



Approve 2024 Project Delivery Process

Consent

Prepared by: Miguel Mendoza

Attachments: Yes

Approved by: James Corless

Referring Committee: Transportation

1. Issue:

The annual Delivery Plan sets the policy for prioritizing projects within our programs for starting federally reimbursable work.

2. Recommendation:

The Transportation Committee recommended that the SACOG Board of Directors approve the Delivery Plan Process for federal fiscal year (FFY) 2024.

3. Background/Analysis:

Our Delivery Plan assists member agencies in ensuring that federally funded transportation projects begin within the designated time frame. The term "delivering" a project refers to obtaining the necessary state or federal approval for a project or project phase to commence with reimbursable work. Once approval is granted, constructing the project does not require direct involvement from SACOG.

Each year our Project Delivery and Metropolitan Transportation Improvement Program (MTIP) Team helps project sponsors across the six counties deliver their projects, focusing on those federal funds that we control, primarily the Congestion Mitigation and Air Quality program (CMAQ) and Regional Surface Transportation Program (RSTP). Our staff aids projects that have been funded through programs like the State Transportation Improvement Program (STIP), Active Transportation Program (ATP), Highway Bridge Program (HBP), and Highway Safety Improvement Program (HSIP). However, the management of these funds cannot be handled in the same way due to project delivery requirements set by other agencies, such as Caltrans Local Assistance or the California Transportation Commission (CTC).

Our Delivery Plan strategy supports both individual, project-level delivery and programmatic-level delivery. That is, we help sponsors deliver their individual projects, while at the same time, we seek to deliver 100 percent (or more) of each of our programs (i.e., funds), such as RSTP and CMAQ. We want our funds to be utilized by sponsors instead of remaining unused.

4. Discussion/Analysis:

As described in Attachment A, 2024 Delivery Plan Process, staff proposes to manage the 2024 Delivery Plan in the same way as in prior years. The 2024 Delivery Plan Process outlines the rules and procedures by which we will track project and programmatic delivery, prioritize projects, and hold project sponsors accountable.

Our Delivery Plan has remained the same over the years because it has proven effective at achieving programmatic delivery and forgiving in handling delivery failure. Programmatically speaking, we try to use over 100 percent of our region's obligation authority and 100 percent of our CMAQ and RSTP apportionments yearly. Over the last seven years we have been successful, even borrowing interest-free apportionments from other regions to deliver our projects years earlier than otherwise might have been possible. At a project level, we understand that some projects experience unforeseen delays while others are ready to advance. This system thoughtfully creates opportunities for project advancement while allowing for some project delays.

As in prior years, the Delivery Plan involves three groups or tiers of project priorities. The Delivery Plan is designed to incentivize early delivery using a first-come, first-served system. If sponsors are ready to go early, they are more likely to deliver. The inverse is also true: This system disincentivizes delivery failure as a last-come, last-serve system. If sponsors wait too long, or if many projects come in early, the annual available funding may run out before the sponsor is ready. For sponsors that arrive too late, the Delivery Plan lays out options. (Due to program requirements, projects funded with ATP, HSIP, and HBP funds cannot be advanced utilizing the three-tier system.)

The Project Delivery and MTIP Team meets regularly with project sponsors and Local Assistance to coordinate, educate, and troubleshoot project delivery.

5. Fiscal Impact/Grant Information:

There is no fiscal impact to SACOG's operating budget. Staff time for administering the delivery plan process is reflected in the agency's overall work program.