

# Metropolitan Transportation Commission Programming and Allocations Committee

November 4, 2009

Item Number 4b

**Subject:** American Recovery and Reinvestment Act (ARRA) Deadline Extension Requests

**Background:** On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA), which enacted a \$787 billion economic recovery package calling for significant new spending as well as tax cuts. The ARRA includes \$48 billion for the Department of Transportation. Specifically, the Act includes \$27.5 billion in Federal Highway Administration (FHWA) funding and \$8.4 billion in Federal Transit Administration (FTA) funds. On February 25, 2009 the Commission approved the programming of an initial amount of \$154 million for the FHWA portion and the full amount of \$341 million for the FTA portion (MTC Resolution No. 3885). On April 22, 2009 the Commission approved an additional \$157 million in FHWA funds authorized under AB3X 20 (MTC Resolution 3896). In all, the regional ARRA programming totals roughly \$660 million.

Both resolutions stipulated a series of deadlines to ensure timely delivery of projects and use of ARRA funds. Two project sponsors are encountering challenges meeting the upcoming deadlines and are requesting extensions from MTC. Staff finds these requests are reasonable and will not jeopardize ARRA funds to the region. The specific projects, delivery issues, applicable deadlines, and extensions are provided below:

- **Pedestrian Signal Upgrade (Transportation Enhancements):** San Francisco Municipal Transportation Agency (SFMTA) proposed using signal controllers from their own inventory to provide materials for the pedestrian signal upgrade project. However, recent federal guidance disallows the use of force account for ARRA funded projects. As a result, SFMTA must conduct a competitive procurement process. *Obligation deadline is November 30, 2009 and Award deadline is December 31, 2009; request is for extensions until December 31, 2009 and April 1, 2010 respectively.*
- **Freeway Performance Initiative (Safety and SMART Highways):** Caltrans is requesting ARRA deadline extensions for three ramp metering projects on Route 280: two in Santa Clara and one in San Mateo County. Caltrans has made much headway, having completed 90% design along with environmental clearance. However, some delay has been encountered due to increased workloads as a result of ARRA and the impact of the State's furlough policy, which was imposed after the original project schedules were established. It is important to note that the schedules for the Freeway Performance Initiative project in the New Federal Act programming did consider these additional resource constraints and are still appropriate. *Obligation deadline is November 30, 2009 and award deadline is December 31, 2009; request is for extensions until December 30, 2009 and April 1, 2010 respectively.*

**Issues:** None.

**Recommendation:** Concur with requests for ARRA project delivery deadline extensions

**Attachment:** None