



Project Tracking Improvements



Background

Project Selection Background

PSRC receives ~\$160 Million annually through SAFETEA-LU programs:

- *Surface Transportation Program (STP)*
- *Congestion Mitigation Air Quality (CMAQ)*
- *Federal Transit Administration (FTA)*

Competitive grant process:

- Funds distributed every 2-3 years
- *Policy Framework for PSRC's Federal Funds*, adopted prior to each funding cycle
 - Based on VISION 2040 policies: support for centers and the corridors that connect them
 - Criteria includes: mobility, safety, financial plan, project readiness, reduction of emissions (40% for CMAQ funds)
- Joint regional/countywide process
- Funds awarded to projects, not agencies

BACKGROUND

RECOMMENDATIONS

- Project Selection
- Obligation
- Time Extensions
- Description Changes
- Contingency Lists
- Monitoring
- Current Projects

SUMMARY

NEXT STEPS

Why Are Changes Needed?

- Projects not progressing as scheduled are holding up significant amounts of PSRC funds.
- This situation results in lower than expected obligation levels and risks not only the loss of federal funds within the region but future increases to federal allocations.
- Current project tracking policies have been ineffective at reducing the number of projects behind schedule which would allow obligation levels to increase.
- Given the “ARRA Experience,” it is clear that more stringent guidelines are effective and acceptable.

BACKGROUND

RECOMMENDATIONS

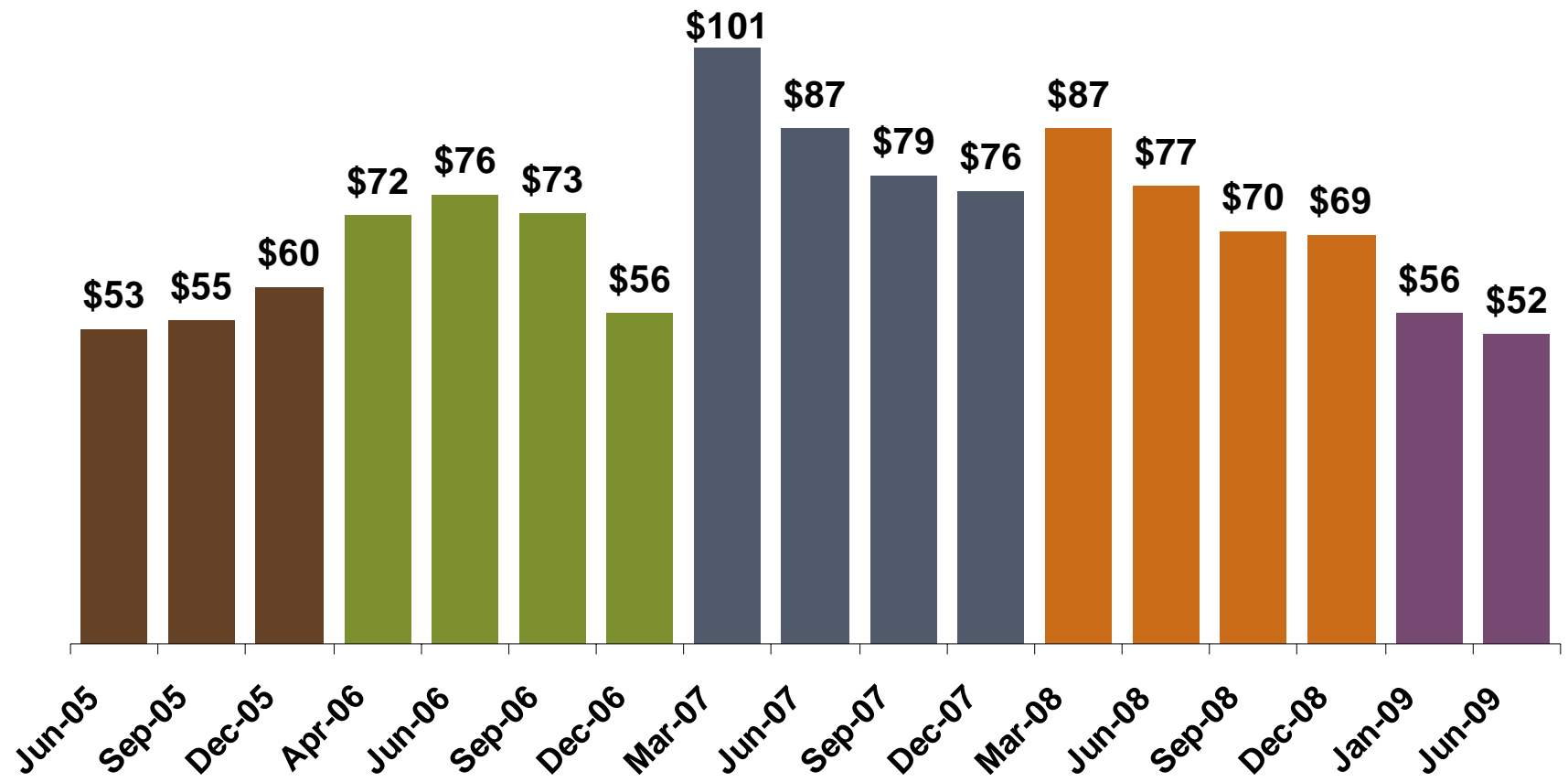
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Why Are Changes Needed?

Quarterly Comparisons PSRC funds past due - in millions





RPEC Recommendations



Desired Outcomes

Efficient use of PSRC funds:

- Projects are delivered in timely manner
- Cost of delays will be minimized
- Traveling public benefits from investment at earliest point possible
- Transportation investments help create jobs and stimulate regional economy

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NEXT STEPS

Project Selection

Careful Selection Supports Project Delivery

- Identify & select the best projects and deliver them ASAP
- Conduct competition every two years
- Select projects that demonstrate a commitment to deliver on schedule
 - Satisfactory financial plan
 - Project delivery plan with milestones and delivery dates
- Award levels should fully fund projects or phases

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Obligation Policies

- Sponsors must designate which year funds will obligate (one of the 2 years included in each 2-year selection cycle)
- Planning and Design phases must obligate in the year designated (no grace period)
- Right-of-Way and Construction phases will be given a single one-year grace period
- Funds failing to obligate per policy must be returned for redistribution
 - Can recompile during next project selection process, or be added to contingency list at discretion of recommending forum

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Time Extensions

- No extension will be considered unless the cause of delay is **clearly** beyond the control of a project sponsor
- Examples not considered justified:
 - Staff turnover, shifting priorities, insufficient funding, clerical errors, lack of certification acceptance status, road classifications, waiting for permits, underestimating NEPA requirements, etc.
- Even when justified, extensions will not be approved unless delays can be mitigated within a short time period and by a date certain

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Project Description Changes

- Funds are awarded to projects with the expectation they will be delivered as originally described and scheduled
 - Extensive public review and comment
 - Included in regional air quality analysis based upon original scope and limits
- Any changes must be consistent with project's original scope, purpose, intent, and/or utility

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NEXT STEPS

Prioritized Contingency Lists



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SUMMARY

NEXT STEPS

- Each project evaluation committee develops a prioritized list of projects that only need additional funds to begin
- Returned funds or additional new funds will be used to fund contingency projects
- Contingency projects must provide updated financial plans and delivery schedules before funds are awarded
- Funds must obligate within one year of award if programmed to planning or design (PE). Funds programmed to right-of-way or construction are also eligible for a 1-year grace period.

Project Monitoring



BACKGROUND

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- **Monitoring**
- Current Projects

SUMMARY

NEXT STEPS

- Sponsors submit **quarterly reports** that compare completed milestones with project schedules
- PSRC staff reviews to determine which projects are on schedule vs. delayed
- Delayed projects will be referred to appropriate project evaluation committee
- Project Evaluation Committees will review, monitor, and assist as possible

Regional Project Performance Reports



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SUMMARY

NEXT STEPS

- PSRC staff will summarize and circulate enhanced **project performance reports**
 - The status of all projects will be reported with an emphasis of those projects failing to meet scheduled milestones
- Provided to PRSC policy boards, elected officials, staffs of project sponsors to ensure all parties are kept fully informed

Current Projects

- What happens to project on current past due list?
 - All projects will be given until the 2011 Call for Projects to obligate funds
 - Failure to do so will result in the loss of funds so they can be made available in the 2011 competition
- What about 2009 project awards and prior projects not yet past due?
 - The new policies will apply to all 2009 awards and other current funds

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SUMMARY

NEXT STEPS



Summary / Next Steps

Outreach Efforts

- Presented draft proposals to a number of affected organization sought comments and concerns from RPEC and each of the four countywide project evaluation committees.
- Draft policies also presented to elected officials on countywide coordinating committees, councils, etc.
- PSRC staff consulted with WSDOT staff.
- This proposal has broad support in every case.

In Summary

What's Changing?

- PSRC funds must be obligated within specific time frames or will be returned
- No grace periods given to Planning or Design phases
- More proactive approach to monitoring with quarterly reports and assistance from project evaluation committees
- Specific mechanism for “recycling” unused funds
- More effective reporting to interested parties
- Past performance will become a consideration in future project selection exercises

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Next Steps

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NEXT STEPS

- Request TPB and Executive Board approvals.
- Initiate transition and implementation steps.