



## Item #12-8-9 Action

### Transportation Committee

August 1, 2012

#### 2012 Delivery Plan Update

**Issue:** Should the Transportation Committee receive a status of the 2012 Delivery Plan and authorize the Chief Executive Officer (CEO) to take appropriate actions, including the pursuit of suitable loans with other regional agencies and/or local project sponsors, to expedite the 2012 delivery of transportation projects in the region?

**Recommendation:** That the Transportation Committee recommend that the Board delegate authority to the CEO to take appropriate actions to expedite the 2012 delivery of transportation projects in the region, as long as such actions do not jeopardize the delivery of projects in the later years of the Metropolitan Transportation Improvement Program (MTIP) that will require the availability of Congestion Mitigation Air Quality (CMAQ) or Regional Surface Transportation Program (RSTP) funds that have been programmed. The specific authorization being sought is to enter into loan agreements of two types: (1) borrow up to \$5.3 million in CMAQ funding from another region with terms that include no interest on the loan and payback no sooner than January 1, 2013, unless the Chair and Vice-Chair of the Transportation Committee are consulted and agree to different terms which are still consistent with the principle of not jeopardizing the delivery of projects; (2) loan up to \$3 million of RSTP apportionment for projects programmed in the MTIP that are eligible to obligate in 2012, and the project sponsor is willing to commit to a full payback of the loan(s) by January 1, 2013. All loans and associated MTIP amendments that are completed through delegated authority would be documented in Receive & File reports provided to the Board of Directors.

**Discussion:** Staff is working hard to ensure another year of successful project delivery of the CMAQ and RSTP apportionment funds that SACOG manages. As in prior years, late summer brings into focus any new actions needed to achieve a good outcome. The following section summarizes delivery status and proposed actions by federal funding source:

#### *Congestion Mitigation & Air Quality (CMAQ)*

As of mid-July, the region has \$3.3 million in CMAQ apportionments available and approximately \$8.6 million of projects still in the SACOG delivery plan expecting to obligate funds this year. If all the projects deliver that have indicated they are ready, the agency will need to borrow up to \$5.3 million in CMAQ apportionments from another region in order to cover this funding gap. In many prior years, most recently in 2009, the Board has endorsed proposals from staff to borrow CMAQ funds from another region with terms that have resulted in considerable benefit to SACOG and the local agencies with projects to fund.

The projected amount of CMAQ funds to borrow would be even greater if not for an agreement reached recently with the Riverside County Transportation Commission (RCTC). SACOG owes RCTC \$4.3 million from a CMAQ loan made to SACOG in 2009, but RCTC has agreed to delay the repayment until 2013 at no additional cost to SACOG.

***Regional Surface Transportation Program (RSTP)***

As of mid-July, the region has \$15.6 million in Regional Surface Transportation Plan (RSTP) apportionment with approximately \$7 million of projects still in the delivery plan expecting to obligate funds this year. The \$8.6 million in anticipated unused funds will rollover into next year's apportionment total. These funds are expected to be obligated in future years by project sponsors who are unable to use the funds this year for various reasons. The available RSTP funding for 2012 could prove useful to project sponsors and/or regional agencies that have projects that can use the funds this year, but can repay the loan(s) no later than January 1, 2013.

Approved by:

Mike McKeever  
Chief Executive Officer

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