narrative response in the project review.

- For roadway or bike/ped projects the sponsor must provide the Pavement Condition Index (PCI) score and average daily vehicle traffic (ADT) for the segment. If the segment has multiple PCI, use a weighted average based on segment length, or the applicant’s best approximation of the average pavement condition on the segment requested for funding. Likewise, applicants may use a weighted average if they have different ADT estimates for different portions of the facility. If available, applicants may also include multi-modal travel volumes on the facility or the age of the traffic signal or other ITS infrastructure in need of replacement if applicable to the project.
- Transit vehicle replacement projects must provide the percentage of the agency’s fleet that exceeds the Federal Transit Administration’s (FTA) default useful life benchmark, and the average mileage of the vehicles that are being requested for replacement. Use a simple average for the vehicle mileage, not weighted by vehicle cost. Applicants can find these indicators in the agency’s transit asset management (TAM) plan.

Data Inputs	Data Measure	Data Provided By
<i>Roadway and bike/ped indicators</i>		
Pavement condition	Pavement Condition Index (PCI)	Applicant
Facility use	Average Daily Traffic (ADT)	Applicant
Facility use	Multi modal daily travel volumes	Applicant (optional)
ITS infrastructure age	Age of ITS infrastructure requested for replacement	Applicant (optional)
<i>Transit vehicle replacement indicators</i>		
Useful life	Percent of fleet exceeding FTA’s default useful life benchmark	Applicant
Fleet condition	Average vehicle mileage	Applicant

<b>Maintenance Need Scores</b>	
The data indicators demonstrate a significant maintenance need for a roadway/trail with relatively high volumes <u>and/or</u> significant need for transit vehicle replacements <u>and/or</u> significant need for traffic signal/ITS improvements relative to the pool of candidate projects. Also, the narrative clearly establishes how the investment is the most effective means to preserve and extend the life of the facility/asset.	High (7 to 10)
The data indicators demonstrate a moderate maintenance need for a roadway/trail with volumes at or near community-type average <u>and/or</u> some need for transit vehicle replacements <u>and/or</u> some need for traffic signal/ITS improvements relative to the pool of candidate projects. Also, the narrative adequately establishes how the investment is the most effective means to preserve and extend the life of the facility/asset.	Medium (4 to 6)
The data indicators demonstrate less road/trail maintenance <u>and/or</u> transit vehicle replacement <u>and/or</u> limited need for traffic signal/ITS improvements relative to the pool of candidate projects. Also, the narrative does not sufficiently establish how the investment is the most effective means to preserve and extend the life of the facility/asset.	Low (0 to 3)

**(2) Cost-effectiveness (up to 10 points possible)**

Applications will be evaluated by a simplified methodology that divides the project’s expected users by its expected costs. See Section 2.5 for details on the methodology and directions for completing this simple calculation as part of the application.

<b>Cost Effectiveness Scores</b>	
The project’s cost elements are low relative to similar projects while the simple benefit-to-cost calculation scored high compared to peer projects	High (7 to 10)
The project’s cost elements score average relative to similar projects while the simple benefit-to-cost calculation scored average compared to peer projects	Medium (4 to 6)
The project’s cost elements score high relative to similar projects while the simple benefit-to-cost calculation scored low compared to peer projects	Low (0 to 3)

### 3.3 Modernization Benefits

The Maintenance & Modernization program category asks sponsors to demonstrate modernization benefits within the Regional Program’s other performance outcomes that complement the project’s state of good repair treatments. The PPA data table will give quantitative indicators across performance outcomes. In the narrative section the sponsor should respond to up to two of the following outcomes:

1. Reduce regional vehicle miles travelled (VMT) and/or greenhouse gases (GHG) per capita.
2. Increase multi-modal travel/ alternative travel/ choice of transportation options.
3. Provide long-term economic benefit, recognizing the importance of sustaining urban and rural economies.
4. Improve goods movement, including farm-to-market travel, in and through the region.
5. Significantly improve safety and security.

The 2022/23 Regional Program also includes a cross-cutting objective to advance racial equity that can be discussed as part of selected modernization benefits. Sponsors can incorporate any equity measures/analysis and community engagement and support for the scoped project to help provide evidence of project need and benefit.

Note that the “Reduce Congestion” performance outcome of the Transformative program category is not part of the Maintenance & Modernization list. The “State of Good Repair” outcome is covered in the above section on asset condition and use.

**Review of modernization benefits draws on quantitative and qualitative measures:**

- **Performance Outcomes are measured through the Project Performance Assessment (PPA)/TAM and application narrative response.** Any sponsor can also bring forward its own data in the application material as part of the project evaluation.
- **Project Benefit is assessed relative to project size and within similar place types.** The sponsor provides evidence that the project is appropriate for the surrounding community’s current and expected land uses and the application considers transportation needs for current and future users. The project benefit criteria support project evaluation across a breadth of size, scope, location, and context.
- **Project Benefit is also assessed relative to submitted applications for similar projects.** This is a secondary consideration but still important in the overall evaluation of the benefit.

Data Inputs to Modernization Benefits of Performance Outcomes Evaluation		
Performance Outcome	Supporting Data Measure	Data provided by
Reduce regional vehicle miles travelled (VMT) and/or greenhouse gases (GHG) per capita	<ul style="list-style-type: none"> <li>• MTP/SCS jobs + dwelling units</li> <li>• land use diversity</li> <li>• neighborhood services accessibility</li> </ul>	Data produced by PPA tool. Sponsor includes PPA results in application. Transit vehicle replacement projects will instead use TAM data.  Any sponsor can also provide their own additional data to speak to any performance outcome (optional).
Increase multi-modal travel/ alternative travel/ choice of transportation options	<ul style="list-style-type: none"> <li>• street connectivity</li> <li>• bike network connection</li> <li>• transit activity</li> <li>• residential mode split</li> </ul>	
Provide long-term economic benefit, recognizing the importance of sustaining urban and rural economies	<ul style="list-style-type: none"> <li>• job access</li> </ul>	
	<ul style="list-style-type: none"> <li>• school access &amp; enrollment</li> </ul>	
	<ul style="list-style-type: none"> <li>• acres of ag land near project</li> </ul>	
Improve goods movement, including farm-to-market travel, in and through the region	<ul style="list-style-type: none"> <li>• STAA truck route status</li> <li>• industrial jobs share</li> </ul>	
Significantly improve safety and security	<ul style="list-style-type: none"> <li>• total collisions</li> <li>• collision rate</li> <li>• fatality and bike/ped collision rate</li> </ul>	
Cross-cutting measures (i.e., can inform any of above performance outcomes)	<ul style="list-style-type: none"> <li>• Environmental justice (EJ) population</li> <li>• EJ percent</li> <li>• EJ accessibility</li> </ul>	

<b>Modernization Benefit Scores</b>	
The project receives high scores for the quantitative (i.e., PPA/TAM/sponsor data) and qualitative (i.e., narrative benefit description) measures relative to (1) its project size and similar place types; and (2) relative to submitted applications for similar projects.	High (18 to 25)
The project receives medium scores for the quantitative (i.e., PPA/TAM/sponsor data) and qualitative (i.e., narrative benefit description) measures relative to (1) its project size and similar place types; and (2) relative to submitted applications for similar projects.	Medium (9 to 17)
The project receives low scores for the quantitative (i.e., PPA/TAM/sponsor data) and qualitative (i.e., narrative benefit description) measures relative to (1) its project size and similar place types; and (2) relative to submitted applications for similar projects.	Low (0 to 8)

## 3.4 Project Deliverability & Readiness

### (1) Project Delivery Risk Assessment (up to 5 points possible)

Applications for construction or project development funding should include a well-defined funding plan, budget and schedule that demonstrate the implementation of the project is feasible. Construction funding requests will demonstrate coordination with stakeholders throughout the planning and project implementation phases and identification of commitments to maintain the improvements after completion. Project development requests will focus on the ability of the applicant to deliver the phase(s) of the project for which funding is sought.

Applicant project delivery history is also a consideration. SACOG's Programming & Project Delivery team will supply the delivery information to the working group about project sponsors and prior funding awards. For example, information will include whether the project sponsor has failed to deliver a SACOG funded project commitment or lost any federal/state funding within the last three years.

The working group will consider both the applicant's narrative response and Project Programming Request. In the Project Programming Request the reviewer will assess if the project scope, schedule, and budget are reasonable in comparison to similar project types. The technical project delivery working group will use a risk assessment checklist:

#### Detailed Scope, Schedule, and Funding Plan

- Well-defined project scope
- Well-defined schedule and budget
- Identified funding need to continue project development

#### Implementation Considerations

- Evidence from plans that the project is identified as a priority investment for the sponsor
- Identified implementation issue(s) can be resolved or mitigated
- High levels of community and governing body support
- Clear evidence of advance coordination with project partners
- Sponsor has a solid track record delivering on earlier SACOG funding awards

#### Project Lifecycle

- Clear evidence of funding sources to maintain the project after completed
- Clear evidence of sponsor agency commitment for maintaining the project after it is completed

<b>Project Deliverability Risk Assessment Scoring Template</b>	
The application includes a well-defined funding plan, budget and schedule; implementation of the project phase is feasible; a high level of support for the project is demonstrated and there is a good financial plan to maintain the project once built or launched; the project sponsor has a strong record delivering earlier federal/state funding awards.	High (4 to 5)
The application includes an adequate funding plan, budget and schedule; implementation of the project phase is feasible, but some risks have been identified; an adequate level of support for the project is demonstrated and there is reasonable financial plan to maintain the project once built or launched; the project sponsor has an average track record delivering earlier federal/state funding awards and/or some delivery risks in the application are identified.	Medium (2 to 3)
The sponsor does not adequately demonstrate through the application that it is an implementable project, or the application does not provide sufficient evidence of project support or the project support does not include an adequate financial plan to maintain the project once built or launched. The project has notable delivery risks, and/or the project sponsor has failed to deliver on prior federal/state funding awards.	Low (0 to 1)

## **(2) Project Readiness (up to 5 points possible)**

For construction funding requests, projects demonstrating a higher state of construction readiness will receive a higher score. Readiness includes technical and financial readiness such as completion of engineering, environmental and design studies, secured funding towards project completion, feasible schedule, etc. Readiness considerations for project development funding requests focus on evidence the sponsor is ready to complete the project phases for which SACOG funding is requested (e.g., environmental, design, right-of-way).

Working groups will use a project readiness checklist for project status (not initiated, underway, complete)

- Status of planning and scoping documents (this is especially important for project development applications that are seeking funds for environmental, design or right-of-way work)
- Status of environmental phase and clearances
- Status of preliminary engineering & design phase
- Status of right-of-way acquisitions

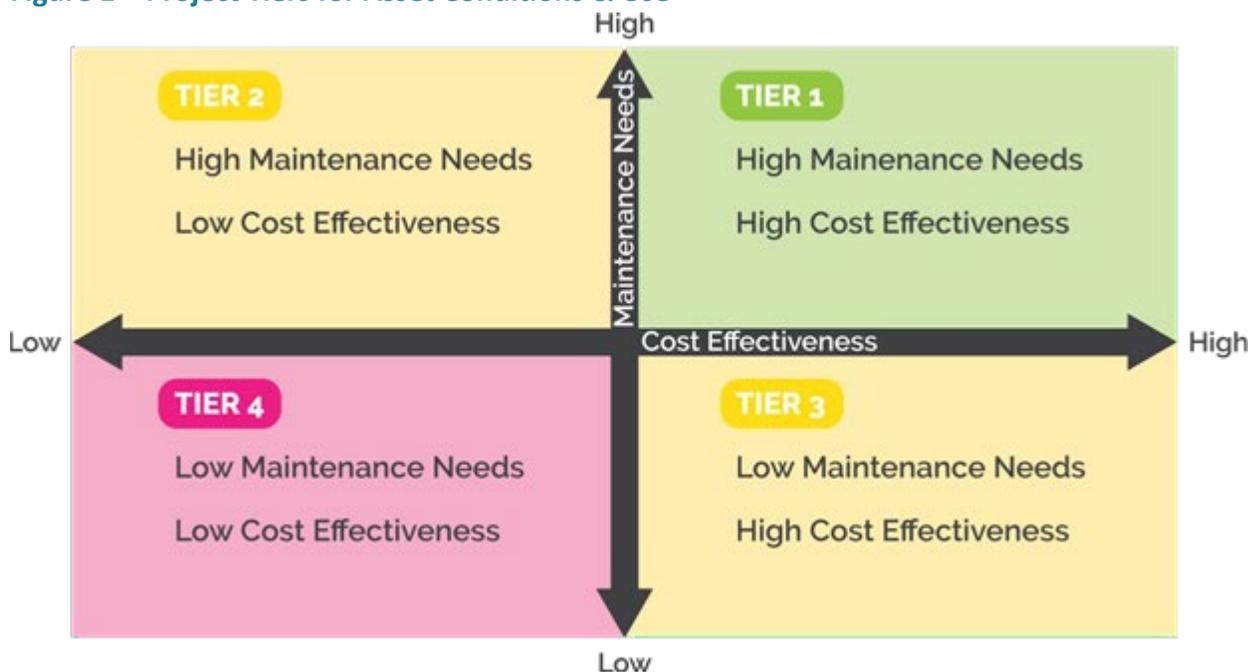
<b>Project Readiness Scoring Template</b>	
<p>For construction funding requests, the sponsor has completed all project development phases and/or clearly demonstrates in the application they have the resources and commitment to complete the remaining phases in the near-term.</p> <p>For project development funding requests, the application provides clear evidence that the sponsor is ready to complete the project phases for which SACOG funding is requested (e.g., environmental, design, right-of-way) in a timely manner.</p>	<p>High (4 to 5)</p>
<p>For construction funding requests, the sponsor has completed nearly all project development phases and/or offers adequate evidence in the application they are likely to have the resources and commitment to complete the remaining phases in a timely manner. Some timing or resource concerns may lead to a medium range score vs. a high range score.</p> <p>For project development funding requests, the application provides adequate evidence that the sponsor is ready to complete the project phases for which SACOG funding is requested (e.g., environmental, design, right-of-way). Some timing or resource concerns may lead to a medium range vs. high range score.</p>	<p>Medium (2 to 3)</p>
<p>For construction funding requests, the sponsor has not completed many project development phases and/or does not offer adequate evidence in the application they are likely to have the resources and commitment to complete the remaining phases in a timely manner. Many timing or resource concerns may lead to a low range vs. medium range score.</p> <p>For project development funding requests, the application does not provide adequate evidence that the sponsor is ready to complete the project phases for which SACOG funding is requested (e.g., environmental, design, right-of-way). Many timing or resource concerns may lead to a low range vs. medium range score.</p>	<p>Low (0 to 1)</p>

### 3.5 Policy Working Group and Project Tiering

The policy working group completes the final evaluations through taking input from the technical project delivery working group and the performance outcome-based working groups. A key integration role is to sort the projects into three project tiers (low, medium, and high). The qualitative assessment of other project application details (e.g., application narrative) are then considered to establish final project selection tiers for award consideration.

The project tiers consider evaluation inputs (1) and (2) together for each criterion. This method simplifies a series of numbers into a relative score of four tiers by selection criteria. Figure 1 illustrates the tiers for the Asset Conditions & Use as an example of the tiering integration.

**Figure 1 – Project Tiers for Asset Conditions & Use**



The benefit of using a tiering system is that it gives the policy working group the ability to quickly reference how all scored projects relatively compare to each other. Each project is grouped into a high/medium/low category by the four selection criteria using the groupings shown in Table 1 below.

**Table 1 – Project Selection Tiers**

Tier	Factor 1	Factor 2	Grouping
1	High	High	High
2	High	Low	Medium
3	Low	High	Medium
4	Low	Low	Low