



Item #17-5-3

Government Relations & Public Affairs Committee Consent

May 1, 2017

Amendment #3 to the FY 2016-17 Overall Work Program and Budget

Issue: Should Amendment #3 be made to the Overall Work Program (OWP) and Budget for Fiscal Year 2016-17?

Recommendation: That the Government Relations & Public Affairs Committee recommend that the Board approve Amendment #3 to the Overall Work Program (OWP) and Budget for Fiscal Year 2016-17, and provide authorization for SACOG's Finance Director to assign Overall Work Program Agreements for Caltrans reflecting amendments to the OWP.

Discussion: SACOG's Overall Work Program (OWP) describes the continuing, comprehensive, and coordinated metropolitan planning process for the six-county Sacramento Region. The OWP includes annual agency revenues and expenditures, and is used by Caltrans, federal agencies, and others to track activities of SACOG, Caltrans, the El Dorado County Transportation Commission (EDCTC), and the Placer County Transportation Planning Agency (PCTPA).

Amendments to the OWP are typical throughout the year to modify OWP projects, add new projects or revenue to the OWP, change project descriptions, or adjust staff and expenditures between OWP activities. Amendment #1 was made in August 2016, to add a Congestion Management Process Element to the work program per a request from the Federal Highway Administration. Amendment #2 was made in December 2016, to bring unspent fund balance from FY 2015-16 into the FY 2016-17 budget, shift federal funds among a number of projects, add two new grant funded projects, and several other minor budget neutral modifications to streamline reimbursement of federal and state funding.

Amendment #3 is SACOG's final amendment to the OWP for fiscal year 2016-17, and adjusts the overall programming of the federal Metropolitan Planning Program (PL) and Section 5303 funds to reflect the final apportionments released by Caltrans. It should be noted that final PL numbers have been provided to SACOG via SACOG's Caltrans Liaison, although they have not been officially released and posted on Caltrans' website. The amendment increases PL funding by \$214,055 and represents a nearly 8% increase to SACOG's PL revenues. Final Section 5303 funding amounts are not yet available as of the drafting of this item. If final numbers are received before the date of the Board action on this item, the Board item may be updated to reflect those final revenues.

Amendment #3 also includes adjustments to staff hour allocations within work elements to true-up project budgets for actual work performed during the fiscal year, as well as to account for anticipated shifts in workload in the final months of the fiscal year. The movement of funds will not affect projects' overall scopes of work or deliverables. **Attachment A** shows the changes in overall expenditures by major work element. The primary changes include:

- Reallocation of staff hours between projects to reflect actual workload and employee utilization throughout the fiscal year.
- Reduction or true-up of carryover revenue amounts and non-staff expenditures, including consultant and pass-through amounts, to more accurately reflect the available funding and remaining budgets for multi-year projects funded by one-time grant revenues. This is the primary reason for the very large decrease in revenues and expenditures for the fiscal year as one-time, multi-year grant remaining revenues and corresponding expenditures have been updated to reflect spending and funds already drawn down in prior fiscal years.
 - Examples of the types of changes included in this “true-up” effort are the Streetcar, Connect Card, and the SAFE budget related to the Callbox Modernization project. All these projects included large capital efforts, which include significant expenditures spanning multiple years. In these cases, actual amounts spent in prior years may not have been reflected in the next year OWP due to timing of the expenditures during the fiscal year coupled with the various deadlines related to OWP adoption and review by Caltrans and federal partners.
- Slightly higher than anticipated expenditures for Indirect Services and Support, which are primarily offset by a reduction in anticipated expenditures for Element 100 projects.
- Elimination of four pass-through projects that were completed in the prior fiscal year and have no work remaining. All grant funds for these projects have been drawn down.
- Addition of \$29,754 in expenditures funded with local funds for required reimbursements to Caltrans and Sacramento Regional Transit as part of the Corrective Action Plan for the Caltrans Incurred Cost Audit.

As shown in **Attachment A**, the net effect of all revisions is a reduction of \$7,510,078 in expenditure budgets needed to support the FY 2016-17 OWP. While this appears to be a large reduction in expenditures, the actual change is very small because in most cases both revenues and expenditures were adjusted down by equal amounts. In other cases, multi-year grant revenues had been included in a single year OWP while much of the revenues were to be expended in future years. **Attachment B** summarizes the change in each revenue source.

Amendment #3 also includes two new projects. The first is the Transit Asset Management Plan project (100-004-11) that was previously included in the Transportation Demand Management project (100-007-07), but has since been identified as its own separate project. The second is the SB743 Case Studies project (200-003-31), which was also previously combined with a different project. An additional \$120,000 in funding was added to this project, including a \$50,000 Caltrans grant, \$50,000 in matching local funds, and \$20,000 from Southern California Council of Governments (SCAG) to be added to the previous SCAG contribution of \$100,000 received in FY 2015-16 and FY 2016-17. **Attachment C** includes descriptions of the two new projects.

In addition to a recommendation that the Board approve Amendment #3 to the OWP and amendments to the SACOG budget, staff is recommending that the Board provide SACOG’s

Finance Director with authority to sign the Overall Work Program Agreement (OWPA) for an OWP Amendment. The OWPA is the standard form provided to Caltrans with any SACOG OWP amendment that reflects approved revisions to the total allocations of PL, 5303, FTA 5304 and FHWA SP&R funds. This authority was previously granted to SACOG's CEO and Finance Manager. **Attachment D** includes the draft OWPA for Amendment #3.

With Board authorization, SACOG will submit the revised OWP to Caltrans and federal partners for final approval. These modifications will constitute Amendment #3 to the FY 2016-17 OWP.

Approved by:

James Corless
Chief Executive Officer

JC:RR:MC:CH:ts
Attachments

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**FY 2016-17 Overall Work Program (OWP) Amendment #3
Summary of Expenditure Changes by Work Element**

ATTACHMENT A

Element	Amendment 2 Expenditures	Amendment 3 Expenditures	Difference	Explanation for Change
100 Core and Long-Range Member, Agency, and Transportation Services and Planning Activities	\$10,302,709	\$9,912,034	(\$390,676)	True up of staff hours allocations for actual work performed. Moved \$100K from existing project to new project in Work Element 200
200 Discretionary Transportation Planning Grant Activities	\$794,829	\$887,749	\$88,233	True up of staff hours allocations for actual work performed. Moved \$100K from existing project in Work Element 100 to new project in Work Element 200
220 Other Planning Grant and Partnership Projects	\$2,770,397	\$2,335,665	(\$434,732)	SGC#3 project reconciliation, true up to accurately reflect carryforward and remaining work. Grant ends in December, 2017.
300 Regional Bike Share Projects	\$3,571,202	\$3,516,359	(\$54,843)	True-up of revenues/expenses remaining for project based on actual carryover (budget less amounts spent in prior fiscal year.)
301 Streetcar Projects	\$9,794,838	\$7,295,712	(\$2,499,126)	True-up of revenues/expenses remaining for project based on actual carryover (budget less amounts spent in prior fiscal year.)
302 Connect Card Project	\$3,495,430	\$2,790,624	(\$704,806)	True-up of revenues/expenses remaining for project based on actual carryover (budget less amounts spent in prior fiscal year.)
400 Pass-Through to Other Agencies	\$14,049,891	\$13,741,891	(\$308,000)	Eliminated 4 projects that were completed in prior year and all grants funds drawn down.
500 Services to Other Agencies	\$7,065,264	\$3,806,837	(\$3,258,427)	True-up of revenues/expenses remaining for projects based on actual spending in prior year (carryover) and reconciled to adopted SAFE budget.
999 Indirect Services and Support	\$2,402,981	\$2,455,281	\$52,300	Slight increase in indirect support services, offset by reduction in Work Element 100
Total (All Elements)	\$54,247,542	\$46,742,152	(\$7,510,078)	

**FY 2016-17 Overall Work Program (OWP) Amendment #3
Summary of Revenue Changes by Funding Source**

Funding Source	Amend #2	Amend #3	\$ Change	%	Ref
Federal Funding Sources	\$ 29,949,300	\$ 28,410,736	\$ (1,538,564)	0.0%	
Federal Highway Administration - Metropolitan Planning (PL)	\$ 2,698,130	\$ 2,912,185	\$ 214,055	7.9%	1
Federal Transit Administration (Section 5303)	\$ 964,582	\$ 964,582	\$ -	0.0%	2
Federal Transit Administration (Section 5304)	\$ 239,102	\$ 212,805	\$ (26,297)	-11.0%	3
Federal Transit Administration (Section 5307)	\$ 5,782,973	\$ 5,319,907	\$ (463,066)	-8.0%	3
Federal Transit Administration (Section 5316 and 5317 pass-through)	\$ 1,309,048	\$ 1,139,188	\$ (169,860)	-13.0%	3
FHWA SPR/Caltrans Planning Grants	\$ 579,177	\$ 562,441	\$ (16,736)	-2.9%	3
Congestion Mitigation and Air Quality	\$ 16,160,455	\$ 15,083,795	\$ (1,076,660)	-6.7%	3
Regional Surface Transportation Program	\$ 1,097,113	\$ 1,097,113	\$ -	0.0%	
FTA TOD Pilot Program Grant	\$ 1,118,720	\$ 1,118,720	\$ -	0.0%	
State Funding Sources	\$ 4,733,720	\$ 2,790,054	\$ (1,943,666)	0.0%	
Planning, Programming, Monitoring	\$ 857,630	\$ 857,630	\$ -	0.0%	
High Occupancy Vehicle Fines	\$ 20,000	\$ 27,000	\$ 7,000	35.0%	4
Strategic Growth Council - Prop 84 Funding	\$ 586,050	\$ 442,966	\$ (143,084)	-24.4%	3
Caltrans Safe Routes to School	\$ 65,506	\$ 65,506	\$ -	0.0%	
State of California Food and Agriculture	\$ 260,000	\$ 260,000	\$ -	0.0%	
Public Transportation Modernization, Improvement & Service Enhancement Account (PTMSEA)	\$ 2,944,534	\$ 1,136,952	\$ (1,807,582)	-61.4%	3
Local Funding Sources	\$ 12,385,208	\$ 7,680,911	\$ (4,704,297)	0.0%	
Transportation Development Act - Planning & Administration	\$ 3,261,599	\$ 3,263,829	\$ 2,230	0.1%	5
Placer County Transportation Planning Agency (PCTPA) RPA	\$ 401,644	\$ 422,369	\$ 20,725	5.2%	1
El Dorado County Transportation Commission (EDCTC) LTF	\$ 75,993	\$ 79,554	\$ 3,561	4.7%	1
Other Local Revenues (grants, etc.)	\$ 8,645,972	\$ 3,915,159	\$ (4,730,813)	-54.7%	3
Services to Others	\$ 6,875,869	\$ 3,765,930	\$ (3,109,939)	0.0%	
Capitol Valley Regional SAFE	\$ 6,870,778	\$ 3,765,200	\$ (3,105,578)	-45.2%	6
Glenn County SAFE	\$ 2,230	\$ 730	\$ (1,500)	-67.3%	6
Sacramento County (ALUC)	\$ 2,861	\$ -	\$ (2,861)	-100.0%	3
In-Kind Funds from Others	\$ 2,308,173	\$ 2,153,251	\$ (154,922)	0.0%	
SECAT Program	\$ 1,129,800	\$ 1,129,800	\$ -	0.0%	
Transportation Management Associations (TMAs)	\$ 163,871	\$ 163,871	\$ -	0.0%	
Remaining In-Kind	\$ 1,014,502	\$ 859,580	\$ (154,922)	-15.3%	3
Use of Fund Balance	\$ 2,022,000	\$ 2,022,000	\$ -	0.0%	
Use of SACOG Managed Fund Committed to Projects	\$ 1,797,000	\$ 1,797,000	\$ -	0.0%	
Carryover (Core Revenues)	\$ 225,000	\$ 225,000	\$ -	0.0%	
TOTAL REVENUES	\$ 58,274,270	\$ 46,822,882	\$ (11,451,388)	-19.7%	

Reference

¹ Final/Revised revenue allocations received from FHWA, PCTPA, EDCTC

² Pending - Have not received final revenue allocations from FTA

³ True-up of carryover revenues

⁴ Revised revenue estimate based on historical actuals

⁵ Programmed remaining revenue in Amendment #3

⁶ Reconciled with SAFE budget - true up of revenues and expenses (primarily Call-box Modernization multi-year Project)

TRANSIT ASSET MANAGEMENT PLAN
(State and Federal Requirements)

Project #100-004-11

The Federal Transit Administration now requires transit operators to develop by October 1, 2018 a Transit Asset Management (TAM) Plan for maintaining a state of good repair of their vehicles, facilities, and other capital assets. Transit operators are also required to set performance targets and report information related to the condition of their assets to the National Transit Database.

In this project, SACOG will help regional operators comply with the new TAM Plan requirements and improve the region's TAM practices. SACOG will engage a consultant to assist with development of a regional TAM Plan, and work with regional transit operators to coordinate transit capital investment planning. The eight transit operators to participate in the group TAM plan are El Dorado Transit, Elk Grove Transit, Folsom Transit, Placer County Transit, Roseville Transit, Unitrans, Yolo County Transportation District (YCTD), and Yuba-Sutter Transit.

This work will be performed by SACOG staff and a qualified consultant.

Tasks and *End Products*:

- a. Initiate Project (June 2017)
- b. Secure Consultant (July 2017)
- c. Transit Asset Management data analysis (October 2017)
- d. *Regional Transit Asset Management (TAM) Plan (June 2018)*

Total Expenses	\$24,400
Salaries and Fringe	\$ -
Indirect	\$ -
Other	\$ 24,400

Total Revenues (includes deferred)	\$175,000
FHWA PL	\$ -
Other State or Local	\$ 175,000

* Total Revenues do not include Toll Credit Match

SB743 CASE STUDIES
(Caltrans Planning Grant)

Project #200-003-31

This project will test new rules brought on by the passage of Senate Bill 743 regarding the use of vehicle miles traveled for CEQA analysis of transportation impacts. The California Office of Planning and Research (OPR) has proposed a new rule as well as non-regulatory technical guidance, shifting the standard of review under CEQA from maintaining an adequate supply of road capacity in order to address congestion (the Level of Service “LOS” standard) to reducing demand for automobile travel (a Vehicle Miles Traveled “VMT” reduction standard).

Portland State University will conduct various case studies and travel behavior simulations, and possibly explore refinements to the language of California’s OPR guidance or regulations. The project aims to assist OPR in establishing procedures that will facilitate in-fill and mixed use development and implement the law throughout the state.

This work will be performed by consultants.

Tasks and *End Products*:

- a. In-Depth Case Studies (October 2016 - April 2017) - In process*
- b. Preparation of Findings (September 2017 -- February 2018)*
- c. Develop California Implementation Plan (September 2017 -- February 2018)*
- d. Plan for Disseminating Results in and Beyond California (September 2017 -- February 2018)*
- e. Quarterly Reports/Invoices (Quarterly)*

Total Expenses	\$0
Salaries and Fringe	\$ -
Indirect	\$ -
Other	\$ -

Total Revenues (includes deferred)	\$ 220,000
SPR - Caltrans Planning Grants	\$ 50,000
4-County TDA - Over Match or Other	\$ 50,000
Other State or Local	\$ 120,000

* Total Revenues do not include Toll Credit Match

OVERALL WORK PROGRAM AGREEMENT FOR
 SACRAMENTO AREA COUNCIL OF GOVERNMENTS

1. The undersigned signatory **Metropolitan Planning Organization (MPO)** hereby commits to complete, this fiscal year (FY) (beginning July 1, 2016 and ending June 30, 2017), the annual Overall Work Program (OWP), a copy of which was approved on May 18, 2017 and is attached as part of this OWPA.
2. All of the obligations, duties, terms and conditions set forth in the Master Fund Transfer Agreements (MFTA), numbered 74A0816 and executed with effective dates of **January 1, 2015 to December 31, 2024** between **Sacramento Area Council of Governments (MPO)** and the Department of Transportation (STATE), are incorporated herein by this reference as part of this OWPA for this FY.
3. The federal letters of approval from the Federal Transit Administration (FTA) and from the Federal Highway Administration (FHWA), dated June 24, 2011 and attachments, if applicable, which approved the attached OWP, are by this reference made an express part of this OWPA.
4. MPO agrees to comply with STATE, FTA and FHWA matching requirements for "Consolidated Planning Grant" funds obligated and encumbered against this OWPA. This OWPA obligates and encumbers only these following state and federal funds: State Highway Account planning funds (SHA); FHWA – Metropolitan Planning (PL), federal/local – 88.53/11.47; FHWA State Planning and Research (SP&R) – Partnership Planning/Strategic Partnerships*, federal/local – 80/20; FTA Section 5303, federal/local – 88.53/11.47; FTA Section 5304 - Transit Planning/Sustainable Communities*, federal/local – 88.53/11.47. All local match funds are to be provided from non-federal sources.
5. Subject to the availability of funds this FY OWPA funds encumbered by STATE include, but may not exceed, the following:

Funding Source	Match %	Funding	Toll Credit (In lieu of local match)	Local Match	Total Expenditures
FHWA PL (Toll Credit Match)	11.47%	\$2,912,185	\$334,028		\$2,912,185
FHWA PL Carryover (Toll Credit Match)	11.47%	\$0	\$0		\$0
FTA Sect. 5303 (Toll Credit Match)	11.47%	\$964,582	\$110,638		\$964,582
FTA Sect. 5303 Carryover (Toll Credit Match)	11.47%	\$0	\$0		\$0
FTA Sect. 5304*	11.47%	\$212,805		\$27,352	\$240,157
FHWA SP&R*	20%	\$442,966		\$115,078	\$558,044
Total Programmed Amount		\$4,532,538	\$444,665	\$142,430	\$4,674,968

6. Should MPO expend funds in excess of those available and programmed in this FY OWPA, those costs shall be borne solely by MPO.

Department of Transportation (STATE)	Sacramento Area Council of Governments
_____	_____
Authorized Signature	Authorized Signature
_____	_____
Printed Name of Person Signing	Printed Name of Person Signing
_____	_____
District 3 Deputy Director, Planning and Local Assistance	Chief Executive Officer
Title	Title
_____	_____
Date	Date
_____	_____

(For Use by Caltrans Accounting Only)

The total amount of all Federal funds encumbered by this document is \$ _____	The total amount of all State funds encumbered by this document is \$ _____
Fund Title: _____	Fund Title: _____
Item _____ Chapter Statute Fiscal Year _____	Item _____ Chapter Statute Fiscal Year _____
Project ID# _____ Encumbrance Document Number _____	Project ID# _____ Encumbrance Document Number _____

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and expenditure purpose stated above.

 Signature of Department of Transportation Accounting Officer

 Date