APPENDIX A – 11

Regional Policies: Project Funding

Policies, Procedures and Project Selection Criteria for Developing the 2014 Regional Transportation Improvement Program (RTIP)

MTC Resolution No. 4118

Date: September 25, 2013
W.I.: 1515
Referred by: PAC

ABSTRACT

Resolution No. 4118

This resolution adopts the policies, procedures and project selection criteria for developing the 2014 Regional Transportation Improvement Program (RTIP) for the San Francisco Bay Area, for submission to the California Transportation Commission (CTC), consistent with the provisions of Senate Bill 45 (Chapter 622, Statutes 1997).

Further discussion of these actions is contained in the MTC Executive Director's Memorandum to the MTC Programming and Allocations Committee dated September 11, 2013.

Attachment 1 – Policies, Procedures and Project Selection Criteria for the 2014 RTIP (with attachments)

Attachment 2 – STIP Amendment / Extension Rules and Procedures

Date: September 25, 2013
W.I.: 1515
Referred by: PAC

RE: Adoption of 2014 Regional Transportation Improvement Program (RTIP) Program Policies, Procedures, and Project Selection Criteria

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4118

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC has adopted and periodically revises, pursuant to Government Code Sections 66508 and 65080, a Regional Transportation Plan (RTP); and

WHEREAS, MTC adopts, pursuant to Government Code Section 65080, a Regional Transportation Improvement Program (RTIP) when additional State Transportation Improvement Program funding is available, that is submitted, pursuant to Government Code Section 14527, to the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans); and

WHEREAS, MTC has developed, in cooperation with Caltrans, operators of publicly owned mass transportation services, congestion management agencies, countywide transportation planning agencies, and local governments, policies, procedures and project selection criteria to be used in the development of the 2014 RTIP, to include projects programmed in fiscal years 2014-15 through 2018-19; and

WHEREAS, using the process and criteria set forth in the Attachments to this resolution, attached hereto as though set forth at length, a set of capital priorities for the 2014 Regional Transportation Improvement Program (RTIP) will be developed; and

WHEREAS, the 2014 RTIP will be subject to public review and comment; now, therefore, be it

RESOLVED, that MTC approves the process and criteria to be used in the evaluation of candidate projects for inclusion in the 2014 RTIP, as set forth in Attachment 1 of this resolution, and be it further

RESOLVED, that MTC approves the STIP Amendment / Extension Rules and Procedures to be used in processing STIP amendment and extension requests, as set forth in Attachment 2 of this resolution, and be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required to the CTC, Caltrans, and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

Amy Rein Worth, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on September 25, 2013.

2014
Regional Transportation Improvement Program

Policies, Procedures, and Project Selection Criteria

September 25, 2013

MTC Resolution No. 4118
Attachment 1

Metropolitan Transportation Commission
Programming and Allocations Section
http://www.mtc.ca.gov/funding/

2014 RTIP
Regional Transportation Improvement Program
Policies, Procedures and Project Selection Criteria
Table of Contents

Background **4**
2014 RTIP Development **4**
Key Policies and Guidance **4**
Key Eligibility Policies **5**
Consistency with Regional and Local Plans 5
CTC Guidance 5
2014 RTIP Development Schedule 5
RTIP County Share Targets 5
Project Eligibility 5
RTIP Project Solicitation 6
Public Involvement Process 6
RTIP Projects in the Transportation Improvement Program (TIP) 6
Regional Policies **6**
ARRA RTIP Backfill Programming 6
San Francisco County Programming Priorities 6
Regional Planning, Programming, and Monitoring (PPM) funds 7
Caltrans Project Nomination 7
Title VI Compliance 7
Intelligent Transportation Systems Policy 7
MTC Resolution No. 4104 Compliance – Traffic Operations System Policy 8
Freeway Performance Initiative and Express Lane (HOT) Network 8
Bay Area Interregional Transportation Improvement Program (ITIP) Priorities 8
MTC Resolution No. 3866 Compliance – Transit Coordination Implementation Plan 9
Accommodations for Bicyclists, Pedestrians and Persons with Disabilities 9
State Policies **10**
Grant Anticipation Revenue Vehicle (GARVEE) Bonding 10
AB 3090 Project Replacement or Reimbursement 11
SB 184 Advance Expenditure of Funds 11
AB 608 Contract Award Provisions 12
Limitations on State-Only Funding 12
Article XIX Compliance for Transit Projects 12
Matching Requirements on Highway and Transit Projects 12
Santa Clara GARVEE Debt Service 13
Transportation Enhancement (TE) Funding **13**
Elimination of TE Funds in the 2014 STIP 13
Treatment TE Reserves and Regional TE Projects 13

General Guidance **13**
Project Advancements 13
Programming to Reserves 13
Countywide RTIP Listing 14
Project Screening Criteria, Including Readiness 14
RTIP Applications 14
STIP Performance Measures: Regional and Project-Level Analyses 14
Completed Project Reporting 15
Regional Projects 15
85-115% Adjustments 15
MTC Resolution No. 3606 Compliance – Regional Project Delivery Policy 15
Allocation of Funds - Requirements 15
Notice of Cost Increase 16
Cost Escalation for Caltrans-Implemented Projects 16
Notice of Contract Award 16
Attachment A: 2014 RTIP Development Schedule **17**
Attachment B: 2014 RTIP County Targets **18**
Attachment C: 2014 RTIP Project Screening Criteria **19**
Eligible Projects 19
Planning Prerequisites 19
Project Costs and Phases 19
Readiness Standards 21
Other Requirements 22
Attachment D: 2014 RTIP Project Application **24**
Part 1: Sample Resolution of Local Support 24
Part 2: Project Study Report (PSR), or equivalent 27
Part 3: Project Programming Request (PPR) Form 28
Part 4: Performance Measures Worksheet 28
Part 5: Complete Streets Checklist 28

2014 Regional Transportation Improvement Program (RTIP) Policies, Procedures and Project Selection Criteria

Background

The State Transportation Improvement Program (STIP) provides funding for a significant number of transportation projects around the State. As the Regional Transportation Planning Agency (RTPA) for the Bay Area, the Metropolitan Transportation Commission (MTC) is responsible for developing regional project priorities for the STIP for the nine counties of the Bay Area.

The Regional Transportation Improvement Program (RTIP) is the region's proposal to the State for STIP funding, due to the California Transportation Commission (CTC) by December 15, 2013. The 2014 STIP will include programming for the five fiscal years from 2014-15 through 2018-19. The region may request advancement of future county shares.

2014 RTIP Development

The following principles will frame the development of MTC's 2014 RTIP, the region's contribution to the 2014 STIP.

- MTC will work with CTC staff, CMA's, transit operators, Caltrans, and project sponsors to prepare the 2014 STIP.

- Investments made in the RTIP must carry out the objectives of the Regional Transportation Plan (RTP), and be consistent with its improvements and programs.

- MTC may choose to consult with counties to consider programming a portion of their RTIP shares for projects that will meet a regional objective.

- MTC will continue to work with CMAs, transit operators, Caltrans and project sponsors to aggressively seek project delivery solutions. Through the use of AB 3090 authority, GARVEE financing, and federal, regional, and local funds and funding exchanges, MTC will work with its transportation partners to deliver projects in the region.

- Each county's project list must be constrained within the county share limits unless arrangements have been made with other counties to aggregate the county share targets. MTC continues to support aggregation of county share targets to deliver ready-to-go projects in the region. CMAs that submit a list that exceeds their county share must identify and prioritize those projects that exceed the county share target.

Key Policies and Guidance

The following policies serve as the primary guidance in the development of the 2014 RTIP.

Key Eligibility Policies

Consistency with Regional and Local Plans

RTP Consistency

Plan Bay Area, the 2013 Regional Transportation Plan (RTP), lays out a vision of what the Bay Area transportation network should look like in 2040. The purpose of Plan Bay Area is to encourage and promote the safe and efficient management, operation and development of a regional intermodal transportation system that will serve the mobility needs of people and goods. Programming policies governing the STIP and other flexible, multi-modal discretionary funding sources such as the federal Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ), and Regional Transportation Improvement Program (RTIP) funds must be responsive to the strategies and goals of the Plan. New projects submitted for RTIP consideration must include a statement addressing how the project meets the strategies and goals set forth in the RTP.

Local Plans

Projects included in the RTIP must be included in a Congestion Management Plan (CMP) or Capital Improvement Program (CIP).

CTC Guidance

The California Transportation Commission (CTC) 2014 STIP guidelines were adopted on August 6, 2013. The MTC 2014 RTIP Policies, Procedures and Project Selection Criteria includes all changes in STIP policy implemented by the CTC. The entire CTC STIP Guidelines are available on the internet at: http://www.dot.ca.gov/hq/transprog/ocip.htm. All CMAs and project sponsors are required to follow the MTC and CTC STIP guidelines in the development and carrying out of the 2014 RTIP/STIP.

2014 RTIP Development Schedule

Development of the 2014 RTIP under these procedures will be done in accordance with the schedule outlined in Attachment A of these policies and procedures.

RTIP County Share Targets

Attachment B of the Policies and Procedures provides the county share targets for each county for the 2014 RTIP. Each county's project list, due to MTC in draft form by October 16, 2013, should be constrained within these county share limits; however, there may be limited opportunities to advance future county shares. It is expected that MTC's RTIP will be developed using a region-wide aggregate of county-share targets and advancement of future county shares.

Project Eligibility

SB 45 (Chapter 622, Statutes 1997) considerably expanded the range of projects that are eligible for consideration in the RTIP. Eligible projects include, state highway improvements, local road improvements and rehabilitation, public transit, intercity rail, pedestrian, and bicycle facilities, and grade separation, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety.

RTIP Project Solicitation

Each county congestion management agency (CMA), or countywide transportation planning agency for those counties that have opted out of the CMA requirement, is responsible for soliciting projects for its county share of the RTIP where the county target is greater than $0. The CMA must notify all eligible project sponsors, including Caltrans and transit operators, of the process and deadlines for applying for RTIP funding.

Public Involvement Process

MTC is committed to having the CMAs as full partners in development of the RTIP. That participation likewise requires the full commitment of the CMAs to a broad, inclusive public involvement process consistent with MTC's Public Participation Plan (available online at http://www.mtc.ca.gov/get_involved/participation_plan.htm) and federal regulations, including Title VI. Federal regulations call for active outreach strategies in any metropolitan planning process, and opportunities for the public to get involved are important with the project selection process for the RTIP.

RTIP Projects in the Transportation Improvement Program (TIP)

In response to state and federal requirements, RTIP funds must be programmed in the TIP prior to seeking a CTC allocation. In addition, a federal authorization to proceed (E-76) request must be submitted simultaneously with the RTIP allocation request to Caltrans and the CTC when the request includes federal funds. In the 2014 RTIP, all projects are subject to be a mix of federal and state funds, and require a federal authorization to proceed. Additionally, all STIP projects are considered regionally significant and must have funds escalated to the year of expenditure, in accordance with federal regulations.

Regional Policies

ARRA RTIP Backfill Programming

In order to expedite obligation and expenditure of American Recovery and Reinvestment Act of 2009 (ARRA) funds, and to address the State's lack of funding, MTC programmed $31 million in ARRA funds to backfill unavailable STIP funds for the Caldecott Tunnel Fourth Bore project. Of the $31 million, $29 million came from Contra Costa's STIP county share, and $2 million from Alameda's STIP county share. As part of MTC Resolution No. 3925, First Cycle Federal New Act Program, these funds were to be directed to Freeway Performance Initiative (FPI) projects. These amounts were not programmed by the CTC in the 2010 RTIP due to insufficient program capacity, while $24 million (in Contra Costa's share) was programmed in the 2012 RTIP to the I-680 Freeway Performance Initiative (FPI) project. MTC will have discretion to program the remaining $7 million in the 2014 RTIP, in freed up RTIP capacity from these two counties. As a result, Contra Costa's available programming capacity will be reduced by $5 million, and Alameda's available programming capacity will be reduced by $2 million. The programming of these funds to regional projects will have priority for programming in the first two years of the 2014 RTIP.

San Francisco County Programming Priorities

MTC Resolution No. 4035, Revised, which sets forth the second cycle of federal Surface Transportation Program/Congestion Mitigation and Air Quality Improvement (STP/CMAQ) funding, advanced $34 million in federal funds for the Doyle Drive Replacement / Presidio Parkway project. In exchange, $34 million San Francisco's STIP share shall be reserved for regional Freeway

Performance Initiative (FPI)/Express Lanes projects. San Francisco shall commit these funds after PPM programming and the remaining $88 million commitment to the Central Subway project.

Regional Planning, Programming, and Monitoring (PPM) funds

Passage of Assembly Bill 2538 (Wolk, 2006) allows all counties to program up to 5% of their county share to Planning, Programming, and Monitoring (PPM) purposes in the STIP. Attachment B gives amounts of PPM amounts each county may program in FY 2016-17, FY 2017-18, and FY 2018-19. There is no new PPM in FY 2014-15 and FY 2015-16. As agreed with the CMAs, MTC will program a portion of each county's PPM for regional PPM activities each year, with the new regional PPM amounts for FY 2017-18 and FY 2018-19 shown in Attachment B. MTC's currently programmed amounts for regional PPM activities in FY 2014-15, FY 2015-16, and FY 2016-17, will not change in the 2014 RTIP.

Caltrans Project Nomination

Senate Bill 1768 (Chapter 472, Statutes 2002) authorizes the Department of Transportation to nominate or recommend projects to be included in the RTIP to improve state highways using regional transportation improvement funds. To be considered for funding in the RTIP, the Department must submit project nominations directly to the applicable CMA (or countywide transportation planning agency for those counties that have opted out of the CMA requirement). The Department should also identify any additional state highway improvement needs within the county that could be programmed within the 3 years beyond the end of the current STIP period. The Department must submit these programming recommendations and identification of state highway improvement needs to the CMA within the timeframe and deadline prescribed by the applicable CMA. In addition, the Department must also provide a list of projects and funding amounts for projects currently planned on the State Highway System over the 2014 STIP period to be funded with local and regional funds.

Title VI Compliance

Investments made in the RTIP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, disability, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and the Executive Order pertaining to Environmental Justice is critical to both local and regional decisions. The CMA must consider equitable solicitation and selection of project candidates in accordance with federal Title VI and Environmental Justice requirements.

Intelligent Transportation Systems Policy

In collaboration with federal, state, and local partners, MTC is developing the regional Intelligent Transportation Systems (ITS) architecture. The San Francisco Bay Area Regional ITS Plan is a roadmap for transportation systems integration in the Bay Area over the next 10 years. The plan provides methods to make the most out of technological advances by developing a strategy for deployment and a framework, or architecture, for linking the region's transportation systems.

MTC, state and federal agencies require projects funded with federal highway trust funds to meet applicable ITS architecture requirements. Since the 2006 RTIP, MTC requires that all applicable projects conform to the regional ITS architecture. Through the on-line Fund Management System

(FMS) application process, 2014 RTIP project sponsors will identify the appropriate ITS category, if applicable. Information on the regional ITS architecture can be found at: http://www.mtc.ca.gov/planning/ITS/index.htm.

MTC Resolution No. 4104 Compliance – Traffic Operations System Policy

All major new freeway projects included in the Transportation 2030 Plan and subsequent regional transportation plans shall include the installation and activation of freeway traffic operations system (TOS) elements to effectively operate the region's freeway system and coordinate with local transportation management systems. MTC requires that all applicable RTIP projects conform to the regional policy. For purposes of this policy, a major freeway project is a project that adds lanes to a freeway, constructs a new segment of freeway, upgrades a segment to freeway status, modifies a freeway interchange, modifies freeway ramps, or reconstructs an existing freeway. A project is considered new if it did not have an approved Project Study Report (PSR) or applicable scoping document by December 2004, or did not have funds programmed for the construction phase in the STIP as of December 2004. TOS elements may include, but are not limited to, changeable message signs, closed-circuit television cameras, traffic monitoring stations and detectors, highway advisory radio, and ramp meters.

As set forth in MTC Resolution No. 4104, any jurisdiction in which MTC finds that ramp metering and TOS elements are installed but not activated or in operation, MTC will consider suspending fund programming actions for STIP funding until the Ramp Metering Plan is implemented and the ramp meters and related TOS elements are activated and remain operational, and MTC deems the requirements of the regional TOS policy have been met. Furthermore, in any county in which a jurisdiction fails to include the installation and activation of TOS elements in an applicable freeway project, including ramp metering as identified in the Ramp Metering Plan, projects to install and activate the appropriate ramp meters and TOS elements omitted from the project shall have priority for programming of new STIP funding for that county.

Freeway Performance Initiative and Express Lane (HOT) Network

All projects on the state highway system must demonstrate a scope and funding plan that includes Traffic Operations System (TOS) elements, consistent with the section above. Projects must also include any additional traffic operations recommendations resulting from the Freeway Performance Initiative (FPI). Additionally, projects on the state highway system proposed for programming in the 2014 RTIP should be consistent with the planned Regional Express Lane (High-Occupancy Toll) Network and the FPI. For new RTIP funding commitments on the Regional Express Lane Network, the CMAs should work with MTC to determine the appropriateness of advance construction elements (such as structures and conduit) to support the future conversion of HOV lanes to express lanes if identified.

Bay Area Interregional Transportation Improvement Program (ITIP) Priorities

In order to support Caltrans District 4 in successfully programming ITIP projects in the Bay Area, MTC worked with the CMAs and District to formulate four guiding principles for prioritizing ITIP projects. The principles are:

- Support high cost-benefit ratio projects on the State Highway System (such as Freeway Performance Initiative (FPI) projects)

- Support High-Occupancy Vehicle (HOV) lane gap closures, with emphasis on those that support the Regional Express Lane Network.
- Support high speed rail early investments and intercity/commuter rail
- Support future goods movement and trade corridors

These principles are consistent with Plan Bay Area assumptions. With CMA and Caltrans input, MTC will follow these principles to establish a list of regionally-supported projects for ITIP consideration. The prioritized list of ITIP projects may be adopted as part of the 2014 RTIP adoption, and submitted to Caltrans. The list may be updated with each RTIP cycle going forward.

MTC Resolution No. 3866 Compliance – Transit Coordination Implementation Plan
On February 24, 2010, MTC approved Resolution No. 3866, which documents coordination requirements for Bay Area transit operators to improve the transit customer experience when transferring between transit operators and in support of regional transit projects. *If a transit operator fails to comply with Res. 3866 requirements, MTC may withhold, restrict or reprogram funds or allocations*. Res. 3866 supersedes MTC's earlier coordination plan, Res. 3055.

One goal of MTC staff in organizing Res. 3866 was to incorporate some detailed project information through reference rather than directly in the resolution in order to facilitate future updates of project-specific requirements. For this reason, some documents are referenced in Res. 3866 and available for download at http://www.mtc.ca.gov/planning/tcip. Transit operators must comply with these more detailed documents in order to comply with Res. 3866. MTC may periodically update these documents in consultation with transit agencies.

Accommodations for Bicyclists, Pedestrians and Persons with Disabilities
Federal, state and regional policies and directives emphasize the accommodation of bicyclists, pedestrians, and persons with disabilities when designing transportation facilities. Of particular note is Caltrans Deputy Directive 64 which stipulates: "pedestrians, bicyclists and persons with disabilities must be considered in all programming, planning, maintenance, construction, operations, and project development activities and products." In addition, MTC's Resolution No. 3765 requires project sponsors to complete a checklist that considers the needs of bicycles and pedestrians for applicable projects. MTC's Regional Bicycle Plan, adopted as a component of the 2001 RTP, requires that "all regionally funded projects consider enhancement of bicycle transportation consistent with Deputy Directive 64".

In selecting projects for inclusion in the RTIP, the CMAs and project sponsors must consider federal, state and regional policies and directives regarding non-motorized travel, including, but limited to, the following:

Federal Policy Mandates
The Federal Highways Administration Program Guidance on bicycle and pedestrian issues makes a number of clear statements of intent, and provides a best practices concept as outlined in the US DOT "Policy Statement on Integrating Bicycling and Walking into Transportation Infrastructure." (http://www.fhwa.dot.gov/environment/bikeped/Design.htm)

State Policy Mandates

The California Complete Streets Act (AB 1358) of 2008 encourages cities to make the most efficient use of urban land and transportation infrastructure, and improve public health by encouraging physical activity to reduce vehicle miles traveled (VMT). Government Code Section 65302(b)(2)(A) and (B) states that any substantial revision of the circulation element of the General Plan to consider all users.

California Government Code Section 65089(b)(1)(B)(5) requires that the design, construction and implementation of roadway projects proposed for funding in the RTIP must consider maintaining bicycle access and safety at a level comparable to that which existed prior to the improvement or alteration.

Caltrans Deputy Directive 64 (http://www.dot.ca.gov/hq/tpp/offices/bike/sites_files/DD-64-R1_Signed.pdf), states: "the Department fully considers the needs of non-motorized travelers (including pedestrians, bicyclists, and persons with disabilities) in all programming, planning, maintenance, construction, operations, and project development activities and products. This includes incorporation of the best available standards in all of the Department's practices. The Department adopts the best practices concept in the US DOT Policy Statement on Integrating Bicycling and Walking into Transportation Infrastructure."

Regional Policy Mandates
All projects programmed during the RTIP must consider the impact to bicycle transportation, pedestrians and persons with disabilities, consistent with MTC Resolution No. 3765. The Complete Streets Checklist (also known as "Routine Accommodations Checklist") is incorporated as Part 5 of the Project Application. Furthermore, it is encouraged that all bicycle projects programmed in the RTIP support the Regional Bicycle Network. Guidance on considering bicycle transportation can be found in MTC's 2009 Regional Bicycle Plan (a component of Transportation 2035) and Caltrans Deputy Directive 64. MTC's Regional Bicycle Plan, containing federal, state and regional polices for accommodating bicycles and non-motorized travel, is available on MTC's Web site at:
http://www.mtc.ca.gov/planning/bicyclespedestrians/.

State Policies

Grant Anticipation Revenue Vehicle (GARVEE) Bonding

Chapter 862 of the Statutes of 1999 (SB 928) authorizes the State Treasurer to issue GARVEE bonds and authorizes the California Transportation Commission (CTC) to select projects for accelerated construction from bond proceeds. Bond repayment is made through annual set asides of the county share of future State Transportation Improvement Program (STIP) funds. Bond repayments are typically made over several STIP programming periods.

In accordance with state statute and the CTC GARVEE guidelines, GARVEE debt repayment will be the highest priority for programming and allocation within the particular county Regional Improvement Program (RIP) share until the debt is repaid. In the event that the RIP county share balance is insufficient to cover the GARVEE debt service and payment obligations, the RIP county share balance for that particular county will become negative through the advancement of future RIP county share. Should a negative balance or advancement of capacity be unattainable, then funding

for other projects using RIP county share within that particular county would need to be reprogrammed or deleted, to accommodate the GARVEE debt service and payment obligations.

The CTC is responsible for programming the funds, derived from federal sources, as GARVEE debt service and the State Treasurer is responsible for making the debt service payments for these projects. In the 2014 STIP, CTC will consider new GARVEE projects via STIP amendment only, and not during the 2014 STIP process.

AB 3090 Project Replacement or Reimbursement

AB 3090 (Statutes of 1992, Chapter 1243) allows a local jurisdiction to advance a project included in the STIP to an earlier fiscal year through the use of locally-controlled funds. With the concurrence of the appropriate CMA, MTC, the California Transportation Commission and Caltrans, one or more replacement state transportation project shall be identified and included in the STIP for an equivalent amount and in the originally scheduled fiscal year or a later year of the advanced project. Alternately, the advanced project can be reimbursed in the originally scheduled fiscal year or a later year.

Projects approved for AB 3090 consideration must award a contract within six months of the CTC approval. Section 2.c of the AB 3090 Policy, adopted by the CTC in April 2003 states, "The local agency commits to award a contract or otherwise begin delivery of the project component within 12 months of the Commission's approval, with the understanding that the arrangement may be cancelled if that condition is not met." Note that the CTC adopted a new 6 month award deadline in June 2006, and the 6 month deadline supercedes the April 2003 language. This is further strengthened in the 2012 STIP Guidelines amendment regarding AB 3090s, approved by CTC on June 27, 2012.

The allocation of AB 3090 reimbursement projects is the highest priority in the MTC region. In the 2014 STIP, CTC will consider new AB 3090 requests via STIP amendment only, and not during the 2014 STIP process. Sponsors thinking of using AB 3090s for their projects should contact MTC and CTC for inclusion in the AB 3090 Plan of Projects, which is updated on an as-needed basis.

SB 184 Advance Expenditure of Funds

SB 184 (Statutes of 2007, Chapter 462) authorizes a regional or local entity to expend its own funds for any component of a transportation project within its jurisdiction that is programmed in the current fiscal year and for which the Commission has not made an allocation. The amount expended would be authorized to be reimbursed by the state, subject to annual appropriation by the Legislature, if (1) the commission makes an allocation for, and the department executes a fund transfer agreement for, the project during the same fiscal year as when the regional or local expenditure was made; (2) expenditures made by the regional or local entity are eligible for reimbursement in accordance with state and federal laws and procedures; and (3) the regional or local entity complies with all legal requirements for the project, as specified.

MTC discourages the use of SB 184 since allocation of funds is not guaranteed. Therefore, sponsors are exposing themselves to the risk of expending local funds with no guarantee that the STIP funds will be allocated.

Should a sponsor want to proceed with an SB 184 request, the sponsor must notify the CMA, MTC and Caltrans in writing on agency letterhead in accordance with Caltrans Local Assistance procedures.

AB 608 Contract Award Provisions

AB 608 authorizes the adjustment by the CTC of a programmed project amount in the STIP if the Caltrans-sponsored construction contract award amount for a project is less than 80% of the engineer's final estimate, excluding construction engineering.

The CTC will not approve any AB 608 request after 120 days from the contract award. Sponsors intending to take advantage of AB 608 project savings must notify Caltrans and the CMA within 30 days of the contract award, to ensure the request to the CTC can be processed in time to meet the CTC's deadline.

Limitations on State-Only Funding

In 2011, the State adopted AB 105, which eliminates the sales tax on gasoline and replaces it with a commensurate increase in the excise tax on gasoline. Excise taxes are deposited into the State Highway Account, which also includes federal funds. Therefore, projects programmed in the 2014 STIP will receive a combination of state and federal funds. Project sponsors must federalize their projects by completing NEPA documentation and complying with federal project delivery rules, unless they are granted a state-only funding exception by the CTC.

Article XIX Compliance for Transit Projects

Article XIX of the California State Constitution restricts the use of State Highway Account (SHA) funds on transit projects. In order for existing and new projects to be programmed in the STIP, the project sponsor or the CMA must provide documentation that verifies the STIP transit project is either 1) eligible for federal funds, or 2) meets Article XIX requirements that only fixed guideway projects in a county that has passed a measure authorizing the use of SHA funds on transit projects may use SHA funds. Also refer to the next section regarding "Matching Requirements."

Matching Requirements on Highway and Transit Projects

A local match is not required for projects programmed in the STIP, except under special situations affecting projects subject to Article XIX restrictions established by the State Constitution. Article XIX limits the use of state revenues in the State Highway Account (SHA) to state highways, local roads, and fixed guideway facilities. Other projects, such as rail rolling stock and buses, are not eligible to receive state funds from the SHA. Article XIX restricted projects must therefore be funded with either a combination of federal STIP funding and matching STIP funds from the Pubic Transportation Account (PTA), or with 100 percent federal STIP funds in the State Highway Account (which requires a non-federal local match of 11.47% from a non-STIP local funding source or approved use of toll credits).

Project sponsors wishing to use STIP PTA funds as matching funds for Article XIX restricted projects must note such a request in the "Special Funding Conditions" section of the RTIP Application Nomination sheet, and obtain approval from Caltrans through the state-only approval process as previously described. Otherwise, the CTC may assume any Article XIX restricted STIP project will be funded with 100 percent federal funds.

Santa Clara GARVEE Debt Service

In accordance with MTC Resolution No. 3538, the debt service for the I-880/Coleman Avenue, SR-87 HOV Lanes (SR 85 to I-280), and the SR-87 HOV Lanes (I-280-Julian Street) projects will be paid from the Santa Clara County RIP county share balance. In the 2014 RTIP, all Santa Clara GARVEE commitments have been fully programmed, and no new GARVEE commitments are due from Santa Clara's new 2014 RTIP county shares.

Transportation Enhancement (TE) Funding

Elimination of TE Funds in the 2014 STIP

In 2012, Congress passed and the President signed into law the Moving Ahead for Progress in the 21st Century (MAP-21) legislation to replace the former federal transportation act. MAP-21 eliminates Transportation Enhancement (TE) as a source of funding, and replaces it with Transportation Alternatives (TA) funds. The State combined various alternative transportation funding, including the TA program, into a new Active Transportation Program (ATP).

The 2014 STIP will not contain any TE or TA funds. TE projects still programmed in the 2014 STIP may remain in the STIP using non-TE funds, if eligible for STIP federal or state-only funds.

Treatment TE Reserves and Regional TE Projects

Due to the elimination of TE funds in the STIP, all TE Reserves programmed in the STIP must be deleted. TE Reserves attributed to the County must be deleted; the freed up TE Reserve funding may be used to augment a county's programmable target. However, TE Reserves attributed to MTC remain under MTC's discretion, and may not be used to augment a county's target.

The Gateway Park project, programmed as a regional TE project in the 2012 STIP, will remain programmed in the 2014 STIP using federal funds.

General Guidance

Project Advancements

If a project or project component is ready for implementation earlier than the fiscal year that it is programmed in the STIP, the implementing agency may request an allocation in advance of the programmed year. The CTC will consider making advanced allocations based on a finding that the allocation will not delay availability of funding for other projects programmed in earlier years than the project to be advanced and with the approval of the responsible regional agency if county share funds are to be advanced. Project advancements are unlikely during the 2014 STIP period. In project and financial planning, sponsors should not expect the CTC to advance any projects.

Programming to Reserves

The counties and the region may propose to leave county share STIP funds unprogrammed for a time to allow adequate consideration of funding options for future projects. The CTC particularly encourages Caltrans and the regional agencies to engage in early consultations to coordinate their ITIP and RTIP proposals for such projects. Counties intending to maintain an unprogrammed balance of its county share for future program amendments prior to the next STIP must include a statement of the intentions for the funds, including the anticipated use of the funds, as well as the amount and timing of the intended STIP amendment(s). However, access to any unprogrammed

balance is subject to availability of funds, and is not expected to be approved by the CTC until the next STIP programming cycle.

Countywide RTIP Listing

By October 16, 2013, each county Congestion Management Agency or countywide transportation planning agency must submit to MTC a draft proposed countywide RTIP project listing showing the proposed programming of county shares. The final list is due to MTC by November 7, 2013, and must include the final project applications for any new projects added to the STIP (or any significantly revised existing STIP projects) and appropriate project level performance measure analysis.

Project Screening Criteria, Including Readiness

In addition to the CTC Guidelines, all projects included in the 2014 RTIP must meet all MTC project-screening criteria listed in Attachment C of this guidance. Of utmost importance are the project readiness requirements.

RTIP Applications

Project sponsors must complete an application for each new project proposed for funding in the RTIP, consisting of the items included in Attachment D of this guidance. In addition to MTC's Fund Management System (FMS) application, project sponsors must use the Project Programming Request (PPR) forms provided by Caltrans for all projects. CMAs should submit PPRs for all projects (including existing projects with no changes) on the revised form provided by Caltrans. The nomination sheet must be submitted electronically for upload into the regional and statewide databases. Existing projects already programmed in the STIP with proposed changes should still submit "Part 1: Resolution of Local Support" of Attachment D, as well as propose an amendment in MTC's FMS, and submit both electronically and in hard copy a revised PPR provided by Caltrans.

STIP Performance Measures: Regional and Project-Level Analyses

The CTC continues to require performance measures into the RTIP and ITIP review process for the 2014 RTIP. According to the STIP guidelines, a regional, system-level performance report must be submitted along with the RTIP submission. MTC staff will compile this report, focusing on applying the measures at the Regional Transportation Plan (RTP) level.

In addition, the 2014 STIP Guidelines require a project-level performance measure evaluation on all projects with total project costs over $50 million or over $15 million in STIP funds programmed. The project-level evaluation should address performance indicators and measures identified in Table A of the 2014 STIP Guidelines (see Attachment D-4). The evaluation should also include a Caltrans-generated benefit/cost estimate and estimated impacts the project will have on the annual cost of operating and maintaining the state's transportation system. The project-level evaluation must also be completed, if it has not already, on existing STIP projects with construction programmed, that exceed $50 million in total project cost/$15 million in STIP programming, and have had CEQA completed after December 2011. The CMAs are required to submit the project-level performance measures to MTC by the final application due date.

Completed Project Reporting
The 2014 STIP Guidelines require a report on all RTIP projects over $20 million in total project cost completed between the adoption of the RTIP and the adoption of the previous RTIP (from December 2011 to December 2013). The report must include a summary of the funding plan and programming/allocation/expenditure history, as well as a discussion of project benefits that were anticipated prior to construction compared with an estimate of the actual benefits achieved. The CMAs are required to submit the completed project reporting information to MTC by the final application due date.

Regional Projects
Applications for projects with regionwide or multi-county benefits should be submitted to both MTC and the affected county CMAs for review. Regional projects will be considered for programming in the context of other county project priorities. MTC staff will work with the interested parties (CMAs and project sponsors) to determine the appropriate level of funding for these projects and negotiate county contributions of the project cost. County contributions would be based on population shares of the affected counties, or other agreed upon distribution formulas.

85-115% Adjustments
MTC may, pursuant to Streets and Highways Code Section 188.8 (k), pool the county shares within the region, provided that each county shall receive no less than 85 percent and not more than 115 percent of its county share for any single STIP programming period and 100 percent of its county share over two STIP programming cycles.

MTC may recommend use of the 85%-115% rule provided for in SB 45 to ensure, as needed, that the proper scope of projects submitted for programming can be accommodated. MTC will also work with CMAs to recommend other options, such as phased programming across STIP cycles, to ensure that sufficient funding and concerns such as timely use of funds are adequately addressed.

MTC Resolution No. 3606 Compliance – Regional Project Delivery Policy
SB 45 established strict timely use of funds and project delivery requirements for transportation projects programmed in the STIP. Missing critical milestones could result in deletion of the project from the STIP, and a permanent loss of the funds to the county and region. Therefore, these timely use of funds deadlines must be considered in programming the various project phases in the STIP. While SB 45 provides some flexibility with respect to these deadlines by allowing for deadline extensions under certain circumstances, the CTC is very clear that deadline extensions will be the exception rather than the rule. MTC Resolution No. 3606, Revised, details the Regional Project Delivery Policy for Regional Discretionary Funding, which may be more restrictive than the State's delivery policy. See Attachment 2 to MTC Resolution No. 4118 for additional extension and amendment procedures.

Allocation of Funds - Requirements
To ensure there is no delay in the award of the construction contract (which CTC guidelines and MTC Resolution No. 3606 require within six months of allocation), STIP allocation requests for the construction phase of federally-funded projects must be accompanied with the complete and accurate Request for Authorization (RFA) package (also known as the E-76 package). Concurrent submittal of the CTC allocation request and the RFA will minimize delays in contract award. Additionally, for the

allocation of any non-environmental phase funds (such as for final design, right of way, or construction), the project sponsor must demonstrate that both CEQA and NEPA documents are completed and certified for federalized projects.

Notice of Cost Increase

For projects with a total estimated cost over $25 million, the implementing agency must perform quarterly project cost evaluations. If a cost increase greater than 10 percent of the total estimated cost of the particular phase is identified, the implementing agency must notify and submit updated STIP Project Programming Request (PPR) form to the appropriate CMA and MTC. In the event that a project is divided into sub-elements, the implementing agency will include all project sub-elements (i.e. landscaping, soundwalls, adjacent local road improvements) in the quarterly cost evaluation.

Early notification of cost increases allows the CMA and MTC to assist in developing strategies to manage cost increases and plan for future county share programming.

Cost Escalation for Caltrans-Implemented Projects

Recently, CTC has been very critical of unexpected cost increases to projects funded by the STIP. In order to ensure that the amounts programmed in the STIP are accurate, MTC encourages the CMAs to consult with Caltrans and increase Caltrans project costs by an agreed-upon escalation rate if funds are proposed to be shifted to a later year. This will currently only apply to projects implemented by Caltrans.

Notice of Contract Award

Caltrans has developed a procedure (Local Programs Procedures LPP-01-06) requiring project sponsors to notify Caltrans immediately after the award of a contract. Furthermore, Caltrans will not make any reimbursements for expenditures until such information is provided. Project sponsors must also notify MTC and the appropriate CMA immediately after the award of a contract. To ensure proper monitoring of the Timely Use of Funds provisions of SB 45, project sponsors are required to provide MTC and the county CMA with a copy of the LPP-01-06 "Award Information for STIP Projects – Attachment A" form, when it is submitted to Caltrans. This will assist MTC and the CMA in maintaining the regional project monitoring database, and ensure accurate reporting on the status of projects in advance of potential funding lapses. In accordance with CTC and Caltrans policies, construction funds must be encumbered in a contract within six months of allocation.

METROPOLITAN TRANSPORTATION COMMISSION
2014 Regional Transportation Improvement Program
Development Schedule (Subject to Change)
September 5, 2013

March 5, 2013	Caltrans presentation of draft STIP Fund Estimate Assumptions (CTC Meeting – SF)
May 7, 2013	CTC adoption of STIP Fund Estimate Assumptions (CTC Meeting – Los Angeles)
June 11, 2013	Caltrans presentation of the draft STIP Fund Estimate and draft STIP Guidelines (CTC Meeting – Sacramento)
June 17, 2013	Partnership Technical Advisory Committee (PTAC) / Programming and Delivery Working Group (PDWG) discussion and review of initial issues and schedule for 2014 RTIP
June 28, 2013	Governor signs State Budget
July 15, 2013	PTAC and PDWG review of proposed RTIP Policies and Procedures
July 18, 2013	CTC holds STIP Fund Estimate Workshop and STIP Guidelines Hearing (Sacramento)
August 6, 2013	CTC adopts STIP Fund Estimate and STIP Guidelines (CTC Meeting – San Diego)
September 1, 2013	Caltrans STIP project cost increase and Caltrans-identified needs information due to MTC
September 4, 2013	Draft RTIP Policies and Procedures published online and emailed to stakeholders for public comment
September 11, 2013	MTC Programming and Allocations Committee (PAC) scheduled review and recommendation of final proposed RTIP Policies and Procedures
September 25, 2013	MTC Commission scheduled adoption of RTIP Policies and Procedures
October 16, 2013	**Draft Project Listings Due:** CMAs submit to MTC, RTIP projects summary listings and identification of projects requiring project-level performance measure analysis. Deadline to submit Complete Streets Checklist for new projects.
October 21, 2013	PTAC scheduled review of draft RTIP
November 7, 2013	**Final Complete Applications Due:** Final Project Programming Request (PPR) forms due to MTC. Final RTIP project listing, project-level performance measure analysis, completed project reports, and explanation of unaddressed Caltrans needs due to MTC. Final PSR (or PSR Equivalent), Resolution of Local Support, and Certification of Assurances due to MTC.
December 4, 2013	Draft RTIP scheduled to be available for public review
December 11, 2013	PAC scheduled review of RTIP and referral to Commission for approval
December 16, 2013	2014 RTIP due to CTC (PAC approved project list will be submitted)
December 18, 2013	**2014 RTIP Adoption:** MTC Commission scheduled approval of 2014 RTIP (Full RTIP to be transmitted to CTC within one week of Commission approval)
January 30, 2014	CTC 2014 STIP Hearing – Northern California (Location TBD)
February 4, 2014	CTC 2014 STIP Hearing – Southern California (Location TBD)
February 28, 2014	CTC Staff Recommendations on 2014 STIP released
March 20, 2014	**2014 STIP Adoption:** CTC adopts 2014 STIP (CTC Meeting – Orange County)

Shaded Area – Actions by Caltrans or CTC

MTC Resolution No. 4118
Attachment 1-B

2014 STIP Fund Estimate County Targets

8/6/2013

Metropolitan Transportation Commission

All numbers in thousands

Table 1: County Share Targets

	a	b	c	a+b+c=d	e	d+e=f
	FY 2017-18 FY 2018-19 New Distrib.	2012 STIP Carryover Balance	Lapses and Expired TE Reserve*	2014 STIP Net Capacity	ARRA Backfill (Caldecott)	2014 STIP CMA Program Capacity
Alameda	30,031	2,000	0	32,031	(2,000)	30,031
Contra Costa	20,552	5,000	1,486	27,038	(5,000)	22,038
Marin	5,617	(39,820)	245	(33,958)		0
Napa	3,698	2,678	497	6,873		6,873
San Francisco	15,241	(2,827)	0	12,414		12,414
San Mateo	15,511	3,728	2,964	22,203		22,203
Santa Clara	35,676	(19,262)	2,518	18,932		18,932
Solano	9,308	1,256	0	10,564		10,564
Sonoma	11,444	(21,840)	1,204	(9,192)		0
Bay Area Totals	147,078	(69,087)	8,914	86,905	(7,000)	123,055

Note: New County Share Total is the sum of unprogrammed balances, lapses, and new capacity for FY 2017-18 and FY 2018-19. Counties with negatives have a "$0" new share/capacity.
* Prior year lapsed funds returned to county share, and County Share TE Reserve now expired.

Table 2: Planning, Programming, and Monitoring Amounts FY 2016-17, FY 2017-18, and FY 2018-19

	g	h	g-h=i	j	i-j	f-i
	PPM Limit FY 2016-17 FY 2017-18 FY 2018-19	Currently Programmed for FY 2016-17	PPM Available for Programming MTC+CMA	MTC Share for FY 2017-18 FY 2018-19	CMA Share for FY 2017-18 FY 2018-19	2014 STIP CMA Program Capacity less PPM**
Alameda	2,519	1,017	1,502	275	1,227	28,529
Contra Costa	1,722	694	1,028	179	849	21,010
Marin	470	190	280	51	229	0
Napa	310	125	185	31	154	6,688
San Francisco	1,276	514	762	140	622	11,652
San Mateo	1,306	531	775	145	630	21,428
Santa Clara	2,990	1,206	1,784	321	1,463	17,148
Solano	779	314	465	85	380	10,099
Sonoma	963	391	572	102	470	0
Bay Area Totals	12,335	4,982	7,353	1,329	6,024	116,554

** Assumes CMA programs up to PPM limit.

J:\PROJECT\Funding\RTIP\14 RTIP\[Final 2014 STIP FE Targets 2013-08-06.xlsx]Sheet1

2014 Regional Transportation Improvement Program
Policies, Procedures and Project Selection Criteria
Attachment C: 2014 RTIP Project Screening Criteria

Eligible Projects

A. **Eligible Projects.** SB 45 (Chapter 622, Statutes 1997) expanded the range of projects that are eligible for consideration in the RTIP. Eligible projects include, state highway improvements, local road improvements and rehabilitation, public transit, intercity rail, grade separation, pedestrian and bicycle facilities, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety. Due to the current fund make up of the STIP, sponsors should expect that all projects programmed in the STIP should be eligible for federal funds.

Planning Prerequisites

B. **RTP Consistency.** Projects included in the RTIP must be consistent with the adopted Regional Transportation Plan (RTP), which state law requires to be consistent with federal planning and programming requirements. Each project to be included in the RTIP must identify its relationship with meeting the goals and objectives of the RTP, and where applicable, the RTP ID number.

C. **CMP Consistency.** Local projects must also be included in a County Congestion Management Plan (CMP), or in an adopted Capital Improvement Program (CIP) for counties that have opted out of the CMP requirement, prior to inclusion in the RTIP.

D. **PSR or PSR Equivalent is Required.** Projects in the STIP must have a complete project study report or, for a project that is not on a state highway, a project study report equivalent or major investment study. The intent of this requirement is to ensure that the project scope, cost and schedule have been adequately defined and justified. Projects with a circulating draft or final environmental document do not need a PSR. This requirement is particularly important in light of SB 45 timely use of funds requirements, discussed below.

   The required format of a PSR or PSR equivalent varies by project type. Additional guidance on how to prepare these documents is available on the internet at the addresses indicated within Part 3 (Project Study Report (PSR), or equivalent) of Attachment D: 2014 RTIP Project Application, which includes a table categorizing PSR and PSR equivalent requirements by project type.

Project Costs and Phases

E. **Escalated Costs.** All projects will count against share balances on the basis of their fully escalated (inflated) costs. All RTIP project costs must be escalated to the year of expenditure.

   As required by law, inflation estimates for Caltrans operations (support) costs are based on the annual escalation rate established by the Department of Finance.

   Local project sponsors may use the state escalation rates or their own rates in determining the escalated project cost in the year programmed.

F. Project Phases. Projects must be separated into the following project components:

1. Completion of all studies, permits and environmental studies (ENV)
2. Preparation of all Plans, Specifications, and Estimates (PS&E)
3. Acquisition of right-of-way (ROW)
4. Construction and construction management and engineering, including surveys and inspections." (CON)
   Note: Right-of-way and construction components on Caltrans projects must be further separated into capital costs and Caltrans support costs (ROW-CT and CON-CT).

The project sponsor/CMA must display the project in these four components (six for Caltrans projects) in the final submittal. STIP funding amounts programmed for any component shall be rounded to the nearest $1,000. Additionally, unless substantially justified, no project may program more than one project phase in a single fiscal year. Caltrans-sponsored projects are exempt from this prohibition. Additionally, right of way (ROW) funds may be programmed in the same year as final design (PS&E) if the environmental document is approved. ROW funds may be programmed in the same year as construction (CON) only if the project does not have significant right of way acquisition or construction costs that require more than a simple Categorical Exemption or basic permitting approvals (see section L). The CTC will not allocate PS&E, ROW, or CON funding until CEQA and NEPA (if federalized) documents are complete and submitted to CTC.

All requests for funding in the RTIP for projects on the state highway system and implemented by an agency other than the Department must include any oversight fees within each project component cost, as applicable and as identified in the cooperative agreement. This is to ensure sufficient funding is available for the project component.

G. Minimum Project Size. New projects or the sum of all project components per project cannot be programmed for less than $500,000 for counties with a population over 1 million (from 2010 U.S. Census data: Alameda, Contra Costa, and Santa Clara Counties), and $250,000 for counties with a population under 1 million (Marin, Napa, San Francisco, San Mateo, Solano, and Sonoma Counties), with the following exceptions:

(a) Funds used to match federal funds;
(b) Planning, Programming and Monitoring (PPM);
(c) Projects for landscaping and mitigation of State highway projects, including soundwalls;
(d) Caltrans project support components not allocated by the Commission; and
(e) Right-of-way capital outlay for Caltrans, which is not allocated by the Commission on a project basis.
(f) Other exceptions may be made on a case-by-case basis.

H. Fiscal Years of Programming. The 2014 STIP covers the five-year period from FY 2014-15 through 2018-19. The 2014 STIP has a shortfall in funding in the first three years, which may require counties to delay certain projects in order to align programming with available funding. If a project will not be ready for allocation in a certain year, project sponsors should delay funds to a later year of the five-year STIP period.

Readiness Standards

I. **Project Phases Must Be Ready in the Year Proposed.** Funds designated for each project component will only be available for allocation until the end of the fiscal year in which the funds are programmed in the STIP. Once allocated, the sponsor will have two additional years beyond the end of the programmed fiscal year to expend funds. For construction, the sponsor will have six months to award a contract and three years to expend funds after project award. Project sponsors must invoice at least once in a six-month period following the allocation of funds. It is therefore very important that projects be ready to proceed in the year programmed.

J. **Completion of Environmental Process.** Government Code Section 14529(c) requires that funding for right-of-way acquisition and construction for a project may be included in the STIP only if the CTC makes a finding that the sponsoring agency will complete the environmental process and can proceed with right-of-way acquisition or construction within the five year STIP period. Furthermore, in compliance with Section 21150 of the Public Resources Code, the CTC may not allocate funds to local agencies for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) for federally-funded projects. Therefore, project sponsors must demonstrate to MTC that these requirements can be reasonably expected to be met prior to programming final design, right-of-way, or construction funds in the RTIP. Final CEQA documents (aside from Categorical Exemptions, or CEs) must be submitted to CTC prior to allocation. Additional information is available at: http://www.catc.ca.gov/programs/environ.htm.

K. **Programming Project Components in Sequential STIP Cycles.** Project components may be programmed sequentially. That is, a project may be programmed for environmental work only, without being programmed for plans, specifications, and estimates (design). A project may be programmed for design without being programmed for right-of-way or construction. A project may be programmed for right-of-way without being programmed for construction. The CTC recognizes a particular benefit in programming projects for environmental work only, since projects costs and particularly project scheduling often cannot be determined with meaningful accuracy until environmental studies have been completed. As the cost, scope and schedule of the project is refined, the next phases of the project may be programmed with an amendment or in a subsequent STIP.

When proposing to program only preconstruction components for a project, the implementing agency must demonstrate the means by which it intends to fund the construction of a useable segment, consistent with the regional transportation plan or the Caltrans interregional transportation strategic plan. The anticipated total project cost and source of any uncommitted future funding must be identified.

L. **Sequential Phasing.** For most projects, the different project phases should be programmed sequentially in the STIP, i.e. environmental before design before right of way before construction. Projects with significant right of way acquisition or construction costs that require more than a simple Categorical Exemption or basic permitting approvals, must not be programmed with the right of way and construction components in the same year as the environmental. Project sponsors must provide sufficient time between the scheduled allocation of environmental funds and the start of

design, right of way or construction. As prescribed in Section F, projects may not have more than one phase programmed per fiscal year, with the exceptions of Caltrans-sponsored preconstruction phases, and right of way (ROW) funds programmed with final design (PS&E) or construction (CON) where there are no significant ROW acquisitions necessary.

M. **The Project Must Be Fully Funded**. All local projects must be accompanied by an authorizing resolution stating the sponsor's commitment to complete the project as scoped with the funds requested. A model resolution including the information required is outlined in Attachment D - Part 1 of this guidance.

The CTC will program a project component only if it finds that the component itself is fully funded, either from STIP funds or from other committed funds. The CTC will regard non-STIP funds as committed when the agency with discretionary authority over the funds has made its commitment to the project by ordinance or resolution. For federal formula funds, including RSTP, CMAQ, and Federal formula transit funds, the commitment may be by Federal TIP adoption. For federal discretionary funds, the commitment may be by federal approval of a full funding grant agreement or by grant approval.

All regional agencies with rail transit projects shall submit full funding plans describing each overall project and/or useable project segment. Each plan shall list Federal, State, and local funding categories by fiscal year over the time-frame that funding is sought, including funding for initial operating costs. Moreover, should the project schedule exceed the funding horizon, then the amount needed beyond what is currently requested shall be indicated. This information may be incorporated in the project application nomination sheets.

N. **Field Review for Federally Funded Local Projects.** One way to avoid unnecessary STIP amendment and extension requests is to conduct a field review as early as possible, so potential issues may be identified with sufficient time for resolution.

For all projects in the 2014 RTIP (anticipated to be a mix of federal and state funding), the project sponsor agrees to contact Caltrans and schedule and make a good faith effort to complete a project field review within 6-months of the project being included in the Transportation Improvement Program (TIP). For the 2014 STIP, Caltrans field reviews should be completed by September 1, 2014 for federal aid projects programmed in 2014-15 and 2015-16. The requirement does not apply to planning activities, state-only funded projects, or STIP funds to be transferred to the Federal Transit Administration (FTA).

Other Requirements

O. **Availability for Audits.** Sponsors must agree to be available for an audit if requested. Government Code Section 14529.1 "The commission [CTC] shall request that the entity receiving funds accept an audit of funds allocated to it by the commission, if an audit is deemed necessary."

P. **Interregional Projects May Be Proposed Under Some Restrictive Circumstances.** The project must be a usable segment and be more cost-effective than a Caltrans alternative project. Government Code Section 14527 (c) "A project recommended for funding by the RTPA in the Interregional

Improvement Program shall constitute a usable segment, and shall not be a condition for inclusion of other projects in the RTIP." Government Code Section 14529 (k) "... the commission [CTC] must make a finding, based on an objective analysis, that the recommended project is more cost-effective than a project submitted by the department...."

Q. **Premature Commitment of Funds.** The project sponsor may not be reimbursed for expenditures made prior to the allocation of funds by the CTC (or by Caltrans under delegation authority), unless the provisions of Senate Bill 184 are met in accordance with the CTC Guidelines for Implementation of SB 184. Under no circumstances may funds be reimbursed for expenditures made prior to the funds being programmed in the STIP or prior to the fiscal year in which the project phase is programmed. In addition, the sponsor must make a written request to Caltrans prior to incurring costs, in accordance with Caltrans Locals Assistance Procedures for SB 184 implementation.

R. **State-Only Funding.** The 2014 RTIP is expected to be funded with a mix of federal and state funds. Project sponsors must federalize their projects by completing NEPA documentation and complying with federal project delivery rules, unless they are granted a state-only funding exception by the CTC. Project sponsors are expected to meet all requirements of Article XIX in selecting projects receiving state-only funding. This includes sponsors or the CMA providing documentation verifying the county passed a measure allowing for the use of state-only State Highway Account funds on fixed guideway projects, should RTIP funds be proposed for use on non-federalized fixed guideway transit projects.

S. **Federal Transportation Improvement Program.** All projects programmed in the STIP must also be programmed in the federal Transportation Improvement Program (TIP), regardless of fund source. Project sponsors are encouraged to submit TIP amendment requests immediately following inclusion of the project into the STIP by the CTC. The project listing in the TIP must include total project cost by phase regardless of the phase actually funded by the CTC. STIP projects using federal funds will not receive federal authorization to proceed without the project being properly listed in the TIP.

T. **Agency Single Point of Contact.** Project sponsors shall assign a single point of contact within the agency to address programming and project delivery issues that may arise during the project life cycle. The name, title, and contact information of this person shall be furnished to the CMA and MTC at the time of project application submittal. This shall also serve as the agency contact for all FHWA-funded projects.

2014 Regional Transportation Improvement Program (RTIP)
Attachment D: 2014 RTIP Project Application

Project sponsors must submit a completed project application for each project proposed for funding in the 2014 RTIP. The application consists of the following five parts and are available on the Internet (as applicable) at: http://www.mtc.ca.gov/funding/

1. Resolution of local support
2. Project Study Report (PSR), or equivalent
3. RTIP Project Programming Request (PPR) form (with maps) (must be submitted electronically)
4. Performance Measures Worksheet (if applicable)
5. Routine Accommodations Checklist (if applicable: check with CMA or on MTC's website, listed above)

Part 1: Sample Resolution of Local Support

Resolution No. _____
Authorizing the filing of an application for funding assigned to MTC and committing any necessary matching funds and stating the assurance to complete the project

WHEREAS, (INSERT APPLICANT NAME HERE) (herein referred to as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for (INSERT FUNDING $ AMOUNT HERE) in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Program (STP) funding, Congestion Mitigation and Air Quality Improvement (CMAQ) funding, Transportation Alternatives (TA) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the (INSERT PROJECT TITLE(S) HERE) (herein referred to as PROJECT) for the (INSERT MTC PROGRAM(S) HERE) (herein referred to as PROGRAM); and

WHEREAS, the Moving Ahead for Progress in the 21st Century Act (Public Law 112-141, July 6, 2012) and any extensions or successor legislation for continued funding (collectively, MAP 21) authorize various federal funding programs including, but not limited to the Surface Transportation Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149) and the Transportation Alternatives Program (TA) (23 U.S.C. § 213); and

WHEREAS, state statutes, including California Streets and Highways Code §182.6 and §182.7 and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to MAP-21, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a

resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans. FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and
- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project, the PROJECT will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and

WHEREAS, that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

WHEREAS, there is no legal impediment to APPLICANT making applications for the funds; and

WHEREAS, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

WHEREAS, APPLICANT authorizes its Executive Director, General Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

NOW, THEREFORE, BE IT RESOLVED that the APPLICANT is authorized to execute and file an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under MAP-21 or continued funding; and be it further

RESOLVED that APPLICANT will provide any required matching funds; and be it further

RESOLVED that APPLICANT understands that the REGIONAL DISCRETIONARY FUNDING for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING; and be it further

RESOLVED that APPLICANT understands the funding deadlines associated with these funds and will

comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and APPLICANT has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans. FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and be it further

RESOLVED that PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP; and be it further

RESOLVED that APPLICANT has reviewed the PROJECT and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and be it further

RESOLVED that PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM; and be it further

RESOLVED that, in the case of a transit project, APPLICANT agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised; and be it further

RESOLVED that, in the case of a highway project, APPLICANT agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC Resolution No. 4104; and be it further

RESOLVED that, in the case of an RTIP project, PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and be it further

RESOLVED that APPLICANT is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects; and be it further

RESOLVED that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and be it further

RESOLVED that there is no legal impediment to APPLICANT making applications for the funds; and be it further

RESOLVED that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and be it further

RESOLVED that APPLICANT authorizes its Executive Director, General Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and be it further

RESOLVED that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and be it further

RESOLVED that the MTC is requested to support the application for the PROJECT described in the resolution and to include the PROJECT, if approved, in MTC's federal TIP.

RTIP Project Application

Part 2: Project Study Report (PSR), or equivalent

The required format of a PSR or PSR equivalent varies by project type. The following table categorizes PSR and PSR equivalent requirements by project type. Additional guidance on how to prepare these documents is available on the Internet at the addresses indicated below, or from MTC.

Project Study Report (PSR) Requirements
PSR and Equivalents by Project Type

Project Type	Type of Document Required *	Where to get more information
State Highway	Full PSR or PD/ENV Only	*http://www.dot.ca.gov/hq/oppd/pdpm/pdpmn.htm*
Local Roadway a. rehabilitation	PSR for local rehabilitation	*http://www.dot.ca.gov/hq/LocalPrograms/public.htm* then look in "13. Project Study Report (Local Rehabilitation)"
b. capacity increasing or other project	PSR equivalent – project specific study with detailed scope and cost estimate	In most cases completing the Preliminary Environmental Study and Field Review forms in the Local Assistance Procedures Manual should be sufficient. These forms can be found at: Preliminary Environmental-- *http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm* then look in chapter 6 pg 6-31. Field Review -- *http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm* then look in chapter 7 pg 7-13.
Transit	State of California Uniform Transit Application	*http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/state-uta-app-091906.pdf*
Traffic Congestion Relief (TCR) Program projects (Specific phase)	TCR program application for the phases of work included in the TCR application	For a Traffic Congestion Relief (TCR) Program project, a TCR program application is considered a PSR equivalent for the phases of work included in the TCR application *http://www.dot.ca.gov/hq/transprog/ocip.htm*
Other	PSR equivalent with detailed scope and cost estimate	To be determined on a case by case basis

* In some instances a Major Investment Study (MIS) prepared under federal guidance may serve as a PSR equivalent where information provided is adequate for programming purposes.

RTIP Project Application

Part 3: Project Programming Request (PPR) Form

Applicants are required to submit a Project Programming Request (PPR) form in order to be considered for funding from the 2014 RTIP.

The PPR for new projects can be downloaded from the following location:
http://www.dot.ca.gov/hq/transprog/ocip/pprs/PPR%20-%20New%20Projects%20-%207-8-13_FY%2014-15%20thru%2018-19.xls

The PPRs for existing projects can be downloaded from the following location:
http://www.dot.ca.gov/hq/transprog/ocip/2014stip.htm

Part 4: Performance Measures Worksheet

Applicants submitting nominations for projects with total project costs exceeding $50 million, have over $15 million in STIP funds programmed, or using over 50% of a county share (for the county share period) are required to submit a Performance Measure Worksheet.

The Worksheet template is available at the following location:
http://www.catc.ca.gov/programs/stip.htm

Select the "2014 STIP Guidelines" document. The template begins on page 43 of the guidelines, under "Appendix B: Performance Indicators, Measures, and Definitions".

Part 5: Complete Streets Checklist

Applicants are required to include the Complete Streets (Routine Accommodations) Checklist with the application submittal to MTC for projects that will have an impact on bicycles or pedestrians. The Checklist is available from the Congestion Management Agencies and at the MTC website at http://www.mtc.ca.gov/planning/bicyclespedestrians/routine_accommodations.htm.

2014
Regional Transportation Improvement Program

STIP Amendments / Extensions
Rules and Procedures

September 25, 2013

MTC Resolution No. 4118
Attachment 2

Metropolitan Transportation Commission
Programming and Allocations Section
http://www.mtc.ca.gov/funding.htm

RTIP
Regional Transportation Improvement Program

STIP Amendments / Extensions
Rules and Procedures
Table of Contents

What is the STIP? **3**
When are Amendments and Extensions Allowed? **3**
STIP Amendments 3
One-time Extension Requests 3
Roles and Responsibilities **4**
Requesting STIP Amendments and Extensions **5**
Step 1: Project Sponsor Requests STIP Amendment or Extension 5
For currently programmed Caltrans projects: *5*
For a STIP Amendment: 5
For an Extension: 6
For currently programmed local projects: *6*
For a STIP Amendment: 6
For an Extension: 6
For all new projects: *7*
Step 2: MTC Review and Concurrence 8
Major versus minor changes *8*
Additional/Supplemental Funds **9**
Allocation of Funds **10**
Timeline for STIP Amendment/Extension Approval **11**
STIP Amendment Form/TIP Amendment Form **12**
Contacts for STIP Amendments/Extensions: **12**

Regional Transportation Improvement Program (RTIP)
STIP Amendments / Extensions Rules and Procedures

What is the STIP?
The State Transportation Improvement Program (STIP) is the State's spending program for state and federal funding. The STIP is comprised of the Regional Transportation Improvement Program (RTIP) and the Interregional Transportation Improvement Program (ITIP). The program is updated every two years and currently covers a five-year period. STIP funded projects, like all other state and federally funded projects, must be listed in the TIP in order for the sponsor to access the funding. This biennial STIP process is outlined in the attached "STIP Process".

Seventy-five percent (75%) of the funding in the STIP flows to regions by formula through their RTIPs. Regions throughout the state are charged with developing an expenditure plan for the funds. Eligible project types include improvements to state highways, local roads, public transit, intercity rail, pedestrian and bicycle facilities, grade separations, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety.

The remaining 25% of the funding flows to the ITIP, which is a statewide competitive program. This funding is directed to projects that improve interregional transportation. Eligible project types include intercity passenger rail, mass transit guideways, grade separation, and state highways.

When are Amendments and Extensions Allowed?

STIP Amendments
An amendment may change the cost, scope or schedule of a STIP project and its components. For instance, if the final cost estimate for a project is higher (or lower) than the amount programmed, a STIP amendment may be requested to increase or (decrease) the amount programmed. Or, as a project progresses through project development, it may be time to add the next component or phase. Likewise, if the project schedule is delayed significantly, an amendment may be warranted to request a change in program year of the funding in order to prevent a funding lapse. STIP amendments may also be requested to delete project funding or to add a new project into the STIP.

Important Tip: Once a state fiscal year (July 1 – June 30) has begun, the CTC will not allow STIP amendments to delete or change the funding programmed in that fiscal year. Instead, the project sponsor may request a one-time extension as described below.

One-time Extension Requests
SB 45 established deadlines for allocation, contract award, expenditure and reimbursement of funds for all projects programmed in the STIP. The CTC may, upon request, grant a one-time extension to each of these deadlines for up to 20 months. However, the CTC will only grant

an extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance. Generally, the CTC does not grant extensions longer than 12 months. Additionally, project sponsors must be present at the CTC meeting where action is taken on any extension request, to answer questions the CTC staff or commissioners may have.

Roles and Responsibilities

The STIP Amendment and Extensions process requires review and approval by various agencies to ensure the action requested is appropriate, and consistent with state statutes, CTC guidance, Caltrans procedures and regional policies. Projects must be included in a county Congestion Management Program (CMP) or county Capital Improvement Program (CIP), and must be consistent with the Regional Transportation Plan (RTP) to be programmed in the RTIP. Therefore, any additions or changes that may impact the priorities established within these documents must be reviewed and approved by the appropriate agency. Furthermore, improperly programmed funds or missed deadlines could result in funding being permanently lost to the region.

Project sponsors are responsible for reviewing and understanding the procedures, guidance and regulations affecting projects programmed in the STIP. Project sponsors must also assign a Single Point of Contact – an individual responsible for submitting documentation for STIP amendments and extensions that must have read and understood these policies and procedures, particularly the CTC STIP Guidelines available on the internet at http://www.dot.ca.gov/hq/transprog/ocip.htm and the MTC RTIP Policies and Application Procedures posted on the internet at: http://www.mtc.ca.gov/funding/. Project sponsors are ultimately responsible for ensuring the required documentation is provided to Caltrans by the deadlines established by Caltrans for all allocations, extensions, and additional supplemental funds requests.

The Congestion Management Agencies/Transportation Authorities are responsible for ensuring the packages submitted by the project sponsors are complete, and the proposed changes are consistent with the Regional Transportation Plan (RTP), and Congestion Management Plans (CMPs) or Capital Improvement Program (CIP). The CMAs/TAs check to ensure the proposed changes meet MTC, CTC and other state or federal guidance and regulations. As mentioned in the Guiding Principles of the 2014 RTIP Policies and Procedures, the CMA must consider equitable distribution of projects in accordance with Title VI. Following CMA/TA concurrence of the request, the complete package is forwarded to MTC.

The Metropolitan Transportation Commission (MTC), as the Regional Transportation Planning Agency (RTPA) for the nine counties of the San Francisco Bay Area, provides concurrence for the STIP requests and formally submits all STIP Amendments to Caltrans for approval by the CTC. MTC also verifies compliance with established state and regional policies. Although MTC provides concurrence on extensions, additional supplemental funds requests and some allocation requests, it is the responsibility of the project sponsor, not MTC,

to ensure the required documentation is submitted to Caltrans by the established deadlines for these action requests.

The California Department of Transportation (Caltrans) processes the requests and makes recommendations to the California Transportation Commission (CTC) in accordance with Department procedures and CTC policies and guidelines.

The California Transportation Commission (CTC) approves or rejects the requests based on state statutes and its own established guidance and procedures.

Requesting STIP Amendments and Extensions

As described below, the procedures for processing STIP amendments and extensions vary depending on whether the project is sponsored by Caltrans or a local agency, and whether it has already received STIP funding.

Step 1: Project Sponsor Requests STIP Amendment or Extension

For currently programmed Caltrans projects:

- Caltrans and the appropriate CMA identify and discuss the issue(s) that may require an amendment or extension and notify MTC Programming and Allocations (P&A) Section staff that a change to the current STIP may be necessary and is being considered.
- Caltrans and CMA agree on proposed change(s).
- Where necessary, CMA staff requests policy board approval of proposed change.
- Once approved by the CMA, CMA notifies Caltrans in writing of the county's concurrence, with a copy sent to MTC P&A.
- Caltrans requests MTC concurrence for the STIP Amendment/Extension by transmitting the following to MTC P&A:
  - Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

For a STIP Amendment:

- Copy of CMA's letter of concurrence
- Revised RTIP Application Form – http://www.mtc.ca.gov/funding/
- TIP Amendment Form - http://www.mtc.ca.gov/funding/
- A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays and reason for the previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated

funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)

For an Extension:

- Copy of CMA's letter of concurrence
- A construction 'STIP History' for each extension that would delay construction as described above for a STIP Amendment.

For currently programmed local projects:

- Sponsor and the appropriate CMA identify and discuss the issue(s) that may require an amendment or extension and notify Caltrans and MTC Programming and Allocations Section staff that a change to the current STIP may be necessary and is being considered.
- Sponsor and CMA agree on proposed change(s).
- Sponsor requests CMA concurrence for the STIP Amendment/Extension by submitting the following to the CMA:
  - Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

For a STIP Amendment:

- Revised RTIP Application Form - http://www.mtc.ca.gov/funding/
- TIP Amendment Form - http://www.mtc.ca.gov/funding/
- A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays and reason for previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)
- Any other documentation required by the CMA or Caltrans

For an Extension:

- Copy of completed Request for Time Extension form (Exhibit 23-B, located on the internet at: http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/lapg-forms/g23forms-2013-05-08.docx).
- A construction 'STIP History' for each extension that would delay construction, as described above for a STIP Amendment.

  - A listing showing the status of all SB 45 and regional project delivery policy (MTC Resolution 3606) deadlines for all of the project sponsors' allocated STIP projects, and all active projects funded through the Federal Highway Administration (FHWA), including but not limited to Surface Transportation Program (STP), Congestion Mitigation Air Quality Improvement (CMAQ), and Transportation Alternatives Program (TAP) projects. This is to ensure project sponsors are aware of the other deadlines facing other projects, and so that sponsors will work to meet those deadlines. A template is available online at: http://www.mtc.ca.gov/funding/delivery/ Template_FHWA_Funded_Projects_Status.xlsx.
  - Any other documentation required by the CMA or Caltrans
- Where necessary, CMA staff requests policy board approval of proposed request.
- Sponsor submits Caltrans' "Request for Time Extension" form and any other required documentation to Caltrans.
- CMA requests MTC concurrence for the STIP Amendment/Extension by transmitting a letter to MTC P&A requesting the STIP Amendment or Extension with explanation and justification of the need for the action along with the documentation submitted by the project sponsor. A copy of the request is also sent to Caltrans.
- Sponsor must be present at the CTC meeting where action is being taken on the extension request to justify the reasons for the extension. Failure to be present may result in the CTC denying the extension request, and risk losing the programmed funds permanently due to missed deadlines. In limited instances, a project sponsor may request that their CMA be available in place of the project sponsor. The CMA and MTC must concur with this request via email.

Important Tip: For STIP Extensions, the CTC will only grant an extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance, up to a maximum of 20 months (although the Commission generally does not grant any extension longer than 12 months). It is therefore absolutely necessary that the letter and supporting documentation clearly explains and justifies the extension request. Failure to provide adequate justification and not being present at the CTC meeting will most likely result in an extension not being approved.

For all new projects:

- Sponsor and the appropriate CMA identify and discuss the issue(s) that may require a new project to be added to the STIP and notify Caltrans and MTC Programming and Allocations (P&A) Section staff an amendment to the current STIP may be necessary and is being considered.
- Sponsor and CMA agree on proposed addition.
- Sponsor requests CMA concurrence for the STIP Amendment by submitting the following to the CMA:

- Letter requesting the STIP Amendment with explanation and justification of the need for the project to be added to the STIP.
- TIP Amendment form - http://www.mtc.ca.gov/funding/
- RTIP Application form including: - http://www.mtc.ca.gov/funding/
  - Resolution of local support
  - Project Programming Request (PPR) forms (with maps)
  - Local agency certification of assurances
  - Project Study Report (PSR), or equivalent.
  - Copy of State-Only Funding Request Exception Form (Only if requesting state-only funding and project is not on pre-approved state-only eligible funding list. Original request is to be submitted directly to Caltrans HQ Budgets for processing and approval prior to MTC submittal of the request to Caltrans/CTC).

- CMA staff obtains policy board approval of proposed addition.
- CMA requests MTC concurrence for the new project by transmitting a letter to MTC P&A requesting the STIP Amendment with an explanation and justification of the need for the project along with a copy of the CMA Resolution approving the project, and the documentation listed above provided by the project sponsor.

Step 2: MTC Review and Concurrence

- Once a complete request has been received, MTC P&A staff will place the request on the MTC Programming and Allocations Committee (PAC) meeting agenda for concurrence of major changes, or prepare a letter of concurrence for the Executive Director's signature for minor changes.
- Following approval by PAC and/or the Executive Director, MTC will sign Caltrans' Request for Time Extension form and send it with a Letter of Concurrence to Caltrans District 4 with a copy to the appropriate CMA. (District 4 will ensure that the request is copied to the appropriate contacts at Caltrans Headquarters and CTC.) MTC may concur with minor changes on Caltrans-sponsored projects administratively via email.

Major versus minor changes

- All major changes, including any requests to program a new project, will be presented to MTC's Programming and Allocations Committee (PAC) to determine MTC's concurrence. Major changes include:
  - request to program a new project (or delete a project)
  - schedule delay that affects air quality conformity analysis
  - project advance with reimbursement or replacement project per AB 3090
  - request to use Grant Anticipation Revenue Vehicle (GARVEE) financing
- For minor changes, MTC staff may write a letter of concurrence for the Executive Director's signature. Minor changes include:

- Extension requests for allocation, award, expenditure and reimbursement/project completion deadlines
- schedule changes, except where change implies major cost or delivery ramifications
- changes in implementing agency or project sponsor
- changes to project budget that are less than 20% of the total project cost or less than $1 million.
- redirection of funds from one project component to another (e.g. from project engineering into environmental)
- changes considered routine and not impacting project delivery

* Amendments or extensions based on new federal or state requirements may need to go to MTC's PAC

Additional/Supplemental Funds

On occasion it may be necessary to provide additional 'Supplemental' funding to a project as a result of cost increases or revised cost estimates. There are several different processes to follow depending on where the project is within its delivery schedule. The various methods to add STIP funding to a project are as follow:

Biennial STIP Cycle: If additional funding is identified years before the actual allocation, the project sponsor may request the funding through the biennial STIP adoption process. This process is outlined in MTC's RTIP Policies and Application Procedures, and is the preferred method of requesting additional/supplemental funds.

STIP Amendment: If additional funding is identified prior to the allocation of funds, but is required prior to the next biennial STIP adoption, a STIP amendment adding the funds to the project may be requested as outlined in the STIP Amendment procedures above. However, in most cases the additional funds could be added at the time of allocation, thus foregoing the STIP amendment process.

Additional Funds at Time of Allocation: Often the simplest way to add supplemental funds is at the time of allocation. The process is the same as the procedures outlined above for a time extension, except that instead of a "Request for Time Extension" form, a "Request for STIP Funding Allocation" form is used (Exhibit 23-O, located on the internet at: http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/lapg-forms/g23forms-2013-05-08.docx). In all supplemental funding requests, the additional funding must be approved by the CTC.

Additional Funds After Allocation: It may be necessary to seek additional funds after an allocation, either to award the project or due to unforeseen cost increases while the project is under construction. In either case, an analysis should be performed to determine whether re-engineering (sometimes called "value engineering") could achieve cost reductions to accommodate the increase. If additional funds are still necessary, a funding

source outside the STIP should be pursued prior to seeking additional STIP funding. If it is determined that additional STIP funds are needed, then the project sponsor should proceed as with the procedures outlined for "Additional Funds at Time of Allocation". It should be noted that once the funds are allocated, the project sponsor does not have the option to add the funds through a STIP amendment since the CTC does not allow amendments to change the programming for a given component after the funds have been allocated.

Allocation of Funds

Project sponsors request an allocation of funds directly to Caltrans, with Caltrans placing the request on the CTC Agenda for approval. The completed request package is due to Caltrans 60 days prior to the CTC meeting where the funds are anticipated to be allocated. In general MTC is not involved with the allocation process, however, under a few circumstances MTC concurrence is required as noted below:

Local Road Rehabilitation Projects: Allocation of funds for local road rehabilitation projects requires certification from MTC. Project sponsors should submit the "Pavement Management System Certification" form with the "Local Road Rehabilitation Project Certification" form attached (Exhibits 23-L and 23-K, both found on the internet at: http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/lapg-forms/g23forms-2013-05-08.docx) directly to MTC for signature. MTC will then transmit the signed form to Caltrans District 4 – Local Programs. All other allocation request documentation should be sent directly to Caltrans District 4 – Local Programs.

Allocation of State-Only Funds: MTC concurs with all State-Only funds allocations that are listed in the STIP as State-Only. Projects without State-Only funding pre-approved by CTC must request a State-Only Funding Exception form (Exhibit 23-F, found on the internet at: http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/lapg-forms/g23forms-2013-05-08.docx). MTC must concur with the exception request, and the form is submitted to Caltrans.

Funds Allocated Differently than Programmed: In some instances it may be necessary to allocate funds differently from what is programmed in the STIP. These situations generally still require MTC concurrence. Fortunately a STIP amendment may not be required, and the funding may be revised at the time of the allocation, thus avoiding the long STIP amendment process. However, A TIP amendment is still required, especially if federal funds are involved. Changes that are allowed at the time of allocation are noted below; however, project sponsors should consult with Caltrans District 4 Local Programs, the CMA and/or MTC to determine whether a change at the time of allocation is permissible before preparing the allocation request.

- Change in implementing agency
- Cost savings (allocation less than program amount)
- Redirection of funds among project components or phases within the project as long as total STIP funding has not increased or previously been allocated.

- Advancement of funding from future years (transit projects with funds to be transferred to FTA require a TIP amendment to advance funds)
- Change in funding type (a change to state-only funding requires approval from Caltrans with their "State-Only Funding Request Exception" form if the project type is not on the pre-approved state-only eligible funding list – see "Allocation of State-Only Funds" above).

STP/CMAQ Match Reserve: Project sponsors must work with the applicable CMA/TA to obtain programming approval for STP/CMAQ match made available in the STIP. The CMA develops a countywide list for the use of the reserved funds and submits the list to MTC, who in turns provides Caltrans with the region-wide Match Program. Any deviation from this program, whether in the funding amount, project sponsor, or funding year, requires the CMA to resubmit an updated plan for the county to MTC. Caltrans cannot allocate the matching funds if they are inconsistent with the approved STIP - STP/CMAQ Match Program.

Funds allocated as programmed in the STIP: The allocation of funds as they are programmed in the STIP and TIP do not involve MTC, other than as noted previously. Project sponsors work directly with Caltrans District 4 local programs in obtaining the allocation. STIP projects using federal funds will not receive federal authorizations to proceed without the project being properly listed in the TIP. Federal authorization to proceed (E-76) requests must be submitted to Caltrans at the same time as the STIP allocation package to avoid delays to authorization.

Important Tip: Although some minor changes in the allocation of funds may not require a full STIP amendment, most changes still require MTC concurrence, and possibly a TIP amendment and may even require a vote of the CTC rather than a simple Caltrans delegated allocation approval. Project sponsors are encouraged to consult with the CMA, and Caltrans District 4 prior to preparing any allocation request, to ensure sufficient time is allowed for processing the allocation request, particularly toward the end of the year when the Timely Use of Funds provisions of SB 45 are of critical concern.

Timeline for STIP Amendment/Extension Approval

Completed documentation requesting MTC concurrence must be received by MTC staff no later than the first day of the month prior to the month in which the request will be heard by the Programming and Allocations Committee (PAC). (For example, requests received by January 1 will be reviewed at the February PAC meeting). Subsequently, requests with completed documentation and MTC concurrence must be submitted to the Caltrans District Office 60 to 90 days prior to the CTC meeting where the item will be considered. Therefore, requests for concurrence need to be submitted to MTC generally 150 days prior to CTC action for STIP Amendments and 120 days prior to CTC action for extensions.

For example, a STIP amendment request to delay funding in the next fiscal year is due to MTC by January 1, so it may be approved at the February PAC Meeting, and then submitted to

Caltrans in time for the 60-day due date of March 2, so it may be noticed at the May 2 CTC meeting for action at the June 6 CTC meeting.

Important Tip: The CTC will not amend the STIP to delete or change the funding for any project component after the beginning of the fiscal year in which the funding is programmed. Therefore, all amendments to delay a project component must be approved by the CTC by the June meeting in the year prior to the programmed year of funding. To meet this deadline, amendments to delay delivery must be submitted to MTC no later than January 1 of the fiscal year prior to the fiscal year of the funding subject to delay.

A due date schedule is prepared each year for the submittal of STIP requests. This schedule is posted on the internet at: http://www.dot.ca.gov/hq/transprog/ctcliaison.htm

STIP Amendment Form/TIP Amendment Form

The forms necessary to initiate the STIP Amendment process may be downloaded from the MTC website at: http://www.mtc.ca.gov/funding/. TIP Amendments should be processed through the Fund Management System, also available at the website mentioned above.

Contacts for STIP Amendments/Extensions:

Name	Area	Phone	Email
Kenneth Kao	STIP	510.817.5768	kkao@mtc.ca.gov
Ross McKeown	STIP	510.817.5842	rmckeown@mtc.ca.gov
Sri Srinivasan	TIP Amendments	510.817.5793	ssrinivasan@mtc.ca.gov
Adam Crenshaw	TIP Amendments	510.817.5794	acrenshaw@mtc.ca.gov