

Agenda

April 21, 2015
10:30 am – 12:30 pm

CALTRANS
 1120 N Street
 Room 3440
 Sacramento, CA 95814

Contact: Romy Dioquino
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Telephone Number: (712) 432-1438
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Meeting called by: Muhaned Aljabiry
Facilitator: Abhijit Bagde
Recorder: Janette Fabela

Agenda Topics

Item	Description	Time	Presenter
1	Agenda	10:30	Abhijit Bagde
2	Ground Rules	10:35	Abhijit Bagde
3	Approval of 01/27/2015 Meeting Minutes	10:40	Abhijit Bagde
4	Announcements and Updates: 1. Staffing Update – CT/FHWA/FTA/MPOs 2. Hold on federal approval of amendments due to EPA’s revocation of the 1997 Ozone standards – CT/FHWA	10:45	CT, FHWA, FTA and MPOs
5	Follow-Up Items from last meeting: 1. Abhijit Bagde will contact FHWA for the updated Planning and Air Quality Team (PAQT) staff assignments – Item completed (See Handout No. 1) 2. Abhijit Bagde and Jeanette Fabela will work with Dennis Wade, ARB to see if he can be available at the March CFPG meeting to provide some guidelines about air quality benefit calculations – Item completed	10:55	Abhijit Bagde
6	FTA 5310 Program – Program Overview (Handout No. 2)	11:00	Bruce Plowman – CT Rail and Mass Transportation
7	FTA 5307 Program of Projects (POP) Requirements	11:25	Muhaned Aljabiry /FTA
8	Guidance on Preliminary Engineering Authorizations in FMIS (Handout No. 3)	11:40	Wade Hobbs
9	Proposed Reauthorization/ MAP-21 Extension (Handout No. 4)	11:50	Wade Hobbs
10	Proposed CTIPS Conversion	12:00	Rambabu Bavirisetty

11	Active Transportation Program (ATP) – Update	12:05	CT Local Assistance
12	<ul style="list-style-type: none"> • Follow-Up Items • Open Forum • Future Agenda Items 	12:20	All
13	Future meeting dates and locations: <ul style="list-style-type: none"> • June 2, 2015 MTC Oakland (10:30 am – 12:30 pm) 	12:25	All

California Federal Programming Group (CFPG)

Minutes for: April 21, 2015

1. Agenda:

Abhijit Bagde (Caltrans Division of Programming): The agenda and handouts were sent out last week. No changes requested.

2. Ground Rules:

- Since there are phone participants, everyone who speaks should state his/her name and agency.
- Keep comments as brief as possible.
- Stick to the current agenda item. Additional items not in the agenda will be added to the end and will be discussed if time permits.
- Turn off cell phones and limit interruptions.
- This is a forum to hear everyone's concerns, comments and suggestions. Please make sure your voice is heard.
- Facilitator to ask before moving on to the next item if anyone on the phone has any additional comments on the item, then pause for a few seconds.
- Respond to follow-up items and meeting notices by the deadlines.
- Except for follow-up items, the minutes will include discussions that take place during the meeting only. If you do not want what you say during the meeting included in the minutes, state "off the record."
- **When not speaking, phone participants to keep their phones on mute if possible.**
- **Do not place conference call on hold. Please hang up and redial if you must take another call.**
- Meeting minutes to be distributed to the group with 10 days after the meeting.
- **Any outstanding follow-up items not addressed/completed by the third meeting (from the meeting of initiation) will be removed from the agenda.**

The items in bold were emphasized by Abhijit.

3. Minutes of the Last Meeting:

Abhijit Bagde: The final minutes of the January 27, 2015 meeting were provided via email prior to the meeting. No comments – minutes were approved.

4. Announcements and Updates:

a. Staffing Update

Abhijit Bagde: The FHWA latest Planning and Air Quality Team Staff Assignments list handout was sent to the group.

Wade Hobbs (FHWA): The main reason for the updated Planning and Air Quality Team Staff Assignments list is due to a change in assignment for Joseph Vaughn, who was an air quality specialist and is now working with the environmental specialty section. Therefore, some of his responsibilities were shifted to planners and programmers in the office.

b. Hold on federal approval of amendments due to EPA's revocation of the 1997 Ozone standards

Wade Hobbs (FHWA): We have advanced past the 30 day period since the Federal Register final notice, of February 13th, by EPA and it revoked the 1997 Ozone standard for all purposes including transportation conformity. If you have TIP amendments waiting federal approval

because of the conformity issues, FTA and FHWA are now processing them.

Muhaned Aljabiry (Caltrans): Two counties are now in attainment, so they are no longer eligible for future CMAQ funding. Caltrans will adjust the distribution statewide.

Lilibeth Green (Caltrans): The two counties are Tuolumne and Amador. They receive about \$700,000 based on previous apportionments combined. This amount will be redistributed among the remaining regions. It's not going to be a significant increase to those remaining regions.

Jose Luis Cáceres (SACOG): I would think that they have CMAQ apportionments on the books but not be able to obligate them in their region.

Muhaned Aljabiry: If they have apportionments on the book, they are allowed to spend those apportionments until the funds lapse. However, they are not going to get new apportionments.

Ross McKeown (MTC): How do these counties spend money outside the non-attainment area since they no longer meet non-attainment requirements and are not eligible for CMAQ funding?

Muhaned Aljabiry: This item will be addressed in an upcoming CFPG meeting and discussed further, so we can have more background information.

5. Follow-up Items from Last Meeting

Abhijit Bagde:

- a. Abhijit Bagde will contact FHWA for the updated Planning and Air Quality Team (PAQT) staff assignments – Item completed and handout was distributed along with agenda (See Handout No. 1)
- b. Abhijit Bagde and Jeanette Fabela will work with Dennis Wade from ARB to see if he can be available at the April CFPG meeting to provide some guidelines about air quality benefit calculations – Item completed.

Jeanette Fabela (StanCOG): ARB was not available for this meeting due to workload related to the release of the EMFAC 2014. However, they want us know that the short term intent is to make the use of the PM conversion factors easier to use for the MPO staff. They expect to be able to make the changes to the PM conversion table by the end of May. In the long term, they are planning to revise the emission factor table using the EMFAC 2014 by the end of this year. They want to involve the CFPG during the process of updating the methods guide to reflect the projects types that are being considered now.

Abhijit Bagde: If we hear back from ARB, we will share information with the group.

6. FTA 5310 Program – Program Overview (Handout No. 2)

Bruce Plowman (Caltrans Rail and Mass transportation Division):

The name of the Section 5310 Program under, "The Moving Ahead for Progress in the 21st Century Act (MAP-21)" is Enhanced Mobility of Seniors and Individuals with Disabilities Program.

Program overview

MAP-21 expanded the types of projects authorized through the Section 5310 Program. As a Designated Recipient, Caltrans has the choice of the types of projects that will be offered to our sub-recipients, based on staffing and other resource constraints. We are continuing to offer traditional projects, including the purchase of accessible vehicles and equipment for

sub-recipients that transport seniors and persons with disabilities. In addition, we are offering Mobility Management and Operating expenses as Expanded 5310 projects.

Federal and Local Share, Toll credits

The Section 5310 Program Circular (FTA C 9070.1G) under MAP-21 specifies that the Program will be funded by 80% Federal Share and 20% Local Share. For this funding cycle we have Toll Credits that will fund the Local Share. This means this program cycle will be 100% Federally Funded.

Two components (small urban and rural, urbanized), their requirements, and Caltrans Role

The primary change for rural and small urban areas is they can now apply for expanded projects. The project selection, approval through CTC, grant submission to FTA, and administration of the program is basically the same. The big change is in large urban areas. MAP-21 gave the large urban areas the option to be the designated recipient. Seven large urban areas made this choice. The funding goes directly to them, and they are responsible for project selection, grant submission, procurement and administration. Sixteen large urban areas asked the State to be the designated recipient but wanted to retain the projects selection function. The State entered into Memorandums of Understanding to formalize this arrangement. Caltrans will conduct a compliance review of the larger urban areas' projects lists for conformance with the 5310 program requirements, will submit a list of their projects to CTC as an information item (CTC's approval of the list is not required), will include their projects in our grant submission, procures their vehicles and equipment, and administer the projects they select. One of the big requirements we have to follow is we have to make sure all the large urban areas are submitting 55% traditional projects. Caltrans will program rural projects in the FTIP. The RTPAs will program small and large urban projects in the FTIP.

Schedule

The small urban and rural program of projects (POP) list will be sent to the May CTC meeting for notice and for approval at the June CTC Meeting. The large urban area POP will be sent to the CTC for information in at a future meeting.

Abhijit Bagde: The small urban and rural program of projects list was sent to the MPOs in mid-March and we have asked them to program in the FTIP.

Abhijit Bagde: When you mentioned rural that small urban areas can now apply for expanded projects, how do you define expanded projects?

Bruce Plowman: Expanded projects would be like mobility management and operating projects. Those are the two major areas that are going to be included in the program.

Dennis Jacobs: Bruce mentioned 55% has to be traditional. What does that mean?

Bruce Plowman: The traditional projects would be vehicles and equipment. Mobility management projects can also be funded under the traditional, operating projects cannot.

Jose Luis Cáceres: How is Caltrans communicating this information out? Did MPOs already know about this?

Abhijit Bagde: The small urban and rural program of projects list has been sent out through our office, so they should be programmed in FTIP.

Bruce Plowman: MAP-21 gave the project selection authority to the large urban areas as well as others if they wanted them. With the project selection out of the hands of Caltrans and CTC, these items will only be sent as information item to a later CTC meeting to inform them of the projects.

Abhijit Bagde: So the RTPA and MPOs will comply with the POP requirements for large urban area projects?

Bruce Plowman: The large MPOs have requirements to select the projects. The projects selected have to be included in coordinated plan. Caltrans is only involved in scoring the rural and small urban, not the large urban area.

Abhijit Bagde: Is that process different than what was before MAP-21?

Bruce Plowman: Yes, before MAP-21 there was just one big pot of money. It was a competitive process for large urban, small urban and rural areas. All of them had to go to the CTC for notice and action. MAP-21 separated out the small urban and rural. Caltrans reviews the competitive process for the small urban and rural areas in the same way. They make sure that 55% is traditional; and normally the rest 45% is expanded.

Kathy Urlie: For the expanded 5310, what is the definition of mobility management project?

Bruce Plowman: It can be broad, like travel training or other types of coordination, operating transit system. The circular will provide more information about various types of mobility management projects.

7. FTA 5307 Program of Projects (POP) Requirements

Muhaned Aljabiry: FTA 5307 projects originally included in the POP that are revised through an FTIP amendment or administrative modification shall meet the public involvement requirements for POP. We have been discussing this issue with FTA. The responsibility to meet the public involvement requirement is on the grant recipient.

Alex Smith (FTA): As long as it is noticed in advance, the POP can be combined with the FTIP. The POP in statute has never had such exemptions; there is no way around the statute.

Muhaned Aljabiry: We found that the POP public participation process is independent of the FTIP amendment and administrative modification process. The responsibility for making sure that the projects are in the POP, and are noticed to the public is for the grant recipient. POP public involvement requirements must be met prior to the approval of the grant by FTA. MPO may approve administrative modification. However, the grant cannot be approved until the POP public involvement requirement has been met. Grant recipient may, with an MPO agreement, use the FTIP development process as an avenue for them to notice the POP and use the amendment process to notice the POP to the public. However, they cannot use the administrative modification process, because administrative modification does not go out to the public. So there has to be a separate process for changes to the POP that result in the administrative modification. We need to find a way to do it for those projects that require an administrative modification. It is recommended that the next time the public participation process is updated, there be a discussion on how to handle changes to the POP. This does not impact the amendment and administrative modification procedures in place. FTA projects that have minor changes can be done through administrative modifications but are not exempt from the POP requirements.

Michelle Merino (SANDAG): When we put out regular amendment for public comment, do we have to add language stating that this amendment includes 5307 POP for public comments?

Muhaned Aljabiry: Yes, we would like you to add a statement in your amendment to say that this will address the public requirement for the POP.

Abhijit Bagde: A section in the 2015 FTIP development guidelines mentions that if MPOs and transit operators would like to use the FTIP development process to meet the POP requirement, there needs to be some language put in the FTIP. The same language can be put for an FTIP amendment. The guidelines posted on the Caltrans Programming website have the language that came directly from FTA.

Jose Luis Cáceres: One consultant said the language SACOG used for an MTIP adoption was not sufficient to meet FTA rules. We used specific words that FTA consultant gave us four years ago. I want to make sure the SACOG and the whole state are using the right language that FTA wants us to use.

Abhijit Bagde: FTA is working on guidelines. Once we have the finalized guidance from FTA, we will incorporate the language as part of our guidance and share with this group.

Jose Luis Cáceres: I will send Muhaned the language SACOG used. In addition, I will send language used in six other regions per a survey I worked on.

Kathy Urlic: FTA 5339, Bus and Bus Rehab programming also requires a program of projects, can it also be identified within the TIP amendment process as being the Program of Projects and being satisfied through the public review of the amendment?

Alex Smith: I am not sure, but will follow up with Ted Matley on the question.

Muhaned Aljabiry: We will work on getting an answer to this question.

Michelle Merino: Do MPOs continue to use the language currently being used or are they to send the language to Caltrans for review?

Muhaned Aljabiry: Send language to Abhijit.

Jose Luis Cáceres: We can continue doing administrative modification for POP, but we have to do notice for the POP project. Do you know what kind of noticing it needs to be?

Abhijit Bagde: You can coordinate with your designated recipient or transit operator to figure out what's best for your region.

Alex Smith: It has to follow your approved Public Participation Plan. You can send language to Abhijit and he will coordinate with Ted. Ted will work with the interpreters of the guidance to come up with a consistent interpretation and then standard language will be circulated.

Muhaned Aljabiry: MPOs can, but do not have to do the notice for transit operators. The operators can do it themselves.

8. Guidance on Preliminary Engineering Authorizations in FMIS (Handout No.3).

Wade Hobbs: The memorandum from FHWA office is an information item for us as programmers. This guidance is not establishing new requirements for planning and programming. However, we share responsibilities for the delivery of projects involved with phases that are identified in this memorandum. As we know, the FTIP includes three phases, Preliminary Engineering and Final Design (PE), Right-of-way (ROW) and Construction (CON). The Fiscal Management Information System (FMIS) has five phases. This memorandum provides more information and example on PE authorization in FMIS to help us in consideration of project phases in our TIP. In order to work effectively with the finance office we need to be consistent and not create challenges based on uses

of project phases. The key item of this memorandum is that PE is not a good dumping ground for projects. PE is subject to a ten-year repayment rule, which means if there is no construction ten years later, the federal government will move forward with the process to get the money back. The construction phase would be a better alternative. It may help avoid some problems in the future.

Philip Chu (SANBAG): Is the “SPR” and “Other” phase a new addition?

Wade Hobbs: No, actually this is a reduction of one phase. FMIS 4.0 has six phases, and FMIS 5.0 reduced one phase to five phases.

Philip Chu (SANBAG): We get different responses regarding the correct phase to program our rideshare funds.

Muhaned Aljabiry: As a result of a prior discussion, projects considered non-constructible need to be programmed in construction phase.

Philip Chu (SANBAG): Under the table of the memorandum, “travel demand management projects, carpools, vanpool, rideshare programs” is in “other”, not “construction”.

Wade Hobbs: This is finance guidance for authorizing funding using FMIS. It is not guidance, direction to what we do in programming. You still have some flexibility in programming to deal with this issue, but the FMIS has flagged items. This memo is just information that should help you and sponsors make sure appropriate phases provided at the point of obligation, regardless what phase is listed in your TIP.

Ross McKeown (MTC): Projects have been delayed by Local Assistance because they think it should be a different phase than what we have programmed. It is critical that Local Assistance get involved in this and communications about this process.

Muhaned Aljabiry: Local Assistance has guidance and examples on their website. MPOs need to read the guidance and program accordingly.

Wade Hobbs: If you have questionable projects and are unsure of the phases, put it in “construction”. You can use the notes field and state FMIS authorization expected as “other”.

Eric DeHate (RCTC): If you are in environmental and then have a subsequent obligation for final design does the FMIS system take a start date from when you first obligated federal funds for the environmental phase? Does the ten year start from the first obligation of PAED?

Wade Hobbs: Yes, there is an effective date for the phases. Once a phase has started the ten-year clock starts. If your project goes beyond ten years, there is an extension process. We can discuss this further in future meetings.

9. Proposed Reauthorization/MAP-21 Extension (Handout)

Wade Hobbs: The handout provides a good framework for how MAP-21 is reauthorized by congress. It is not the process. MAP-21 was signed on July 6, 2012 and was extended last year before its expiration on August 8th, and it was extended to May 31st, 2015. There is a question of how much money is available to pay for all the projects that are authorized through the legislation. Projections are that, as of July of this year, the Highway Trust Fund is going to be running into financial trouble. The handout shows the framework of what Congress, White House and the Administration are currently working on. In addition, the Administration has proposed a bill called GROW America Act, which is step zero in the process on the handout.

10. Proposed CTIPS Conversion

Rambabu Bavirisetty (Caltrans): We have been doing the CTIPS conversion project for a while and are at the last stage. We have fixed some technical problems, and the performance is much better now. However, there is a big difference in the user authentication than what is used in the current application. Therefore, we are modifying the user authentication process so that our office will have more control and avoid much of the red tape. These changes should make it easier for users to deal with password reset, creating new accounts and so on. We would appreciate if we can gather a group of people to do one more user testing.

11. Active Transportation Program (ATP)-Update

Lilibeth Green (Caltrans):

Program update – delivery update

- Caltrans is working closely with the Implementing agencies to ensure all project ATP funding programmed in the 14/15 State Fiscal Year either comes in for a CTC Allocation or Time Extension at the May or June CTC meeting.
- As of April 1, 2015, for the FY 2014-15, the Commission programmed \$100,903,000 and has allocated 56% of FY 2014-15 programmed funds to fund 186 locally administered ATP projects.

Update on the FTA Transfer

TAP funds are eligible for a fund transfer to an eligible federal agency, such as- Federal Transit Administration (FTA) and Bureau of Indian Affairs (BIA); provided the implementing agency agrees to comply with the following:

- Separate allocations for each phase, with the transfer occurring after each allocation
- Information to fulfill ATP reporting requirements will still be required
- Use of CALIFORNIA CONSERVATION CORPS (CCC) OR A CERTIFIED COMMUNITY CONSERVATION CORPS will still be tracked by Caltrans on transferred projects
- Projects will still be subject to auditing requirements of the program

See Chapter 3 of the LAPM for additional guidance

ATP Timelines

- Cycle 2 Timeline:
 - Begin Call for projects: 3/26/15
 - Applications Due (postmarked by): 6/1/15
 - CTC Staff recommendations for Statewide and SU&R: 9/15/15
 - CTC adopts Statewide and SU&R projects 10/22/15
 - CTC adopts MPO selected projects 12/10/15
- Proposed Cycle 3 Timeline:
 - Approximately 12-16 months after Cycle 2 with final CTC adoption in March 2017

ATP funding update

- Cycle 2 Funding:
 - The Cycle 2 call-for-projects includes 3 years of new funding for a total of \$360M
- Proposed Cycle 3 Timeline:
 - Per the CTC, the Cycle 3 call-for-projects is currently anticipated to include 2 years of new funding for a total of \$240M
- The actual funding for Cycle 3 and beyond is dependent on the California budget process and resulting approved state budgets. The Legislature is currently considering various ATP

funding proposals including one that would increase the annual funding by as much as \$100M/year.

ATP Cycle 2 Training/Workshops

- Ongoing: March 19th through April 29th
- For details, go to: <http://www.dot.ca.gov/hq/LocalPrograms/atp/workshops-training-cycle2-2.html>

12. Follow-up Items

Abhijit Bagde:

- a. Ahbijit Bagde: At the next or future CFPG meeting, we will have an FHWA official discuss how the CMAQ funds are administered should a region come into attainment and what the grace period is.
 - b. Ahbijit Bagde: As soon as Caltrans receives guidance from FTA on the 5307 POP requirement, it will be shared with the group.
 - c. Ahbijit Bagde: We will follow up with FTA on 5339 Program of Projects requirements.
- Open Forum
 - Future Agenda Items

Ahbijit Bagde: If anyone would like to invite outside speakers or speakers from Caltrans that could benefit programming, we are more than happy to accommodate.

13. Future meeting dates and locations:

- June 2, 2015 MTC Oakland (10:30 am – 12:30 pm)

Ahbijit Bagde: I will provide meeting dates for the remainder of the year at the June 2nd CFPG meeting.

HANDOUT NO. 1

FHWA for the updated Planning and Air Quality Team (PAQT) staff assignments

Planning and Air Quality Team – Staff Assignments

Director, Planning/Air Quality/Environment/Realty

Jermaine R. Hannon, 916-498-5066
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Program Assistant

Dani Frazier, 916-498-5867
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Team Leader, Planning & Air Quality Team (PAQT)

Jack A. Lord, AICP 916-498-5888
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PAQT First Line Supervisor

CFPG Liaison

Coordinator:

- Statewide Planning and Research Program (Parts 1 & 2)
- Caltrans/FTA/FHWA Interagency Meetings
- Caltrans/FHWA Programming Meetings
- Linking Planning and Operations
- Freight Planning

Statewide Planner

Wade Hobbs, 916-498-5027
wade.hobbs@dot.gov

Planning Coordinator:

- Non-Metropolitan Areas
- AMBAG (Monterey)
- BCAG (Butte)
- SRTA (Redding)
- SLOCOG (San Luis Obispo)
- TMPO (Lake Tahoe; in consultation with FHWA Nevada Division Office)

Statewide Transportation Plan (CTP)

Statewide Transportation Program (FSTIP)

Federal Lands Highway Program Planning Coordinator

Transportation Planner

Scott Carson, 916-498-5029
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Planning Coordinator/Air Quality Coordinator:

- Fresno COG (Fresno)
- KCAG (Hanford)
- MCTC (Madera)
- TCAG (Visalia)
- KCOG (Bakersfield)

Congestion Management Process (CMP) Coordinator

Transportation Planner

Cecilia Crenshaw, 916-498-5033
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Planning Coordinator/Air Quality Coordinator:

- SJCOG (Stockton)
- StanCOG (Modesto)
- MCAG (Merced)

Livability/Sustainability Coordinator

Transportation Planner – Cal-South Office

Michael Morris, 213-894-4014
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Planning Coordinator/Air Quality Coordinator:

- SBCAG (Santa Barbara)
- SCAG (Los Angeles)
- SANDAG (San Diego)

Air Quality Specialist

Stew Sonnenberg, 916-498-5889
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Planning Coordinator/Air Quality Coordinator:

- MTC (Bay Area)
- SACOG (Sacramento)

CMAQ Program Coordinator

Air Quality Conformity Program Coordinator

HANDOUT NO. 2

FTA 5310 Program – Program Overview

April 21, 2015

California Federal Programming Group Meeting

I. 5310 Overview

1. Program overview
2. Federal and Local Share, Toll credits
3. Two components (small urban and rural, urbanized), their requirements, and Caltrans Role
4. Schedule

I. The name of the Section 5310 Program under, "The Moving Ahead for Progress in the 21st Century Act (MAP-21)" is Enhanced Mobility of Seniors and Individuals with Disabilities Program.

1. MAP-21 expanded the types of projects authorized through the Section 5310 Program. As a Designated Recipient, Caltrans has the choice of the types of projects that will be offered to our sub-recipients, based on staffing and other resource constraints. We are continuing to offer traditional projects, including the purchase of accessible vehicles and equipment for sub-recipients that transport Seniors and Persons with Disabilities. In addition, we are offering Mobility Management and Operating expenses as Expanded 5310 projects.
2. The Section 5310 Program Circular (FTA C 9070.1G) under MAP-21 specifies that the Program will be funded by an 80% Federal Share and a 20% Local Share. For this funding cycle we have Toll Credits that will fund the Local Share. This means this program cycle will be 100% Federally Funded.
3. The primary change for rural and small urban areas is they can now apply for Expanded 5310 projects. The project selection, approval through CTC, grant submission to FTA, and administration of the program is basically the same. The big change is in large urban areas. MAP-21 gave the large urban areas the option to be the designated recipient. Seven large urban areas made this choice. The funding goes directly to them, and they are responsible for project selection, grant submission, procurement and administration. Sixteen large urban areas asked the State to be the designated recipient but wanted to retain the projects selection function. The State entered into Memorandums of Understanding to formalize this arrangement. Caltrans will conduct a compliance review of the larger urban areas' projects lists for conformance with the 5310 program requirements, will submit a list of their projects to CTC as an information item, will include their projects in our grant submission, procures their vehicles and equipment, and administer the projects they select. Caltrans will program rural projects in the FTIP. The RTPAs will program small and large urban projects in the FTIP.
4. The small urban and rural program of projects (POP) list will be sent to the May CTC meeting for notice and for approval at the June CTC Meeting. The large urban area POP will be sent to the CTC for information in at a future meeting.

HANDOUT NO. 3

Guidance on Preliminary Engineering Authorizations in FMIS



U.S. Department
of Transportation
Federal Highway
Administration

Memorandum

Subject: **INFORMATION:** Guidance on Preliminary
Engineering Authorizations in FMIS

Date: March 11, 2015

From: *Thomas D. Everett for*
Walter C. Waidehlich, Jr.
Associate Administrator for Infrastructure

In Reply
Refer to: HIPA-10

Gloria M. Shepherd *Gloria M. Shepherd*
Associate Administrator for Planning,
Environment, and Realty

Elissa K. Konove *Elissa K. Konove*
Chief Financial Officer

To: Division Administrators
Directors of Field Services
Director of Technical Services

The Federal Highway Administration (FHWA) requires States to provide program and project specific information about the Federal-aid highway program in its Fiscal Management Information System (FMIS). To ensure information on Federal-aid investments is useful, it is vital that States and division offices report valid, accurate, and reliable data in FMIS.

A review of preliminary engineering projects authorized in 2014 showed a majority of these projects appeared to be appropriately characterized as preliminary engineering. The remaining projects did not appear to be correctly coded as preliminary engineering and indicate a need for clearer guidance.

While this guidance is intended to improve the consistency of preliminary engineering authorizations in FMIS, it also addresses properly authorizing other types of projects.

What is preliminary engineering?

Preliminary engineering is the location, design, and related work preparatory to the advancement of a project to physical construction. Preliminary engineering includes preliminary and final design, both defined in 23 CFR 636.103, and other project-related

work leading to physical construction. This includes costs to perform studies needed to address requirements of the National Environmental Policy Act (NEPA) and other environmental laws. It may include advertising and other pre-award work such as bid analysis, although it is also acceptable to include this work as construction engineering costs.

Projects and activities that do not directly prepare a project to advance to physical construction are not preliminary engineering and should not be coded as such for the improvement type or the effective authorization date in FMIS. Examples of projects that have sometimes been incorrectly coded as preliminary engineering include NBI bridge inspections; workforce development; safety education programs; inventory and condition studies; feasibility studies conducted prior to NEPA to determine if and when a project should begin project development; and other planning activities.

What provision of Title 23 makes preliminary engineering eligible for Federal funding?

Preliminary engineering is eligible for Federal funding as it is incidental to “construction” which is defined in 23 U.S.C. 101(a)(4). The definition of “construction” includes:

(A) preliminary engineering, engineering, and design-related services directly relating to the construction of a highway project, including engineering, design, project development and management, construction project management and inspection, surveying, mapping (including the establishment of temporary and permanent geodetic control in accordance with specifications of the National Oceanic and Atmospheric Administration), and architectural-related services;

The above listed activities that occur before construction are preliminary engineering. Those that occur during construction are construction engineering.

What phases in FMIS are used to establish the effective date?

An Effective Authorization Date for each phase of work being authorized is needed to execute a project agreement in FMIS. The effective date for that phase generally does not change over the life of the project. However, if new phases are added to the project, each will have its own effective authorization date. FMIS 4.0 has six phases, which will be reduced to five with FMIS 5.0. The five phases in FMIS 5.0 will be:

- PE (Preliminary Engineering),
- ROW (Right-Of-Way),
- Construction,
- SPR (State Planning and Research), and
- Other.

What activities and projects should be coded as preliminary engineering in FMIS?

Code those activities and projects listed in 23 U.S.C. 101(a)(4)(A) that occur before construction with the FMIS improvement type “15: Preliminary Engineering” and the “PE” effective authorization date.

Code those activities and projects listed in 23 U.S.C. 101(a)(4)(A) that occur during construction with the FMIS improvement type “17: Construction Engineering” and the “Construction” effective authorization date. See the attached table for coding projects with consultant contracts that include both preliminary and construction engineering.

The “PE” and the “ROW” effective authorization date fields should be used only in conjunction with the FMIS improvement type “15: Preliminary Engineering” or “17: Right of Way.” If another improvement type is being used, one of the other effective authorization date fields should be used.

The table also provides examples of work activities depicting proper FMIS coding. The full list of improvement types will be included in the FMIS 5.0 User’s Manual.

Why is it important to code preliminary engineering correctly in FMIS?

Preliminary engineering projects are subject to the provisions of 23 U.S.C. 102(b) and the implementing regulations at 23 CFR 630.112(c)(2) that require States to repay such costs if right-of-way or construction has not been initiated within 10 years of authorization of preliminary engineering. When preliminary engineering activities are not properly authorized with the appropriate authorization date and improvement type, administration and compliance with these provisions represent a significant challenge. If other costs are authorized as preliminary engineering, they may appear to be subject to the repayment provision even though they should not be.

When should divisions begin using this guidance? Is it necessary to recode previous project agreements for preliminary engineering?

Effective immediately, divisions should use this guidance when authorizing new project agreements in FMIS 4.0 and FMIS 5.0. Existing project agreements should not be modified to reflect this guidance.

Who is the contact for more information?

If you have any questions, please contact David Bartz at 512-536-5906 or Peter Kleskovic at 202-366-4652. For FMIS questions contact FMISTEAM@dot.gov.

Attachment

Table: Improvement Type and Effective Authorization Date Coding Examples

Project Categories	Improvement Type¹	Effective Authorization Date Field
Location, design, and related work preparatory to the advancement of a project to physical construction, including preliminary and final design, NEPA, and project specific studies and alternative analyses.	15 - Preliminary Engineering	PE
Preliminary engineering elements included in a design/build or other innovative construction contract package	Appropriate Construction related code.	Construction ²
Design related activities that occur during construction of a traditional Design-Bid-Build project (e.g., change-order revised plan development by the PE design consultant or another consultant	15 - Preliminary Engineering, if work is included in PE contract.	PE
	17 - Construction Engineering, if not included in PE contract.	Construction
Asset Management and Performance Management	44- Other	Other
NBIS and NTIS inspection and training ³	49 or 55 as appropriate	Other
Travel Demand Management projects, carpools, vanpool, rideshare programs that are not for a specific physical construction project	24 – Traffic Management/ Engineering - HOV	Other
Strategic Highway Safety Plans, safety awareness and education, and other safety activities that do not involve physical construction	21 – Safety 38 – Safety and Education for Pedestrians/Bicyclists	Other
Summer Transportation Institutes, Construction Career Expos, DBE and OJT Supportive Services	42- Training	Other
Motorist assistance programs, CARS-511, Traffic Operation Center operations	24 – Traffic Management/ Engineering - HOV	Other
Ferry boat projects, auto or pedestrian, including terminal facilities and approaches, eligible under 23 USC 129(c)	26 – Ferry Boats	Construction or Other ⁴
Workforce development and training	42- Training	Other
Assistance to Affected State and Federal Agencies Associated with Environmental Streamlining Activities under 23 USC 139(j)	20 – Environmental Only	Other
Feasibility Studies (longer term implementation horizon and more general, less defined corridor, including financial decision to proceed with development of project and set schedule)	18 - Planning	SP&R, if applicable fund source, or Other
System planning work regardless of funding category used, including SP&R, PL, and STP	18- Planning	SP&R, if applicable fund source, or Other
Research	19 - Research	SP&R, if applicable fund source, or Other
Develop guides or manuals, purchase equipment or software ⁴		Other, if eligible.

¹ Improvement type examples are provided. More applicable improvement types may be available.

² State may elect to code effective date and improvement type as PE if design elements are clearly delineated in the contract price proposal and the costs are invoiced accordingly.

³ See Financial Management Information System (FMIS) New and Updated Improvement Type Codes for Bridges, Tunnels and Other Assets memo dated 9/27/2012 from M. Myint Lwin.

⁴ Development of guides or manuals or purchase of equipment and software are generally not eligible except as part of an indirect cost pool. See State Administration of the Federal-Aid Program (Direct Versus Indirect Costs) memo dated 9/22/2011 from David A. Nicol. If specifically authorized by statute or regulation, then project should be authorized as "Other".

HANDOUT NO. 4

Proposed Reauthorization/ MAP-21 Extension

Step-by-step to surface transportation reauthorization

Federal surface transportation programs are reauthorized through the enactment of a new surface transportation act. The table below and the attached diagram detail the steps involved in this process. And as the diagram indicates, a bill may fail at any of the steps along the way.

Step	Description
0. The Administration proposal	<p>Although not required by law to propose legislation to reauthorize highway and other surface transportation programs, the Administration (executive branch) normally develops a legislative proposal in order to present its position on the future of surface transportation. The Department of Transportation (DOT) develops the proposed legislation, with affected operating administrations participating in the development. The Office of Management and Budget (OMB) reviews and approves the legislation to ensure consistency with the Administration's policy prior to the Administration sending the bill to Congress. The Administration requests that at least one member of each chamber introduce the bill into Congress.</p>
1. Hearings	<p>Congress will begin the reauthorization process by conducting hearings as a springboard for developing authorizing legislation. Congress normally conducts the hearings nine months to a year prior to the expiration of the current authorization act. It holds these hearings to give interested organizations, citizens, members of Congress, and the executive branch an opportunity to present their views on the future direction of Federal surface transportation programs.</p>
2. Subcommittee consideration	<p>Upon completion of the hearings, the subcommittees begin to prepare draft surface transportation legislation. The draft legislation may include information and proposals obtained during the hearings and elements of proposed surface transportation legislation submitted during the current session of Congress and referred to the full authorizing committees. Subcommittee members "mark-up" (amend) the draft bill until a majority agree to submit the revised bill to the full committee.</p>
3. Committee consideration	<p>The responsibility for developing reauthorization legislation rests with specific authorizing committees. In the House, the Transportation and Infrastructure (T&I) Committee is the authorizing committee. The Committee has primary jurisdiction over all surface transportation programs (FHWA, FTA, NHTSA, and FMCSA). During development of surface transportation legislation, the House Ways and Means Committee is responsible for financing mechanisms, i.e. how to pay for the bill. Paying for the bill can include continuing the gas tax at its current rate, increasing or indexing the gas tax, or getting rid of the gas tax and replacing it with something else, etc.</p> <p>In the Senate, the Environment and Public Works (EPW) Committee has primary jurisdiction over development of highway legislation. In the Senate, however, primary jurisdiction for development of FMCSA and NHTSA programs rests with the Commerce Committee and the Banking Committee has jurisdiction over FTA programs. The Finance Committee is the Senate counterpart to the House Ways and Means Committee.</p>
4. Floor action	<p>Once approved by a majority of the full committee, the bill is sent to other committees having jurisdiction over some aspect of the program. The bill is then "reported out" to the full chamber of its respective body of Congress. Each bill (House and Senate) is accompanied by a committee report. The proposed surface transportation bill will be</p>

Step	Description
	<p>debated, amended, and voted upon on the floors of the House and Senate. In the House, the Rules Committee plays the role of “traffic cop.” While it is not a committee of jurisdiction, the Rules Committee will establish parameters for floor consideration (for example, how much time for general debate, how many floor amendments will be made in order, which ones will be made in order, etc.). In order for legislation to be considered by the House, a “rule” must first be passed that spells out these conditions. If the “rule” is not approved by majority vote, the bill cannot be considered by the House.</p> <p>Not shown on the accompanying chart is the importance of the House and Senate leadership. The leadership determines the overall timing of floor consideration as well as whether and how much time to set aside for consideration of the legislation. This is especially important in the Senate where floor procedure is complicated with things like cloture votes and also subject to unanimous consent agreements, which means that both sides must agree on a course of action.</p>
<p>5. Resolution of differences</p>	<p>Once each chamber passes its version of the surface transportation legislation, a conference committee is convened in order to reconcile differences between the House and Senate. The conference committee will consist of members of both chambers and members of both parties. Once the conferees agree to a final package, a conference report is then reported to both chambers for final up or down votes. Conference reports cannot be amended once they are cleared by the conferees; both chambers must vote on its entirety (“take it or leave it”). If both chambers approve the conference report, the legislation goes to the President for signature.</p> <p>Another process that may take place once each chamber has passed a bill is the once-rare process of <i>amendment exchange</i>. For a variety of procedural reasons, the process has become more common in recent sessions of Congress. In an amendment exchange one chamber (e.g., the House) takes up the other chamber’s bill, amends it, and then passes the amended version. If the amended version is acceptable to the other chamber, that chamber then passes it as well. Otherwise, the second chamber amends the bill further, passes <i>that</i>, and returns it to the original chamber. This process continues until both chambers agree to sign off on an identical bill – usually after substantial (and unofficial) back-channel negotiation between the two bodies.</p>
<p>6. Signature or veto by the President</p>	<p>Once the bill is sent to the President, the President may sign the legislation into law or it may be vetoed. Only one surface transportation bill has ever been vetoed by the President.</p>
<p>7. Veto override (if necessary)</p>	<p>If a bill is vetoed by the President, the bill is returned to Congress where the veto may be sustained or there may be a veto override. To override a presidential veto requires a two-thirds majority vote in both the Senate and House of Representatives.</p>
<p>8. Enactment</p>	<p>With the President’s signature or override of a presidential veto by Congress, the bill is enacted into law, reauthorizing surface transportation programs</p>

Step-by-step to surface transportation reauthorization

