



SACOG Board of Directors

Item #14-9-4
Consent

September 11, 2014

Approve Delivery Plan 2015 Process

Issue: What process should be adopted for developing the 2015 SACOG Delivery Plan?

Recommendation: The Transportation Committee recommends that the Board approve the proposed 2015 Delivery Plan process.

Committee Action/Discussion: Each year, SACOG helps project sponsors deliver their projects with SACOG-controlled federal funds from the Congestion Mitigation and Air Quality (CMAQ) program, Regional Surface Transportation Program (RSTP), and Regional Improvement Program (RIP). Project sponsors navigate a complicated federal aid funding process to request and spend these funds in a timely manner. Delivery timing, prioritization tiers, and general practices are all outlined in an annually approved Delivery Plan Process. SACOG's annual Delivery Plan prioritizes who can request federal funds during the current Federal Fiscal Year (FFY) by balancing past commitments, funding availability, and project readiness.

2014 Delivery Plan Process

On September 26, 2013, the SACOG Board approved the 2014 Delivery Plan and Process, which concludes on September 30, 2014. The 2014 Delivery Plan Process added a new requirement for sponsors to send SACOG additional project cost and schedule information to enhance staff's ability to more accurately predict delivery. This additional information helped SACOG staff understand the risks associated with each project poised for delivery in FFY 2014. The information also helped target specific projects for advancement utilizing the delivery Tier process. Staff has been diligently working with project sponsors to maximize the use of federal funds and increase delivery. In the prior committee cycle, staff provided a status update. Once the FFY ends, staff will return in future committee meetings to highlight the results of the 2014 process.

New Tools Proposed for the 2015 Delivery Plan Process

SACOG staff proposes to continue the policy of gathering project delivery milestone and contact information. Instead of emails and spreadsheets, SACOG staff is developing online information-sharing tools to help increase the quality and frequency of updates. These tools will be applied to SACOG discretionary funding sources such as RSTP, CMAQ, and RIP funds, and will also be available to track projects included in Caltrans-managed local funding programs, such as the Highway Bridge Program (HBP) and the Highway Safety Improvement Program (HSIP). New funding sources such as the Active Transportation Program (ATP) will be tracked closely, as there are additional project delivery deadlines associated with California Transportation Commission (CTC) allocation requests and new ATP program guidelines.

As in past years, the 2015 Delivery Plan will continue to have three tiers that reward project sponsors for preparing shovel-ready projects as early as possible:

- Tier 1 projects have funding programmed in the current FFY and bond-funded projects programmed in any year of the Metropolitan Transportation Improvement Program (MTIP). These projects will have priority to request authorization for SACOG's federal funds until February 1, 2015.
- Tier 2 projects have RSTP and CMAQ funds programmed in any year of the MTIP. These projects will have priority to request authorization for SACOG's federal funds until May 1, 2015.

- Tier 3 projects are those projects not programmed in the MTIP or have RIP funds programmed in later years. After May 1, 2015, project sponsors can request to borrow SACOG's federal funds to deliver a project earlier than its other identified funds might allow. SACOG will consider these requests based on sponsors' delivery needs, regional delivery targets, and available apportionment.

Staff recommends approval of the process outlined in more detail in Attachment A. The tier structure remains unchanged from 2014. However, staff is clarifying the application of Tier II to CMAQ- and RSTP-funded projects. Additionally, due to program requirements, projects funded with ATP cannot be advanced utilizing the tier system.

Approved by:

Mike McKeever
Chief Executive Officer

MM:SS:gg
Attachment

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PROPOSED 2015 DELIVERY PLAN PROCESS

Because of SACOG's past project delivery successes, the 2015 Delivery Plan proposes to use the same process as earlier plans. Projects will be classified under the following prioritized three tiers:

Classification	Project Group	Level of Priority
Tier 1	Projects programmed in the MTIP for FFY 2015 and programmed projects with Proposition 1B funds irrespective of year.	Priority until February 1, 2015
Tier 2	Projects programmed with RSTP and CMAQ in any year of the MTIP	Priority until May 1, 2015
Tier 3	Projects not programmed in the MTIP- or RIP-funded projects programmed in later years that desire a loan.	Will be considered after May 1, 2015

As shown in the above table, projects programmed in the SACOG MTIP for FFY 2015 and programmed projects with Proposition 1B funds in any year of the MTIP will be Tier 1 projects and given the highest priority. The hope is that between October 1, 2014, and February 1, 2015, sponsors of these projects will submit their fully completed Request for Authorization (RFA) to Caltrans District 3 Office of Local Assistance. Should there be problems fully completing the RFA and those problems carry over beyond February 1, 2015, that project will lose its highest priority status and compete with projects in Tier 2. This will continue until May 1, 2015 when SACOG will consider Tier 3 project loans for unprogrammed projects or projects with RIP funds programmed in later years. The 2015 Delivery Plan offers the opportunity to unprogrammed projects seeking loans for implementation from SACOG. The process and conditions for such loans are already well established in the SACOG region, and the proposed 2015 plan will adhere to them.

The following is the proposed plan schedule:

Date	SACOG Staff Activity
Aug 27, 2014	2015 Delivery Plan process presented to the Regional Planning Partnership
Aug 28, 2014	2015 Delivery Plan process presented to the Transportation Committee
Sep 18, 2014	SACOG Board approves 2015 Delivery Plan Process
Sep 19, 2014	SACOG requests 2015 project delivery information from sponsors
Oct 16, 2014	Deadline to submit project delivery information to SACOG
Oct 31, 2014	SACOG prepares Delivery Plan for Tier 1 and Tier 2 projects
Nov 2014 to Mar 2015	SACOG requests updated delivery information from sponsors and evaluates Tier 2 & 3 projects
Feb 1, 2015	Tier 2 opens
Mar 13, 2015	Deadline to submit updated project delivery information to SACOG
Apr 1, 2015	SACOG submits 2015 Delivery Plan to Caltrans
May 1, 2015	Tier 3 considered by SACOG staff
Apr 2015 to Sept 2015	SACOG requests updated delivery information from sponsors as needed

As in past years, staff proposes to expand SACOG's project delivery potential by borrowing apportionments and/or obligational authority (OA) or obtaining loans, as appropriate, from other regional agencies or from the state. Extending these practices for the 2015 Delivery Plan may help fund additional projects or keep funds within the region. With respect to borrowing or loaning funds, under normal circumstances, staff will take any proposed loan agreements to the Board for its review and approval prior to signature by the Chief Executive Officer. In the event that there is an urgent need for SACOG to execute a loan agreement, current Board delegation gives the Chief Executive Officer discretion to commit SACOG for such purposes. Consistent with past practices, staff would then report back to the Board at the earliest opportunity or in the year-end delivery update.