



INFORMATION PACKET - OCTOBER TFWG MEETING CANCELED

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Information Items

1. September 4, 2013 TFWG Minutes
2. TPI Guidelines\* (*Craig Bosman, MTC*)
3. Lifeline STA Update\* (*Kristen Mazur, MTC*)
4. Prop 1B Update: Transit (PTMISEA) and Transit Security (CTSGBP)\* (*Kenneth Folan, MTC*)
5. TIP Update\* (*Adam Crenshaw, MTC*)
6. FTA/FHWA NPRM on Categorical Exclusions\* (*Glen Tepke, MTC*)
7. Proposed Regional Project Delivery Policy\* (*Ross McKeown, MTC*)

**Next Transit Finance Working Group Meeting:**

Wednesday, November 6, 2013  
10:00 A.M. – 12:00 P.M.  
Fishbowl Conference Room, MTC Metro Center

\* = Attachment in Packet \*\* = Handouts Available at Meeting

Contact Glen Tepke of MTC at 510-817-5781 or [gtepke@mtc.ca.gov](mailto:gtepke@mtc.ca.gov) if you have questions about this session.

**1. Introductions**

*Jeffery Ballou (VTA)* requested introductions from the attendees.

**2. Approval of August Minutes**

The minutes of August 7, 2013 were approved.

**3. Legislative Update**

*Rebecca Long (MTC)* reported on SB99 - Active Transportation Program. The existing law establishes various transportation programs and associated funds and accounts, including the Bicycle Transportation Account, the Bikeway Account, and the Safe Routes to School Program. Existing federal law reconstitutes various federal transportation funding programs, including the former Transportation Enhancements Program, and creates the new federal Transportation Alternatives Program comprised of various former separate programs.

Based upon a request from the working group Rebecca will provide a summary of fund sources.

**4. Section 5311 Non-urbanized Area Program Update**

*Kristen Mazur (MTC)* reported that staff will bring the revised formula to the Programming and Allocations Committee in October in order to finalize the changes in advance of the FY 2014 and FY 2015 Call for Projects.

Working group members commented that they have not received funds from Caltrans for FY 13.

**5. New Freedom Cycle 5 Draft Program Guidelines**

*Kristen Mazur (MTC)* provided the draft Cycle 5 program guidelines for the working group's review. The program guidelines will be presented to the Programming and Allocations Committee for consideration in September.

Concern was expressed regarding focusing more on geographic equality. Kristen stated that the call for projects was focused on the five large Urbanized areas for this round.

A working group member asked about performance statistics for the projects from previous rounds. Kristen agreed that it would be helpful and there is more data to work with by now.

**6. Fund Estimate Revision**

*Adam Noelting (MTC)* provided a revised Fund Estimate to reconcile actual revenues and initial revenue estimates.

**7. SRTP Update**

*Kenneth Folan (MTC)* stated that staff intends to recommend funding for the seven largest operators to complete SRTPs. Small operators will not be required to produce full- or mini- SRTPs this year.

Some operators are considering using consultant help offered by MTC.

**8. TPI Investment Program Round 2 Update**

*Craig Bosman (MTC)* seeks input in further developing the guidelines for the next round of TPI funding. A draft set of guidelines, including a draft schedule was provided.

**9. Revisions to FY13 and FY14 TCP Program**

*Shruti Hari (MTC)* provided updated information on the final revisions to the FY13 Transit Capital Priorities program and preliminary revisions to the FY14 program. The revisions include adjustments to the FY14 program to reflect updated revenue projections and revised carry-over balances from FY13.

**10. FTA Grants Update**

*Glen Tepke (MTC)* provided an update on the status of FTA grants in the region, many of which are being affected by Department of Labor review issues related to the California Public Employees' Pension Reform Act of 2013. As a result some funds may lapse.

Staff will look into the possibility of getting lapsed funds reapportioned from FTA since it was no fault of the grantees.

**11. Prop 1B Update**

*Kenneth Folan (MTC)* reported on Prop 1B deadlines:

- Pre-performance reports due to CalEMA by April 30, 2013
- Allocation requests for all years of funding due to Caltrans by July 30, 2013
- Semi-annual reports for all projects due to Caltrans by August 15, 2013
- PTMISEA program expenditure plans due to Caltrans by September 20, 2013

Kenneth reminded the group to submit their semi-annual reports (which were due by August 15, 2013) on all projects that have received an allocation and have not submitted a close-out report. Caltrans is holding up any new allocation requests unless all paperwork for previous requests is completed.

**12. TIP Update**

*Adam Crenshaw (MTC)* reported that the 2013 TIP and Transportation-Air Quality Conformity Analysis on the 2013 TIP were adopted by the Commission on July 18, 2013 and approved by FHWA and FTA on August 12, 2013.

**13. FTA Ferry Grant Program NOFA**

*Glen Tepke (MTC)* provided a NOFA for FTA's Passenger Ferry Grant Program. MTC will provide letters of support for project proposals that are reasonable and consistent with Plan Bay Area.

Please send request for support letters to MTC.

**14. Recommended Future Agenda Items/Other**

A working group member asked about the lawsuit against MTC and ABAG on the Plan. Anne Richman (MTC) stated that MTC has received two or three lawsuits regarding the Plan. MTC's legal staff is currently involved. There is no injunction against the plan at the time and the TIP has been approved.

**Next Transit Finance Working Group Meeting:**

Wednesday, October 2, 2013

10:00 AM – 12:00 PM

MTC, Fishbowl Conference Room

101-8<sup>th</sup> St, Oakland 94607



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## *Memorandum*

TO: Transit Finance Working Group

DATE: Oct. 2, 2013

FR: Craig Bosman

RE: Transit Performance Initiative – Investment Program Update

### Background

The Commission committed \$82 million in federal Cycle 2 STP/CMAQ funds to the Transit Performance Initiative (TPI) Investment Program, allocating \$28 million to date. The first round of funding was limited to major transit corridors and four transit agencies.

### TPI Investment Program Round 2

The next round of funding, expected to be \$27 million, is tentatively scheduled for Commission consideration in early 2014.

Over the next month, staff will continue to work with transit operators to develop guidelines, bring them to the Programming and Allocations Committee in November, and release a call for projects in late 2013. Proposed guidelines for the second round include:

- All FTA-eligible Bay Area transit operators may apply.
- Improvement of operating speed and/or ridership on high-use trunk routes remains the primary goal; however, other routes with significant potential for improvement in these measures are eligible. System-wide or multi-location projects that would have a positive impact on specific corridors are also eligible.
- Project implementation schedule will be similar to the first round. Projects should be under construction within 18 months of funding approval.

MTC staff seeks your input in further developing the guidelines for the next round of TPI funding. A draft set of guidelines, including draft schedule, is attached to this memo. **Please provide any feedback you have by October 15.**

### Fall 2014 Semi-Annual Update to Commission

Staff will update the Commission this October on implementation of Round 1 projects. Requests for updates were sent to project sponsors in August.

For more information or to provide additional feedback, please contact Craig Bosman at [cbosman@mtc.ca.gov](mailto:cbosman@mtc.ca.gov) or 510.817.5770, or Kenneth Folan at [kfolan@mtc.ca.gov](mailto:kfolan@mtc.ca.gov) or 510.817.5804.

**Draft Guidelines – Presented to TFWG October 2, 2013**

**RE: Call for Projects for Transit Performance Initiative (TPI) Round 2**

**To: Eligible Applicants**

On [insert date], the MTC Programming and Allocations Committee authorized the release of the call for projects for the second round of the Transit Performance Initiative – Major Corridors funding. This is a \$27 million program to fund low-cost capital investments that improve operations and customer experience on major transit corridors and systems. **All STP/CMAQ-eligible operators may apply for this pool of funds. The implementing agency or a co-implementing agency may be the local roadway owner/operator.**

The goal of the program is to provide incentive funding for lower-cost improvements that can be implemented quickly on heavily traveled transit corridors and systems and, where possible, to leverage existing agency efforts and plans in that direction.

Applications are due by **4 p.m., [insert date]**.

**1. Background**

The region's urban trunk network of major transit lines carries over half the total ridership in the region and coincides with areas where the region is forecasting significant growth. This network includes both bus and light rail operations on heavily traveled, congested urban corridors. Despite relatively slow operating speeds these routes nonetheless generate significant ridership. The TPI program will continue to fund low-cost capital improvements that improve operations and customer experience in this urban trunk network. Other eligible projects will make similar improvements for commuter rail passengers; facilitate connections between transit in these urban corridors and other transit; implement system-wide improvements that help with operating speed and/or customer experience in congested urban corridors; or implement corridor-level improvements in operating speed and/or customer experience on other corridors with high potential for transit growth. The improvements being sought are those that can be implemented quickly and that build on existing transit agency programs to identify ways to improve service productivity.

**2. Project Selection**

**2.1 Eligibility**

Characteristics of projects that are eligible for this program are:

- 1) The investment must be a capital project resulting in improved operating speed or frequency using the existing fleet size, not the addition of new vehicles to the route.
- 2) The selected corridor could be a route, a portion of a route, or a corridor where several services merge. Improvements that take place system-wide or in multiple locations and make significant impacts on such corridors are also eligible. If a system-wide or multi-location improvement is to be made, the funding application should still focus on the impacts to one or more specific corridors.

3) Project corridor locations can be:

- Urban trunk bus or light rail route with high ridership/passenger miles but below system average operating speed (under 15 mph), or
- Other bus, commuter rail, or light rail route with significant potential for improvement in operating speed and/or ridership, or
- Improvement of transit connections (including with heavy rail) between services on at least one of the above corridor types.

4) The targeted route must have frequent service (15 minutes or better)

5) All project phases are eligible, but priority will be given to construction activities.

6) The project must be able to meet the FHWA obligation of funds deadline: *[Insert date – will be approximately two years after MTC adoption of TPI projects]*.

6) All projects must meet CMAQ eligibility requirements and be able to provide the required 11.47% local match for these federal funds. Link to guidelines: <http://www.fta.dot.gov/documents/cmaq08gd.pdf>

## **2.2 Application Process**

*The application forms for this program are attached as Appendix A and B (Note: not yet developed).* All applications for eligible projects received by the deadline shown on page 1 will be reviewed by an evaluation committee convened by MTC. Applications received after the deadline will not be considered.

Complete applications that clearly demonstrate the two-part process shown below will be given high priority for funding. Please limit the application to 10 pages.

- Part 1: Purpose and Need  
Submit priority corridors, including:
  - Corridor description (general overview – length, land use, origins and destinations served, etc.)
  - Existing ridership (and passenger miles) by time of day and day of week
  - Service types and levels
  - Average current speed by time of day
- Part 2: Action Plan (estimates developed by each agency and reviewed by MTC for reasonableness)
  - Proposed speed improvements with associated operating costs and travel time savings
  - Total route time savings and change in resource requirements
  - Estimated change in ridership/revenue (estimates developed by each agency and reviewed for reasonableness)

Projects that do not receive funding immediately may be placed on an eligibility list, in case one or more approved projects cannot be pursued within the established timeframe.

## **2.3 Project Evaluation**

The following criteria will be used to evaluate proposals for the grant program. Based on the evaluation of all eligible projects and funding availability, MTC staff will forward a ranked list of projects to the Commission for approval.

- Project readiness and project management capacity (40%)
  - Priority given to project that can be implemented within 12-24 months of grand award
  - Evidence of engineering and operational support from local jurisdictions (roadway owner-operators)
- Cost-effectiveness and Performance Indicators (60%)
  - Travel time savings (i.e., passenger seconds saved)
  - Operating cost savings (e.g., cost per reduced operating cost)
  - Other benefits to existing and new riders
  - Priority given to corridors with more frequent service and higher passenger volumes

If selected and approved by the Commission, project sponsors will be required to submit a board-approved resolution of support (sample STP/CMAQ resolution of support attached as Appendix C, specific resolution for this project will be provided to selected agencies) and shall enter into their own grant with FHWA/FTA, and comply with all applicable federal requirements.

**3. Applying for Funds & Timeline**

All interested and eligible applicants should submit project information using the form provided in Appendix A. The timeline for application review and approval is as follows:

<b>Action</b>	<b>Tentative Timeline – Subject to change</b>
Call for Projects is released	Late December
Applications due	Late January
Recommendation of Projects to Programming and Allocations Committee/Transit Sustainability Select Committee (referral to Commission)	Early March
MTC adopts TPI projects	Late March

Please send 4 copies of the completed applications and one electronic copy to:

Transit Performance Initiative  
 Programming and Allocations Section  
 Attn: Craig Bosman  
 Metropolitan Transportation Commission  
 101 Eighth Street  
 Oakland, CA 94607  
[cbosman@mtc.ca.gov](mailto:cbosman@mtc.ca.gov)

If you have any questions regarding this program, please contact Alix Bockelman at (510) 817-5850.



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## *Memorandum*

TO: Transit Finance Working Group

DATE: October 2, 2013

FR: Kristen Mazur

RE: Lifeline Transportation Program Cycle 3 STA Update

### **Background**

MTC's Lifeline Transportation Program funds projects that improve mobility for the region's low-income communities. The program is administered by the nine county congestion management agencies (CMAs), and in Santa Clara County via a joint arrangement between the CMA and the County.

### **Proposed revisions to the State Transit Assistance (STA) amounts to reflect actual FY2011-2012 and FY2012-2013 STA revenues**

In summer 2012, the County Lifeline Program Administrators (LPAs) programmed 95 percent of their county's estimated two-year STA amount (FY2011-2012 and FY2012-2013), and developed a contingency plan for the remaining five percent should it be available. The actual FY2011-2012 and FY2012-2013 revenues, including interest accrued during those years, are now available and are sufficient to fully fund the 95 percent program, and to provide partial funding to the contingency projects that had been previously identified by the County LPAs. In addition, each county had a small amount of carryover funds at the start of FY2011-2012, which staff proposes to apply to the previously-identified contingency projects (not exceeding the five percent contingency amount).

Subject to approval at the October Programming and Allocations Committee and Commission meetings, the Third Cycle Lifeline Transportation Program of Projects (MTC Resolution No. 4053) will be revised to reflect the actual STA amount awarded to each project, including any additional funding to contingency projects. See Attachment A for a comparison of the existing and proposed programs.

### **Next Steps**

The revised STA amounts are still preliminary and subject to Commission approval. Once the revisions are approved by the Commission (anticipated on October 23, 2013), if you have a contingency project, you can claim your contingency funds through the usual TDA/STA claims process. MTC's STA Program Manager, Cheryl Chi (510-817-5939 or [cchi@mtc.ca.gov](mailto:cchi@mtc.ca.gov)) also plans to contact each operator individually regarding their remaining balance.

If you have any questions or comments, please contact Kristen Mazur at 510-817-5789 or [kmazur@mtc.ca.gov](mailto:kmazur@mtc.ca.gov).

**Attachment A**  
**Lifeline Transportation Program Third Cycle**  
**Proposed STA Revisions \*DRAFT\* (subject to Commission approval)**

			Current Program		Proposed Program
			Estimated FY12 & FY13 Amounts		Actual FY12 & FY13 Revenues (incl. interest) + Pre-FY12 Carryover
County	Project Name	Sponsor	STA (95 percent)	STA 5% Contingency	STA Total
<b>Alameda County Totals</b>			<b>5,094,237</b>	<b>268,118</b>	<b>5,280,584</b>
ALA	A Quicker, Safer Trip to the Library to Promote Literacy	Oakland Public Library/City of Oakland (via BART)	185,000	0	185,000
ALA	Preservation of Existing Services in Communities of	AC Transit	4,129,771	268,118	4,316,118
ALA	BART Transbay Owl Express Bus Service	BART	297,800	0	297,800
ALA	WHEELS Route 14 Service Provision	LAVTA	366,000	0	366,000
ALA	Operation Support for Route 2	Union City Transit, City of Union City	115,666	0	115,666
<b>Contra Costa County Totals</b>			<b>2,877,137</b>	<b>151,428</b>	<b>2,975,153</b>
CC	Preserve Operations in Community of Concern	County Connection	684,000	36,000	707,302
CC	Route 200 and 201	Tri Delta Transit	728,647	45,000	757,775
CC	Taxi Referral Program	CCEHSD (via Tri Delta)	126,353	0	126,353
CC	Preserve Operations in Community of Concern	AC Transit	951,668	50,087	984,088
CC	Transbay Owl Express	BART	191,777	10,094	198,311
CC	C3 Operations	WestCAT	194,692	10,247	201,325
<b>Marin County Totals</b>			<b>558,856</b>	<b>29,414</b>	<b>572,162</b>
MAR	Canal Neighborhood Transit Service	Marin Transit (via GGBHTD)	400,588	29,414	413,894
MAR	San Rafael School Shuttle	San Rafael Schools (via GGBHTD)	158,268	0	158,268
<b>Napa County Totals</b>			<b>470,545</b>	<b>24,766</b>	<b>485,548</b>
NAP	Operating Assistance for new VINE Routes	NCTPA	470,545	24,766	485,548
<b>San Francisco County Totals</b>			<b>2,809,739</b>	<b>147,881</b>	<b>2,957,620</b>
SF	Free Muni for Low Income Youth Pilot Program	SFMTA	400,000	0	400,000
SF	Continuation of Bus Restoration Project	SFMTA	809,739	147,881	957,620
SF	Route 108 Treasure Island Enhanced Service	SFMTA	800,000	0	800,000
SF	Route 29 Reliability Improvement	SFMTA	800,000	0	800,000
<b>San Mateo County Totals</b>			<b>1,625,554</b>	<b>85,556</b>	<b>1,680,795</b>
SM	Fixed Route 17	SamTrans	407,048	0	407,048
SM	Coast Service On-Demand	SamTrans	300,000	0	300,000
SM	Bus Passes and Tickets for Low Income Families	San Mateo Human Services Agency (via SamTrans)	300,000	0	300,000
SM	Community Learning Center Public Transportation	City of South San Francisco (via SamTrans)	210,000	0	210,000
SM	Midday Shuttle Belle Haven Community and Other	City of Menlo Park (via SamTrans)	204,253	53,747	240,820
SM	North Fair Oaks On-Demand Shuttle	City of Redwood City (via SamTrans)	204,253	18,674	222,927
SM	North Central Ped Infrastructure Improvements	City of San Mateo	0	13,135	0
<b>Santa Clara County Totals</b>			<b>5,088,113</b>	<b>267,795</b>	<b>5,266,923</b>
SC	Family Transportation Services	Outreach & Escort, Inc.	480,000	0	480,000
SC	Senior Transportation & Resources	Outreach & Escort, Inc.	3,075,908	0	3,075,908
SC	Together We Ride	Outreach & Escort, Inc.	1,532,205	267,795	1,711,015
<b>Solano County Totals</b>			<b>1,246,620</b>	<b>65,612</b>	<b>1,289,884</b>
SOL	Susataining Route 1	SolTrans	500,000	0	500,000
SOL	Sustaining Route 85	SolTrans	250,000	0	250,000
SOL	Sustaining Span of Service	SolTrans	376,620	65,612	419,884
SOL	Route 30 Saturday Service	Fairfield and Suisun Transit	120,000	0	120,000
<b>Sonoma County Totals</b>			<b>1,680,761</b>	<b>88,461</b>	<b>1,737,445</b>
SON	Roseland Lifeline Operations	Santa Rosa CityBus	520,074	27,372	537,614
SON	Added Capacity on Lifeline Routes 20, 30 & 60	Sonoma County Transit	1,160,687	61,089	1,199,831
<b>Regional Totals</b>			<b>950,000</b>	<b>50,000</b>	<b>1,000,000</b>
REG	Means-Based Discount Project	MTC	950,000	50,000	1,000,000
<b>Grand Totals</b>			<b>22,401,562</b>	<b>1,179,031</b>	<b>23,246,114</b>



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## *Memorandum*

TO: Transit Finance Working Group

DATE: October 2, 2013

FR: Kenneth Folan

RE: Prop 1B Update: Transit (PTMISEA) and Transit Security (CTSGP)

### **Recent and Upcoming Deadlines**

- Due to CalEMA by April 30, 2013: Performance reports for the performance period ending March 31, 2012. Closeout reports for FY09-10 CTSGP funded projects.
- Due to Caltrans July 30, 2013: Allocation requests for all years of funding are due to Caltrans to be considered for a potential fall bond sale
- Due to Caltrans August 15, 2013: Semi-annual reports for all projects that have received an allocation and have not submitted a close-out report
- *Due to Caltrans September 20, 2013: PTMISEA Program Expenditure Plans, per August 27, 2013 email from Wendy King, PTMISEA Program Manager at Caltrans.*
- *October 3<sup>rd</sup> at 10a.m.: FY 2013-14 CalEMA Public Hearing and Review of Guidelines*

### **PTMISEA – Program Status**

All Years: The Budget Act of 2013 re-appropriated the remaining balances from the FY 2007-08 through to the FY 2010-11 appropriations to be available for allocation until June 30, 2014 and for encumbrance or liquidation until June 30, 2018 – see Attachment 1 - excerpt from PTMISEA program guidelines, complete guidelines available at [http://www.dot.ca.gov/hq/MassTrans/Docs/Pdfs/Prop%201B/PTMISEA-Guidelines\\_2013.pdf](http://www.dot.ca.gov/hq/MassTrans/Docs/Pdfs/Prop%201B/PTMISEA-Guidelines_2013.pdf).

For a potential fall bond sale, Caltrans will accept allocation requests through July 30, 2013. The next appropriation may occur as part of the FY2014-15 budget. There was no new appropriation to the PTMISEA account for FY2014. Attachment 2 is a program summary. Revised expenditure plans are due to Caltrans by September 20, 2013.

FY 2011: \$1.5 billion appropriated statewide and available to allocate until June 2014. FY2011 appropriations represent three years of funding. Because of this, there was no allocation of PTMISEA funds for FY2012 or FY2013. To date, MTC staff has submitted \$144.1 million in FY2011 population-based requests to Caltrans.

Approximately \$280.8 million of the Bay Area's FY2011 PTMISEA requests (for both population-based and revenue-based funds) have been paid to date. Caltrans Division of Mass Transit released a list of projects to receive \$203 million in PTMISEA funds on October 22,

2012. The State Controller's Office released a portion of these funds on November 26, 2012 and the remainder was released on January 11, 2013.

FY 2008, 2009 and 2010: The State paid the region's remaining FY2008 and 2009 requests in March 2011.

### **CTSGP – Program Status**

FY2013-14 – The following information is from a September 17, 2013 email from CalEMA staff to project sponsors:

***Announcement of the FY 13-14 PROP 1B grant cycle release.*** *Public Hearing will be October 3, 2013 at 10:00, please call in – 916.362.4872 – conference ID#400100. Immediately following the Public Hearing and review of the FY 13-14 guidance we will be holding a workshop reviewing all of the documents required. In the past both the hearing and workshop have not lasted more than an hour. Please attend both Public Hearing and Workshop. Majority of our requests and follow up can be prevented with the information that will be reviewed in this webinar/ workshop. Please review the guidance and have your questions ready at the time of the hearing.*

### **Reminders**

- *Performance Reports are due October 31, 2013 for any open grant. This would be the to gather your fiscal information and equipment inventory from project managers. Anything issued after October 31, 2013 will be late and documented.*
- *FY 13-14 Public Hearing is October 3, 2013*
- *We are accepting late FY 12-13 IJs and FY 13-14 IJs*
- *FY 13-14 IJs are DUE December 15, 2013*
- *FY 10-11 expenditure period ends March 31, 2014*
- *Aaron Wayne is no longer with Cal OES please contact myself or Laurie Ballard.*

FY 2013: Cal-EMA has issued the final FY2012-13 CTSGP Program Guidelines and Application Kit including funding levels for the \$60 million FY2012-13 appropriation. On November 14, 2012 they also held a public hearing to discuss the guidance. Documents pertaining to all cycles of this program are available at <http://www.calema.ca.gov/EMS-HS-HazMat/Pages/Proposition-1B-Grant-Documents.aspx>. MTC's Commission approved the programming of approximately \$5.4 million in FY2012-13 population-based funds in January 2013.

FY 2011 and 2012: \$60 million appropriated each year for the Transit Security program. FY2012 funds are available to request until June 2013. As of July 2012, the Commission has approved about \$5.7 million in FY2012 and \$5.8 million in FY2011 population-based funds for the Transit Security program. MTC's Commission approved the programming of \$34,487 in FY2011-12 and \$13,046 in FY2010-11 population-based funds in January 2013. Attachment 3 is a summary of appropriations and requests for FY 2011 to FY 2013.

FY 2008, 2009 and 2010: Requests from these fiscal years have been paid. Please submit close out reports for any completed projects as soon as possible.

**PTMISEA and CTS GP Contact Information**

- PTMISEA – Stefanie Acton 916.654.8172 [stefanie\\_acton@dot.ca.gov](mailto:stefanie_acton@dot.ca.gov)
- CTS GP – Amber Lane 916.845.8660 [amber.lane@calema.ca.gov](mailto:amber.lane@calema.ca.gov)
- PTMISEA website: <http://www.dot.ca.gov/hq/MassTrans/Proposition-1B.html>
- CTS GP website: <http://www.homeland.ca.gov/transitsystemsafety.html>
- MTC – Kenneth Folan 510.817.5804 [kfolan@mtc.ca.gov](mailto:kfolan@mtc.ca.gov)

**Excerpt from PTMISEA Program Guidelines**  
**Guidelines available at: [http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/Prop%201B/PTMISEA-Guidelines\\_2013.pdf](http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/Prop%201B/PTMISEA-Guidelines_2013.pdf)**

**3. Appropriation**

The SCO lists eligible project sponsors and the amount of funds each is to receive, per PUC Sections 99313 and 99314. The SCO notifies project sponsors of their eligibility and funding level via letter after an appropriation has been made.

The Budget Act of 2013 re-appropriated the remaining balances from the FY 2007-08 through to the FY 2010-11 appropriations to be available for allocation until June 30, 2014 and for encumbrance or liquidation until June 30, 2018.

All funds must meet the encumbrance or liquidation deadlines of the year in which they were appropriated, regardless if they have been transferred to a new project.

### DRAFT - POPULATION-BASED PROPOSITION 1B - PTMISEA

Investment Category	Original MTC Estimated Prop 1B Total (FY 08 - 17)	Total Remaining (FY 10-17) from SCO *3*	FY 2007-08			FY 2008-09			FY 2009-10			FY 2010-11			
			FY 2007-08 Appropriated	Actual Allocations (Paid)	CARRYOVER Unallocated FY 2007-08	B	C=A+B	D	FY 2009-10 Appropriated	E	F	FY 2010-11 Appropriated	FY 2010-11 Requests Pending Caltrans Approval and Future Bond Sale	Remaining to Request FY 2010-11	Actual Allocations (Paid)
<b>Lifeline Transportation Program</b>															
Alameda	30,688,000	22,434,096	1,734,416	5,098,588					2,884,930	2,884,930	2,884,930	2,884,930			
Contra Costa	14,000,000	10,234,533	791,248		212,018	1,804,823	2,016,841	2,016,841	1,316,118	1,316,118	1,316,118	1,316,118			
Marin	3,024,000	2,210,659	170,910		45,796	389,842	435,638	435,638	284,281	284,281	284,281	284,281			
Napa	1,904,000	1,391,896	107,610		28,834	245,456	274,290	274,290	178,992	178,992	178,992	178,992			
San Francisco *1*	16,912,000	13,434,055	955,828		256,123	2,180,226	2,436,349	1,365,610	1,589,870	2,660,604	2,444,604	2,444,604			
San Mateo	7,952,000	5,958,781	449,429		120,426	1,025,140	1,145,566	1,000,000	747,555	893,121	893,120	893,120			
Santa Clara	24,304,000	18,958,018	1,373,607		368,063	3,133,173	3,501,236	2,310,367	2,284,781	3,475,650	3,475,650	3,475,650			
Solano	6,160,000	4,503,194	348,149		93,288	794,122	887,410	887,410	579,092	579,092	579,092	579,092			
Sonoma	7,056,000	5,158,205	398,789		106,857	909,631	1,016,488	1,016,488	663,323	663,323	663,323	663,323			
MTC - Regional Projects *2*			12,278,000	12,278,000											
<b>Subtotal - Lifeline Program</b>	<b>112,000,000</b>	<b>84,283,437</b>	<b>18,607,987</b>	<b>17,376,588</b>	<b>1,231,399</b>	<b>10,482,413</b>	<b>11,713,818</b>	<b>9,306,644</b>	<b>10,528,942</b>	<b>12,936,111</b>	<b>12,720,110</b>	<b>12,720,110</b>			
<b>Lifeline Transportation Program - Distribution per Resolution 4033 commencing with FY 2010-11 Appropriations</b>															
AC Transit													8,403,487	8,403,487	
BART													8,173,010	8,173,010	
CCCTA													484,534	484,534	
Golden Gate Transit/Marin Transit													1,477,729	1,477,729	
LAVTA													240,910	240,910	
SFMTA													11,723,430	11,723,430	
SamTrans													2,272,697	2,272,697	
ECCTA													327,019	327,019	
NCTPA													597,647	597,647	
VTA													9,186,049	9,186,049	
WestCat													147,335	147,335	
Solano County Operators													1,547,328	1,547,328	
Sonoma County Operators													1,938,791	1,938,791	
<b>Subtotal - Lifeline Program</b>													<b>46,519,967</b>	<b>46,519,967</b>	<b>-</b>
<b>Urban Core Transit Improvements</b>															
BART Seismic	24,000,000			24,000,000											
BART Station Modernization															
San Francisco Muni Central Subway	100,000,000	82,882,935				15,000,000		16,070,728		(1,070,734)	8,554,268	8,554,268		54,667,911	37,167,911
Santa Clara VTA Line 522/523 BRT	45,000,000	34,802,176		9,726,977										10,000,000	10,000,000
BART to Warm Springs	17,000,000	15,485,685						1,336,440		(1,336,440)	8,338,268	8,338,275		6,987,098	6,987,098
East Contra Costa BART Extension	17,000,000	12,822,752				3,999,373		3,999,373						12,662,433	12,662,433
<b>Subtotal - Urban Core</b>	<b>203,000,000</b>	<b>145,993,548</b>	<b>33,726,977</b>	<b>33,726,977</b>		<b>18,999,373</b>		<b>21,406,541</b>	<b>19,083,710</b>	<b>16,676,541</b>	<b>16,892,536</b>	<b>16,892,543</b>	<b>84,317,442</b>	<b>84,317,442</b>	<b>-</b>
<b>Small Operators/North Counties</b>															
Marin	3,404,473	2,498,800	565,629	565,629		318,635		318,635	320,049	320,049	0	320,049	1,414,071	1,414,071	-
Napa	1,806,699	1,320,766	300,170	300,170		169,094		169,094	169,845	169,845	169,845	169,845	750,425	750,425	-
Solano (includes Vallejo)	5,682,360	4,154,021	944,083	944,082		531,829		531,829	534,190	534,190	534,190	534,190	2,360,208	2,360,208	-
Sonoma	6,449,431	4,714,780	1,071,526	1,071,526		603,621		603,621	606,301	606,301	606,301	606,301	2,678,816	2,678,816	-
CCCTA	6,555,668	4,792,443	1,089,177	1,089,177		613,564		613,564	616,288	616,288	616,288	616,288	2,722,941	2,722,941	-
ECCTA	3,654,151	2,671,324	607,111	607,111		342,003		342,003	343,521	343,521	343,521	343,521	1,517,777	1,517,777	-
LAVTA	2,583,887	1,888,920	429,294	429,294		241,834		241,834	242,907	242,907	242,907	242,907	1,073,235	1,073,235	-
Union City	956,272	699,071	158,878	158,878		89,500		89,500	89,898	89,898	89,898	89,898	397,194	397,194	-
WestCat	907,058	663,094	150,701	150,701		84,894		84,894	85,271	85,271	85,271	85,271	376,753	376,753	-
<b>Subtotal - Small Operators/North Counties</b>	<b>32,000,000</b>	<b>23,393,218</b>	<b>5,316,568</b>	<b>5,316,568</b>		<b>2,994,974</b>		<b>2,994,974</b>	<b>3,008,270</b>	<b>3,008,270</b>	<b>2,688,221</b>	<b>3,008,269</b>	<b>13,291,420</b>	<b>13,291,420</b>	<b>-</b>
<b>Population-based Total</b>	<b>347,000,000</b>	<b>253,670,208</b>	<b>57,651,532</b>	<b>56,420,133</b>	<b>1,231,399</b>	<b>32,476,760</b>	<b>11,713,818</b>	<b>33,708,159</b>	<b>32,620,922</b>	<b>32,620,922</b>	<b>32,300,867</b>	<b>32,620,922</b>	<b>144,128,829</b>	<b>144,128,829</b>	<b>0</b>
<b>Total State-wide Appropriated</b>	<b>600,000,000</b>	<b>350,000,000</b>	<b>350,000,000</b>	<b>350,000,000</b>	<b>#####</b>	<b>2,800,000,000</b>	<b>800,000,000</b>								

See Resolution 4033 Distribution below for FY2010-11 Appropriations

All PTMISEA funds are available for allocation until June 30, 2013, and available for encumbrance and liquidation until June 30, 2017.

**DRAFT - REVENUE-BASED PROPOSITION 1B - PTMISEA**

Agency	Original MTC Estimated Prop 1B Total (FY 08 - 17)	Total Remaining (FY 10-17) from SCO *	FY 2007-08		FY 2008-09		FY 2009-10		FY 2008-09 and FY 2009-10	FY 2010-11			
			FY 2007-08 Appropriated	Actual Allocations (Paid)	FY 2008-09 Appropriated	Actual Allocations (Paid)	FY 2009-10 Appropriated	Actual Allocations (Paid)	Remaining to Allocate	FY 2010-11 Appropriated	FY 2010-11 Requests Pending Caltrans Approval and Future Bond Sale	Remaining to Allocate FY 2010-11	Actual Allocations (Paid)
Alameda CMA - for ACE	1,699,328	1,245,898	283,155	283,155	159,509	159,509	160,217	160,217		707,887	707,887	-	707,887
Soltrans (Benicia before FY11)	129,528	94,966	21,583	21,583	12,158		12,212		24,370	53,957		53,957	-
Caltrain	41,108,705	30,139,739	6,849,847	6,849,847	3,858,715	3,858,715	3,875,844	3,875,844		17,124,618		17,124,618	-
CCCTA	5,117,254	3,751,827	852,676	852,676	480,337	480,337	482,469	482,469		2,131,691	2,131,691	-	-
Dixon	41,542	30,459	6,922	6,922	3,900	3,900	3,917	3,917		17,306	17,306	-	17,306
ECCTA	2,076,372	1,522,337	345,981	345,981	194,901	194,901	195,766	195,766		864,952	864,952	-	864,952
Fairfield	724,664	531,302	120,749	120,749	68,021	68,021	68,323	68,323		301,872	301,872	-	-
GGBHTD	35,123,114	25,751,271	5,852,482	5,852,482	3,296,871	3,296,871	3,311,505	3,311,505		14,631,204	13,338,908	1,292,296	-
Healdsburg	11,217	8,222	1,869	1,869	1,053	1,053	1,057	1,057		4,671	4,671	-	4,671
LAVTA	1,606,102	1,177,550	267,621	267,621	150,759	150,759	151,428	151,428		669,053	669,053	-	669,053
NCPTA	429,082	314,592	71,497	71,497	40,276	40,276	40,455	40,455		178,743	178,743	-	178,743
SamTrans	48,424,898	35,503,763	8,068,927	8,068,927	2,568,430	2,568,430	4,565,635	4,565,635		20,172,317	18,591,271	1,581,046	199,960
Santa Rosa	1,099,151	805,867	183,149	183,149	103,173	103,173	103,631	103,631		457,873	457,873	-	-
Sonoma County Transit	1,392,500	1,020,940	232,029	232,029	130,708	130,708	131,289	131,289		580,072	580,072	-	580,072
Union City	411,210	301,488	68,519	68,519	38,599	38,599	38,770	38,770		171,297	171,297	-	-
Soltrans (Vallejo before FY11)	5,933,235	4,350,078	988,641	988,641	556,930	556,930	559,402	559,402		2,471,601		2,471,601	-
VTA	143,993,645	105,572,064	23,993,323	23,993,323	13,516,126	13,516,126	13,576,124	13,576,124		59,983,308	34,604,590	25,378,718	13,626,257
VTA - for ACE	2,371,371	1,738,624	395,136	395,136	222,592	222,592	223,580	223,580		987,841		987,841	-
WestCAT	2,484,810	1,821,792	414,038	414,038	233,239	233,239	234,275	234,275		1,035,095	1,035,095	-	835,095
<b>SUBTOTAL</b>	<b>294,177,728</b>	<b>215,682,779</b>	<b>49,018,144</b>	<b>49,018,144</b>	<b>25,636,297</b>	<b>25,624,139</b>	<b>27,735,899</b>	<b>27,723,687</b>	<b>24,370</b>	<b>122,545,358</b>	<b>73,655,281</b>	<b>48,890,077</b>	<b>17,683,996</b>
AC Transit	94,030,133	68,940,231	15,668,020	15,668,020	8,826,245	8,826,245	8,865,424	8,865,424		39,170,051	39,170,051	-	20,000,000
BART	235,238,734	172,470,379	39,197,278	39,197,278	24,057,977	24,057,977	22,178,966	22,178,966		97,993,194	97,993,194	-	39,999,373
SFMTA	309,462,843	226,889,394	51,565,067	51,565,067	29,048,079	29,048,079	29,177,022	29,177,022		128,912,666	128,912,666	-	128,912,666
<b>SUBTOTAL</b>	<b>638,731,711</b>	<b>468,300,004</b>	<b>106,430,365</b>	<b>106,430,365</b>	<b>61,932,301</b>	<b>61,932,301</b>	<b>60,221,412</b>	<b>60,221,412</b>	<b>-</b>	<b>266,075,911</b>	<b>266,075,911</b>	<b>-</b>	<b>188,912,039</b>
<b>Revenue-based Total</b>	<b>932,909,439</b>	<b>683,982,783</b>	<b>155,448,509</b>	<b>155,448,509</b>	<b>87,568,598</b>	<b>87,556,440</b>	<b>87,957,311</b>	<b>87,945,099</b>	<b>24,370</b>	<b>388,621,269</b>	<b>339,731,192</b>	<b>48,890,077</b>	<b>206,596,035</b>
			<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>Total Appropriated</b>	<b>Remaining to Appropriate</b>					
<b>Total State-wide Appropriated</b>			<b>600,000,000</b>	<b>350,000,000</b>	<b>350,000,000</b>	<b>1,500,000,000</b>	<b>2,800,000,000</b>	<b>800,000,000</b>					

All PTMISEA funds are available for allocation until June 30, 2013, and available for encumbrance and liquidation until June 30, 2017.

J:\PROJECT\Funding\Infrastructure Bond\I-Bond\Transit\MTC Regional Transit Proposal - \$347M\Project Summary PTMISEA\PTMISEA Project List\_01-28-2013.xlsx\POP

\*Total Remaining based on SCO letter dated October 30, 2009. The State reduced the original estimate due to changes in PMIA loan interest and administrative charges. The State may revise this estimate again in the future.

**FY2012-13 Proposition 1B Transit Security Program Appropriations and Requests**

Sponsor	FY12-13 Appropriated			FY 12-13 Requests Received by MTC			FY 12-13 Unrequested
	Population Based Formula	Revenue Based Formula	Total	Population Based Formula	Revenue Based Formula	Total	
	GC 8879.58(a)(2)	GC 8879.58(a)(3)		GC 8879.58(a)(2)	GC 8879.58(a)(3)		
Alameda CMA - Corresponding to ACE	10,504	28,322	38,826		28,322	28,322	10,504
Caltrain (PCJPB)	254,101	685,145	939,246	254,101	685,145	939,246	-
CCCTA	31,631	85,288	116,919	31,631	85,288	116,919	-
Dixon	257	692	949			-	949
ECCTA	12,834	34,606	47,440	12,834	34,606	47,440	-
Fairfield	4,479	12,078	16,557	4,479	12,078	16,557	-
GGBHTD	217,103	585,385	802,488	217,103	585,385	802,488	-
Healdsburg	70	187	257			-	257
LAVTA	9,928	26,768	36,696	9,928	26,768	36,696	-
NCTPA**	2,652	7,151	9,803	2,652	7,151	9,803	-
SamTrans	299,324	807,082	1,106,406			-	1,106,406
Santa Rosa	6,794	18,319	25,113			-	25,113
Sonoma County Transit	8,607	23,208	31,815	8,607	23,208	31,815	-
Union City	2,542	6,854	9,396	2,542	6,854	9,396	-
Soltrans (Formerly Vallejo and Benicia)	37,476	101,046	138,522	37,476	101,046	138,522	-
SCVTA	890,054	2,399,894	3,289,948	890,054	2,399,894	3,289,948	-
SCVTA - Corresponding to ACE	14,658	39,523	54,181	14,658	39,523	54,181	-
WestCAT	15,359	41,414	56,773			-	56,773
<b>SUBTOTAL</b>	<b>1,818,373</b>	<b>4,902,962</b>	<b>6,721,335</b>	<b>1,486,065</b>	<b>4,035,268</b>	<b>5,521,333</b>	<b>1,200,002</b>
Alameda-Contra Costa Transit District	581,219	1,567,169	2,148,388	581,219	1,567,169	2,148,388	-
Bay Area Rapid Transit District	1,454,058	3,920,646	5,374,704	1,454,058	3,920,646	5,374,704	-
City of San Francisco (MUNI)	1,912,853	5,157,714	7,070,567	1,912,853	5,157,714	7,070,567	-
<b>SUBTOTAL</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>-</b>
<b>TOTAL</b>	<b>5,766,503</b>	<b>15,548,491</b>	<b>21,314,994</b>	<b>5,434,195</b>	<b>14,680,797</b>	<b>20,114,992</b>	<b>1,200,002</b>

\* Not all requests for revenue-based Transit Security Program funds may have been provided to MTC. Sponsors should confirm these requested funding amounts with their own records.

\*\* MTC's Resolution 3882 will be updated to include NCTPA's FY11-12 and FY12-13 request in May 2013

**FY2011-12 Proposition 1B Transit Security Program Appropriations and Requests**

Sponsor	FY11-12 Appropriated			FY 11-12 Requests Received by MTC			FY 11-12 Unrequested
	Population Based Formula	Revenue Based Formula	Total	Population Based Formula	Revenue Based Formula	Total	
	GC 8879.58(a)(2)	GC 8879.58(a)(3)		GC 8879.58(a)(2)	GC 8879.58(a)(3)*		
Alameda CMA - Corresponding to ACE	10,504	28,322	38,826	10,504	28,322	38,826	-
Benicia	801	2,159	2,960			-	2,960
Caltrain (PCJPB)	254,101	685,145	939,246	254,101	685,145	939,246	-
CCCTA	31,631	85,288	116,919	31,631	85,288	116,919	-
Dixon	257	692	949			-	949
ECCTA	12,834	34,606	47,440	12,834	34,606	47,440	-
Fairfield	4,479	12,078	16,557	4,479	12,078	16,557	-
GGBHTD	217,103	585,385	802,488	217,103	585,385	802,488	-
Healdsburg	70	187	257			-	257
LAVTA	9,928	26,768	36,696	9,928	26,768	36,696	-
NCTPA**	2,652	7,151	9,803	2,652	7,151	9,803	-
SamTrans	299,324	807,082	1,106,406	299,324	807,082	1,106,406	-
Santa Rosa	6,794	18,319	25,113			-	25,113
Sonoma County Transit	8,607	23,208	31,815	8,607	23,208	31,815	-
Union City	2,542	6,854	9,396	2,542	6,854	9,396	-
Vallejo	36,675	98,887	135,562	36,675	98,887	135,562	-
SCVTA	890,054	2,399,894	3,289,948	890,054	2,399,894	3,289,948	-
SCVTA - Corresponding to ACE	14,658	39,523	54,181	14,658	39,523	54,181	-
WestCAT	15,359	41,414	56,773	15,359	41,414	56,773	-
<b>SUBTOTAL</b>	<b>1,818,373</b>	<b>4,902,962</b>	<b>6,721,335</b>	<b>1,810,451</b>	<b>4,881,605</b>	<b>6,692,056</b>	<b>29,279</b>
Alameda-Contra Costa Transit District	581,219	1,567,169	2,148,388	581,219	1,567,169	2,148,388	-
Bay Area Rapid Transit District	1,454,058	3,920,646	5,374,704	1,454,058	3,920,646	5,374,704	-
City of San Francisco (MUNI)	1,912,853	5,157,714	7,070,567	1,912,853	5,157,714	7,070,567	-
<b>SUBTOTAL</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>-</b>
<b>TOTAL</b>	<b>5,766,503</b>	<b>15,548,491</b>	<b>21,314,994</b>	<b>5,758,581</b>	<b>15,527,134</b>	<b>21,285,715</b>	<b>29,279</b>

\* Not all requests for revenue-based Transit Security Program funds may have been provided to MTC. Sponsors should confirm these requested funding amounts with their own records.

\*\* MTC's Resolution 3882 will be updated to include NCTPA's FY11-12 and FY12-13 request in May 2013

## FY2010-11 Proposition 1B Transit Security Program Appropriations and Requests

Sponsor	FY10-11 Appropriated			FY 10-11 Requests Received by MTC			FY 10-11 Unrequested
	Population Based Formula	Revenue Based Formula	Total	Population Based Formula	Revenue Based Formula	Total	
	GC 8879.58(a)(2)	GC 8879.58(a)(3)		GC 8879.58(a)(2)	GC 8879.58(a)(3)*		
Alameda CMA - Corresponding to ACE	10,504	28,322	38,826	10,504	28,322	38,826	-
Benicia	801	2,159	2,960			-	2,960
Caltrain (PCJPB)	254,101	685,145	939,246	254,101	685,145	939,246	-
CCCTA	31,631	85,288	116,919	31,631	85,288	116,919	-
Dixon	257	692	949			-	949
ECCTA	12,834	34,606	47,440	12,834	34,606	47,440	-
Fairfield	4,479	12,078	16,557	4,479	12,078	16,557	-
GGBHTD	217,103	585,385	802,488	217,103	585,385	802,488	-
Healdsburg	70	187	257			-	257
LAVTA	9,928	26,768	36,696	9,928	26,768	36,696	-
NCTPA	2,652	7,151	9,803	2,652	7,151	9,803	-
SamTrans	299,324	807,082	1,106,406	299,324	807,082	1,106,406	-
Santa Rosa	6,794	18,319	25,113	6,794	18,319	25,113	-
Sonoma County Transit	8,607	23,208	31,815	8,607	23,208	31,815	-
Union City	2,542	6,854	9,396	2,542	6,854	9,396	-
Vallejo	36,675	98,887	135,562	36,675	98,887	135,562	-
SCVTA	890,054	2,399,894	3,289,948	890,054	2,399,894	3,289,948	-
SCVTA - Corresponding to ACE	14,658	39,523	54,181	14,658	39,523	54,181	-
WestCAT	15,359	41,414	56,773	15,359	41,414	56,773	-
<b>SUBTOTAL</b>	<b>1,818,373</b>	<b>4,902,962</b>	<b>6,721,335</b>	<b>1,817,245</b>	<b>4,899,924</b>	<b>6,717,169</b>	<b>4,166</b>
Alameda-Contra Costa Transit District	581,219	1,567,169	2,148,388	581,219	1,567,169	2,148,388	-
Bay Area Rapid Transit District	1,454,058	3,920,646	5,374,704	1,454,058	3,920,646	5,374,704	-
City of San Francisco (MUNI)	1,912,853	5,157,714	7,070,567	1,912,853	5,157,714	7,070,567	-
<b>SUBTOTAL</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>3,948,130</b>	<b>10,645,529</b>	<b>14,593,659</b>	<b>-</b>
<b>TOTAL</b>	<b>5,766,503</b>	<b>15,548,491</b>	<b>21,314,994</b>	<b>5,765,375</b>	<b>15,545,453</b>	<b>21,310,828</b>	<b>4,166</b>

\* Not all requests for revenue-based Transit Security Program funds may have been provided to MTC. Sponsors should confirm these requested funding amounts with their own records.



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## *Memorandum*

TO: Transit Finance Working Group

DATE: October 2, 2013

FR: Adam Crenshaw

RE: 2013 TIP Update

### **2013 TIP Approval**

The 2013 TIP and Transportation-Air Quality Conformity Analysis on the 2013 TIP were adopted by the Commission on July 18, 2013 and approved by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) on August 12, 2013. They are valid through August 12, 2017.

### **TIP Revision 13-04 – Amendment (Proposed)**

Amendment 13-04 revises 221 projects with a net increase in funding of \$635 million. Among other changes, the revision:

- Amends 133 exempt and 11 non-exempt, not regionally significant One Bay Area Grant (OBAG), Regional Safe Routes to Schools (RSRTS), Priority Development Area (PDA) Planning, and Priority Conservation Area (PCA) funded projects into the TIP;
- Updates the funding plans of 16 existing projects to reflect the programming of funds from these programs;
- Updates the funding plans of three projects (REG110017, REG110010, and REG110015) and amends in nine exempt projects to reconcile the 2013 TIP with changes made as part of TIP Amendment 2011-35;
- Amends nine exempt projects, three non-exempt, not regionally significant projects, and the PE phase of one non-exempt project into the TIP;
- Updates the funding plans of five Transit Capital Priority (TCP) funded projects to reflect prior programming actions;
- Updates the funding plans and back-up listings for seven grouped listings (REG110042, VAR110045, VAR110001, VAR110003, VAR110005, VAR110037, and VAR110044) and the funding plan for one individual project listing (SON090027) to reflect the latest programming information;
- Amends one new grouped listing, SHOPP Roadside Preservation (VAR130001), into the TIP and archives the older version of this grouped listing (MTC050008) as the projects in that listing have been completed;
- Deletes four exempt projects from the TIP as the funding has been redirected; and
- Archives three projects from the TIP as they have been completed.

Changes made with this revision do not affect the air quality conformity finding or conflict with the financial constraint requirements. Amendment 13-04 was approved by the Commission on September 25, 2013. Caltrans approval is expected in late October, 2013 and final federal approval is expected in mid-November, 2013.

**TIP Revision 13-03 – Administrative Modification (Pending)**

Under development

**TIP Revision 13-02 – Administrative Modification (Approved)**

Administrative Modification 13-02 revises three Federal Transit Administration funded projects to reflect funds programmed through the Transit Capital Priorities Program with a net increase in funding of \$7 million.

MTC will update the financial plan to reflect the additional revenues with the next amendment. MTC's 2013 TIP, as revised with Revision No. 2013-02, remains in conformity with the applicable State Implementation Plan (SIP) for air quality and the revision does not interfere with the timely implementation of the Transportation Control Measures contained in SIP. The revision was approved into the FSTIP by the deputy executive director on September 24, 2013.

**TIP Revision 13-01 – Administrative Modification (Approved)**

Administrative Modification 13-01 revises 1 project with no net change in funding. The revision:

- Updates the funding plan of San Jose's Autumn St. Extension project to reprogram earmarked funds from FY2010 and FY2011 to FY2013.

The administrative modification is financially constrained by year and MTC relies on the State's programming capacity in the amount of \$974,000 in earmarked STP funds. MTC will update the financial plan to reflect the additional revenues with the next amendment. MTC's 2013 TIP, as revised with Revision No. 2013-01, remains in conformity with the applicable State Implementation Plan (SIP) for air quality and the revision does not interfere with the timely implementation of the Transportation Control Measures contained in SIP. The revision was approved into the FSTIP by the deputy executive director on August 15, 2013.

The 2013 TIP revision schedule (Attachment A) has been posted at the following link:

[http://www.mtc.ca.gov/funding/tip/2013/2013\\_TIP\\_Revision\\_Schedule.pdf](http://www.mtc.ca.gov/funding/tip/2013/2013_TIP_Revision_Schedule.pdf) and project sponsors are requested to submit revision requests before 5:00 PM on the stated deadlines.

Information on TIP revisions is also available through the TIPINFO notification system (electronic mails). Anyone may sign up for this service by sending an email address and affiliation to:

[tipinfo@mtc.ca.gov](mailto:tipinfo@mtc.ca.gov).

FMS is available at the following link: <http://fms.mtc.ca.gov/fms/>. Projects in all the revisions can be viewed at: <http://www.mtc.ca.gov/funding/tip/revisions.htm>.

If you have any questions regarding any TIP project, please contact Adam Crenshaw at (510) 817-5794 or [acrenshaw@mtc.ca.gov](mailto:acrenshaw@mtc.ca.gov). The Fund Management System (FMS) system has also been updated to reflect the approvals received.

Attachments:

A - 2013 TIP Revision Schedule as of September 26, 2013

**METROPOLITAN TRANSPORTATION COMMISSION  
TRANSPORTATION IMPROVEMENT PROGRAM (TIP)**

**Tentative 2013 TIP REVISION SCHEDULE - Sorted by Revision Request Submission Deadline  
as of September 26, 2013**

REVISION TYPE	REVISION NUMBER	REVISION REQUEST SUBMISSION DEADLINE	MTC APPROVAL*	STATE APPROVAL*	FEDERAL APPROVAL*	APPROVAL STATUS	TIP REVISION FINAL APPROVAL DATE
2013 TIP Update	13-00	Thu, Feb 21, 2013	Thu, Jul 18, 2013	Fri, Jul 26, 2013	Mon, Aug 12, 2013	Approved	Mon, Aug 12, 2013
Admin. Modification	13-01	Thu, Aug 1, 2013	Thu, Aug 15, 2013	N/A	N/A	Approved	Thu, Aug 15, 2013
Amendment	13-04	Thu, Aug 1, 2013	Wed, Sep 25, 2013	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-02	Sun, Sep 1, 2013	Tue, Sep 24, 2013	N/A	N/A	Approved	Tue, Sep 24, 2013
Admin. Modification	13-03	Sun, Sep 1, 2013	Mon, Sep 30, 2013	N/A	N/A	Pending	TBD
Admin. Modification	13-05	Tue, Oct 1, 2013	Thu, Oct 31, 2013	N/A	N/A	Pending	TBD
Amendment	13-08	Tue, Oct 1, 2013	Wed, Nov 20, 2013	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-06	Fri, Oct 25, 2013	Fri, Nov 22, 2013	N/A	N/A	Pending	TBD
Admin. Modification	13-07	Fri, Nov 22, 2013	Fri, Dec 20, 2013	N/A	N/A	Pending	TBD
Amendment	13-11	Sun, Dec 1, 2013	Wed, Jan 22, 2014	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-09	Wed, Jan 1, 2014	Fri, Jan 31, 2014	N/A	N/A	Pending	TBD
Admin. Modification	13-10	Sat, Feb 1, 2014	Fri, Feb 28, 2014	N/A	N/A	Pending	TBD
Amendment	13-14	Sat, Feb 1, 2014	Wed, Mar 26, 2014	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-12	Sat, Mar 1, 2014	Mon, Mar 31, 2014	N/A	N/A	Pending	TBD
Admin. Modification	13-13	Tue, Apr 1, 2014	Wed, Apr 30, 2014	N/A	N/A	Pending	TBD
Amendment	13-17	Tue, Apr 1, 2014	Wed, May 28, 2014	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-15	Thu, May 1, 2014	Fri, May 30, 2014	N/A	N/A	Pending	TBD
Admin. Modification	13-16	Sun, Jun 1, 2014	Mon, Jun 30, 2014	N/A	N/A	Pending	TBD
Amendment	13-20	Sun, Jun 1, 2014	Wed, Jul 23, 2014	TBD (Estimated 4 weeks after MTC Approval Date)	TBD (Estimated 4 weeks after State Approval Date)	Pending	TBD
Admin. Modification	13-18	Tue, Jul 1, 2014	Thu, Jul 31, 2014	N/A	N/A	Pending	TBD
Admin. Modification	13-19	Fri, Aug 1, 2014	Fri, Aug 29, 2014	N/A	N/A	Pending	TBD

TBD - To Be Determined

N/A - Not Applicable / Not Required

The schedule is also available at the following link: [http://www.mtc.ca.gov/funding/tip/2013/2013\\_TIP\\_Revision\\_Schedule.pdf](http://www.mtc.ca.gov/funding/tip/2013/2013_TIP_Revision_Schedule.pdf)

Note: \* MTC has delegated authority to approve TIP administrative modifications, and may approve administrative modifications on, prior to, or after the tentative date listed

>>> "Federal Transit Administration" <usdotfta@public.govdelivery.com> 9/19/2013 11:55 AM >>>

On September 19, 2013, the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) published a joint notice of proposed rulemaking (NPRM) pursuant to MAP-21, Section 1318. In this rule, FTA is proposing three new categorical exclusions (CE) under 23 CFR 771.118(c) and two new examples under 23 CFR 771.118(d) based on survey responses received as part of the CE Survey Review required under MAP-21.

To view the proposed rule and FTA's supporting materials ("Categorical Exclusion Substantiation" file), and to provide comments, please visit [www.regulations.gov](http://www.regulations.gov) and search for docket #FHWA-2013-0049. The comment period closes on November 18, 2013. FTA encourages grant applicants to review the NPRM and provide comments on the proposals contained in the notice.



U.S. Department of Transportation  
Federal Transit Administration

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## *Memorandum*

TO: Transit Finance Working Group (TFWG)

DATE: October 2, 2013

FR: Ross McKeown

RE: Revised Regional Project Delivery Policy for Regional Discretionary Funds Res 3606

### **Background**

The region has maintained an excellent project delivery record during the federal Transportation Equity Act for the Twenty-First Century (TEA-21) and the Safe, Accountable, Flexible and Efficient Transportation Equity Act (SAFETEA). This outstanding delivery record is due to the hard work of Caltrans Local Assistance, the Congestion Management Agencies (CMAs), project sponsors and the regional project-funding delivery policies developed by MTC and the Bay Area Partnership. In an effort to maintain this delivery record during the Moving Ahead for Progress in the twenty-first century (MAP-21) and subsequent federal transportation acts, and maximize the amount of federal funds flowing into the region, members of the Bay Area Partnership have revised and updated the existing regional delivery policy to ensure it remains consistent with new state and federal guidance.

The revised policy responds to provisions in the federal transportation act, increased scrutiny of federal funding deadlines, recent Caltrans procedural changes and anticipated future federal and state policies relating to the timely use of federal funds. The revisions are specifically intended to: improve management of the limited Obligation Authority (OA) available each fiscal year, meet pre and post-obligation funding deadlines, align regional deadline with the natural project implementation timeline and facilitate project delivery. Most importantly, the policy calls for the programming and obligation of funds consistent with the timing and availability of federal Obligation Authority. The increased emphasis on the management of funding in the project delivery process will ensure funds are available to sponsors when their projects are ready to be delivered, and minimize the potential loss of federal funds due to missed deadlines. Furthermore, the AB1012 deadlines imposed by State law will be met well in advance, and the region will be in a position to accept additional funding that may become available.

Over the past few months, the Federal Efficiencies and Streamlining (FES) subcommittee of the Local Streets and Roads Working Group (LSRWG) and Programming and Delivery Working Group (PDWG) has met and discussed revisions to the regional project-funding delivery policy to reflect new state and federal requirements. The task force consisted of representatives of the CMAs, counties, cities, Caltrans, and MTC staff.

### **Benefits of the SAFETEA Regional Project-Funding Delivery Policy:**

The following are key benefits of the revised policy:

- The policy continues to strengthen the region’s delivery efforts, which has assisted the region and sponsors in delivering to the full apportionment and OA levels.
- Strengthens the region’s ability to meet AB 1012 requirements, and incorporates Caltrans and FHWA post-obligation requirements, thus minimizing the risk of losing federal transportation funding.
- By holding firm and enforcing the funding deadlines, the region has been able to obligate all of its STP and CMAQ OA and apportionment to-date in a timely manner. This demonstrated success in the delivery of regional transportation projects supports subsequent requests for additional federal funding for the region.
- Provides flexibility for project sponsors to swap delayed projects with projects ready to use the funding.
- Establishes standard guidance to be applied for all regional discretionary funds and programming cycles and all FHWA-administered funds included in the TIP. A standardized policy makes it easier for project sponsors, MTC staff and Commissioners to implement project delivery strategies consistently among the programmed projects.
- Keeps the region ahead of other regions in the state, that in recent years have been improving their own delivery rates.

**Significant New and Revised Regional Project-Funding Delivery Policies:**

The following are the significant changes to the policy:

- Obligation deadline advanced from April 30 of the federal fiscal year programmed in the TIP to January 31. This revision is to align the deadline with the natural schedule of projects to be constructed in the following summer construction season.
- Obligation Request Submittal deadline advanced from February 1 of the federal fiscal year programmed in the TIP to November 1 in response to the advanced obligation deadline.
- Funds for construction must be awarded within 6 months of obligation. Previous deadline was 9 months after obligation. This new deadline is for consistency with the CTC’s 6-month award deadline following CTC allocation, and to ensure there are eligible expenditures to invoice against to meet Caltrans’s 6-month invoicing requirement.
- For regional discretionary funds subject to a federal rescission, the rescinded funding will first apply to projects with funds that have missed the regional obligation deadline and to projects with funds that have been de-obligated but not yet re-obligated.
- The policy is expanded to include all regional discretionary FHWA funds, not just STP/CMAQ, and applies some deadlines and requirements to other FHWA-administered funding programmed in the TIP.

- To further facilitate project delivery and ensure all federal funds in the region are meeting federal and state regulations, requirements and deadlines, every Local Public Agency that receives FHWA-administered funds and includes these funds in the federal TIP will need to identify and maintain a staff position that serves as the single point of contact for the implementation of all FHWA-administered funds within that agency.
- Project sponsors that miss delivery milestones and funding deadlines for FHWA-administered funds are required to prepare and update a delivery status report on major delivery milestones for all active projects with FHWA-administered funds and participate if requested in a consultation meeting with the county CMA, MTC and Caltrans to discuss the local agency's ability to deliver current and future federal-aid transportation projects, and efforts, practices and procedures to be implemented by the local agency to ensure delivery deadlines and requirements are met in the future.
- Local Public Agencies must be qualified in the federal-aid process. By requesting the programming of federal funds in the federal TIP, the agency is self-certifying they are qualified to deliver federal-funding transportation projects. This regional qualification is to help confirm the jurisdiction has the appropriate knowledge and expertise to deliver the project.

Once FHWA-administered funds are transferred to FTA, non-applicable provisions of this policy guidance no longer apply. The project sponsor must then follow FTA guidance and requirements.

The intent of the revisions to the regional project-funding delivery policy is to ensure implementing agencies do not lose any funds due to missing a federal or state funding deadline, while providing maximum flexibility in delivering transportation projects. MTC has attempted to establish regional deadlines, to the extent possible, in advance of federal deadlines, to provide the opportunity for implementing agencies, the CMAs, Caltrans, and MTC to solve potential problems and bring the project back on-line in advance of losing funds.

The revised policy will be presented to the Partnership Technical Advisory Committee (PTAC) in the fall for further discussion, and then presented to the Programming and Allocations Committee (PAC) for consideration and recommendation for approval, and will take affect once approved, with the exception of the Obligation and Obligation Submittal deadlines, which will take affect with new funding programmed after adoption of this revised policy and for all funds programmed in FY 2015-2016 and later in the TIP. Comments on the revisions to the policy (Resolution 3606) are now being solicited over the next couple months.

**Attachment:** Proposed revised regional project-funding delivery policy for regional discretionary federal funding during MAP-21 and beyond

**Regional Project Funding Delivery Policy for SAFETEA  
STP and CMAQ FHWA-administered Federal Funds  
In the San Francisco Bay Area  
DRAFT**

**General Policy Guidance**

**As the federally designated Metropolitan Planning Organization (MPO) and the agency serving as the Regional Transportation Planning Agency (RTPA) for the nine-counties of the San Francisco Bay Area, the Metropolitan Transportation Commission (MTC) is responsible for various funding and programming requirements, including, but not limited to: development and submittal of the Regional Transportation Improvement Program (RTIP); managing and administering the federal Transportation Improvement Program (TIP); and project selection for designated federal funds (referred collectively as ‘Regional Discretionary Funding’);**

**As a result of the responsibility to administer these funding programs,** the region has established various deadlines for the delivery of the **regional discretionary funds in various programs, including** the regional Surface Transportation Program (STP), and Congestion Mitigation and Air Quality Improvement (CMAQ) Program, regional Transportation Alternatives Program (TAP) Program, and Regional Transportation Improvement Program (RTIP) to ensure timely project delivery against state and federal funding deadlines. This resolution establishes a standard policy for enforcing project funding deadlines **and project substitutions** for these **and other FHWA-administered federal** funds during the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), **the Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP 21)** and any subsequent extensions **and federal transportation acts.**

**Once FHWA-administered funds are transferred to FTA, non-applicable provisions of this policy guidance no longer apply. The project sponsor must then follow FTA guidance and requirements.**

STP and CMAQ **FHWA-administered federal** funds are to be programmed in the **federal** Transportation Improvement Program (TIP), up to the apportionment level for that fiscal year, in the fiscal year in which the funds are to be obligated by the Federal Highway Administration (FHWA) or transferred to the Federal Transit Administration (FTA), similar to the programming of the State Transportation Improvement Program (STIP) **by the California Transportation Commission (CTC).**

The regional **discretionary funds such as the RTIP, STP, CMAQ and regional-TAP funds** are project specific. Projects are chosen for the program based on eligibility, project merit, and deliverability within the established deadlines. The ~~programmed STP and /CMAQ~~ **regional discretionary funds** are for those projects alone, ~~STP/CMAQ funds~~ **and** may be used for any phase of the project, **unless otherwise specified at the time of programming,** in accordance with Caltrans procedures and federal regulations.

It is the responsibility of the implementing agency at the time of project application and programming to ensure the regional deadlines and provisions of the regional project funding delivery policy can be met. Agencies with difficulty in delivering existing FHWA federal-aid projects will have future programming and Obligation Authority (OA) restricted for additional projects until the troubled projects are brought back on schedule, and the agency has

demonstrated it can deliver new projects within the ~~required~~ **funding** deadlines **and can meet all federal-aid project requirements**.

MTC staff will actively monitor and report the obligation status of projects to the Working Groups of the Bay Area Partnership. The Working Groups will monitor project funding delivery issues as they arise and make recommendations to the Partnership Technical Advisory Committee (PTAC) as necessary.

The implementing agency or MTC may determine that circumstances may justify changes to the ~~STP and /CMAQ~~ **regional discretionary fund** programming. These changes, or ~~amendments~~ **revisions** to these regional programs, are not routine. Proposed changes will be reviewed by MTC staff before any formal actions on program amendments are considered by the MTC Commission. ~~STP/CMAQ~~ **Regional discretionary** funds may be shifted among any phase of the project without the concurrence or involvement of MTC if allowed under Caltrans procedures and federal regulations. All changes must follow MTC policies on the Public Involvement Process and Federal Air Quality Procedures and Conformity Protocol. Changes must be consistent with the Regional Transportation Plan (RTP), must not adversely affect the expeditious implementation of Transportation Control Measures (TCMs), must comply with the provisions of Title VI, must not negatively impact the deliverability of other projects in the regional programs, and must not affect the conformity finding in the TIP. **Additionally, any changes involving funding managed by the California Transportation Commission (CTC), such as RTIP and state-TAP, must also follow the CTC's processes for amendments and fund management.**

#### **Regional Discretionary Funding:**

**Regional Discretionary Funding is revenue assigned to MTC for programming and project selection, including but not limited to funding in the Regional Transportation Improvement Program (RTIP), Surface Transportation Program (STP) funding, Congestion Mitigation and Air Quality Improvement (CMAQ) funding, regional Transportation Alternatives Program (TAP) funding and any subsequent federal funding programs at MTC's discretion. The funds are referred collectively as Regional Discretionary Funding.**

#### **Programming to Apportionment in the year of Obligation/Authorization**

Federal funds are to be programmed in the TIP, up to the apportionment level available, in the fiscal year in which the funds are to be obligated by FHWA or transferred to FTA. The implementing agency is committed to obligate/transfer the funds by the required obligation deadline once the program year in the TIP becomes the current year, and the **regional** annual Obligation Plan has been developed for that year. This will improve the overall management of federal apportionment and Obligation Authority (OA) within the region and help ensure apportionment and OA are available for projects that are programmed in a particular year. It will also assist the region in meeting federal financial constraint requirements. At the end of the federal authorization act, MTC will reconcile any differences between final apportionments, programmed amounts, obligations and actual OA received **for the funds it manages**.

### **Advanced Project Selection Process**

Obligations for funds advanced from future years of the TIP will be permitted only upon the availability of surplus OA, with Advance Construction Authorization (ACA) projects in the annual obligation plan having first priority for OA in a given year, and current programmed projects that have met the delivery deadlines having second priority for OA in a given year. Advanced obligations will be based on the availability of OA and generally will only be considered after ~~February 1~~ **January 31** of each fiscal year. In some years OA may not be available for advancements until after April 30, but the funds must be identified in the annual obligation plan, and the obligation request for the advanced OA should be received by Caltrans prior to April 30.

Agencies requesting advanced funding should be in good standing in meeting deadlines for other **FHWA** federal-aid projects. Restrictions may be placed on the advancement of funds for agencies that are delivery-challenged (continue to have difficulty delivering projects within required deadlines, **or difficulty in meeting federal-aid requirements**) or have current projects that are not in compliance with funding deadlines **and federal-aid requirements**. MTC may consult with **FHWA**, Caltrans and/or the appropriate Congestion Management Agency (CMA) to determine whether the advancement of funds is warranted and will not impact the delivery of other projects.

Implementing agencies wishing to advance projects may request Advance Construction Authorization from FHWA, or pre-award authority from FTA, to proceed with the project using local funds until OA becomes available. ACA does not satisfy the obligation deadline requirement.

---

**Important Tip:** Caltrans releases unused local OA ~~on~~ **by** May 1 of each year. Projects that do not access their OA through obligation or transfer to FTA by that date are subject to having their funds taken by other regions. This provision allows the advancement of projects after April 30, by using unclaimed OA from other regions.

---

### **Advance Construction Authorization (ACA)**

Agencies that cannot meet the regional, state or federal ~~requirements~~ **deadlines subsequent to the obligation deadline (such as award and invoicing deadlines)** have the option to use Advance Construction Authorization (ACA) rather than seeking an obligation of funds and risk losing the funds due to missing these subsequent deadlines. For example if the expenditure of project development funds or award of a construction contract, **or project invoicing** cannot easily be met within the required deadlines, the agency may consider using ACA until the project phase is underway ~~and the agency is ready to invoice~~ **and the agency is able to meet the deadlines**. **The use of** ACA may also be considered by agencies that prefer to invoice once – at the end of the project, rather than invoice on the required semi-annual basis. **When seeking this option, the project sponsor must program the local funds supporting the ACA in the same year of the TIP as the ACA, and program an equal amount of federal funds in the TIP in the year the ACA will be converted to a funding authorization.**

ACA conversion to full obligation receives priority in the annual obligation plan. MTC will monitor the availability of OA to ensure delivery of other projects is not impacted by ACA

conversions. At the end of the federal authorization Act, ACA may be the only option available should the region's OA be fully used.

**Project Cost Savings/Changes in Scope/Project Failures – For FHWA-Administered Funds Managed By MTC (Regional Discretionary Funding)**

Projects may be completed at a lower cost than anticipated, or have a minor change in scope resulting in a lower project cost, or may not proceed to implementation. In such circumstances, the implementing agency must inform MTC, Caltrans and the appropriate county Congestion Management Agency (CMA) within a timely manner that the funds resulting from these project **funding** reductions will not be used. Federal regulations require that the project proceed to construction within ten years of initial federal authorization of any phase of the project. Furthermore, if a project is canceled, or fails to proceed to construction **or right of way acquisition** in ten years, FHWA will de-obligate any remaining funds, and the agency is required to repay any reimbursed funds.

Project funding reductions accrued prior to the established obligation deadline are available for redirection within the program of origin. Savings within the CMA administered programs (~~such as Local Streets and Roads Rehabilitation~~) are available for redirection within the program by the respective CMA, subject to Commission approval. Project funding reductions within regional ~~competitive programs, such as the Transportation for Livable Communities (TLC) program, or for regional operations projects such as 511,~~ are available for redirection by the Commission. For all programs, projects using the redirected funding reductions prior to the obligation deadline must still obligate the funds within the original deadline.

Minor adjustments in project scope may be made to accommodate final costs, in accordance with Caltrans (**and if applicable, CTC**) procedures and federal regulation. However, **STP/CMAQ Regional Discretionary Funding managed by MTC and assigned to** ~~for~~ the project is limited to the amount approved by MTC **for that specific project**. Once funds are de-obligated, there is no guarantee the funds **replacement funding** will be available for the project. **However, in rare instances, such as when a project becomes inactive, funds de-obligated from a project may be made available for that project once again, as long as the de-obligated funds are not rescinded and are re-obligated within the same federal fiscal year.**

**For federal regional discretionary funds managed by MTC, any** project funding reductions or unused funds realized after the obligation deadline return to MTC. Any **Regional Discretionary Funding such as** STP/CMAQ funds that have been obligated but remain unused **unexpended at the time of project close-out** will be de-obligated and returned to the Commission for reprogramming. **However, for funding managed by the CTC, such as STIP funds, any unexpended funds at the time of project close-out are returned to the state rather than the region.**

In selecting projects to receive redirected funding, the Commission may use existing lists of projects that did not receive funding in past programming exercises, or direct the funds to agencies with proven on-time project delivery, or could identify other projects with merit to receive the funding, or retain the funding for future programming cycles. Final decisions regarding the reprogramming of available funds will be made by the Commission.

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**Important Tip:** ~~If a project is canceled as a result of the environmental process, the agency does not have to repay reimbursed costs for the environmental activities. However, If a project is canceled after the environmental process is complete, or a project does not proceed to construction~~ **or right of way acquisition** within 10 years, the agency is **may be** required to repay all reimbursed federal funds.

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### **Federal Rescissions**

**FHWA regularly rescinds unused federal funds, either annually as part of the annual federal appropriations or at the end or beginning of a federal transportation act or extension. Therefore, local public agencies must obligate the funds assigned to them within the deadlines established in this policy. Should regional discretionary funds be subject to a federal rescission, the rescinded funding will first apply to projects with funds that have missed the regional obligation deadline and to projects with funds that have been de-obligated but not yet re-obligated, unless otherwise directed by the Commission.**

### **Annual Obligation Plan**

California Streets and Highway Code 182.6(f) requires the regions to notify Caltrans of the expected use of OA each year. Any local OA, and corresponding apportionment that is not used by the end of the fiscal year will be redistributed by Caltrans to other projects in a manner that ensures the state continues to receive increased obligation authority during the annual OA redistribution **from other states**. There is no provision in state statute that the local apportionment and OA used by the state will be returned.

MTC will prepare an annual Obligation Plan at the ~~beginning~~ **end** of each federal **state** fiscal year based on the funding programmed in the TIP, and the apportionment and OA expected to be available. This plan will be the basis upon which obligations will be made for the **following federal fiscal** year. It is expected that the CMAs and project sponsors with funds programmed in the TIP will assist in the development of the plan by ensuring the TIP is kept up to date, and ~~if necessary,~~ review the plan prior to submittal to Caltrans. Projects listed in the plan that do not receive an obligation **by the deadline** are subject to de-programming. Projects to be advanced from future years, or converted from ACA must be included in the plan to receive priority for obligations against available OA.

If a project or project phase will not be ready for obligation in the year programmed, the agency responsible for the project should request to delay the project prior to entering the program **federal** fiscal year. The agency shall be considered committed to delivering the project **by the funding deadline** (obligating/**authorizing** the funds **in an E-76** or transferring to FTA) ~~once the program year becomes the current fiscal year, and the annual Obligation Plan has been developed for that year.~~ **At the beginning of the federal fiscal year (October 1), for funding programming in that year of the TIP**

In the event that OA is severely limited, such as at the end of a federal authorization act, and there is insufficient OA to obligate all of the projects in the annual obligation plan, restrictions may be placed on funds for agencies that are delivery-challenged (continue to have difficulty delivering projects within required deadlines) or have current projects that are in violation of funding deadlines **and federal-aid requirements**.

### Local Public Agency (LPA) Single Point of Contact

To further facilitate project delivery and ensure all federal funds in the region are meeting federal and state regulations, requirements and deadlines, every Local Public Agency (LPA) that receives FHWA-administered funds and includes these funds in the federal TIP will need to identify and maintain a staff position that serves as the single point of contact for the implementation of all FHWA-administered funds within that agency. The person in this position must have sufficient knowledge and expertise in the federal-aid delivery process to coordinate issues and questions that may arise from project inception to project close-out. The local public agency is required to identify, maintain and update the contact information for this position at the time of programming changes in the federal TIP. This person will be expected to work closely with FHWA, Caltrans, MTC and the respective CMA on all issues related to federal funding for all FHWA-funded projects implemented by the recipient.

By applying for and accepting FHWA funds that must be included in the federal TIP, the project sponsor is acknowledging that it has and will maintain the expertise and staff resources necessary to deliver the federal-aid project within the funding timeframe, and meet all federal-aid project requirements.

### FHWA-Administered Project Milestones Status

Project sponsors that miss delivery milestones and funding deadlines for FHWA-administered funds are required to prepare and update a delivery status report on major delivery milestones for all active projects with FHWA-administered funds and participate if requested in a consultation meeting with the county CMA, MTC and Caltrans to discuss the local agency's ability to deliver current and future federal-aid transportation projects, and efforts, practices and procedures to be implemented by the local agency to ensure delivery deadlines and requirements are met in the future. The purpose of the status report and consultation is to ensure the local public agency has the resources and technical capacity to deliver FHWA federal-aid projects, is fully aware of the required delivery deadlines, and has developed a delivery timeline that takes into consideration the requirements and lead-time of the federal-aid process within available resources. For purposes of the delivery status report, 'Active' projects are projects programmed in the current federal TIP with FHWA-administered funds (including those in grouped TIP listings), and projects with FHWA-administered funds that remain active (have received an authorization/obligation but have not been withdrawn or closed out by FHWA). The local public agency is to use the status report format provided by MTC, or use a report agreeable by the respective CMA and MTC staff.

### Local Public Agency (LPA) Qualification

In an effort to facilitate project delivery and address the complicated requirements of the federal-aid process which can be challenging for local agencies with limited knowledge and expertise in the process, Local Public Agencies (LPA) applying for and accepting FHWA administered funds must be qualified in the federal-aid process. By requesting the

programming of federal funds in the federal TIP, the LPA is self-certifying they are qualified to deliver federal-funding transportation projects. This regional LPA qualification is to help confirm the jurisdiction has the appropriate knowledge and expertise to deliver the project. The regional LPA self-qualification is not a substitute for any state or federal certification requirements and is simply to acknowledge a minimum requirement by which a local agency can demonstrate to the respective CMA, MTC and Caltrans a basic level of readiness for delivering federal-aid projects. The purpose of the regional LPA qualification is to allow the LPA to program the funds in the federal TIP and has no other standing, implied or otherwise. The regional LPA qualification does not apply to transit operators that transfer all of their FHWA-administered funds to FTA.

To be 'regionally qualified', for regional discretionary funds, and for programming federal funds in the federal TIP, the LPA must comply with the following, in addition to any other state and federal requirements:

- Assign and maintain a single point of contact for all FHWA-administered projects implemented by the agency.
- Maintain a project tracking status of major delivery milestones for all programmed and active FHWA-administered projects implemented by the agency
- Have staff and/or consultant(s) on board who have delivered FHWA-administered projects within the past five years and/or attended the Federal-Aid process training class held by Caltrans Local Assistance within the past 5 years, and have the knowledge and expertise to deliver federal-aid projects.
- Maintain all active FHWA-administered projects in good standing with respect to regional, state and federal delivery deadlines, and federal-aid requirements
- Maintain the expertise and staff resources necessary to deliver federal-aid projects within the funding timeframe, and meet all federal-aid project requirements
- Has a financial/accounting system in place that meets state and federal invoicing and auditing requirements;
- Has demonstrated a good delivery record and delivery practices with past and current projects.

#### Maximizing Federal Funds on Local Projects

To facilitate project delivery and make the most efficient use of federal funds, project sponsors are encouraged to concentrate federal funds on fewer, larger projects and maximize the federal share on federalized project so as to reduce the overall number of federal-aid projects. Sponsors may also want to consider using local funds for the Preliminary Engineering (PE) and Right of Way (ROW) phases and target the federal funds on the Construction (CON) phase, thus further reducing the number of authorizations processed by Caltrans and FHWA. Under the regional toll credit policy (MTC Resolution 4008) sponsors that demonstrate they have met or exceeded the total required non-federal project match in the earlier phases, may use toll credits in lieu of a non-federal match for the construction phase. However, sponsors must still comply with NEPA and other federal requirements for the PE and ROW phases. Such an approach can provide the sponsor with greater flexibility in delivering federal projects and avoiding invoicing requirements for the earlier phases. Sponsors pursuing this strategy should

**ensure that federal funds are programmed to the construction phase in the federal TIP so that Caltrans will prioritize field reviews and NEPA review and approval.**

### **Specific Project-Level Policy Provisions**

Projects selected to receive ~~STP or CMAQ~~ **Regional Discretionary** Funding must have a demonstrated ability to use the funds within the established regional, state and federal deadlines. This criterion will be used for selecting projects for funding, and for placement of funding in a particular year of the TIP. Agencies with a continued history of being delivery-challenged and continue to miss funding delivery deadlines will have restrictions placed on future obligations and programming **and are required to develop major milestone delivery schedules for each of their federal-aid projects.**

It is the responsibility of the implementing agency to ensure the funds can be used within the established regional, state and federal deadlines and that the provisions of the regional funding delivery policy can be met. It is also the responsibility of the implementing agency to continuously monitor the progress of the programmed funds against regional, state and federal deadlines, and to report any potential difficulties in meeting these deadlines to MTC, Caltrans and the appropriate county CMA within a timely manner, to seek solutions to potential problems well in advance of potential delivery failure or loss of funding.

Specific project-level provisions of the Regional Project Funding-Delivery Policy are as follow:

- **Field Reviews**

Implementing agencies ~~are required to~~ **are to** request a field review from Caltrans Local Assistance within twelve months of approval of the project in the TIP, but no less than twelve months prior to the obligation deadline of construction funds. This policy also applies to federal-aid projects in the STIP. The requirement does not apply to projects for which a field review would not be applicable, such as FTA transfers, regional operations projects and planning activities, **or if a field review is otherwise not required by Caltrans. It is expected that Caltrans will conduct the review within 60 calendar days of the request.**

Failure for an implementing agency to make a good-faith effort in requesting and scheduling a field review from Caltrans Local Assistance within twelve months of programming into the TIP (but no less than twelve months prior to the obligation deadline) could result in the funding being reprogrammed and restrictions on future programming and obligations. Completed field review forms **(if required)** must be submitted to Caltrans in accordance with Caltrans Local Assistance procedures.

- **Environmental Submittal Deadline**

Implementing agencies are required to submit a complete ~~environmental package~~ **Preliminary Environmental Study (PES) form and attachments** to Caltrans for all projects ~~(except those determined Programmatic Categorical Exclusion as determined by-~~

Caltrans at the field review), twelve months prior to the obligation deadline for right of way or construction funds. This policy creates a more realistic time frame for projects to progress from the field review through the environmental and design process, to the right of way and construction phase. If the environmental process, as determined at the field review, will take longer than 12 months before obligation, the implementing agency is responsible for delivering the complete environmental submittal in a timely manner. Failure to comply with this provision could result in the funding being reprogrammed. The requirement does not apply to FTA transfers, regional operations projects or planning activities.

- ~~Disadvantaged Business Enterprise (DBE)~~

~~Obligation of federal funds may not occur for contracted activities (any combination of environmental/ design/ construction/ procurement activities performed outside the agency) until and unless an agency has an approved DBE program and methodology for the current federal fiscal year. Therefore, agencies with federal funds programmed in the TIP must have a current approved DBE Program and annual methodology (if applicable) in place prior to the fiscal year the federal funds are programmed in the TIP.~~

~~STP/CMAQ funding for agencies without approved DBE methodology for the current year are subject to redirection to other projects after February 1. Agencies should begin the DBE process as early as possible to meet the Caltrans DBE submittal deadline of June 1 the preceding fiscal year. Projects advanced under the Expedited Project Selection Process (EPSP) must have an approved DBE program and annual methodology for the current year (if applicable) prior to the advancement of funds.~~

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~~**Important Tip:** An agency DBE plan is required before the obligation of federal funds. Furthermore, an annual DBE methodology must be approved prior to the obligation of federal funds for services to be contracted out (such as environmental/ design/ construction/ procurement activities performed outside the agency). An annual DBE methodology may not be required if the activities (such as environmental or design) are to be performed in-house using internal staff resources. It generally takes a minimum of 90 days (including a minimum 45-day public comment period) to have an annual DBE methodology approved. Due to the complexities of the DBE requirements, agencies should contact Caltrans Local Assistance to determine whether an annual DBE methodology is required. If a DBE methodology is required, agencies are encouraged to begin the process by March of the preceding federal fiscal year so the process may be complete by the Caltrans due date of June 1 of the preceding fiscal year. This will ensure the DBE requirement has been met by the beginning of the federal fiscal year in October.~~

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- **Obligation/Request For Authorization (RFA) Submittal Deadline**

Projects selected to receive STP and CMAQ **Regional Discretionary** funding must demonstrate the ability to obligate programmed funds by the established ~~obligation~~ deadlines. This criterion will be used for selecting projects for funding, and for placement in a particular year of the TIP. It is the responsibility of the implementing agency to ensure the **funding** deadlines ~~and federal aid requirements~~ can be met.

In order to ensure funds are obligated or transferred to FTA in a timely manner, the implementing agency is required to deliver a complete, **accurate and final** funding obligation / FTA Transfer Request for Authorization (RFA) package to Caltrans Local Assistance by ~~February 1~~ **November 1** of the **fiscal year** the funds are listed in the TIP. **The RFA package includes the CTC allocation request documentation for CTC managed funds such as STIP and State-TAP funded projects as applicable.** Projects with complete, **accurate and final** packages delivered by ~~February 1~~ **November 1** of the **TIP** program year will have priority for available OA, after ACA conversions that are included in the Obligation Plan. If the project is delivered after ~~February 1~~ **November 1** of the **TIP** program year, the funds will not be the highest priority for obligation in the event of OA limitations, and will compete for limited OA with projects advanced from future years. Funding for which an obligation/ FTA transfer request is submitted after the ~~February 1~~ **November 1** deadline will lose its priority for OA, and be viewed as subject to reprogramming.

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**Important Tip:** Once a federal fiscal year (October 1 through September 30) has begun, and the Obligation Plan for that year developed, the agency is committed to obligating/transferring the funds by the required obligation deadline for that fiscal year. Funds that do not meet the obligation deadline are subject to de-programming by MTC.

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Within the CMA administered programs, such as the ~~Local Streets and Roads Rehabilitation program~~, the CMAs may adjust delivery, consistent with the program eligibility requirements, up until ~~February 1 of the programmed year~~ **the start of federal fiscal year in which the funds are programmed in the TIP**, swapping funds to ready-to-go projects in order to utilize all of the programming capacity. The substituted project(s) must still obligate the funds within the original funding deadline.

For funds programmed through regional ~~competitive~~ programs, such as the ~~regional Transportation for Livable Communities (TLC) program~~, or for regional operations projects, such as 511, or for ~~planning activities~~, such as the ~~CMA planning activities~~, the Commission has discretion to redirect funds from delayed or failed projects.

~~STP and CMAQ~~ **MTC Regional Discretionary Funding** funds are ~~is~~ subject to a **regional obligation/authorization**/FTA transfer deadline of ~~April 30~~ **January 31** of the fiscal year the funds are programmed in the TIP. Implementing agencies are required to submit the completed, accurate **and final** request for obligation/**authorization** or FTA transfer to Caltrans Local Assistance by ~~February 1~~ **November 1** of the fiscal year the funds are programmed in the TIP, and receive an obligation/**authorization**/ FTA transfer of the funds by ~~April 30~~ **January 31** of the fiscal year programmed in the TIP. For example, projects programmed in ~~FY 2007-08~~ **FY 2014-15** of the TIP have a **request for authorization**/obligation/FTA transfer request submittal deadline (to Caltrans Local Assistance) of ~~February 1, 2008~~ **November 1, 2014** and an obligation/**authorization**/FTA transfer deadline of ~~April 30, 2008~~ **January 31, 2015**. ~~Projects programmed in FY 2008-09 have an obligation request submittal deadline (to Caltrans) of February 1, 2009 and an obligation/FTA transfer deadline of April 30, 2009. No extensions will be granted to the obligation deadline.~~

**In Summary:**

- **Request For Authorization (RFA)** Submittal Deadline: ~~February 1~~ **November 1** of the fiscal year **the funds are** programmed in the **federal** TIP. The Implementing Agency is required to submit a complete, **accurate and final Request for Authorization (RFA)**/ obligation/transfer package to Caltrans (3 months prior to the Obligation Deadline). **For projects with federal funds managed by the CTC, such as STIP and State-TAP, the required CTC allocation request documentation must also be submitted by November 1 in order to meet the January 31 obligation deadline.**
- Obligation /**Authorization** Deadline: ~~April 30~~ **January 31** of the fiscal year **the funds are** programmed in the TIP, **including funds managed by the CTC, such as STIP and state-TAP.** No extensions will be granted to the obligation deadline.

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**Important Tip: If an agency must coordinate delivery with other delivery timelines and other fund sources, it should program the Regional Discretionary Funding in a later year of the TIP and advance the funds after April 30 using the Expedited Project Selection Process (EPSP) when additional OA is made available by Caltrans. Projects with federal funds managed by the CTC, such as STIP and state-TAP, should receive a CTC allocation in sufficient time to receive the federal obligation by the obligation deadline.**

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**February 1** ~~November 1~~ - Regional **Request For Authorization (RFA)** submittal deadline. Complete **and accurate Request for Authorization** package submittals, and ACA conversion requests for projects in the annual obligation plan received by ~~February 1~~ **November 1** of the fiscal year the funds are programmed in the TIP will receive priority for obligations against available OA. **The RFA should include CTC allocation request documentation for federal STIP and state-TAP funded projects as applicable.**

**February 1** ~~April 30~~ **November 1** – **January 31** – Projects **programmed in the current year of the TIP and** submitted during this timeframe are subject to deprogramming. If OA is still available, these projects may receive OA if obligated by ~~April 30~~ **January 31**. If OA is limited, these projects will compete for OA with projects advanced from future years on a first come-first serve basis. Projects with funds to be advanced from future years ~~must~~ **should** request the advance prior to ~~April 30~~ **January 31**, in order to secure the funds within that federal fiscal year. **This rule does not apply to federal funds managed by the CTC such as STIP or state-TAP funds.**

**April 30** **January 31** - Regional obligation/**Authorization** deadline. **Regional Discretionary Funding** not obligated (or transferred to FTA) by ~~April 30~~ **January 31** of the fiscal year **the funds are** programmed in the TIP ~~will be returned to MTC for reprogramming~~ **are subject to reprogramming by MTC.** No extensions of this deadline will be granted. Projects seeking advanced obligations against funds from future years should request the advance prior to ~~April 30~~ **January 31** in order to secure the funds within that federal fiscal year. **For funding managed by the CTC, the CTC allocation should occur in sufficient time to meet the January 31 federal obligation deadline.**

The obligation deadline may not be extended. The funds must be obligated by the established deadline or they ~~will be de-programmed~~ are subject to de-programming from the project and redirected by the Commission to a project that can use the funds in a timely manner.

Note: Advance Construction Authorization does not satisfy the regional obligation deadline requirement, ~~except under certain circumstances such as when Caltrans uses ACA for state projects.~~

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**Important Tip:** In some years, OA for the region may be severely limited, especially toward the end of the such as when the state has run out of OA, or Congress has only provided a partial year's appropriation or during short-term extensions of a federal Authorization Act. When OA is limited, ACA conversions identified in the annual obligation plan and submitted before the **RFA** deadline of ~~February 1~~ **November 1** have priority, followed by other projects in the annual obligation plan submitted before the **RFA Submittal** deadline of ~~February 1~~ **November 1**. Projects in the obligation plan but submitted after ~~February 1~~ **November 1** may have OA (and thus the obligation of funds) restricted and may have to wait until OA becomes available – either after ~~June 1~~ **May 1**, when unused OA is released from other regions, or in the following federal fiscal year when Congress approves additional OA. ~~Obligation requests~~ **RFAs** submitted after the ~~February 1~~ **November 1** deadline have no priority for OA for that year. Agencies with projects not in good standing with regards to the deadlines of this policy ~~may have OA restricted~~ **or not complying with federal-aid requirements, are subject to restrictions in future Regional Discretionary Funding and the programming of funds in the federal TIP.**

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- **Coordination with CTC allocations**

**The CTC has its own delivery deadlines that must be met in addition to the regional deadlines. Regional deadlines are always in advance of both state and federal deadlines to ensure all deadlines can be met and funds are not jeopardized. To further ensure that CTC deadlines are met, allocation requests to the CTC for federal funds, must be accompanied with a complete and accurate E-76 RFA package, so that the authorization/ obligation may be processed immediately following CTC action. MTC will not sign off on allocation concurrences unless the E-76 RFA package is also submitted.**

- **Program Supplement Agreement (PSA) Deadline**

The implementing agency must execute and return the Program Supplement Agreement (PSA) to Caltrans in accordance with Caltrans Local Assistance procedures. **It is expected that Caltrans will initiate the PSA within 30 days of obligation.** The agency ~~must~~ **should** contact Caltrans if the PSA is not received from Caltrans within 30 days of the obligation. This requirement does not apply to FTA transfers.

Agencies that do not execute and return the PSA to Caltrans within the required Caltrans deadline will be unable to obtain future approvals for any projects, including obligation and payments, until all PSAs for that agency, regardless of fund source, meet the PSA execution

requirement. Funds for projects that do not have an executed PSA within the required Caltrans deadline are subject to de-obligation by Caltrans.

- **Construction Advertisement / Award Deadline**

For the Construction (CON) phase, the construction/equipment purchase contract must be ~~advertised within 6 months of obligation and awarded within 9~~ **6 months of obligation (or within 6 months of allocation by the CTC for funds managed by the CTC)**. However, regardless of the ~~advertisement and award~~ deadline, agencies must still meet the invoicing deadline for construction funds. Failure to advertise and award a contract in a timely manner could result in missing the subsequent invoicing and reimbursement deadline, resulting in the loss of funding.

Agencies must submit the ~~notice of award~~ **complete award package immediately after contract award and prior to submitting the first invoice** to Caltrans in accordance with Caltrans Local Assistance procedures, ~~with a copy also submitted to the applicable CMA~~. Agencies with projects that do not meet these award deadlines will have future programming and OA restricted until their projects are brought into compliance.

For FTA projects, funds must be approved/awarded in an FTA Grant within one federal fiscal year following the federal fiscal year in which the funds were transferred to FTA.

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**Important Tip:** Agencies may want to use the flexibility provided through Advance Construction Authorization (ACA) if it will be difficult meeting the deadlines. Agencies may consider proceeding with ACA and converting to a full obligation at time of award when project costs and schedules are more defined or when the agency is ready to invoice.

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- **Regional Invoicing and Reimbursement Deadlines – Inactive Projects**

~~Funds for each federally funded phase and for each federal program code must be invoiced against at least once every six months.~~

~~Funds for each federally funded (Environmental (ENV/ PA&ED), Preliminary Engineering (PE), Final Design (PS&E) and Right of Way (R/W) phase and for each federal program code within these phases, must be invoiced against at least once every six months following obligation. Funds that are not invoiced at least once every 12 months are subject to de-obligation. There is no guarantee that funds will be available to the project once de-obligated.~~

~~Funds for the Construction (CON) phase, and for each federal program code within the construction phase, must be invoiced and reimbursed against at least once within 12 months of the obligation, and then invoiced at least once every 6 months there after. Funds that are not invoiced and reimbursed at least once every 12 months are subject to de-obligation by FHWA. There is no guarantee that funds will be available to the project once de-obligated.~~

~~Agencies with projects that have not been invoiced against and reimbursed within a 12 month period, regardless of federal fund source, will have restrictions placed on future programming and OA until the project is properly invoiced. Funds that are not invoiced and reimbursed against at least once every 12 months are subject to de-obligation by FHWA.~~

**Caltrans requires administering agencies to submit invoices at least once every 6 months from the time of obligation (E-76 authorization). Projects that have not received a reimbursement of federal funds in the previous 12 months are considered inactive with the remaining un-reimbursed funds subject to de-obligation by FHWA with no guarantee the funds are available to the project sponsor.**

**To ensure funds are not lost in the region, regional deadlines have been established in advance of federal deadlines. Project Sponsors must submit a valid invoice to Caltrans Local Assistance at least once every 6 months and receive a reimbursement at least once every 9 months, but should not submit an invoice more than quarterly.**

**Agencies with projects that have not been invoiced against at least once in the previous 6 months or have not received a reimbursement within the previous 9 months have missed the invoicing/reimbursement deadlines and are subject to restrictions placed on future regional discretionary funds and the programming of additional federal funds in the federal TIP until the project receives a reimbursement.**

If a project does not have eligible expenses within a 6-month period, the agency must provide a written explanation to Caltrans Local Assistance for that six-month period and submit an invoice as soon as practicable to avoid missing the 12-month invoicing and reimbursement deadline.

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**Important Tip:** In accordance with Caltrans procedures, federal funds must be invoiced against for each obligated phase and each federal program code at least once every six months. Funds that are not invoiced and reimbursed **against** at least once every 12 months are subject to de-obligation by FHWA. There is no guarantee the funds will be available to the project once de-obligated. Agencies that prefer to submit one final billing rather than semi-annual progress billings, **or anticipate a longer project-award process or anticipate having difficulty in meeting these deadlines** can use Advance Construction Authority (ACA) to proceed with the project, then convert to a full obligation prior to project completion. ACA does not meet the obligation deadline, but ACA conversions do receive priority in the annual obligation plan.

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#### ● **Inactive Projects**

Most projects can be completed well within the state's deadline for funding liquidation or FHWA's ten-year proceed to construction requirement. Yet it is viewed negatively by both FHWA and the California Department of Finance for projects to remain inactive for more than twelve months. It is expected that funds for completed phases will be invoiced immediately for the phase, and projects will be closed out within six months of the final project invoice. Funds that are not invoiced and reimbursed at least once every 12 months are subject to de-obligation by FHWA. There is no guarantee the funds will be available to the project once de-obligated.

- **State Liquidation/Reimbursement Deadline**

California Government Codes 16304.1 and 16304.3 places additional restrictions on the liquidation of federal funds. Generally, federal funds must be liquidated (fully expended, invoiced and reimbursed) within 6 state fiscal years following the fiscal year in which the funds were appropriated. Funds that miss the state's liquidation/ reimbursement deadline will lose State Budget Authority and will be de-obligated if not reappropriated by the State Legislature, or extended (for one year) in a Cooperative Work Agreement (CWA) with the California Department of Finance. This requirement does not apply to FTA transfers.

- **Project Completion /Close-Out Deadline**

Implementing Agencies must fully expend federal funds on a phase one year prior to the estimated completion date provided to Caltrans.

At the time of obligation (E-76 authorization) the implementing agency must provide Caltrans with an estimated completion date for that project phase. Any unreimbursed federal funding remaining on the phase after the estimated completion date has passed, is subject to project funding adjustments by FHWA.

~~Projects must be properly closed out~~ **Implementing agencies must submit to Caltrans the Final Report of Expenditures** within six months of ~~final project invoice~~ **project completion**. Projects must proceed to **right of way acquisition or** construction within 10 years of federal authorization of the initial phase.

Federal regulations require that federally funded projects proceed to construction **or right of way acquisition** within 10 years of initial federal authorization of any phase of the project. Furthermore, if a project is canceled, or fails to proceed to construction **or right of way acquisition** in 10 years, FHWA will de-obligate any remaining funds, and the agency may be required to repay any reimbursed funds. If a project is canceled as a result of the environmental process, the agency may not be required to repay reimbursed costs for the environmental activities. However, if a project is canceled after the environmental process is complete, or a project does not proceed to right of way acquisition or construction within 10 years, the agency is required to repay all reimbursed federal funds.

Agencies with projects that have not been closed out within 6 months of final invoice will have future programming and OA restricted until the project is closed out or brought back to good standing by providing written explanation to Caltrans Local Assistance, the applicable CMA and MTC.

**Note that funds managed and allocated by the CTC may have different and more stringent funding deadlines. A CTC allocated-project must fully expend those funds within 36 months of the CTC funding allocation.**

### **Consequences of Missed Deadlines**

It is the responsibility of the implementing agency to ensure the funds can be used within the established regional, state and federal deadlines and that the provisions of the regional project-funding delivery policy, and all other state and federal requirements can be met. It is also the responsibility of the implementing agency to continuously monitor the progress of ~~the~~ **all their FHWA federal-aid** projects against these regional, state and federal funding deadlines **and milestones** and report any potential difficulties in meeting these deadlines to MTC, Caltrans and the appropriate county CMA within a timely manner. MTC, Caltrans and the CMAs are available to assist the implementing agencies in meeting the funding deadlines, and ~~may be able~~ **will work with the agency** to find solutions that avoid the loss of funds.

Agencies that do not meet these funding deadlines risk the loss of federal funds. To minimize such losses to the region, and encourage timely project delivery, agencies that continue to be delivery-challenged and/or have current projects that have missed the funding deadlines, **or are out of compliance with federal-aid requirements and deadlines** will have future obligations, programming or requests for advancement of funds restricted until their projects are brought back into good standing. Projects are selected to receive ~~STP or CMAQ~~ **Regional Discretionary Funding** based on the implementing agency's demonstrated ability to deliver the projects within the funding deadlines. An agency's proven delivery record will be used for selecting projects for funding and placement in a particular year of the TIP, and for receipt of OA.

### **Regional Project Funding Delivery Policy Intent**

The intent of this regional funding delivery policy is to ensure implementing agencies do not lose any funds due to missing a federal or state funding deadline, while providing maximum flexibility in delivering transportation projects. It is also intended to assist the region in managing Obligation Authority, and meeting federal financial constraint requirements. MTC has purposefully established regional deadlines ~~in addition to~~ **in advance of** state and federal funding deadlines to provide the opportunity for implementing agencies, the CMAs, Caltrans, and MTC to solve potential project delivery issues and bring projects back in-line in advance of losing funds due to a missed funding deadline. The policy is also intended to assist in project delivery, and ensure funds are used in a timely manner.

Although the policy specifically addresses the Regional ~~STP and CMAQ~~ **Discretionary** Funding managed by MTC, the state and federal deadlines cited apply to all federal-aid funds administered by the state (with few exceptions such as Congressionally mandated projects including Earmarks **which come with their own assigned OA**). Implementing agencies should pay close attention to the deadlines of other state and federal funds on their projects so as not to miss any other applicable funding deadlines, **such as those imposed by the CTC on funds it manages and allocates.**

This regional project delivery policy was developed by the San Francisco Bay Area's Partnership, through the ~~Project Delivery Task Force~~ **working groups** of the Bay Area Partnership's ~~Finance~~ **Technical Advisory Committee's (PTAC) Working Groups (FWG)**, consisting of representatives of Caltrans, the county Congestion Management Agencies (CMAs), transit operators, counties, **cities** and MTC staff.