



## 2021 Project Delivery Report

Receive and File

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**Attachments:** Yes

**Approved by:** James Corless

**Referring Committee:** Transportation

### **1. Issue:**

SACOG helped sponsors across the region deliver transportation projects during Federal Fiscal Year (FFY) 2021 and, as a result, secured a high amount of obligation authority that will allow the region to spend more of its federal fund balance in the future.

### **2. Recommendation:**

None; this is for information only.

### **3. Background/Analysis:**

Each year, SACOG staff helps sponsors with the delivery of their projects, focused on those funded by SACOG. In addition to supporting individual projects, we also support the delivery of the overall program of projects.

Each region in California needs Obligation Authority (OA, the permission to obligate apportionments) to use (obligate) federal funds. Without OA, apportionments (federally apportioned funds) are unusable. Due to the nature of federal highway funds, regions receive only about 90 percent of the OA needed to obligate their apportionments. Unless regions act, their excess apportionments accumulate and eventually lapse, and they lose their transportation funds. The only solution is to win OA through California's "August Redistribution" process, the annual distribution of free OA to regions with strong delivery.

In FFY 2020, we doubled our FFY 2019 record of \$12.7 million and tripled our FFY 2016 record of \$7.8 million when we won \$26,067,694 in free OA from August Redistribution. Until then, our ten-year average amount of free OA had been \$4 million per year.

### **4. Discussion/Analysis:**

Our region's project sponsors, in coordination with SACOG and Caltrans Local Assistance, won \$22,582,180 in free OA from August Redistribution in FFY 2021. This is our second highest amount ever.

We also delivered \$9,759,395 of Congestion Mitigation and Air Quality (CMAQ), \$21,600,000 Regional Surface Transportation Program (RSTP/STBG), and \$1,409,299 of Highway Improvement Program (HIP) funds one to two years early by borrowing from eight regions (Attachment B). Our region is pioneering in how we work with other regions, Caltrans, and FHWA to creatively deliver projects. For example, in 2021 we became the first region in California to ever borrow HIP funds and the first region in the United States to ever borrow

Urban RSTP/STBG from another region.

**5. Fiscal Impact/Grant Information:**

There is no fiscal impact to SACOG's operating budget.

**6. This staff report aligns with the following SACOG Work Plan Objectives:**

**Goal 1 : Advance Economic Prosperity**

**Objective 1:** Invest in and protect the transportation infrastructure needed to implement the region's economic prosperity plan.

**Goal 2 : Connected Communities**

**Objective 1:** Develop more sustainable sources of future transportation funding while winning new competitive state and federal transportation grants.

**Objective 3:** Prioritize cost-effective transportation investments that enhance mobility while improving safety, air quality, and the condition of transportation infrastructure and assets.