

# M e m o r a n d u m

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**Subject:** **DRAFT 2018 STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) GUIDELINES**

## **SUMMARY:**

The State Transportation Improvement Program (STIP) guidelines describe the policy, standards, criteria and procedures for the development, adoption and management of the STIP. The guidelines are developed in cooperation with the Department of Transportation (Caltrans), regional transportation planning agencies, county transportation commissions and local agencies in accordance with Government Code 14530.1.

The STIP fund estimate must be adopted by August 15 of each odd numbered year. Amended guidelines are generally adopted at the same meeting. Under state law, not later than April 1 of every even year, the California Transportation Commission (Commission) adopts the biennial five-year STIP. The guidelines may not be amended or modified during the period between thirty days following the adoption of the fund estimate and the adoption of the STIP.

To better communicate the project benefits resulting from STIP funding, staff is proposing amendments to the permanent guidelines that provide more information on project outcomes. The 2018 STIP guidelines will continue to emphasize coordination and consistency with adopted regional transportation plans including sustainable communities strategies, the interregional transportation strategic plan, investment strategies and decisions consistent with state and federal laws.

After holding a Fund Estimate and Guidelines workshop in July, staff plans to bring the final 2018 STIP Guidelines to the Commission for adoption in August 2017. Between now and August 2017, staff will monitor enacted state and federal legislation that may affect the STIP, and will include any changes required by law.

## **BACKGROUND:**

The STIP is a biennial five-year plan adopted by the Commission for future allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements. Each new STIP adds two new years to prior programming commitments. The 2016 STIP was adopted in May 2016, and the next STIP must be adopted by April 1, 2018.

Under state law, the Commission adopts the STIP by April 1 of every even year, and may allocate STIP funds only in accordance with the adopted STIP. Updated guidelines for the STIP are adopted biennially prior to the adoption of the Fund Estimate, which is generally adopted in August of every odd year. The 2018 STIP, which will likely be adopted in March 2018, will cover the five-year period from 2018-19 through 2022-23. This five-year period coincides with the four-year share period of 2016-17 through 2019-20 for which there will be a minimum target for programming

**Attachments:**

- Attachment A: Draft STIP Guidelines – Policies and Procedures Specific to the 2018 STIP
- Attachment B: Draft STIP Guidelines – Policies and Procedures to the permanent STIP Guidelines

**DRAFT STIP Guidelines**  
**Policies and Procedures Specific to the 2018 STIP**

The following specific policies and procedures address the particular circumstances of the 2018 STIP:

- Schedule. The following schedule lists the major milestones for the development and adoption of the 2018 STIP:

Caltrans presents draft Fund Estimate	June 28, 2017
STIP Guidelines & Fund Estimate Workshop	July 17, 2017
CTC adopts Fund Estimate & Guidelines	August 16-17, 2017
Caltrans identifies State highway needs	September 15, 2017
Caltrans submits draft ITIP	October 13, 2017
CTC ITIP hearing, North	October 19, 2017
CTC ITIP hearing, South	October 24, 2017
Regions submit RTIPs	December 15, 2017
Caltrans submits final ITIP	December 15, 2017
CTC STIP hearing, South	January 25, 2018
CTC STIP hearing, North	February 1, 2018
CTC publishes staff recommendations	February 28, 2018
CTC adopts STIP	March 21-22, 2018

- Statewide Fund Estimate. The overall statewide capacity for the 2018 STIP Fund Estimate identifies net new capacity in the five years of the STIP period (2018-19 through 2022-23). The estimate incorporates the 2017-18 Budget Act and other 2017 legislation enacted prior to the Fund Estimate adoption. Programming in the 2018 STIP will be constrained by fiscal year.
- Public Transportation Account. Although the overall statewide capacity for the 2018 STIP Fund Estimate identifies new capacity for the STIP period, the 2018 STIP Fund Estimate indicates a negative program capacity for the Public Transportation (PTA). This means that many of the transit projects currently programmed in the STIP may either have to be delivered with other funds (if eligible) or be unprogrammed.
- Senate Bill 1. Effective 2019-20, SB 1 resets the price based excise tax to 17.3 cents with the provision to adjust it annually for inflation. This will stabilize the funding for the State Highway Account that is directed to fund the STIP. SB 1 however does not provide additional funding for the PTA, instead PTA STIP resources decreased as a result of SB 1.
- County Shares and Targets. The 2018 Fund Estimate indicates that there is capacity to program existing unprogrammed shares balances. The Fund Estimate tables of county shares and targets take into account all county and interregional share through June 30, 2017. For each county and the interregional share, the table identifies the following amounts:
  - Base (Minimum). The base (minimum) is the formula distribution of new capacity available through 2019-20 while accounting for existing unprogrammed share balances. The calculated base for each county is the formula distribution of new capacity, not to exceed the unprogrammed share balance. Because the total

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unprogrammed share balance exceeds the total capacity available through 2019-20, in some instances the base target may be below the unprogrammed share balance.

- Total Target. This target is determined by calculating the STIP formula share of all new capacity through 2022-23. The Total Target is not a minimum, guarantee, or limit on project nominations or on project selection in any county or region for the 2018 STIP.
- Maximum. This target is determined by estimating the STIP formula share of all available new capacity through the end of the county share period in 2023-24. This represents the maximum amount that the Commission may program in a county, other than advancing future shares, pursuant to Streets and Highways Code Section 188.8(j), to a county with a population of under 1 million.
- Advance Project Development Element (APDE). The 2018 STIP Fund Estimate identifies funding for APDE. This will provide funding for environmental and permits and plans, specifications and estimates. The target for APDE is determined by calculating the STIP formula share of the estimated capacity to be available for APDE. Projects programmed using APDE capacity will be identified and tracked separately as they will be treated as advances of regular future county or interregional shares.
- Transit and Rail Projects. As indicated in the 2018 STIP Fund Estimate, there is a negative capacity in PTA funds. Rail and Transit projects currently programmed will need to be delivered with other STIP fund types, if eligible. Regions must identify the eligible fund source if they choose to maintain these projects in the STIP. Region may nominate transit and rail projects in its RTIP within SHA and Federal funding constraints (rolling stock may only be funded with Federal funds).
- Bicycle and Pedestrian projects. Bicycle and pedestrian projects may be programmed in the STIP so long as they are eligible for State Highway Account or Federal funds.
- Limitations on planning, programming, and monitoring (PPM). The fund estimate includes a table of PPM limitations that identifies the 5% limit for county shares for 2020-21 through 2022-23, based upon the 2016 and 2018 Fund Estimates. These are the amounts against which the 5% is applied. The PPM limitation is a limit to the amount that can be programmed in any region and is not in addition to amounts already programmed.
- GARVEE bonding and AB 3090 commitments. The Commission will not consider proposals for either GARVEE bonding or new AB 3090 commitments as part of the 2018 STIP. The Commission will consider AB 3090 or GARVEE bonding proposals as amendments to the STIP after the initial adoption.
- Commission expectations and priorities. For the 2018 STIP, the Commission expects to give first priority to the reprogramming of projects from the 2016 STIP, as amended, followed by:
  1. Project cost increases requested in RTIPs and ITIP but not programmed in the 2016 STIP
  2. Projects or project components programmed in the 2014 STIP and deleted without prejudice in the 2016 STIP
  3. New projects

## **California Transportation Commission Policies and Procedures, 2018 STIP**

Notwithstanding the above, the Commission will consider the Base (Minimum) for their county share period ending in 2022-23 when selecting projects to program in the STIP.

The selection of projects for additional programming will be consistent with the standards and criteria in section 61 of the STIP guidelines. In particular, the Commission intends to focus on RTIP proposals that meet State highway improvement and intercity rail needs as described in section 20 of the guidelines. The Department should provide a list of the identified state highway and intercity rail needs to regional agencies and to the Commission by September 15, 2017. Should the Department fail to provide a region and the Commission with this information, the Commission intends to assume there are no unmet state highway or intercity rail needs in that region.

Governor Brown issued Executive Order B-30-15 on April 29, 2015, related to climate change and ordering that a new interim statewide greenhouse gas emission reduction target to reduce greenhouse gas emissions to 40 percent below 1990 levels by 2030 is established. The order states that State agencies shall take climate change into account in their planning and investment decisions, and employ full life-cycle cost accounting to evaluate and compare infrastructure investments and alternatives. In addition, State agencies' planning and investment shall be guided by the following principles:

- Priority should be given to actions that both build climate preparedness and reduce greenhouse gas emissions;
- Where possible, flexible and adaptive approaches should be taken to prepare for uncertain climate impacts;
- Actions should protect the state's most vulnerable populations; and
- Natural infrastructure solutions should be prioritized.

Executive Order B-30-15 must be considered by the Department and Regional Agencies when proposing new programming for the 2018 STIP. The Commission intends to consider Executive Order B-30-15 when approving programming recommendations in the event that programming requests exceed programming capacity.

- In order to establish baseline information, the regional agencies and Caltrans must submit project output information, consistent with Section 19C, for all currently programmed projects carried forward into the 2018 STIP.

**CALIFORNIA TRANSPORTATION COMMISSION**

**DRAFT STIP GUIDELINES**

**June 27, 2017**

**CALIFORNIA TRANSPORTATION COMMISSION  
STIP GUIDELINES**

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**I. Introduction:**

1. Purpose and Authority. These guidelines describe the policy, standards, criteria and procedures for the development, adoption and management of the state transportation improvement program (STIP). They were developed and adopted in cooperation with Caltrans, regional transportation planning agencies, county transportation commissions and local agencies in accordance with Government Code Section 14530.1. The guidelines were developed and adopted with the following basic objectives:
  - Develop and manage the STIP as a resource management document.
  - Facilitate transportation decision making by those who are closest to the transportation problems.
  - Recognize that although Caltrans is owner-operator of the State highway system, the regional agencies have the lead responsibility for resolving urban congestion problems, including those on state highways.
  - Provide incentives for regional accountability for the timely use of funds.
  - Facilitate the California Transportation Commission, and Caltrans role as guardian of State capital dollars, with responsibility for determining how best to manage those dollars in a wise and cost-effective manner.
  - Facilitate cooperative programming and funding ventures between regions and between Caltrans and regions.
  - Recognize regional and statewide goals and objectives in the improvements of the state's multi-modal transportation system.
  - Emphasize partnerships between Caltrans and regional agencies in making investment decisions addressing the most critical corridor needs, regardless of mode choice or system condition.

The Commission intends to carry out these objectives through its guidelines, stressing accountability, flexibility, and simplicity.

2. Biennial Fund Estimate. By July 15 of each odd numbered year Caltrans shall submit to the Commission a proposed fund estimate for the following five-year STIP period. The Commission shall adopt the fund estimate by August 15 of that same year. The assumptions on which the fund estimate is based shall be determined by the Commission in consultation with Caltrans, regional agencies and county transportation commissions.
3. STIP Adoption. Not later than April 1 of each even numbered year the Commission shall adopt a five-year STIP and submit it to the legislature and to the Governor. The STIP shall be a statement of the Commission's intent for allocation and expenditure of funds for the following five years as well as a resource management document to assist in the planning and utilization of transportation resources in a cost-effective manner. The STIP shall be developed consistent with the fund estimate and the total amount programmed in each fiscal year of the STIP shall not exceed the amount specified in the fund estimate. The adopted STIP shall remain in effect until a new STIP is adopted for the next two year STIP cycle.

4. Amendments to STIP Guidelines. The Commission may amend the adopted STIP guidelines after first giving notice of the proposed amendment and conducting at least one public hearing. The guidelines may not be amended or modified during the period between thirty days following the adoption of the fund estimate and the adoption of the STIP.
5. Federal TIPs and Federal STIP. These guidelines apply only to the transportation programming requirements specified in state statutes. They do not apply to transportation programming requirements specified in federal statutes. Generally, all projects receiving federal transportation funds must be programmed in a federal TIP (for projects in urbanized regions) and also in a federal STIP. Metropolitan Planning Organizations are responsible for developing and adopting federal TIPs and Caltrans is responsible for preparing the federal STIP. The requirements for federal TIPs and the federal STIP are specified in federal statutes (Title 23 USC) and federal regulations (23 CFR part 450).

## **II. STIP Contents:**

6. General. The STIP is a biennial document adopted no later than April 1 of each even numbered year. Each STIP will cover a five year period and add two new years of programming capacity. Each new STIP will include projects carried forward from the previous STIP plus new projects and reserves from among those proposed by regional agencies in their regional transportation improvement programs (RTIPs) and by Caltrans in its interregional transportation improvement program (ITIP). State highway project costs in the STIP will include all Caltrans project support costs and all project listings will specify costs for each of the following four components: (1) completion of all permits and environmental studies; (2) preparation of plans, specifications, and estimates; (3) right-of-way acquisition; and (4) construction and construction management and engineering, including surveys and inspection. (See Sections 47 and 50 of these guidelines for guidance on the display of project components and their costs.)
7. County and Interregional Shares. The STIP consists of two broad programs, the regional program funded from 75% of new STIP funding and the interregional program funded from 25% of new STIP funding. The 75% regional program is further subdivided by formula into county shares. County shares are available solely for projects nominated by regions in their RTIPs. The Caltrans ITIP will nominate only projects for the interregional program. Under restricted circumstances, an RTIP may also recommend a project for funding from the interregional share (see Section 32 of these guidelines).

The 1998 STIP period constituted a single county share period ending 2003-04; later county share periods are discrete 4-year periods, ending 2015-16, 2019-20, etc. Both surpluses and deficits of county shares and interregional shares carry forward from one period to the next. The Commission will program each new project, including Caltrans support costs, either from a county share or from the interregional share. (See Sections 53-59 of these guidelines for the method of counting cost changes after initial programming.)

8. Joint Funding from Regional and Interregional Shares. If Caltrans and a regional agency agree, they may recommend that a new project or a project cost increase be jointly funded

from county and interregional shares. In that case, the region will nominate the county share in the RTIP and Caltrans will nominate the interregional share in the ITIP.

9. Prior Year Projects. The STIP shall include projects from the prior STIP that are expected to be advertised prior to July 1 of the year of adoption, but for which the Commission has not yet allocated funds.
10. 1996 STIP Projects. All 1996 STIP project costs will be funded off the top prior to the division of new funds between the regional and interregional programs. This grandfathered funding will include Caltrans support costs, and the project cost display for 1996 STIP projects will conform to the same standards used for new STIP projects. Any cost changes to construction or right-of-way capital costs for 1996 STIP projects will be drawn from or credited to county and interregional shares the same as if they were cost changes to new STIP projects. Caltrans support costs for 1996 STIP projects will be drawn from county and interregional shares only to the extent that they are attributable to a change in project scope since the 1996 STIP. Except where there is a proposal for jointly funding a cost increase from county and interregional shares, cost changes that Caltrans requests for projects originally programmed under the former intercity rail, interregional road system, or retrofit soundwall programs or for NAFTA projects programmed in the 1996 STIP will be drawn from or credited to the new interregional share. All other cost changes will be drawn from or credited to the appropriate regional share. Caltrans, in the ITIP, shall report on the budgets for all ongoing grandfathered 1996 STIP projects. This reporting shall include a comparison of actual expenditures compared to project budgets as reported in the 2010 ITIP.
11. Multi-Modal Corridor. A corridor is defined as a largely linear geographic band defined by existing and forecasted travel patterns involving both people and goods. The corridor serves a particular travel market or markets affected by similar transportation needs and mobility issues. It includes various modes that provide similar or complementary transportation functions, including cross-mode connections.
12. Transportation Management System Improvements. The Commission supports implementation and application of transportation management systems (TMS) improvements to address highway congestion and to manage transportation systems. Under current statutes Caltrans is owner operator of the state highway system and is responsible for overall management of the state highway system. The regional transportation agencies are responsible for planning and programming transportation strategies, facilities and improvements which address regional transportation issues and system wide congestion. The Commission encourages the regions and Caltrans to work cooperatively together to plan, program, implement, operate and manage transportation facilities as an integrated system with the objective of maximizing available transportation resources and overall transportation system performance.

Considering this objective and the respective responsibilities of Caltrans and the regional agencies, it is the Commission's policy that TMS improvements for state highways may be programmed in the State Highway Operations and Protection Program (SHOPP) by Caltrans in consultation with regional agencies if such improvements are part of a region's adopted strategy for addressing system wide congestion. The regions are encouraged to program

TMS improvements in their RTIP for STIP programming if timely programming through the SHOPP is not possible because of funding limitations in the SHOPP. TMS improvements include the following types of projects:

- Transportation Management Centers (TMCs) including necessary computer software and hardware.
- TMC interconnect projects which allow a TMC to substitute for another TMC during an emergency.
- TMC field elements such as, but not limited to, traffic sensors, message signs, cameras and ramp meters, which upgrade the existing facilities and are necessary to facilitate the operation of the TMC.

The application of TMS improvements should be coordinated with other operational improvements such as freeway ramp/local street access modifications and auxiliary lanes in order to maximize the TMS benefits. Prior to programming a new highway facility for construction, reconstruction or rehabilitation in the STIP or in the SHOPP, regions and Caltrans should fully consider transportation systems management plans and needs and include any necessary TMC field elements to support operation of existing or planned TMCs.

**13A.** Capacity Increasing Highway Operational Improvements. State highway operational improvements which expand the design capacity of the system such as those listed below are not eligible for the SHOPP. To the extent such projects address regional issues, the regional agency is responsible for nominating them for STIP programming through the RTIP process. To the extent such projects address interregional issues, Caltrans is responsible for nominating them for STIP programming through the ITIP process.

1. High Occupancy Vehicle (HOV) lanes and HOV interchanges.
2. Interchange design modifications and upgrades to accommodate traffic volumes that are significantly larger than the existing facility was designed for.
3. Truck or slow vehicle lanes on freeways of six or more mixed flow lanes.

**13B.** Non-Capacity Increasing Highway Operational Improvements. State highway operational improvements which do not expand the design capacity of the system and which are intended to address spot congestion and are not directly related to TMCs or TMC field elements are eligible for the SHOPP. Regions may nominate these types of projects for STIP programming through the RTIP process if timely implementation through the SHOPP is not possible. Examples of such projects include:

1. Auxiliary lanes for merging or weaving between adjacent interchanges.
2. Intersection modifications including traffic signals.
3. Slow vehicle lanes on conventional highways and four lane freeways.
4. Curve and vertical alignment corrections.
5. Two-way left turn lanes.
6. Channelization.
7. Turnouts.
8. Chain control and truck brake inspection sites.
9. Shoulder widening.

**III. STIP Requirements for All Projects:**

14. Project Study Reports. A new project may not be included in either an RTIP or the ITIP without a complete project study report (PSR) or, for a project that is not on a State highway, a PSR equivalent. This requirement applies to the programming of project development components as well as to right-of-way and construction. This requirement does not apply to the programming of project planning, programming, and monitoring funds. A PSR is a report that meets the standards of the Commission's PSR guidelines. ~~For a Traffic Congestion Relief Program (TCRP) project, a TCRP project application is a PSR for the phases of work included in the application.~~ For a transit project, the Commission's Uniform Transit Application is a PSR equivalent. A project study report equivalent will, at a minimum, be adequate to define and justify the project scope, cost and schedule to the satisfaction of the regional agency. Though a PSR or equivalent may focus on the project components proposed for programming, it must provide at least a preliminary estimate of costs for all components. The PSR, PSR equivalent, or Project Report must be submitted with the RTIP or ITIP, or a link may be provided to view the document electronically.
15. Programming Project Components Sequentially. 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 Commission recognizes a particular benefit in programming projects for environmental work only, since project costs and particularly project scheduling often cannot be determined with meaningful accuracy until environmental studies have been completed. The premature programming of post-environmental components can needlessly tie up STIP programming resources while other transportation needs go unmet.

The Commission 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 Commission 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 projects where the agency is seeking federal discretionary funds such as New Starts or Small Starts for construction, the commitment may take the form of federal acceptance into Accelerated Project Delivery and Development (in the case of Small Starts) with the expectation of federal approval of an Expedited Grant Agreement, or federal approval of a project to enter Engineering (in the case of New Starts) with the expectation of federal approval of a Full Funding Grant Agreement, as long as all funding, excluding STIP funding, is committed to the project. A project that is programmed prior to receiving federal approval for construction must receive the federal approval for construction prior to construction allocation and no later than the end of the first full federal fiscal year after adoption of the STIP or STIP amendment, or the project will be deleted from the STIP.

When proposing to program only preconstruction components for a project, Caltrans or the regional agency should 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.

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 fact sheets (see Section 45 of these guidelines).

16. Completion of Environmental Process. The Commission may program funding for project right-of-way or construction only if it finds that the sponsoring agency will complete the environmental process and can proceed with right-of-way acquisition or construction within the five-year period of the STIP. In compliance with Section **21102 and 21150** of the Public Resources Code, the Commission may not allocate funds to **state or** local agencies for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act. As a matter of policy, the Commission will not allocate funds for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act. Exceptions to this policy may be made in instances where federal law allows for the acquisition of right-of-way prior to completion of National Environmental Policy Act review.
17. Caltrans/Regional Consultations. Caltrans and regional agencies shall consult with each other in the development of the ITIP and the RTIPs. As a part of this consultation, Caltrans will advise regional agencies, as far in advance as is practicable, of projects that may be or are likely to be included, in the ITIP, including the potential for joint funding from county and interregional shares, and will seek the advice of the regional agencies regarding these projects. **Caltrans will also advise the appropriate regional agencies, as far in advance as is practicable, of any schedule and cost changes for Caltrans implemented projects funded from regional shares in the STIP.** The consultation should allow regional agencies to consider and to advise Caltrans regarding the potential impact of the ITIP on the programming of projects in the RTIP. The Commission encourages Caltrans to assist the regional agencies that are responsible for preparing a Federal TIP by identifying projects that may be included in the ITIP, recognizing that Federal regulations generally require that a project in a county with an urbanized area be included in the Federal TIP in order to qualify for Federal funding.

As part of this consultation, each regional agency should seek and consider the advice of Caltrans regarding potential regional program funding for State highway and intercity rail projects and should advise Caltrans, as far in advance as is practicable, of staff recommendations or other indications of projects that may be or are likely to be included in the RTIP. The consultation should allow Caltrans to consider and advise the regional agency regarding the potential impact of the RTIP on the programming of projects in the ITIP.

Where the regional agency prepares a Federal TIP, the consultation should provide for the timely inclusion of State highway projects in the Federal TIP.

Nothing in this section is meant to require that Caltrans or a regional agency make final commitments regarding the inclusion of particular projects in the ITIP or RTIP in advance of the December 15 deadline for submission.

18. Minor Projects. There is no minimum size for a STIP project. The minor reserve in the Caltrans State Highway Operation and Protection Program (SHOPP) is for SHOPP projects only. The Commission will not allocate funds from the SHOPP minor program for capacity-increasing projects, including bicycle and pedestrian facilities, soundwalls, and enhancements and mitigation for STIP projects.
19. Criteria for Measuring Performance and Cost-Effectiveness. Regions and Caltrans are responsible for developing goals, objectives and priorities that include consideration of the overall performance of the transportation system consistent with federal and state planning requirements. These goals and objectives are incorporated in the region's regional transportation plan (RTP) and are also reflected in the region's RTIP, and similarly in Caltrans' interregional transportation strategic plan (ITSP) and ITIP. In order to maximize the state's investments in transportation infrastructure, it is the Commission's policy that each RTIP and the ITIP will be evaluated for performance and cost-effectiveness at the regional level and, where applicable, at the project level.

The Commission will evaluate each RTIP and the ITIP based on the following:

- A. A performance evaluation at the regional level and how each RTIP furthers the goals of the region's RTP, and if applicable, its Sustainable Communities Strategies (SCS), and for Caltrans, how the ITIP furthers the goals of the ITSP.
- B. An evaluation of the cost-effectiveness of the RTIP at the regional level or ITIP at the statewide level.
- C. Project specific data on proposed changes to the built environment.
- D. For projects with total cost of \$50 million or greater, or STIP programming for right-of-way and/or construction of \$15 million or more, a project specific benefit evaluation will be performed to estimate its benefit to the regional system from changes to the built environment. Consistent with Executive Order B-30-15, the project specific benefit evaluation must include a full life-cycle cost evaluation and take climate change impacts into account.

The Commission will consider the evaluations submitted by regions when making decisions on RTIPs as described in Section 60 of these guidelines. The Commission will consider the evaluations submitted by Caltrans when making decisions on the ITIP as described in Section 62 of these guidelines.



The Commission expects that these evaluations will be on a life-cycle basis (full cost through the life of the project, including maintenance and operation).

A. Regional level performance evaluation.

Caltrans and each region that is a Metropolitan Planning Organization (MPO) or within an MPO shall include an evaluation of overall (RTP or CTP/ITSP level) performance using, as a baseline, the regions' or state's existing monitored data. To the extent relevant data and tools are available, the below listed performance measures may be reported:

- Vehicle Miles Traveled (VMT) per capita.
- Percent of congested VMT (at or below 35 mph).
- Commute mode share (travel to work or school).
- Percent of distressed state highway lane-miles.
- Pavement Condition Index (local streets and roads).
- Percent of highway bridge lane-miles in need of replacement or rehabilitation (sufficiency rating of 80 or below).
- Percent of transit assets that have surpassed the FTA useful life period.
- Highway Buffer Index (the extra time cushion that most travelers add to their average travel time when planning trips to ensure on-time arrival).
- Fatalities and serious injuries per capita.
- Fatalities and serious injuries per VMT.
- Percent of housing and jobs within 0.5 miles of transit stops with frequent transit service.
- Mean commute travel time (to work or school).
- Change in acres of agricultural land.
- CO<sub>2</sub> emissions reduction per capita.
- **Reliability, accessibility and on-time performance for rail and transit.**
- **Farebox recovery ratio.**

Regions outside an MPO shall include any of the above measures that the region currently monitors. A region outside a MPO (or a small MPO) may request, and Caltrans shall provide, data on these measures relative to the state transportation system in that region.

As an alternative, a region outside an MPO (or a small MPO) may use the Performance Monitoring Indicators identified in the Rural Counties Task Force's Rural and Small Urban Transportation Planning study dated June 3, 2015. These include:

- Total Accident Cost,
- Total Transit Operating Cost per Revenue Mile,
- Total Distressed Lane Miles, and
- Land Use Efficiency (total developed land in acres per population).

The evaluation of overall performance shall include a qualitative or quantitative assessment of how effective the RTIP or the ITIP is in addressing or achieving the goals, objectives and standards which correspond to the relevant horizon years within the region's RTP or Caltrans

ITSP that covers the 5-year STIP period. Caltrans' evaluation of the ITIP shall also address ITIP consistency with the RTPs.

In addition, each region with an adopted sustainable communities strategy (SCS) shall include a discussion of how the RTIP relates to its SCS. This will include a quantitative or qualitative assessment of how the RTIP will facilitate implementation of the SCS and also identify any challenges the region is facing in implementing its SCS. In a region served by a multi-county transportation planning organization, the report shall address the portion of the SCS relevant to that region. As part of this discussion, each region shall identify any proposed or current STIP projects that are exempt from SB 375.

B. Evaluation of the cost-effectiveness of the RTIP or ITIP.

Regions shall, if appropriate and to the extent necessary data and tools are available, use the performance measures outlined above to evaluate cost-effectiveness of projects proposed in the STIP on a regional level. Caltrans shall do so at the statewide level.

C. Project-level evaluations-outputs.

For each new project proposed, the region or Caltrans shall provide data on the proposed changes to the built environment, including but not limited to the items listed below. Such data shall be included in the PPR.

For state highway projects:

- New general purpose lane-miles.
- New HOV/HOT lane-miles.
- Lane-miles rehabilitated.
- New bicycle/pedestrian lane/sidewalk miles.
- Operation improvements.
- New or reconstructed interchanges.
- New or reconstructed bridges.

For intercity rail and rail/transit projects:

- Additional transit miles or vehicles.
- Miles of new track.
- Rail crossing improvements.
- Station improvements.

For local street and road projects:

- New lane-miles.
- Lane-miles rehabilitated.
- New bicycle/pedestrian lane/sidewalk miles.
- Operation improvements.
- New or reconstructed bridges.

- D. A project level benefit evaluation shall be submitted for projects for which construction is proposed, if:
- The total amount of existing and proposed STIP for right-of-way and/or construction of the project is \$15 million or greater, or
  - The total project cost is \$50 million or greater.

The project level benefit evaluation shall address the specific benefits of the proposed project using as many of the following measures as are relevant:

- Change in Vehicle Miles Traveled (VMT) per capita.
- Change in percent of congested VMT (at or below 35 mph).
- Change in commute mode share (travel to work or school).
- Change in percent of distressed state highway lane-miles.
- Change in Pavement Condition Index (local streets and roads).
- Change in percent of highway bridge lane-miles in need of replacement or rehabilitation (Sufficiency Rating of 80 or below).
- Change in percent of transit assets that have surpassed the FTA useful life period.
- Change in highway Buffer Index (the extra time cushion that most travelers add to their average travel time when planning trips to ensure on-time arrival).
- Change in fatalities and serious injuries per capita.
- Change in fatalities and serious injuries per VMT.
- Change in percent of housing and jobs within 0.5 miles of transit stops with frequent transit service.
- Change in mean commute travel time (to work or school).
- Change in acres of agricultural land.
- Change in CO<sub>2</sub> emissions reduction per capita.
- **Changes in reliability, accessibility and on-time performance.**
- **Change in farebox recovery ratio.**

The project level benefit evaluation shall include a Caltrans generated benefit/cost estimate, including life-cycle costs for projects proposed in the ITIP. For the RTIP, the regions may choose between the Caltrans estimate and their own estimate (explain why the Caltrans estimate was not used). The project level evaluation must explain how the project is consistent with Executive Order B-30-15. The evaluation shall be conducted by each region and by Caltrans before the RTIPs and the ITIP are submitted to the Commission for incorporation into the STIP.

#### **IV. Regional Improvement Program:**

20. Submittal of RTIPs. After consulting with Caltrans, each regional agency shall adopt and submit its RTIP to the Commission and to Caltrans no later than December 15 of each odd-numbered year. The RTIP will include and separately identify:
- (a) Programming proposals from the county share(s), consistent with the STIP fund estimate and Section 23 of these guidelines. These proposals may include new projects and changes to existing STIP projects.

- (b) Programming proposals from the county Advance Project Development Element (APDE) share, which is treated as an advance of future share (see Sections 37-42).
- (c) Any request to advance a future county share for a larger project (permitted only in regions under 1 million population).
- (d) Any project recommendations for the interregional share.
- (e) A discussion of the proposed project's impact on other projects planned or underway within the corridor;
- (f) Information on STIP projects (in the RTIP) completed since the last RTIP submittal (see section 68).

After approval by the regional agency Board, each RTIP will be made available electronically by the regional agency on its website, with the link provided to the Commission.

Each RTIP shall be based on the regional transportation plan that has been developed and updated pursuant to Government Code Section 65080, and a region wide assessment of transportation needs and deficiencies. Programming in the RTIP should not be based on a formula distribution of county share among agencies or geographic areas.

Caltrans may nominate or recommend State highway improvement projects for inclusion in the RTIP for programming from the county share. Caltrans should also identify any additional State highway and intercity rail improvement needs within the region that could reasonably expect to be programmed within the 3 years beyond the end of the current STIP period using revenue assumptions similar to those adopted for the fund estimate. These programming recommendations and this identification of State highway and intercity rail improvement needs should be provided to the regional agency at least 90 days prior to the due date for submittal of the RTIP or, if a later due date for project nominations is set by the regional agency, prior to that date. The regional agency has sole authority for deciding whether to accept Caltrans' STIP recommendations for programming in the RTIP. Caltrans shall provide a copy or list of its RTIP recommendations and identification of additional State highway and intercity rail needs for each region to the Commission. Each region shall, in its RTIP, include a comparison of the projects in its RTIP and the State highway and intercity rail improvement needs identified by Caltrans, including a discussion of significant differences.

When Caltrans makes its RTIP recommendation and identification of State highway and intercity rail improvement needs, it should also share with the regional agency its plans for SHOPP projects that may be relevant to the region's consideration of RTIP projects. This is apart from the statutory requirement to make a draft of the SHOPP available for review and comment.

21. Project Planning, Programming, and Monitoring. The RTIP may propose to program up to 5 percent of the county share for project planning, programming and monitoring (PPM) by the transportation planning agency or, within the Southern California Association of Governments (SCAG) area, by a county transportation commission. If the RTIP proposes programming funds for both SCAG and a county transportation commission, the total will not exceed 5 percent of the county share.

Funds programmed for this purpose should be spread across the years of the STIP. When allocated by the Commission, the funds will be available to cover costs of:

- Regional transportation planning, including the development and preparation of the regional transportation plan.
- Project planning, including the development of project study reports or major investment studies, conducted by regional agencies or by local agencies in cooperation with regional agencies.
- Program development, including the preparation of RTIPs and studies supporting them.
- Monitoring the implementation of STIP projects, including project delivery, timely use of funds, and compliance with State law and the Commission's guidelines.

Caltrans expenses for these purposes are included in the Department's annual budget and will not be funded through the STIP except when Caltrans is reimbursed for project study reports by a region using funds allocated to that region for PPM.

22. Bicycle and Pedestrian Projects in the RTIP. Bicycle and pedestrian projects may be programmed by a region in its RTIP as these projects are eligible for either State Highway Account or Federal funds.
23. County Shares, Advances, and Reserves. The fund estimate will identify, for each county, (1) the county share for the share period that ends during the current STIP period, (2) the county's proportionate share for the portion of the new four-year period that falls within the current STIP period, and (3) the balance of the estimated share for the four-year period that extends beyond the current STIP period. For the 2018 STIP fund estimate, for example, this means (1) the available share for the period ending 2019-20, (2) the county's proportionate share for the period ending **2022-23**, and (3) an estimated proportionate share for the period ending in 2023-24.

Any region may, in its RTIP, propose projects or project components during the STIP period from all of these shares, including the share for the period that extends beyond the STIP period. Unless the Commission rejects an RTIP, as described in Section 60, the Commission will include in the STIP, at a minimum, all RTIP projects carried forward from the prior STIP and all new RTIP programming proposed within the level of the county share for the share period that ends during the current STIP (i.e., for the **2018** STIP, the share for the period ending **2019-20**). Beyond that, as described in Section 61, the Commission may include in the STIP either more or less than each region's proportionate share for the new share period. Overall, the Commission may not program more than the available statewide capacity for the STIP period. The RTIP shall identify those projects or project components that it proposes to program within the STIP period from the share for each four-year share period.

As authorized by Streets and Highways Code Section 188.8(j), a region for a county with a population of less than 1 million may also, in its RTIP, ask the Commission to advance an amount beyond its county share for a larger project. The requested advance may not exceed 200 percent of the county share for the four-year share period that extends beyond the current STIP period, as identified in the Fund Estimate. The RTIP will separately identify the project

or project components it proposes to program with the advance, following the same display format used for other RTIP projects.

Any region may, in its RTIP, ask to leave all or part of its county share unprogrammed, thus reserving that amount to build up a larger share for a higher cost project or otherwise to program projects in the county at a later time. The Commission may use funds freed up by these reserves to advance county shares in other counties. The Commission, with the consent of Caltrans, may also consider advancing county shares by reserving a portion of the interregional share until the next county share period.

24. Federal Match. A region may, in its RTIP, propose to program State funds to match federal funds committed to a project. Such projects must meet the eligibility restrictions of the available state funds. For example, a transit project may not use State Highway Account funds as a match to federal funds unless the project is eligible under Article XIX of the California Constitution. The match for rail rolling stock and buses purchases can only be programmed in the STIP if PTA capacity is available or if the project is eligible for Toll Credits.
25. Regional Improvement Program Project Eligibility. Except for project planning, programming, and monitoring, all STIP projects will be capital projects (including project development costs) needed to improve transportation in the region. These projects generally may include, but are not limited to, improving State highways, local roads, public transit (including buses), intercity rail, pedestrian and bicycle facilities, grade separations, transportation system management, transportation demand management, soundwalls, intermodal facilities, and safety. Non-capital costs for transportation system management or transportation demand management may be included where the regional agency finds the project to be a cost-effective substitute for capital expenditures. Other non-capital projects (e.g. road and transit maintenance) are not eligible.

In addition to meeting general program standards, all STIP projects must meet eligibility requirements specific to the STIP's funding sources, the State Highway Account (SHA), which includes both State revenues and Federal revenues, and the Public Transportation Account (PTA). Unless the fund estimate specifies otherwise, a region may propose, in its RTIP, projects to be funded from any of these funding sources, or a combination of them. The Commission will provide and calculate STIP county shares without regard to the individual STIP funding sources.

Except for project planning, programming and monitoring, regional program RTIP nominations will be consistent with the following statutory sequence of priorities for programming from the State Highway Account:

- Safety improvements on transportation facilities other than State highways where physical changes, other than adding new capacity, would reduce fatalities and the number and severity of injuries. (Safety projects on State highways are programmed in the SHOPP, however regions may program safety improvements in their RTIP for STIP programming if timely programming through the SHOPP is not possible because of funding limitations in the SHOPP.)

- Transportation capital improvements that expand capacity or reduce congestion, or do both. These improvements may include the reconstruction of local roads and transit facilities and non-capital expenditures for transportation systems management and transportation demand management projects that are a cost effective substitute for capital expenditures.
- Environmental enhancement and mitigation, including soundwall projects.

Article XIX of the California Constitution permits the use of State revenues in the SHA only for State highways, local roads, and fixed guideway facilities.

Article XIX of the California Constitution restricts transit and rail projects that can be funded with nearly all SHA revenues to the “research, planning, construction, and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways, but excluding the maintenance and operating costs for mass transit power systems and mass transit passenger facilities, vehicles, equipment, and services.”

Additionally, SHA revenues may not be expended for these purposes “unless such use is approved by a majority of the votes cast on the proposition authorizing such use of such revenues in an election held throughout the county or counties, or a specified area of a county or counties, within which the revenues are to be expended.”

This means, for example, that rail rolling stock and buses may be funded only from the Federal revenues in the STIP. For such projects, the non-Federal match (generally a minimum of 11½%) can only be programmed in the STIP if PTA capacity is available. If no PTA capacity is available, the match will have to be provided from a non-STIP source.

It is the continuing intent of the Commission that rehabilitation projects, excluding maintenance, on the local streets and roads system remain eligible for funding in the STIP. Proposed projects on local highways functionally classified as local or as rural minor collector (non federal-aid eligible) are also eligible for STIP funding. However, programming of projects on non federal-aid eligible routes shall be limited to availability of state only funding as determined by the Commission.

**Pursuant to Government Code Section 100.15, all capacity increasing projects or a major street or highway lane realignment project proposed in an RTIP shall demonstrate that reversible lanes were considered for the project.**

26. Federalizing Transit Projects. In accordance with Federal statutes and regulations, federal highway funds programmed for transit projects must be transferred from the Federal Highway Administration to the Federal Transit Administration (FTA) for administration when the project or project component is ready to be implemented. In order to facilitate the transfer and timely use of funds, the Commission encourages the implementing agency or

fund applicant to submit grant applications to FTA requesting a grant number and tentative approval of project eligibility prior to requesting Commission allocation of funds.

Transit related projects such as parking structures and multi-modal stations should also be transferred to FTA for administration. However, on an exception basis, FHWA will administer the funds and a grant application and fund transfer will not be necessary. Proposed exceptions should be discussed and agreed to with Caltrans and FHWA prior to programming the project in the STIP and documented in the PSR equivalent and project fact sheet.

27. Increased STIP Funding Participation. An RTIP may propose, from the county share, to increase a project's STIP funding to replace local funding already committed, provided that the local funding has not been and will not be expended or encumbered under contract prior to the Commission's allocation of STIP funds. The proposal will include the revised basis for cost sharing, as specified in Section 49 of these guidelines.

In those instances when any regional agency seeks additional STIP funding for a previously programmed project and the projected funding increase exceeds any increase in the estimated cost of that project, the board of such regional agency, by resolution of a majority of board members, shall declare in writing that the increase in the STIP funding is not for the purpose of "back-filling" other non-STIP funds previously committed to the capital project which have already been, or in the future will be, redirected to non-capital activities and purposes.

28. Pooling of County Shares. Two or more regional agencies may agree to consolidate their county shares for two consecutive county share periods into a single county share for both periods. A pooling agreement will become effective for a county share period if each regional agency adopts a resolution incorporating the agreement and submits it to the Commission with its RTIP. Similarly, SACOG may pool the shares of any counties in its region by adopting a resolution and submitting it with its RTIP.

As an alternative to pooling, two regional agencies may agree to accomplish the same purpose by agreeing to a loan of a specified dollar amount from one region's county share to the other during a STIP period, with the loaned amount to be returned in the following county share period. A regional agency, in its RTIP, may also propose to contribute all or a portion of its current county share for the programming of a project located in another county.

The Metropolitan Transportation Commission (MTC) may pool its county shares for a STIP period by adopting a resolution and submitting it with its RTIP, provided that the amount of any county share advanced or reserved is not more than 15 percent of the county share identified in the Fund Estimate.

29. Consistency with Land Use Plans and Congestion Management Programs. Projects included in the regional program shall be consistent with the adopted regional transportation plan, which state law requires be consistent with federal planning and programming requirements. The federal requirements (23 U.S.C. 134) include factors to be considered in developing transportation plans and programs, including the likely effect of transportation policy decisions on land use and development and the consistency of transportation plans and



programs with the provisions of all applicable short- and long-term land use and development plans.

Congestion Management Programs (CMPs) prepared by counties not electing to be exempted from CMP requirements pursuant to Section 65088.3 of the Government Code shall be incorporated by the Regional Agency into the appropriate RTIP prior to its adoption and submittal to the Commission, pursuant to Government Code Section 65089.2. Projects included in the adopted RTIP shall be consistent with the capital improvement program of the CMP. Projects not in the approved CMP shall not be included in the RTIP unless identified and listed separately.

**V. Interregional Improvement Program:**

30. General. The interregional improvement program consists of STIP projects funded from the interregional program share, which is 25% of new STIP funding. Caltrans will nominate a program of projects for the interregional share in its interregional transportation improvement program (ITIP). The interregional program has two parts:

- (a) The first, funded from up to 10% of new STIP funding, is nominated solely by Caltrans in the ITIP. It is subject to the north/south 40%/60% split and otherwise may include projects anywhere in the State. The projects may include State highway, intercity passenger rail, mass transit guideway, or grade separation projects. Non-capital costs for transportation system management or transportation demand management may be included where Caltrans finds the project to be a cost-effective substitute for capital expenditures.
- (b) The second part, funded from at least 15% of new STIP funding, is not subject to the north/south split. It is limited to intercity rail projects (including Amtrak feeder bus, interregional commuter rail and grade separation projects) and to improvements outside urbanized areas on interregional road system routes (which are specified in statute). At least 15% of the 15% (or at least 2.25% of new STIP funding) must be programmed for intercity rail projects, including interregional commuter rail and grade separation projects.

Under restricted circumstances, an RTIP may also recommend a project for funding from the second part, described in paragraph (b). See Section 32 of these guidelines.

31. Submittal of Caltrans ITIP. After consulting with regional agencies and other local transportation authorities, Caltrans shall submit its draft ITIP to the Commission no later than October 15 of each odd numbered year. Two hearings, one in the south and one in the north, will be held by November 15 to provide opportunity for public input regarding projects proposed in the ITIP. Caltrans shall submit its final ITIP, including a summary of the major comments received at the hearings and responses to those comments, to the Commission no later than December 15 of each odd numbered year. At the same time, Caltrans will transmit a copy of the ITIP to each regional agency. The ITIP will include programming proposals from the interregional share for the five-year STIP period. These proposals may include new projects, program reserves, changes to prior STIP interregional program projects, and the

interregional share of proposals for jointly funding new projects or cost increases from county and interregional shares.

The ITIP shall include, for each proposed project, information (including assumptions and calculations) to support an objective analysis of interregional program priorities. That information, based on the project study report, shall include:

- an estimate of total project costs, including mitigation costs and support costs;
- an estimate of the time of completion of project construction;
- an estimate of annual project benefits (at project opening) due to vehicle time savings and vehicle operating costs;
- for road projects, an estimate of annual project benefits (at project opening) due to reductions in fatalities and injuries;
- for rail or Amtrak feeder bus projects, an estimate of the project's impact on ridership and the need for operating subsidies;
- a discussion of the proposed project's impact on other projects planned or underway within the corridor; and
- a description of how the project would implement the interregional strategic plan, including a description of its impact on California's economic growth, the interregional distribution of goods, and the environment.

The ITIP will be posted on the Department's website, with the link provided to the Commission.

32. Regional Recommendations for the Interregional Program. A regional agency may, in its RTIP, recommend improvements outside urbanized areas on interregional road system routes for funding from the interregional share. Interregional road system routes are defined in statute at Streets and Highways Code Sections 164.10 to 164.20, inclusive. By statute, the Commission may program a regional recommendation for the interregional program only if the Commission "makes a finding, based on an objective analysis, that the recommended project is more cost-effective than a project submitted by [Caltrans]." The Commission cautions regions, especially those with priority needs in both urbanized and nonurbanized areas, that nonurbanized area projects of highest regional priority should be proposed in the RTIP from the county share. The interregional program is not a nonurbanized area program, and the Commission does not intend to use the interregional program to meet most State highway needs in nonurbanized areas. The Commission anticipates programming regional recommendations for funding from the interregional program only when a recommended project constitutes a cost-effective means of implementing the interregional transportation strategic plan (see Section 34 of these guidelines).

Any regional recommendation for the interregional program shall be made in the RTIP and shall be separate and distinct from the RTIP proposal for programming from the county share(s). Each project nominated in this way must constitute a useable segment of highway. The nomination must be to fund the project fully through the interregional program. The nomination may not be part of a proposal for joint funding between the regional and interregional programs. Joint funding proposals may be made only in concert with Caltrans,

with the region proposing the county share in its RTIP and Caltrans proposing the interregional share in the ITIP.

An RTIP proposal for interregional funding should be accompanied by information (including assumptions and calculations) to support the objective analysis that the Commission must make before it can program the project. That information, based on the project study report, shall include:

- an estimate of total project costs, including mitigation costs and support costs;
- an estimate of the time of completion of project construction;
- an estimate of annual project benefits (at project opening) due to vehicle time savings and vehicle operating costs;
- for road projects, an estimate of annual project benefits (at project opening) due to reductions in fatalities and injuries;
- for rail or Amtrak feeder bus projects, an estimate of the project's impact on ridership and the need for operating subsidies;
- a discussion of the proposed project's impact on other projects planned or underway within the corridor; and
- a description of how the project would implement the interregional strategic plan, including a description of its impact on California's economic growth, the interregional distribution of goods, and the environment.

33. Regional Transportation Plan. Projects included in the interregional program shall be consistent with the relevant adopted regional transportation plan(s).

34. Interregional Program Objectives. The Commission envisions an interregional improvement program that works toward achievement of the following six objectives:

- Provide access for people and goods to and through all regions of California.
- Ensure that the interregional transportation system is reliable and efficient for the movement of people, goods, services and emergency response.
- Develop and operate a safe interregional transportation system for all travelers.
- Optimize multi-modal connectivity throughout the interregional transportation system.
- Improve interregional connectivity to enhance California's diverse economy.
- Improve and manage California's interregional transportation system in an environmentally sensitive, economical and equitable manner.

The Caltrans ITIP shall be based on the ITSP for implementing the interregional program, adopted within the prior 5 years. The ITSP should address development of multi-modal corridors including both the interregional road system and intercity rail in California, and it should define a strategy that extends beyond the STIP. The ITIP shall describe how proposed projects relate to the ITSP and how the proposed projects would implement the objectives listed above. The Commission will evaluate the ITIP and any regional recommendations for the interregional program in the light of these objectives and the ITSP.

The interregional improvement program will include both State highway and rail projects (potentially including mass transit guideway and grade separation projects).

For State highways, the interregional program should emphasize an interregional transportation system that provides:

- access to and through or around all regions of California; and
- access to California's major interstate and international gateways, including interstate and international border crossings, international airports, and seaports.

The Commission expects the identification and selection of State highway projects for the interregional program to be based on consideration of cost in relationship to the following benefits, with higher priority given to projects with greater net benefit for the investment made:

- traffic safety, including the potential for reducing fatalities and injuries;
- reduced travel time and vehicle operating costs for interregional travel;
- economic benefits to California of expanding interregional commerce through faster and more reliable access between markets; and
- economic benefits to California of expanding interstate and international trade and commerce through faster and more reliable access to California's international airports and seaports.

Commerce includes the movement of people and goods for any economic purpose. It may include extractive industries (such as mining, agriculture, or timber) or recreation.

There is no expectation that STIP interregional improvements will be evenly spread across the State, and the spreading of funding among regions is not a Commission objective for the interregional program. The Commission does encourage Caltrans and smaller regions (generally with populations less than 250,000) to consider and seek formation of partnerships to jointly fund projects on the interregional road system for the mutual benefit of the region and the state.

For rail, the interregional program should emphasize:

- the preservation and improvement of the existing system of State-sponsored intercity passenger rail and Amtrak feeder bus routes, including compliance with safety and accessibility standards and protection of the State's investment in equipment;
- the reduction of the system's dependence on State operating subsidies;
- the improvement of other passenger rail access between major urban centers, airports and intercity rail routes;
- the use of rail grade separations to improve service reliability for both intercity passenger rail and interregional goods movement; and
- coordination and connectivity with the State's planned high-speed rail system.

The Commission expects the identification and selection of rail capital projects for the interregional program (including Amtrak feeder bus, interregional commuter rail and grade

separations) to be based on consideration of cost in relationship to the following benefits, with higher priority given to projects with greater net benefit for the investment made:

- reduced intercity rail running times and operating costs (which may increase demand and reduce the need for operating subsidies);
- improved intercity rail schedule frequency and reliability (which may increase demand and reduce the need for operating subsidies); and
- economic benefits to California of promoting trade and commerce by creating faster and more reliable highway or rail access to markets, including access to California's international airports and seaports;

For either highways or rail, Caltrans and the Commission may evaluate a project as part of a series of related projects in the same location or corridor. The evaluation may consider the costs and benefits of the projects as a group. All projects in the group should be included in the ITSP for near term funding, whether or not proposed for the STIP.

Where a potential interregional program project may provide substantial local benefits, it is appropriate that costs be divided between the regional and interregional programs. In this case, the evaluation of the project for the interregional program should be based on the interregional program cost share in relationship to the benefits described in this section.

**Pursuant to Government Code Section 100.15, all capacity increasing projects or a major street or highway lane realignment project proposed in the ITIP shall demonstrate that reversible lanes were considered.**

35. Bicycle and Pedestrian Projects in the ITIP. Bicycle and pedestrian projects may be programmed by Caltrans in the ITIP as these projects are eligible for either State Highway Account or Federal funds.

Caltrans may include in the ITIP a bicycle and pedestrian project that relates to the interregional surface transportation of people or goods or that is a capital outlay project of statewide benefit and interest. The project should provide an alternative to travel on a State highway that is part of the interregional road system or provide access to a state or national park or to an interregional surface transportation facility.

36. Projects and Reserves. The ITIP shall include a complete proposal for the programming of the STIP interregional share which complies with the various statutory restrictions, including: the two parts described in Section 30 of these guidelines (the 10% and 15% parts), the north/south split of the first part, and the 2.25% intercity rail minimum of the second part. Any portion of the interregional share that is not proposed for a specific project may be proposed as a reserve for future programming. This may include reserves of any kind, including a proposal to reserve a portion of the interregional share for the next share period in order to free up funding for county share advances.

## **VI. Advance Project Development Element:**

37. Fund Estimate for Advance Project Development Element. Each fund estimate will identify an amount available pursuant to subdivision (c) of Section 14529.01 of the Government Code for the STIP Advance Project Development Element (APDE), with county and interregional shares identified separately. These APDE amounts are independent of the amounts identified as regular programming capacity.
38. Programming of APDE County and Interregional Shares. Regions and Caltrans may propose projects from their respective county and interregional APDE shares in the RTIPs and ITIP, and they may propose joint regional and interregional APDE funding for a project. The proposal and adoption of projects will be the same as for other STIP projects, except that projects to be programmed through the APDE are limited to the two STIP project development components: (1) environmental and permits and (2) plans, specifications, and estimates. Projects may not be programmed through the APDE if they are simultaneously programmed for acquisition of right-of-way (including support) or construction from regular STIP programming capacity. Project development work already programmed in the STIP may not be shifted to the APDE.
39. Program Year. APDE projects will be proposed for programming and adopted into the STIP and allocated in the same manner as other STIP projects. They may be proposed for any of the STIP's five fiscal years. APDE local projects, when programmed, are subject to the STIP's timely use of funds provisions.
40. Program Amendments. APDE projects may be amended into the STIP at any time in the same manner as other STIP amendments. The amendments will identify the county or interregional APDE share from which the projects are to be funded.
41. Effect on Regular County and Interregional Shares. APDE programming will be treated as an advance of regular future county or interregional share, although every county, including a county in a region over 1 million population, is eligible for APDE programming. If all or a portion of any county or interregional APDE share is not programmed, that amount will become available to program for any STIP purpose in the next STIP. Amounts that are programmed in the current STIP from an APDE share will be deducted from the regular county or interregional share for the next STIP. The Fund Estimate for the next STIP will include a new APDE fund estimate with new county and interregional APDE shares.
42. APDE Shares May Not Be Exceeded. The programming of a county or interregional APDE share may not exceed the amount identified in the Fund Estimate. A county or interregional APDE share may not be loaned or advanced. However, regional agencies that have agreed to pool their regular county shares (Section 28 of these guidelines) may also pool their APDE shares. Any region may choose to program project development work from its regular STIP county share.

**VII. Display of project descriptions and costs:**

43. Project Description. The STIP will include the following information for each project, which shall be included in the RTIP or ITIP proposing the project:
  - (a) The name of the agency responsible for project implementation.

- (b) The project title, including a brief nontechnical description of the project location and limits (community name, corridor, street name, etc.), and a phrase describing the type and scope of the project. By definition, the Commission will regard the limits for a rehabilitation project on local streets and roads as including adjacent or nearby streets and roads, thus providing greater flexibility in project scope.
  - (c) A unique project identification number (PPNO) provided by Caltrans.
  - (d) For projects on the State highway system, the route number and post-mile (or post-kilometer) limits.
  - (e) Any appropriate funding restriction or designation, including projects eligible for Public Transportation Account funding, projects requiring state-only funding, or projects requiring Federal funds. Agencies proposing projects requiring state-only funding (including local street and road projects not eligible for federal-aid) should recognize that the availability of state-only funding may be limited
  - (f) Total project cost, including the source and amounts of local or other non-STIP funds, if any, committed to the project.
  - (g) A map showing the project location and corridor.
44. State-only Funding. The Commission will assume that all projects will be qualified for Federal transportation funding unless the RTIP or ITIP designates otherwise. Whenever a region designates a project to be programmed for State-only (non-Federal) funding, the RTIP will explain the reason for this designation. The Commission will not program a State highway project for state-only funding without consulting with Caltrans. Projects programmed without state-only designation and later proposed for state-only funding allocations will be subject to Caltrans recommendation for exception to federal funding prior to Commission approval as described in Section 64 of these guidelines.
45. Project Fact Sheets. For each project proposed for new STIP funding, the RTIP or ITIP will include a project fact sheet that includes the information displayed in Appendix A of these guidelines. All regional agencies proposing funding for rail transit projects will include full funding plans with the RTIP, as described in Section 15 of these guidelines.
46. STIP Database. Caltrans is responsible for developing, upgrading and maintaining an electronic database record of the adopted STIP and Commission actions that amend the STIP. Caltrans will publish the STIP record within 75 days of the STIP adoption and make copies available to the Commission and to the regional agencies. To facilitate development, analysis and management of the STIP, Caltrans will provide the Commission and the regional agencies appropriate access to the STIP database as soon as possible. After a regional agency's access to the database is established, a regional agency will develop its RTIP submittals to the Commission utilizing the STIP database.
47. Cost Estimates for Project Components. For each project proposed for programming, the RTIP or ITIP shall list costs separately for each of the 4 project components: (1) environmental studies and permits; (2) preparation of plans, specifications, and estimates,

(3) right-of-way, and (4) construction. For the right-of-way and construction components on Caltrans projects, the RTIP or ITIP shall list separate costs for Caltrans support and for capital outlay. For Caltrans projects, that brings the total to 6 project cost components.

For each project component, the amount programmed shall be escalated to the year proposed for programming, based on the current cost estimate updated as of November 1 of the year the RTIP or ITIP is submitted. The standard escalation rate for the STIP shall be the rate specified in the fund estimate for the STIP. Caltrans or a region may elect to use alternative escalation factors for right-of-way or other costs as it deems appropriate. STIP costs and non-STIP costs will be displayed separately. For Caltrans implemented projects programmed in an RTIP, Caltrans shall provide the region with cost updates at least 90 days prior to the date RTIPs must be submitted to the Commission.

When project design, right-of-way or construction are programmed before the sponsoring agency completes the environmental process, updated cost estimates shall be submitted in the RTIP or ITIP in the STIP cycle following completion of the environmental process. Cost estimates for project components that are programmed and that have not been allocated shall be updated, as needed, based on the most current cost information during every STIP cycle.

Where a project or project component will be funded from multiple county shares or jointly from the interregional share and a county share, the amounts programmed from the different shares will be displayed separately. Amounts programmed for any component shall be rounded to the nearest \$1,000. For jointly funded projects, the county share or ITIP share contribution programmed for a component shall each be rounded to the nearest \$1,000.

48. Authority and Responsibility. For projects on the State highway system, only cost estimates approved by the Caltrans Director or by a person authorized by the Director to approve cost estimates for programming will be used. For other projects, only cost estimates approved by the Chief Executive Officer or other authorized officer of the responsible local implementing agency will be used.
49. Basis for Cost Sharing. Where a project or project component is to be funded from both STIP and non-STIP sources, the project fact sheet submitted with the RTIP or ITIP shall indicate whether the programming commitment is for a particular dollar amount, a particular percentage of total project cost, or a particular element or item of work.

Where a project or project component is to be jointly funded from the interregional share and a county share or funded from multiple county shares, the project fact sheet submitted with the RTIP and/or ITIP shall indicate the basis to be used for apportioning cost increases or decreases between the shares.

In the absence of an alternate cost sharing arrangement approved by the Commission at the time of allocation, project costs, including increases and savings, will be apportioned in the same percentages as programmed.

Where a project is funded from both STIP and non-STIP sources and where the Commission has approved non-proportional spending allowing for the expenditure of STIP funds before



other funds (sometimes referred to as sequential spending), the project is not eligible for an increase (supplemental) allocation under the authority delegated to Caltrans by Commission Resolution G-12 until all other funds committed to the project have been expended.

**Where a project is delivered using an alternative delivery method (e.g. PPP), with operation and maintenance included, the operation and maintenance shall not be funded from the STIP or subject to cost sharing requirements of this section.**

50. Program Year for Cost Components. The cost of each project cost component will be listed in the STIP no earlier than in the State fiscal year in which the particular project component can be delivered, as described below.
- (a) Project development.
- (1) Local agency project development costs for environmental studies and permits will be programmed in the fiscal year during which environmental studies will begin. The fiscal year during which the draft environmental document is scheduled for circulation will be identified in the STIP. Costs for the preparation of plans, specifications, and estimates will be programmed in the fiscal year during which this work will begin. Local agency costs for environmental studies and design may be listed in different fiscal years, where appropriate.
- (2) Caltrans project development costs for environmental studies and permits will be programmed in the fiscal year during which the environmental studies begin. The fiscal year during which the draft environmental document is scheduled for circulation will be identified in the STIP. Costs for the preparation of plans, specifications and estimates will be programmed in the fiscal year during which this work will begin. Caltrans will report, outside the STIP, on year by year expenditures for project development components.
- (b) Right-of-way. Right-of-way costs, including Caltrans support costs, will be programmed in the fiscal year during which right-of-way acquisition (including utility relocation) contracts will first be executed.
- (c) Construction. Construction costs, including Caltrans construction support costs, will be programmed in the fiscal year during which construction contracts will be advertised. All construction costs that are included in or related to a single construction contract should be listed in one fiscal year, regardless of the length of time over which construction costs will be paid. Projects requiring separate construction contracts should be listed separately for the STIP, even if they are corridor projects grouped for project development and right-of-way programming, as described in Section 58 of these guidelines.
51. Escalation Adjustments. All projects will count against share balances on the basis of their fully escalated (inflated) costs. All project RTIP and ITIP nominations shall therefore be at costs escalated to the year in which project delivery is proposed (see Sections 47 and 50 of these guidelines). Cost estimates for project components that are programmed and that have not been allocated shall be updated, as needed, based on the most current cost information

during every STIP cycle. A revised fact sheet (per appendix A) shall be submitted for every updated project. Commission staff may make further escalation adjustments, in consultation with Caltrans and regions, in making its staff recommendations and in developing the STIP (see Section 63 of these guidelines). Ordinarily, the Commission will apply escalation adjustments only to Caltrans construction costs, not to right-of-way, project development, or local grant projects.

52. Prior Costs for Grandfathered 1996 STIP Projects. For every Caltrans project that will be carried forward to the 1998 STIP, Caltrans will identify the amount of its expenditures for right-of-way (including support) and for project development through the 1997-98 fiscal year. These amounts, when added to the amounts remaining and programmed for the 1998 STIP period, will form the project component base cost for the purpose of share balance tabulations and adjustments, as described in Sections 53-58 of these guidelines.

### **VIII. Share Balances and Adjustments:**

53. Long-term balances. The Commission, with assistance from Caltrans and regional agencies, will maintain a long-term balance of county shares and the interregional share, as specified in Streets and Highways Code Section 188.11. The Commission will make its calculation of the cumulative share balances, as of the end of the preceding fiscal year, available for review by Caltrans and regional agencies by August 15, each year.
54. Local Grant Projects. For the purpose of share balances, the costs counted for local grant projects (all project work not implemented by Caltrans) will be the amounts actually allocated by the Commission. No adjustment will be made after the allocation vote for any amount not expended by the local agency. In order to provide a degree of flexibility to local agencies in administering projects, allocated funds may be shifted between project components to accommodate cost changes within the following limits:
- Any amount that is allocated to a local agency for environmental studies and permits may also be expended by that agency for plans, specifications, and estimates. Any amount that is allocated to a local agency for plans, specifications, and estimates may also be expended by that agency for environmental studies and permits.
  - Additionally, a local agency may expend an amount allocated for project development, right of way, or construction for another project component, provided that the total expenditure shifted to a component in this way is no more than 20 percent of the amount actually allocated for either component. This means that the amount transferred by a local agency from one component to another may be no more than 20 percent of whichever of the components has received the smaller allocation from the Commission.

Shifting of allocated funds between components will not impact county share balances. County share balances will be based on actual amounts allocated for each component.

55. Construction. For the purpose of share balances, the costs counted for Caltrans construction projects are the engineer's final estimate presented to the Commission for allocation vote.

At the request of Caltrans, and with the approval of the regional agency for the county share, the Commission may approve a downward adjustment of the allocation vote if the construction contract award allotment is less than 80 percent of the engineer's final estimate. The Department should make its request by letter to the Commission no later than 3 months after the construction contract award date.

No other adjustment will be made after the allocation vote for the award amount or for changes in expenditures except where the Commission votes a supplemental allocation during or following construction. No adjustment will be made for supplemental allocations made by Caltrans under the authority delegated by Commission Resolution G-12, except that when a Commission supplemental vote is larger than it otherwise would have been because of a prior G-12 rescission (negative G-12) made by Caltrans, the effect of the negative G-12 will be excluded when counting the Commission's supplemental vote for the purpose of share balances. Where a project has not been voted, the programmed amount will be counted.

56. Construction Support. For the purpose of share balances, the costs counted for Caltrans construction support is the amount identified and presented to the Commission for allocation vote. No other share adjustment will be made for cost differences that are less than 120% of the Commission's original allocation. No adjustment will be made for supplemental allocations made by Caltrans under the authority delegated by Commission Resolution G-12. For costs equal to or greater than 120% of the Commission's original allocation, the Commission shall require a supplemental allocation, the full amount of which shall be counted for purposes of share balances.
57. Right-of-Way. For the purpose of share balances, the costs counted for right-of-way on Caltrans projects, including right-of-way support costs, are the amounts programmed for right-of-way in the STIP. No adjustment will be made for cost differences that are within 20 percent of the amount programmed for right-of-way reported at time of construction allocation, and/or at time of contract acceptance. This flexibility is intended to facilitate the tracking of share balances and is not intended to be permission to overspend a project budget.

For projects that achieve right-of-way certifications 1 or 2 at time of Commission construction allocation, costs will be counted at time of vote. For projects with a right-of-way certification other than 1 or 2, the reporting of the final estimate may be deferred until right of way certification is updated. In no case shall this deferral exceed 12 months.

To encourage accurate estimates and minimize the manipulation of share balances, the Commission will consider STIP amendments for project right-of-way costs only in conjunction with the statewide review of right-of-way costs in the annual right-of-way plan.

58. Project Development. For the purpose of share balances, the costs counted for Caltrans project development are the amounts programmed for both environmental studies and permits, and preparing plans, specifications, and estimates. No adjustment will be made for cost differences that are within 20 percent of the amount programmed for project development at time of construction allocation. This flexibility is intended to facilitate the tracking of share balances and is not intended to be permission to overspend a project budget. To encourage accurate estimates and minimize the manipulation of share balances, the

Commission will consider STIP amendments for project development only when the change in total project development costs is 20 percent or more or when changes in project development costs are the result of STIP amendments to change the scope of the project.

59. Federal Earmark Funds. Federal funds earmarked for specific projects that are not subject to federal obligation authority or are accompanied by their own obligation authority, either individually or by project group (such as those specified in the federal SAFETEA-LU authorization act of 2005), are not included in the Fund Estimate or programmed in the STIP. Because these funds are made available outside the STIP, they do not count against county or interregional shares. If the sponsor or implementing agency for the earmarked project seeks RTIP or ITIP funding to match the federal earmark funds or to complete funding for the project, the project becomes a STIP project and the earmark funds are treated as non-STIP funds.

If federal earmark funds become available for projects already programmed in the STIP, the earmark funds may be used in one of three ways. If the STIP project is not fully funded, the earmark funds may be used to help fully fund the project. If the project is fully funded, the earmark funds may be used to increase the scope of the project or they may be used to supplant the state or local funds already committed to the STIP project. If committed funds are supplanted by earmark funds, the beneficiary of the tradeoff will be as follows: For projects funded with county share or local funds, the county share and or local fund will be credited with the benefit. For projects funded with interregional share funds, the interregional share will be credited with the benefit. For projects that are jointly funded, the interregional share, the county share and or the local fund will each be credited with the benefit in proportion to their respective funding commitments in the STIP project.

The Commission advises sponsors and implementing agencies for earmark projects that earmark funds are limited in availability for each specified project, or for groups of projects, to annual obligation authority and to annual allocation percentages specified in federal statutes. This means that the full amount of federal earmark funds specified in federal statute may not be available for the project at the time of planned implementation. These limitations shall be taken into account when determining the amounts of earmark funds available for the options described in the previous two paragraphs.

#### **IX. Commission Action and Adoption:**

60. Commission Action on RTIP Proposals. The Commission will include all RTIP projects nominated from the county share for the four-year share period that ends during the current STIP (i.e., the period ending 2019-20 for the **2018** STIP) unless the Commission finds that (a) the RTIP is not consistent with these guidelines, (b) there are insufficient funds to implement the RTIP, (c) there are conflicts with other RTIPs or with the ITIP, (d) a project is not in an approved CMP or is not included in a separate listing in the approved RTIP as provided by Government Code 65082, or (e) the RTIP is not a cost-effective expenditure of State funds. In making its finding, the Commission will consider the cost-effectiveness evaluation of the RTIP submitted by the region as required in Section 19 of these guidelines. The Commission may also make its own evaluation based on the criteria in Section 19 of these guidelines. If the Commission makes one of those findings, it may reject the RTIP in

its entirety. For the 6-county SCAG area, the Commission will incorporate or reject each county's RTIP separately. For MTC and SACOG, the Commission will incorporate or reject the multicounty RTIP in its entirety. For any counties that choose to pool county shares, the Commission will incorporate or reject the counties' RTIPs together.

If the Commission proposes to reject an RTIP, it will provide notice to the regional agency not later than 60 days after the date it receives the RTIP. The Commission's Executive Director may provide the notice by letter; the notice does not require formal Commission action. The notice will specify the factual basis for the proposed rejection. The Commission will act on the proposed rejection of an RTIP no later than the adoption of the STIP. No later than 60 days after the Commission rejects an RTIP, it will hold a public hearing on the RTIP in the affected region unless the regional agency proposes to waive the hearing and submit a new RTIP. Whenever the Commission rejects an RTIP, the regional agency may submit a new RTIP. Unless the new RTIP is rejected in the same manner, it will be incorporated into the STIP as a STIP amendment. This amendment will not require a separate 30-day public notice if the new RTIP is limited to projects considered in the STIP hearings or in a public hearing on the proposed RTIP rejection.

The Commission may also program projects proposed in the RTIP for funding from the estimated county share for the four-year share period that extends beyond the current STIP (in the 2018 STIP this is the share period ending 2023-24) or from advances against future share periods. A decision by the Commission not to program any of these proposed projects does not constitute or require a rejection of the RTIP. Any portion of the county share for the four-year period that is not programmed in the current STIP will remain available for programming within the same period in the following STIP.

61. Commission Action on Advances and Reserves. In selecting projects for funding beyond the county share for the share period that ends during the current STIP, including advances, the Commission intends to consider regional agency priorities and the extent to which each RTIP includes:
- projects consistent with Governor's Executive Order B-30-15 (based on documentation submitted in the RTIP);
  - projects that implement a cost-effective RTIP, giving consideration to the evaluation submitted as required by Section 19 of these guidelines;
  - projects that complete or fund further components of projects included in the prior STIP;
  - grandfathered projects from the 1996 STIP;
  - projects within the corridor that meet identified State highway and intercity rail improvement needs as described in Section 20;
  - projects that leverage federal discretionary funds
  - projects that leverage discretionary local funds that would otherwise not be spent for a transportation related purpose; and
  - projects that provide regional funding for interregional partnership projects.

If the Commission approves a region's request to advance an amount beyond its county share for the four-year period to program a larger project, the advance will be deducted from the county share for the following county share period. If the Commission does not approve the

advance and does not program the project or project components that the RTIP proposed to program with the advance, the Commission will reserve any portion of the county share that is thereby left unprogrammed until the next STIP. This action will not require a rejection of the entire RTIP.

An RTIP request to reserve part or all of a county share until the next STIP or county share period will free up current period funding that the Commission may use to advance county shares in other counties. The Commission, with the consent of Caltrans, may also consider advancing county shares by reserving a portion of the interregional share until the next county share period.

62. Commission Action on Interregional Program. The Commission will program the interregional share of the STIP from projects nominated by Caltrans in its ITIP or alternative recommendations made by regions in their RTIPs. By statute, the Commission may program a regional recommendation for the interregional program only if the Commission “makes a finding, based on an objective analysis, that the recommended project is more cost-effective than a project submitted by [Caltrans].” The Commission may decline to program any project it finds inconsistent with these guidelines or not a cost-effective expenditure of State funds. In making its finding the Commission will consider the cost-effectiveness evaluation of the ITIP submitted by Caltrans as required in Section 19 of these guidelines. The Commission may also make its own evaluation based on the criteria in Section 19 of these guidelines. After a review of the nominated projects, the Commission may elect to leave a portion of the interregional share unprogrammed and reserved for later interregional programming or, with the consent of Caltrans, may reserve a portion of the interregional share for the next share period in order to free up funding for county share advances.
63. STIP Respreading of Projects. The Commission may program projects, project components and project reserves in fiscal years later than the fiscal years proposed in the RTIP or ITIP if the Commission finds it necessary to do so to insure the total amount programmed in each fiscal year of the STIP does not exceed the amount specified in the fund estimate as required by Section 14529(e) of the Government code. In that case, the Commission will compare all projects nominated for the year(s) from which projects will be postponed, giving consideration to (1) regional priorities and the leveling of regional shares across the STIP period, **and** (2) the availability of PTA or other restricted funds by fiscal year., ~~and (3) in consultation with Caltrans, the need to balance Caltrans’ workload by district and fiscal year.~~

**X. STIP Management:**

64. Allocation of Funds. The Commission will consider allocation of funds for a project or project component when it receives an allocation request and recommendation from Caltrans. The Commission will only consider an allocation of construction and/or construction support funds to projects that are ready to advertise. For ready to advertise projects, the Commission expects Caltrans to certify that a project’s plans specifications and estimate (PS&E) is complete, environmental and right-of-way clearances are secured, and all necessary permits and agreements (including railroad construction and maintenance) are executed. Projects not ready for advertisement will not be placed on the Commission’s agenda for allocation approval. All construction allocations, including rail equipment procurements, are valid for

six months from the date of allocation unless the Commission approves an extension (see Section 65 regarding timely use of funds).

When requesting an allocation of funds for the right-of-way or construction of a transit or intercity rail project in which the transit or rail operator will not own the improved facility, the request for allocation must be accompanied by a copy of the executed agreement with the facility owner that clearly details the benefits the operator is to receive following the capital improvements.

All allocations will be made in units of \$1,000, and all allocation requests shall therefore be in units of \$1,000. The request will include a determination of the availability of funding and a recommendation on the source of funding. The recommendation on the source of funding shall include the amounts by fund account, i.e., State Highway Account, Public Transportation Account, or Federal Trust Fund, as well as the fund type within the account including type of federal funds. Caltrans' recommendation to the Commission for state only funding of a project will be made in accordance with Caltrans' current policy for exceptions to federal funding. The final determination of fund type available for a project will be made in the Commission's allocation of funds to the project. The Commission will approve the allocation only if the funds are available and are necessary to implement the project as programmed in the STIP.

In compliance with Section 21150 of the Public Resources Code, the Commission 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. As a matter of policy, the Commission will not allocate funds to local agencies for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act. Exceptions to this policy may be made in instances where federal law allows for the acquisition of right-of-way prior to completion of National Environmental Policy Act review.

All funds allocated are subject to the timely use of funds provision as described in Section 65 of these guidelines.

Projects using design-build or design-sequencing procurement shall be identified **at the time of programming or as soon as possible prior to allocation**. The allocation may be a combined amount to include design, right-of-way, and construction.

Projects using the Construction Management/General Contractor delivery method should be identified at the time of programming. During the design phase, the Construction Manager/General Contractor contract costs are considered design phase expenditures. Upon award of the construction contract, expenditures will be reported as construction phase expenditures. The project will be programmed and allocated in the same manner as projects utilizing design-bid-build delivery, although flexibility in schedule, scope and cost may be requested and approved consistent with allocation and programming capacity, and timely use of funds rules.

The Commission will consider making an allocation that exceeds the amount programmed in the STIP if a region or the interregional program has an adequate unprogrammed share balance or if the Commission finds it can approve an advance to the county share or to the interregional share. Unallocated amounts are available for allocation until the end of the fiscal year in which they are programmed in the STIP. Funds not allocated are subject to the timely use of funds provision described in Section 65 of these guidelines.

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 Commission may make an allocation in advance of the programmed year if it finds that the allocation will not delay availability of funding for other projects.

When a local agency (including a transit agency) is ready to implement a project or project component, the agency will submit a request to Caltrans. Caltrans will review the request, prepare appropriate agreements with the agency and recommend the request to the Commission for action. The typical time required, after receipt of the application, to complete Caltrans review, and recommendation and Commission allocation is 60 days. The specific details and instructions for the allocation, transfer and liquidation of funds allocated to local agencies are included in the Procedures for Administering Local Grant Projects in the STIP prepared by Caltrans in consultation with the Commission and regional and local agencies.

**Local agencies will report to the Commission semi-annually on expenditures for project development components that have been allocated.**

- 64A. Reimbursement Allocations. Government Code Section 14529.17, as amended by SB 184 (2007), permits a regional or local agency to expend its own funds for a STIP project, in advance of the Commission's approval of a project allocation, and to be reimbursed for the expenditures subsequent to the Commission's approval of the allocation. However, the statute does not require the Commission to approve an allocation it would not otherwise approve. To qualify for reimbursement of expenditures prior to the Commission's approval of a project allocation, the regional or local agency must submit a project allocation request that includes notice of the agency's intent to expend its own funds for the project prior to the allocation approval. The regional or local agency should submit a copy of the allocation request to the Executive Director of the Commission at the same time it submits the original to Caltrans. The local entity must comply with all legal requirements for the project and any project expenditures, including Federal and State environmental laws. Expenditures for projects programmed for Federal funding still require advance approval of the Federal obligation for the project (E-76). It is important that any local agency intending to take advantage of the reimbursement provisions of Section 14529.17 understand its obligations and the risk that is inherently involved.

Only those expenditures made by or under contract to a regional or local agency for a project that was and is programmed in the STIP are eligible for reimbursement allocations by the Commission. Project expenditures must be in accordance with the STIP at the time of



expenditure and at the time of allocation. The following expenditures are not eligible for reimbursement allocations by the Commission:

- expenditures made prior to adoption of the project component in the STIP;
- expenditures made prior to the submittal of the allocation request or prior to the beginning of the fiscal year for which the project is programmed;
- expenditures that exceed the amount that was or is programmed in the STIP for the particular project component;
- expenditures made by Caltrans;
- expenditures made by a regional or local agency for a project component that was or is programmed for Caltrans implementation;
- expenditures made by a regional or local agency on the State highway system, except in accordance with a project-specific cooperative agreement executed between the local agency and Caltrans; and
- expenditures made by a regional or local agency for a project component that was or is programmed for implementation by another regional or local agency, except in accordance with a project-specific agreement between the two agencies.

The Commission will approve reimbursement allocations only if the regional or local agency submits an allocation request prior to the first expenditure and the Commission finds that there was no legal impediment to a Commission allocation, other than lack of State budget authority, at the time of expenditure. If, at the time of the allocation request, the Commission finds that there is a lack of sufficient funding available and that it would otherwise approve the allocation, then the Commission will approve the project for future allocation when funding becomes available. However, even the inclusion of a project in the STIP, the availability of state budget authority, and the lack of specific legal impediment do not obligate the Commission to approve an allocation where the Commission finds that the allocation is not an effective use of state funds, is inconsistent with the Commission's guidelines or policies, or is inconsistent with state or regional plans.

65. Timely Use of Funds. Funds that are programmed for all components of local grant projects or for Caltrans construction and construction support costs are available for allocation only until the end of the fiscal year identified in the STIP. Whenever programmed funds are not allocated within this deadline, the project programming will be deleted from the STIP. The Commission will not make the funds immediately available to the county share or interregional share for reprogramming. The Commission will, however, adjust the share balance to restore the funds in the next county share period.

Funds allocated for local project development or right of way costs must be expended by the end of the second fiscal year following the fiscal year in which the funds were allocated. For local grant projects, the local agency must invoice Caltrans for these costs no later than 180 days after the fiscal year in which the final expenditure occurred.

Commission policy is that funds allocated for construction, including intercity-rail projects, or for purchase of equipment must be encumbered by the award of a contract within 6 months of the date of allocation unless the Commission approves an extension as described below.

Federal highway transportation funds programmed and allocated for transit projects are considered obligated and are deducted from the state's federal obligation authority balances as soon as they are transferred to the Federal Transit Administration (FTA) as described in Section 26 of these guidelines. Federal funds for such projects will be considered encumbered and expended upon completion of the fund transfer to FTA. State funds allocated to match the federal funds for such projects will be subject to the timely use of funds provisions described in this section (transit projects may not use State Highway Account revenues unless eligible under Article XIX of the California Constitution). Upon completion of such projects, after notification by FTA of final project costs, the FHWA will adjust obligation records accordingly. Any federal funds which were transferred to FTA but not expended will be rescinded as state highway account revenue with no adjustment to county shares. Any state match funds which were allocated but not expended will also be rescinded with no adjustment to county shares.

After the award of the contract, the local agency or Caltrans has up to 36 months to complete (accept) the contract. At the time of fund allocation, the Commission may extend the deadline for completion of work and the liquidation of funds if necessary to accommodate the proposed expenditure plan for the project, **except for funds allocated for planning, programming and monitoring. Given the flexibility for the use of planning, programming and monitoring funds, time extensions will not be considered for these funds.** For local grant projects, the local agency has 180 days after contract acceptance to make the final payment to the contractor or vendor, prepare the final Report of Expenditure and submit the final invoice to Caltrans for reimbursement.

The Commission may extend the deadlines for allocation of funds, for award of a contract, for transfer to FTA, for expenditures for project development or right of way, or for contract completion no more than one time, and only if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. The extension will not exceed the period of delay directly attributed to the extraordinary circumstance and will in no event be for more than 20 months.

**Except for the allocation of funds, the request to extend the deadline for any of the above must be received by Caltrans prior to the expiration date. For allocation of funds, the time extension must be approved by the Commission by June 30<sup>th</sup> of the year the funds are programmed, otherwise the funds will lapse as specified in Section 65.**

Whenever allocated funds are not encumbered by the award of a contract or transfer to FTA, or expended within the deadlines specified above, all unencumbered, not transferred, or unexpended funds from the allocation will be rescinded. The Commission will not adjust the county or interregional share for any unencumbered balance of the allocation.

Caltrans will provide monthly reports to the Commission on projects which have not been awarded or transferred to FTA within six months of the date of the Commission's allocation.

These provisions for the timely use of funds do not apply to Caltrans project development costs, which the Commission does not allocate, or to Caltrans right-of-way costs, ~~which the Commission allocates annually on a lump sum basis rather than by project.~~

The Commission will not amend the STIP to delete or change the program year of the funding for any project component programmed in the current fiscal year or earlier except (1) to reprogram funds from a construction project to later mitigation work required for that project, including landscaping or soundwalls, or (2) to reprogram funds from one project to another within an identified multi-modal corridor, as defined in Section 11, where the projects are being delivered using the Construction Management/General Contractor delivery method. In either of these two cases, the Commission will consider the amendment only if it is proposed concurrently with an allocation of funds programmed for the project in the current fiscal year. These two types of amendments are adjustments that may be incorporated into the Commission's allocation action. In that case, they do not require the separate notice ordinarily required of STIP amendments.

Where a project or project component will not be ready for allocation as programmed in the current fiscal year, the agency responsible for the project should request an extension of the allocation deadline rather than a STIP amendment.

66. Delivery Deadline Extensions. The Commission may extend a delivery deadline, as described in Section 65, upon the request of the regional agency or the agency responsible for project delivery. No deadline may be extended more than once. However, there are separate deadlines for allocation, for award of a contract, for expenditures for project development or right-of-way, and for project completion, and each project component has its own deadlines. The Commission may consider the extension of each of these deadlines separately.

The Commission may grant a deadline extension only if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. The extension will not exceed the period of delay directly attributable to the extraordinary circumstance and will in no event be for more than 20 months.

All requests for project delivery deadline extensions shall be submitted directly to the appropriate Caltrans district at least 60 days prior to the specific deadline for which the particular extension is requested (e.g., 60 days prior to June 30 to request the extension of allocation deadlines). The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to that circumstance. Caltrans will review extension requests and forward them to the Commission for action. Unlike proposed STIP amendments, extension requests do not require a 30-day notice period.

For each request to extend the deadline to allocate project construction funds, the agency requesting the extension should submit, in conjunction with the request, a project construction STIP history. The request should also identify any cost increase related to the delay and how the increase would be funded. The STIP history should note the original inclusion of project construction in the STIP and each project construction STIP amendment including, for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delivery. It is the Commission's intent to review this history when considering a construction allocation extension request.

67. STIP Amendments. The Commission may amend the STIP at the request of the entity, either Caltrans or the regional agency that originally nominated the STIP project ~~to be changed or deleted by the amendment~~. The Commission will amend the STIP only after providing at least 30 days public notice. Projects proposed by amendment will be subject to the same standards and criteria that apply to RTIP and ITIP proposals. Each amendment will designate from which county share(s) or interregional share the project is being funded, and the Commission will adjust share balances accordingly. An amendment may not create or increase a county share surplus unless the Commission finds that it can approve an advance of the county share (see Sections 23 and 61 of these guidelines).

All regional requests for STIP amendments shall be submitted directly to the appropriate Caltrans district. For each amendment that would delay the year of construction, the agency requesting the amendment should submit, in conjunction with the amendment request, a project construction STIP history. The request should also identify any cost increase related to the delay and how the increase would be funded. The STIP history should note the original inclusion of project construction in the STIP and each prior project construction STIP amendment including, for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delivery. It is the Commission's intent to review this history when considering a STIP amendment that would delay the year of construction.

Caltrans will review proposed amendments and forward them to the Commission for public notice and action. The Commission encourages Caltrans, in cooperation with regions and Commission staff, to develop and implement a set of procedures to standardize and streamline the amendment process and to enhance the accountability of regions for amendments of projects which are not administered by Caltrans.

An amendment may change the scope, cost or program year of any STIP project, except that the Commission will not amend the STIP:

- to change Caltrans right-of-way costs, except in conjunction with the annual right-of-way plan or to make an **downward** adjustment of more than 20 percent in conjunction with the Commission's allocation of project construction funding;
- to delete or change the program year of the funding for any project component after the beginning of the fiscal year for which it is programmed (except for the adjustments at the time of allocation described in Section 65);
- to change Caltrans construction support or project development costs, except when the change in total construction support or project development costs is 20 percent or more unless the cost change is the result of a STIP amendment to change the scope of the project; or
- to change the programming of any funds after they have been allocated.

- 67A. Approval of AB 3090 Arrangements. Under Government Code Section 14529.7, as amended by AB 3090 (1992), the Commission, the Department, a regional agency, and a local agency may enter into either one of two types of arrangements under which a local agency pays for the delivery of a STIP project with its own funds in advance of the year in which the project

is programmed. Under the first type of arrangement, the local agency that advances the STIP project has another project or projects of equivalent value programmed in its place, and these arrangements are implemented by a STIP amendment designating the specified dollar amount for an “AB 3090 replacement project” without identifying the specific project to be implemented as the replacement. Under the second type of arrangement, the local agency that advances the STIP project is programmed to receive a direct cash reimbursement, and those arrangements are implemented by a STIP amendment that gives approval to the Department to execute a reimbursement agreement and programs the reimbursement for the fiscal year in which the project was scheduled in the STIP or a later year.

Scheduled project reimbursements have the highest STIP priority among projects programmed within a fiscal year although reimbursements are subject to the availability of the appropriate fund type. In most cases, reimbursement will be programmed over several years. Additionally, the Department may pay the reimbursements quarterly if so specified in the reimbursement agreement.

The Commission has adopted separate AB 3090 Reimbursement Guidelines (Resolution G-02-13) that describe specific procedures for reimbursement arrangements. The following is the Commission’s policy for the approval of AB 3090 arrangements for either replacement projects or reimbursements.

1. The Commission intends to encourage local agencies who wish to use local funds to advance the delivery of projects programmed for construction in the STIP when State funds are not sufficient to support direct project allocations. In doing so, the Commission will consider the approval of either AB 3090 replacement projects or AB 3090 direct reimbursement arrangements, giving preference to the programming of AB 3090 replacement projects where feasible or to AB 3090 reimbursements using federal funds and the local advance construction process.
2. Where a local agency proposes to use its own funds for early delivery of a project component programmed in the STIP for a future fiscal year, the Commission will consider approval of an AB 3090 replacement project under the following conditions:
  - a. The regional agency approves the arrangement.
  - b. The local agency has identified a local fund source for the project component, and there is a reasonable expectation that the AB 3090 approval will result in the acceleration of construction delivery of a STIP project.
  - c. The local agency commits to award a contract or otherwise begin delivery of the project component within 6 months of the Commission’s approval, with the understanding that the arrangement may be cancelled if that condition is not met. AB 3090 arrangements for construction or for purchase of equipment are valid for six months from the date of approval unless the Commission approves an extension.
  - d. The STIP amendment approving the arrangement will replace the project component with an unidentified replacement project in the same fiscal year.

3. Where a local agency proposes to use its own funds for early delivery of a project component programmed in the STIP for a future fiscal year, the Commission will consider approval of an AB 3090 reimbursement only when the following *additional* conditions are met:
  - a. The regional agency explicitly finds the project to be the region's highest priority among STIP projects programmed for that fiscal year. A regional agency unable to make such a finding shall, in its request for an AB 3090 reimbursement explain why it is unable to make the finding and the relative priority of the STIP projects programmed for that fiscal year.
  - b. The Commission determines that reimbursement would be consistent with the fund estimate.
  - c. The source of local funds to be used to deliver the project could not or would not be made available for an AB 3090 replacement project. The request for AB 3090 reimbursement approval shall identify the source of local funds to be used, why the funds would not be available for the STIP project without an AB 3090 direct reimbursement arrangement, and what the funds would be available for if not used for the STIP project.
  - d. Before approving an AB 3090 reimbursement arrangement, the Commission will consider programming the reimbursement in a later fiscal year, consistent with the project's regional and state priority for funding and the projected availability of funds to support other projects. The Commission will not change the programming of the reimbursement after approval.
  - e. The Commission will not approve AB 3090 reimbursement arrangements intended solely to protect a project from being reprogrammed or to protect a local agency's share of STIP funding.
4. The Commission will also consider approval of an AB 3090 reimbursement arrangement for a project component programmed in the current fiscal year if there are not sufficient funds currently available to approve a direct allocation. In this case, the AB 3090 approval will schedule the reimbursement for the next fiscal year or a later year. In making a current year request for an AB 3090 reimbursement arrangement, the region shall explain why the project cannot be advanced using a reimbursement allocation (as described in section 64A).
5. In considering approval of AB 3090 reimbursement arrangements, the Commission intends to insure that no more than \$200 million in reimbursements is scheduled statewide for any one fiscal year and that no more than \$50 million in reimbursements is scheduled for the projects of any single agency or county for any one fiscal year. The Commission intends to evaluate the limit on AB 3090 reimbursements arrangements biennially as a part of the STIP fund estimate and STIP guidelines. A local agency may request the approval of an AB 3090 reimbursement arrangement that exceeds the aforementioned limits. The Commission will consider such requests on a case-by-case basis. In evaluating such requests, the Commission will weigh the impact exceeding the limits might have on the allocation of other STIP projects.

- 67B. Selection of Projects for GARVEE Bonding. If the fund estimate projects the availability of federal funding for the STIP, the Commission may by STIP amendment select STIP projects proposed from either an RTIP or the ITIP for accelerated construction through GARVEE bonding. With the agreement of the agency that proposed the project, the Commission may designate a STIP project for GARVEE bonding even if the original RTIP or ITIP did not specifically propose GARVEE bonding. The Commission may also select projects programmed in the SHOPP for accelerated construction through GARVEE bonding. The Commission will select projects for GARVEE bonding that are major improvements to corridors and gateways for interregional travel and goods movement, especially projects that promote economic development and projects that are too large to be programmed within current county and interregional shares or the SHOPP on a pay-as-you-go basis. The Commission's expectation is that, generally, these will be projects that require bond proceeds exceeding \$25 million. Major improvements include projects that increase capacity, reduce travel time, or provide long-life rehabilitation of key bridges or roadways.

Each bond will be structured for debt service payments over a term of not more than 12 years. In designating projects for bonding and scheduling bond sales, the Commission will give consideration to the overall annual debt service limit of 15 percent of Federal revenues.

GARVEE bonds cover only the Federally-funded portion of a project's cost (generally 88½ percent). GARVEE bonding in California is structured so that the State's future Federal transportation apportionments cover all debt service payments. This requires that the entire non-Federal portion of project cost (including costs of issuance and interest) be provided at the time of construction on a pay-as-you-go basis. The Commission's policy is that the non-federal portion of project costs will be programmed within current STIP and SHOPP capacity. Although local funds may be applied to the non-federal share, the ability of a local agency to contribute non-STIP funding will not be a major criterion in the selection of projects for GARVEE bonding.

68. Project Delivery. It is a Commission policy that all transportation funds allocated through the State be programmed and expended in a timely manner in order to avoid accumulation of excessive fund balances and to avoid lapse of federal funds. It is the Commission's goal that transportation projects programmed against funds allocated through the State be delivered no later than scheduled in the appropriate transportation programming document. For purposes of this goal, delivery means allocation or obligation of funds for the programmed project or project component. For projects delivered by Caltrans, the Commission's delivery goal each fiscal year (FY) is 90% of the projects programmed in each FY and 100% of the funds programmed in each FY. For projects delivered by agencies other than Caltrans the Commission's delivery goal each FY is 90% of the projects programmed in each FY and 95% of the funds programmed in each FY.

Caltrans will provide the Commission with status reports on project delivery in October, January, April and July of each FY for projects to be delivered by Caltrans.

Caltrans and regions will also provide the Commission with a report on completed projects. Caltrans shall report this information at least semiannually. Each regional agency shall, in its RTIP, report on all STIP projects completed between the adoption of the RTIP and the

adoption of the previous RTIP. The report shall include a summary, by component and fund type, of the funds programmed, allocated, and expended at the time the construction contract was accepted. ~~For projects with a total project cost of less than \$50 million and a total STIP programmed amount (in right-of-way and/or construction) of less than \$15 million, this information may be aggregated.~~ For projects with a total cost of \$50 million or greater or a total STIP programmed amount (in right-of-way and/or construction) of \$15 million or greater, the reports shall also include a discussion of the project benefits that were anticipated prior to construction compared to an estimate of the actual benefits achieved. Caltrans or a regional agency may elect to defer the reporting of project benefits if it believes such a deferral is needed to better assess the project benefits. If reporting is deferred, Caltrans or the regional agency shall include a list of all the projects for which reporting has been deferred and indicate when it anticipates reporting.

~~Caltrans in consultation with~~ The Commission staff ~~in consultation with Caltrans,~~ regional agencies and county transportation commissions will develop a format and content requirement for the reports.

#### **XI. STIP Development Schedule and Procedures:**

69. STIP Development Schedule. The following schedule lists the major milestones for the development and adoption of the STIP:

Caltrans presents Draft Fund Estimate to the CTC.	By July 15 of odd numbered years.
CTC adopts Fund Estimate.	By August 15 of odd numbered years.
Caltrans submits draft ITIP	By October 15 of odd numbered years.
CTC ITIP hearing, North	By November 15 of odd numbered years.
CTC ITIP hearing, South	By November 15 of odd numbered years.
Regions submit RTIPs.	By December 15 of odd numbered years.
Caltrans submits ITIP.	By December 15 of odd numbered years.
CTC STIP hearing, North.	Jan. – Feb. even numbered years.
CTC STIP hearing, South.	Jan. – Feb. even numbered years.
CTC publishes staff recommendations.	At least 20 days prior to adoption of STIP.
CTC adopts STIP.	By April 1 of even numbered years.

70. ITIP Hearings. Prior to Caltrans' adoption and submittal of the final ITIP, the Commission will hold two hearings, one in northern and one in southern California, to provide opportunity for public input regarding projects proposed in the ITIP.

71. STIP Hearings. Prior to the adoption of the STIP, the Commission will hold two STIP hearings for Caltrans and regional agencies, one in northern California and one in southern California. By statute, the hearings are "to reconcile any objections by any county or regional agency to the department's program or the department's objections to any regional program." The Commission will expect any objections to the Caltrans program or to a regional program to be expressed in terms of the undesirable impact that the program would have on the implementation of the respective agency's long range transportation plan(s). The Commission expects that regional agencies and Caltrans would discuss how the infrastructure projects included in each program help to attain regional and statewide goals, including those in Governor's Executive Orders B-30-15 and B-32-15.



72. Transmittal of RTIPs. By statute, regional agencies are required to adopt and submit their RTIPs both to the Commission and to Caltrans no later than December 15 of odd numbered years. The Commission requests that each region send two copies of its RTIP, addressed to:
- Executive Director
  - California Transportation Commission
  - 1120 N Street, Mail Station 52
  - Sacramento, CA 95814

Caltrans requests that each region send at least one copy to the appropriate Caltrans District Director and ~~five~~ **two** copies addressed to:

- Chief, Division of Transportation Programming
- Attention: Office of STIP
- Department of Transportation
- Mail Station 82
- P. O. Box 942874
- Sacramento, CA 94274-0001

73. Commission Staff Recommendations. Prior to adoption of the STIP, the Commission staff shall prepare recommendations to the Commission for the adoption of the STIP. The staff recommendations will be made available to the Commission, Caltrans and the regional agencies at least twenty days prior to the adoption of the STIP.

**XII. APPENDICES**

**Appendix A:**

**STIP PROJECT FACT SHEET  
PROJECT PROGRAMMING REQUEST**

The Caltrans Project Programming Request (PPR) Form will serve as the STIP project fact sheet. A template of this form, in Excel, may be found at:  
<http://www.dot.ca.gov/hq/transprog/ocip/2018stip.htm>.

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**Appendix B (Tables B1, B2, B3):**

**Performance Indicators and Measures**

Use the following table B1 to indicate quantitatively the overall regional level performance of your Regional Transportation Plan (RTP) or California Transportation Plan and the Interregional Transportation Strategic Plan (ITSP). For regions outside a MPO, or a small MPO, the second table B1(a) may be used in addition or as a replacement to B1.

If tables B1 and/or B1(a) are insufficient in indicating how progress towards attaining goals and objectives contained in each RTP and the ITSP is assessed and measured, include the following information:

- List your performance measures.
- Provide a quantitative and/or qualitative analysis (include baseline measurement and projected program or project impact).
- State the reason(s) why selected performance measure or measures are accurate and useful in measuring performance. Please be specific.
- Identify any and all deficiencies encountered in as much detail as possible.

For qualitative explanations, state how progress towards attaining goals and objectives contained in each RTP and the ITSP is assessed and measured.

B1 Evaluation – Regional Level Performance Indicators and Measures			
Goal	Indicator/Measure	Current System Performance (Baseline)	Projected System Performance (indicate timeframe)
Congestion Reduction	Vehicle Miles Traveled per capita.		
	Percent of congested Vehicle Miles Traveled (at or below 35 mph).		
	Commute mode share (travel to work or school).		
Infrastructure Condition	Percent of distressed state highway lane-miles.		
	Pavement Condition Index (local streets and roads).		
	<del>Number</del> Percent of highway bridges lane-miles in need of replacement or rehabilitation (Sufficiency Rating of 80 or below).		
	Percent of transit assets that have surpassed the FTA useful life period.		
System Reliability	Highway Buffer Index (the extra time cushion that most travelers add to their average travel time when planning trips to ensure on-time arrival).		
Safety	Fatalities and serious injuries per capita.		
	Fatalities and serious injuries per Vehicle Miles Traveled		
Economic Vitality	Percent of housing and jobs within 0.5 miles of transit stops with frequent transit service		
	Mean commute travel time (to work or school).		
Environmental Sustainability	Change in acres of agricultural land.		
	CO <sub>2</sub> emissions reduction per capita		

B1(a) Evaluation			
Rural Specific Regional Level Performance Indicators and Measures			
Goal	Indicator/Measure	Current System Performance (Baseline)	Projected System Performance (indicate timeframe)
Congestion Reduction	Vehicle Miles Traveled per capita, area, by facility ownership, and/or local vs tourist		
	Peak Volume/Capacity Ratio or Thresholds (threshold volumes based on HCM 2010)		
	Commute mode share (travel to work or school)		
Transit	Total operating cost per revenue mile		
Infrastructure Condition	Distressed lane-miles, total and percent, by jurisdiction.		
	Pavement Condition Index (local streets and roads).		
Safety	Total accident cost per capita and VMT.		
Environmental Sustainability	Land Use Efficiency (total developed land in acres per population)		

Agencies may use the following table B2 to evaluate the cost-effectiveness of the RTIP or ITIP.

<b>B2 Evaluation - Cost-Effectiveness Indicators and Measures</b>			
Goal	Indicator/Measure (per thousand dollar invested)	Current Level of Performance (Baseline)	Projected Performance Improvement (indicate time frame)
Congestion Reduction	Reduce Vehicle Miles Traveled per capita		
	Reduce percent of congested VMT (at or below 35 mph).		
	Change in commute mode share (travel to work or school).		
Infrastructure Condition	Reduce percent of distressed state highway lane-miles.		
	Improve Pavement Condition Index (local streets and roads).		
	Reduce percent of highway bridge lane-miles in need of replacement or rehabilitation (Sufficiency Rating of 80 or below).		
	Reduce percent of transit assets that have surpassed the FTA useful life period.		
System Reliability	Reduce Highway Buffer Index (the time cushion added to average commute travel times to ensure on-time arrival).		
Safety	Reduce fatalities and serious injuries per capita.		
	Reduce fatalities and serious injuries per Vehicle Miles Traveled		
Economic Vitality	Increase percent of housing and jobs within 0.5 miles of transit stops with frequent transit service		
	Reduce mean commute travel time (to work or school).		
Environmental Sustainability	Change in acres of agricultural land.		
	CO <sub>2</sub> emissions reduction per capita		

Agencies may use the following table B3 to identify by proposed project, or in summary for all proposed projects, changes to the built environment.

B3 Evaluation - Project Changes or Increased Capacity Benefits			
Project Type Or Mode	Change to Built Environment	Indicator/ Measure	Benefits or Performance Improvement at Project Completion
State Highway	New general purpose lane-miles.		
	New HOV/HOT lane-miles.		
	Lane-miles rehabilitated.		
	New bicycle lane/sidewalk miles.		
	Operational improvements.		
	New or reconstructed interchanges.		
	New or reconstructed bridges.		
Transit or Intercity Rail	Additional transit service miles.		
	Additional transit vehicles.		
	New rail track miles.		
	Rail crossing improvements.		
	Station improvements.		
Local streets and roads	New lane-miles.		
	Lane-miles rehabilitated.		
	New bicycle lane/sidewalk miles.		
	Operational improvements.		
	New or reconstructed bridges.		

**Appendix C:**

ADDENDUM to STIP GUIDELINES  
Local Alternative Transportation Improvement Programs  
State Routes 84 and 238

Resolution G-10-06 Adopted April 7, 2010  
Addendum to Resolution G-09-11

**Authority and Scope:** Government Code Section 14528.56, added by Chapter 291 (AB 1386) of the Statutes of 2009, authorizes the California Transportation Commission (Commission) to incorporate into the state transportation improvement program guidelines additional guidelines specific to the local alternative transportation improvement program, and to adopt guidelines to establish a process to approve advancing a project, if the project is included in the local alternative transportation improvement program approved pursuant to Section 14528.5 or 14528.55 of the Government Code.

The Commission may amend these guidelines at any time after first giving notice of the proposed amendments.

**Development of the Local Alternative Transportation Improvement Program:** Sections 14528.5 and 14528.55 of the Government Code authorize the development of a local alternative transportation improvement program (TIP) to address transportation problems which were to be addressed by the planned state transportation facilities on State Highway Route 238 in the City of Hayward and Alameda County, and on State Highway Route 84 in the Cities of Fremont and Union City. The City and/or County will act jointly with the transportation planning agency to develop and file the local alternative TIP. Priorities for funding in the local alternative TIPs shall go to projects in the local voter-approved transportation sales tax measure.

The local alternative TIP must be submitted to the Commission prior to July 1, 2010.

All proceeds from the sale of the excess properties, less any reimbursements due to the federal government and all costs incurred in the sale of those excess properties (properties acquired to construct a new alignment for a freeway or expressway bypass to State Highway Route 238 in the City of Hayward and in the County of Alameda, and State Highway Route 84 in the Cities of Fremont and Union City) shall be allocated by the Commission to fund the approved local alternative TIP.

**Administration of the Local Alternative TIP:** Project funds programmed in the local alternative TIP shall be allocated and expended in the same manner as state funds made available for capital improvement projects in the state transportation improvement program (STIP) adopted by the Commission pursuant to Section 14529 of the Government Code. These funds shall not be subject to the formula distributions specified in Sections 164, 188 and 188.8 of the Streets and Highways Code.



**Advancement of a Project in the Local Alternative TIP:** A local agency may, with the concurrence of the appropriate transportation planning agency, the Commission, and the Department of Transportation (Department), advance a project included in the local alternative TIP prior to the availability of sufficient funds from the sale of respective excess properties, through the use of its own funds.

Advancement of a project or projects shall not change the priority for funding and delivery of all projects within each respective approved local alternative TIP.

A local agency may enter into an agreement with the appropriate transportation planning agency, the Department, and the Commission to use its own funds to develop, purchase right-of-way for, and construct a transportation project within its jurisdiction that is included in the respective local alternative TIP.

If the local agency uses local voter-approved sales and use tax revenues to advance a project, any reimbursement made shall be used for the same purposes for which the imposition of the sales and use tax is authorized.

**Submittal of Advancement Request:** Requests shall be submitted to the Department by the applicant in accordance with established timeframes for project amendments to be placed on the agenda for timely consideration by the Commission.

In order to be considered by the Commission, an advancement request shall:

- Be signed by a duly authorized agent(s) of the applicant agency and implementing agency if different.
- Include all relevant information as described below.
- Indicate that the implementing agency is ready to start work on the project or project component.
- Have a full and committed funding plan for the component covered by the advancement request.
- Indicate anticipated schedule for expenditures and completion of the component.

**Content and Format of Advancement Request:** The Commission expects a complete request to include, at a minimum, the following information as applicable:

- A letter requesting advancement approval. The request shall include a summary of any concurrent actions needed from the Commission and a discussion of the source(s), amount and commitment of funding to be used to advance the project.
- Alternate local funding source(s) that will be substituted for the local alternative TIP funds and a demonstration of commitment of those funds (e.g., resolution, minute order) from its policy board.
- An expenditure schedule for the component covered by the advancement request.

- If jointly funded with STIP or Proposition 1B funds, a STIP or Proposition 1B allocation request, an AB 3090 request, or a Proposition 1B LONP request must be included.
- Requests to advance right-of-way purchase or construction must include documentation for Commission review of the final environmental document, as appropriate, and approval for consideration of future funding.

**Review and Approval of Advancement Requests:** The Department will review advancement requests for consistency with these guidelines and place the request on the Commission meeting agenda.

Advancement will only be granted for work consistent with the approved project's scope, schedule and funding.

Upon approval of the advancement, the Department will execute a cooperative agreement or Master Agreement/Program Supplement with the local agency before it can provide reimbursement for eligible project expenditures.

**Initiation of Work:** The project requested to be advanced ~~should~~ **shall** be ready to proceed upon approval. The local agency shall report to the Department/Commission within four months following advancement approval on progress in executing agreements and third-party contracts needed to execute the work.

**Allocations:** Funds for the advanced project will be allocated by the Commission when scheduled in the local alternative TIP, contingent on sufficient funds being available in the appropriate Special Deposit Fund. Pursuant to the agreement with the local agency, the Department shall reimburse the local agency for the actual cost of developing and constructing the project, including the acquisition of right-of-way. Reimbursement of project development costs shall not exceed 20 percent of estimated construction costs, or any lesser amount mutually agreed to by the Department, Commission, and local agency. Interest and other debt service costs are not reimbursable.

In no case will an allocation be made that exceeds the amount of funds available in the respective account established in the Special Deposit Fund from the sale of excess properties from Route 84 or Route 238. The agency advancing the project accepts the risk that sufficient funds to fully reimburse all project costs may not be realized from the sale of the excess properties.