

STAFF REPORT

SUBJECT: FTIP Project Selection Procedures

MEETING DATE: May 19, 2005

AGENDA ITEM: 7D

RECOMMENDATION:

1. Approve Federal Transportation Improvement Program (FTIP) Expedited Project Selection Procedures.
2. Approve Transit Project Selection Procedures for FTA 5307 Funding.

SUMMARY

Approval of expedited project selection procedures will allow projects to advance in the FTIP without going through a formal approval process with the State and federal transit and highway agencies that may take from thirty to sixty days.

FTA 5307 funding is used to operate transit services and construct capital projects in the county's three urbanized areas of Lompoc, Santa Maria and Santa Barbara. The agency is required by federal regulation to adopt procedures explaining how projects are selected for 5307 funding. The procedures must be approved by SBCAG, the State and Caltrans by June 30, 2005. SBCAG staff has developed procedures in consultation with MTD, COLT and SMAT, the designated grantees of 5307 funds in their respective urbanized areas that would require each of the transit operators to screen, score and recommend to SBCAG which projects in their urbanized area should be funded. SBCAG may accept the recommendation or reject it and return it to the grantee for revision and resubmission.

DISCUSSION

1. Federal Transportation Improvement Program (FTIP) Expedited Project Selection Procedures

SBCAG is required to adopt a Federal Transportation Improvement Program (FTIP) every two years. The purpose of the FTIP is to identify all transportation-related projects that require federal funding or other approval by the Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA). The FTIP also identifies all non-federal, regionally significant projects for information and air quality emissions modeling purposes. The FTIP indicates the area's short-term plan for use of federal dollars and other resources for the maintenance, operation, and improvement of the transportation system. The FTIP is required to be financially constrained and, through the end of this fiscal year, be accompanied by an air quality conformity

analysis showing the projects included in the FTIP, when implemented, would keep the region in conformity with federal air quality regulations.

Currently the approval process for a project-related amendment to the FTIP lasts from thirty to sixty days which can delay projects from advancing on schedule. Generally, projects that are amended in the FTIP require approval by the local Metropolitan Planning Organization board (SBCAG) through adoption of a resolution and approval by the California Department of Transportation (Caltrans), the Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA).

Federal regulations (23 CFR 450.332) require that SBCAG adopt procedures to expedite the amendment process for certain projects within the FTIP. Projects that are eligible to use this process are:

- Financially constrained and have been determined by MPO staff to be administrative in nature.
- Do not need an adopted MPO board resolution.

To avoid potential delays and address federal regulations, staff is recommending approval of the attached expedited project selection procedure process. This would become Appendix C of the 2004 FTIP. Adoption of these procedures would be timely: the Federal Highway Administration has announced that California faces a potential “lockdown” of its FSTIP this Summer which would block amendments to projects in SBCAG’s FTIP until the lockdown is lifted. The lockdown is related to the potential diversion of Prop. 42 transportation revenues to the State’s general fund in the FY 05/06 State budget. It is unclear how long this lockdown would last, but these expedited procedures would help agencies process amendments more quickly and avoid becoming entangled in the lockdown.

Utilizing the expedited procedures would be optional for a project sponsor and SBCAG. Projects may still be amended using the regular FTIP amendment process.

2. Transit Project Selection Procedures for FTA 5307 Funding

Each year the Federal Transit Administration (FTA) distributes FTA 5307 transit operating and capital assistance funds to urbanized areas. The funds are apportioned on the basis of population and population density. Projects that are funded with 5307 funds are, by federal regulation, selected by the Metropolitan Planning Organization (SBCAG) in consultation with the State and transit operators. SBCAG, the designated FTA 5307 funding recipient in the County, has traditionally allocated 100% of the 5307 funds apportioned to each of its three urbanized areas to the transit district or transit operator serving those areas. The three urbanized areas in the SBCAG region are: Santa Barbara, Lompoc, and Santa Maria. For fiscal year 04-05, the region was apportioned \$5,147,532 in 5307 funds for its urbanized areas.

Our federal partners, the Federal Highway Administration and FTA, have noted in bi-annual MPO certification reviews of SBCAG that the agency has not adopted procedures by which transit projects will be selected for funding from the FTA 5307 program. This requirement is outlined in federal metropolitan planning and programming regulations 23 CFR Part 450.222(b). They have notified SBCAG that it must adopt procedures by the end of the fiscal year in order for the region to remain eligible for FTA 5307 funding. The regulations prohibit SBCAG from adopting procedures that use formulas or predetermined percentages to distribute funding.

The three transit operators, MTD, COLT, and SMAT are the designated grantees of FTA 5307 funds for their respective urbanized area and they collaborated with SBCAG staff to develop the transit project selection procedures.

Under the recommended procedures, the designated grantee for FTA 5307 funds within each urbanized area will screen the projects according to attachment D-2 and score project applications according to a scoring process developed at the start of each programming cycle and adopted by the SBCAG Board. The designated grantee will prepare a recommendation for FTA 5307 funding in its urbanized area, including project applications received from other agencies requesting funding to provide service or construct a capital facility. The designated grantee will submit its recommendation to SBCAG, which will accept or reject the recommendation. If the SBCAG Board accepts the recommendation, it will adopt an FTIP amendment which must be reviewed and approved by Caltrans and FTA before the project applicant obtains approval to use FTA 5307 funds. If the SBCAG Board rejects a grantee's recommendation, it will be returned to the grantee for revision and resubmission.

SBCAG staff recommends that the FTA 5307 transit project selection procedures be adopted by the SBCAG Board. The procedures would be effective after approval from the SBCAG Board and the FTA and become Appendix D of the 2004 FTIP. Staff is anticipating approval of these procedures by FTA in early June. The Board may amend the procedures at any time after adoption, and amendments may be requested by transit operators or the State to address specific needs and concerns related to an urbanized area.

COMMITTEE REVIEW:

The expedited project selection procedures were unanimously approved by TTAC on May 5, 2005.

The FTA 5207 project selection procedures were developed after two meetings with SMAT, COLT and MTD and after discussions with the San Luis Obispo Council of Governments and SLORTA, a transit agency serving the Santa Maria urbanized area. The procedures were unanimously approved by TTAC on May 5, 2005.

Staff Contacts Steve VanDenburgh or John Asuncion.

Expedited Project Selection Procedures

Federal regulation (23 CFR 450.332) requires Metropolitan Planning Organizations (MPO's) to adopt procedures to expedite the amendment process for projects within the FTIP. Projects that are eligible to use this process are:

- Financially constrained and have been determined by MPO staff to be administrative in nature.
- Do not need an adopted MPO board resolution.

Utilizing the expedited procedures is optional. Projects may still be amended using the regular FTIP amendment process.

When using expedited procedures, the following process will be employed by SBCAG:

1. The project sponsor will notify SBCAG staff in writing of the need to advance a project or project component that is identified in the 2004 FTIP.
2. SBCAG staff shall determine if sufficient financial capacity exists in the FTIP to advance the project into an earlier year. If sufficient financial capacity does not exist, SBCAG staff shall give the project sponsor the opportunity to identify a project listed in the FTIP within its jurisdiction that can be delayed for the other project to advance. If such substitution is not possible, then SBCAG staff shall advise the project sponsor that the project advancement is not feasible.
3. If sufficient financial capacity does exist, SBCAG staff shall administratively amend the 2004 FTIP to advance projects that meet financial constraint requirements.

SBCAG staff shall prepare a biannual information report to the SBCAG Board of Directors to identify projects, if any, which have been advanced using these procedures.

FTA 5307 Transit Project Selection Procedures

Any public agency with public transit capital and operating funding needs within, to/from, or between urbanized area(s) in Santa Barbara County may apply for FTA 5307 funding according to the following process.

1. At the beginning of every programming cycle, SBCAG shall notify each transit operator of the estimated amount of funding to be apportioned to each urbanized area for the fiscal years included in the programming cycle.
2. The full amount of estimated FTA 5307 funding apportioned to an urbanized area shall be programmed to the urbanized area in the programming cycle.
3. SBCAG and transit operators will collaborate on the development of a project scoring system that will be adopted by the SBCAG Board of Directors. The scoring system shall prioritize projects for funding in each urbanized area on the basis of mobility needs and not use formulas or predetermined percentages to fund modes or jurisdictions, consistent with 23 CFR Part 450.222(b).
4. A call for projects will be issued by SBCAG and the designated grantees in each urbanized area according to the schedule shown in Attachment D-1, FTA 5307 Transit Project Selection Schedule.
5. Applicants must submit project information to the designated grantee in the urbanized area(s) in which they would like to operate a service or make a capital improvement. Information provided must assist the grantee in screening the project according to Attachment D-2, Screening Criteria, and scoring the project according to the scoring system developed.

In Santa Barbara County, the urbanized areas and designated grantees are:

- | | | |
|---|---------------|---|
| * | Lompoc | City of Lompoc Transit (COLT) |
| * | Santa Maria | Santa Maria Area Transit (SMAT) |
| * | Santa Barbara | Santa Barbara Metropolitan Transit District (SBMTD) |

6. If the project involves more than one urbanized area, the applicant must provide copies of the project information to the grantees in each urbanized area that would benefit from the proposed project.
7. The designated grantee in the urbanized area shall determine the project's eligibility for FTA 5307 funds according to the screening criteria in Attachment D-2.

8. The designated grantee shall score all projects that meet the screening criteria, including its own projects needing FTA 5307 funds, using the scoring system.
9. The designated grantee shall submit to SBCAG all applications received, including those that did not meet the screening criteria, its score for projects, and its policy board's adopted recommendation of which project(s) should be funded in the upcoming fiscal year(s) with the FTA 5307 grant apportionment published in the federal register for its urbanized area.
10. Any applicant may appeal any aspect of the designated grantee's screening and scoring of its application to SBCAG after the designated recipient's policy board has taken action but before SBCAG's TTAC Committee has adopted a recommendation.
11. SBCAG staff will review all project information transmitted by designated grantees, including those that the grantee believes do not meet the screening criteria, and appeals filed, and recommend to SBCAG's Transportation Technical Advisory Committee (TTAC) concurrence or rejection of the grantee's funding recommendation.
12. SBCAG's TTAC committee shall adopt a recommendation of concurrence or rejection of a grantee's funding recommendation, which shall be communicated to the SBCAG Board.
13. If the SBCAG Board of Directors concurs with a designated grantee's funding recommendation, it shall approve an amendment to the Federal Transportation Improvement Program reflecting the funding recommendation and submit it to Caltrans and the Federal Transit Administration for their concurrence.
14. If the SBCAG Board rejects a designated grantee's funding recommendation, the recommendation shall be returned to the designated grantee with an explanation of the rejection. The designated grantee may modify and resubmit a funding recommendation. Rejection of a funding recommendation for one urbanized area will not necessarily prevent SBCAG from adopting an FTIP amendment implementing recommendations for other urbanized areas.
15. The SBCAG Board reserves the right to modify these procedures in consultation with the designated grantees in each urbanized area at any time to promote the most efficient and effective use of FTA 5307 funding in Santa Barbara County.
16. This process shall be conducted consistent with federal and state laws and regulations and in such a way that all materials pertaining to the screening and scoring of projects, discussion of funding recommendations by policy boards, and staff reports to policy boards on any aspect of this process, shall be readily available to members of the public.

ATTACHMENT D-1 FTA 5307 TYPICAL PROJECT SELECTION SCHEDULE

Note: This schedule may be modified depending on the availability of funding.

SBCAG, transit operators and the State will collaborate on the development of a project scoring system which is adopted by the SBCAG Board of Directors	Month 1 & 2
SBCAG and designated FTA 5307 grantees issue a call for projects	Month 3 & 4
Designated grantees submit to SBCAG a funding recommendation for their urbanized area and copies of applications received	By end of Month 5
SBCAG staff reviews the applications and recommendations for each urbanized area; issues recommendations to concur\reject funding recommendations for urbanized areas; prepares FTIP amendment for concurrences	Month 6
SBCAG's transportation Technical Advisory Committee (TTAC) approves funding recommendations\FTIP amendment	Month 7
SBCAG Board approves the FTIP amendment to implement concurrences	Month 7

ATTACHMENT D-2

FTA 5307 SCREENING CRITERIA

Screening Criteria

To be eligible for funding consideration, all projects requesting FTA 5307 funds must submit information to the designated grantee in the urbanized area(s) demonstrating they meet the following criteria:

1. Consistency Requirements

- a. The project must be consistent with the RTP and other adopted local or regional plans (Congestion Management Programs, Short Range Transit Plans, State Implementation Plan, etc.)
- b. The project must be consistent with federal eligibility requirements for FTA 5307 projects.

2. Financial Requirements

The project must be supported by:

- a. A reasonable cost estimate based on the best available data
- b. Adequate financial planning with all sources of funding identified
- c. Logical cash flow and sensible phasing

3. Project Specific Requirements

Projects must:

- a. Be well defined with clear project limits, intended scope of work, and project concept
- b. Be well justified; there must be a clear need directly addressed by the project
- c. Be supported by an implementation plan and schedule which adequately provides for any necessary clearances and approvals and demonstrates that the project can be advanced to a state of readiness for implementation in the year indicated
- d. Maintain or improves existing service levels
- e. Be cost effective

RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

APPROVING THE 2004 FEDERAL)
TRANSPORTATION IMPROVEMENT)
PROGRAM EXPEDITED PROJECT)
SELECTION PROCEDURES AND)
TRANSIT PROJECT SELECTION)
PROCEDURES)

RESOLUTION NO. 05-0X

WHEREAS, Title 23 Code of Federal Regulations, part 450, and Title 49 Code of Federal Regulations, part 613, require the preparation and updating of a Federal Transportation Improvement Program (FTIP) by the Metropolitan Planning Organization; and

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Metropolitan Planning Organization for Santa Barbara County; and

WHEREAS, SBCAG, through the conduct of a continuing, comprehensive, and coordinated transportation planning process with applicable federal requirements, has prepared a 2004 FTIP; and

WHEREAS, the 2004 FTIP was prepared in cooperation with state and local government agencies including Caltrans, local transit operators; and the Air Pollution Control District; and

WHEREAS, the 2004 FTIP is consistent with the Regional Transportation Plan adopted pursuant to Government Code Section 6508; and

WHEREAS, all projects proposed for federal funding or approval under Title 23 Code of Federal Regulations and the Federal Transit Act are included in the FTIP; and

WHEREAS, the 2004 FTIP conforms with the applicable State Implementation Plan (SIP) as required by the federal Clean Air Act (42 U.S.C. Section 7401 et seq.); and

WHEREAS, the 2004 FTIP is financially constrained and funds needed to complete the 2004 FTIP are reasonably expected to be available; and

WHEREAS, the 2004 FTIP is consistent with, and one and the same as, the 2004 MTP; and

WHEREAS, development of the 2004 FTIP, was made in accordance with public involvement procedures originally adopted by SBCAG on November 10, 1994 and updated on March 24, 2002; and

WHEREAS, SBCAG has executed a Comprehensive Transportation Planning Memorandum of Understanding (MOU) with Caltrans excluding rehabilitation and safety projects from the FTIP as provided in said MOU.

NOW, THEREFORE, BE IT RESOLVED that the SBCAG Board of Directors amends the 2004 FTIP to include Expedited Project Selection Procedures and Transit Project Selection Procedures as Appendix C and Appendix D of the 2004 FTIP.

BE IT FURTHER RESOLVED that minor modifications as specified in the 2004 FTIP will be handled as administrative amendments that may be approved at the discretion of the SBCAG Executive Director and that all other amendments require formal approval of the SBCAG Board of Directors.

BE IT FURTHER RESOLVED that the 2004 FTIP, including Appendices C and D is the applicable FTIP for Santa Barbara County and supersedes all preceding FTIPs and their amendments.

BE IT FURTHER RESOLVED that the SBCAG Board of Directors certifies that the urban transportation planning process is being carried on with applicable federal requirements as described in the "Statewide Planning; Metropolitan Planning; Rule" dated October 28, 1993.

PASSED AND ADOPTED this 19th day of May 2005 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director
Santa Barbara County
Association of Governments

Dick DeWees
Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

Kevin E. Ready, Sr.
Deputy County Counsel