

**SOLUTIONS FOR
CONGESTED CORRIDORS PROGRAM
GUIDELINES**

DISCUSSION DRAFT

September 21, 2017

California Transportation Commission



**CALIFORNIA TRANSPORTATION COMMISSION
SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM
DRAFT GUIDELINES**

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1. Authority and Purpose

The Road Repair and Accountability Act of 2017, or Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017) created the Solutions for Congested Corridors Program (Congested Corridors Program) and continuously appropriates two hundred and fifty million dollars (\$250,000,000) annually to be allocated by the California Transportation Commission (Commission) to projects that address congestion in highly traveled Corridors.

The purpose of the Congested Corridors Program is to fund projects that make specific performance improvements designed to reduce congestion in highly traveled corridors by providing more transportation choices while improving the quality of life and preserving the local community character within the corridor.

These guidelines describe the policy, standards, criteria and procedures for the development, adoption and management of the Congested Corridors Program. These guidelines were developed in consultation with the California Air Resources Board, California Department of Transportation (Caltrans), Regional Transportation Planning Agencies, advocacy groups and other transportation stakeholders. The Commission may amend these guidelines after first giving notice of the proposed amendments. The Commission will make a reasonable effort to amend the guidelines prior to a call for projects or may extend the deadline for project submission in order to comply with the amended guidelines.

2. Program Objectives

The primary objective of the Congested Corridors Program is to achieve a balanced set of transportation, environmental, and community access improvements within highly congested traveled corridors throughout the state. Funding is available to projects that make specific performance improvements and are a part of a comprehensive corridor plan designed to reduce congestion in highly traveled corridors by providing more transportation choices for residents, commuters, and visitors to the area of the corridor while preserving the character of the local community and creating opportunities for neighborhood enhancement projects.

3. Definitions

Multimodal Corridor - A corridor is defined as a 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.

Highly-Traveled - The determination if a corridor is highly traveled is made in comparison with other corridors in similar regions. A highly traveled corridor experiences the top 25% of vehicle miles traveled or person miles traveled when compared with corridors in similar

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regions. Any element in a corridor can be highly traveled including state highways, local streets and roads, commuter rail, transit, bicycle, or pedestrian routes.

Congestion – As it pertains to roadways, congestion is a condition that occurs on segments of roadways when demand exceeds the capacity of the roadway, resulting in slower speeds, longer trip times and higher delays and vehicular queuing.

Nonrecurring events – As it pertains to traffic, a delay caused by an unforeseen event; usually a traffic incident, the weather, a vehicle breakdown, a work zone, or other atypical event. Even if planned in many cases, like work zones and special events, they are irregular and not predictably habitual in location and duration.

Recurring events – As it pertains to traffic, a recurring event is a traffic condition (i.e., a bottleneck or backup) that one can presume to occur in the same location and at the same time daily, albeit for weekday or weekend conditions.

4. Funding and Program Cycle

Two hundred and fifty million dollars (\$250,000,000) will be available upon appropriation to the Congested Corridors Program annually. Any unused balance or savings generated will be added to the available funding in the following cycle. The Commission intends to program four years of funding in the initial program (2018 Program) beginning with fiscal year 2017-18 and ending with fiscal year 2020-21. Following the initial program, the Commission intends to program three years of funding in subsequent cycles (2020, 2022, etc.) by November 1 of each even-numbered year with two new years of programming capacity added to the program. The last year of the cycle will be carried to the following cycle.

5. Schedule

The following schedule lists the major milestones for the development and adoption of the Congested Corridors Program:

Draft Guidelines presented to the Commission	October 18, 2017
Guidelines Hearing, North	October 18 2017
Guidelines submitted to the Joint Legislative Budget Committee and the Transportation policy committees in the Senate and Assembly	November 6, 2017
Guidelines hearing, South	December 6, 2017
Adoption of the Guidelines	December 6, 2017
Applications due	February 16, 2018
Release staff recommendations	April 30, 2018
Program adoption	May 16, 2018

6. Eligible Applicants

A regional transportation planning agency or county transportation commission or authority responsible for preparing a regional transportation improvement plan under Section 14527 of the Government Code or Caltrans may nominate projects for funding.

The Commission encourages the regional agencies and Caltrans to work collaboratively to plan, program, implement, operate and manage transportation facilities as an integrated system with the objective of maximizing available resources and overall transportation system performance. In an effort to encourage collaboration, jointly nominated projects between regions and Caltrans will be given priority under the Congested Corridor Program. For jointly nominated projects, the implementing agency assumes the responsibility and accountability for the project as well as the use and expenditures of program funds.

7. Congested Corridor Plans

All projects nominated for the Congested Corridors Program must be in a multimodal corridor plan. For the initial program, the Commission will accept a broad range of existing corridor plans that are specific to a transportation corridor and written with a corridor planning intent. Acceptable corridor plans ideally incorporate all transportation modes that are presently used or have potential to move people and goods along that corridor. In addition, the plans should address safety, congestion, accessibility, economic development, land use, and air quality and greenhouse gas emissions.

Acceptable corridor plans include, but are not limited to the following:

- Corridor System Management Plans (CSMP)
- An Integrated Corridor Management (ICM) plan or program
- A plan or program developed for a specific multimodal, multiagency transportation corridor
- An integrated analysis of mode specific plans along the corridor

In subsequent programs, beginning with the 2020 Program, all projects nominated for the Congested Corridors Program must be included in a Comprehensive Corridor Plan. The Comprehensive Corridor Plan shall address congestion through a process that provides for safe and effective integrated management and operation of the multimodal transportation system with a focus on balancing transportation, the environment and community considerations. The Commission intends to provide further guidance on the development of Comprehensive Corridor Plans after the 2018 Program is adopted.

8. Matching Requirements

Projects funded from the Congested Corridors Program will require at least a 30% match of local, state, federal or private funds. Matching funds will be in the construction component and limited to funds not allocated by the Commission on a project basis. For projects nominated by Caltrans, no match will be required. For projects jointly nominated by Caltrans and another

agency, matching funds must account for at least 30% of the local agency's share of project costs.

The matching funds must be expended concurrently and proportionally to the Congested Corridors Program funds. Costs incurred prior to allocation will not be counted towards the match. The implementing agency must provide a project funding plan through construction that demonstrates the supplemental funding in the plan (local, federal, state, private sources) is reasonably expected to be available and sufficient to complete the project.

Congested Corridors Program funds should not supplant other committed funds and.

9. Reimbursement

The Congested Corridors Program is a reimbursement program for eligible costs incurred. Costs incurred prior to Commission allocation and, for federally funded projects, Federal Highway Administration project approval (i.e. Authorization to Proceed) are not eligible for reimbursement.

10. Eligible Projects

Eligible projects must make transportation corridor improvements to reduce congestion in a highly traveled corridor while preserving the character of the local community and creating opportunities for neighborhood enhancement projects. These improvements may be in the state highway system, local streets and roads, public transit facilities, bicycle and pedestrian facilities or required mitigation or restoration or some combination thereof.

Projects eligible for funding under the program include, but are not limited to the following:

- Addition of a high-occupancy vehicle lanes and managed lanes.
- Safety improvements such as: wet pavement corrections, curve corrections, shoulder widening, left turn channelization, safety barriers, new guardrail end treatments and crash cushions, install rumble strips, glare screen, rock fall mitigation, over crossing pedestrian fencing, or crosswalk safety enhancements.
- Operational improvements such as: interchange and ramp modifications, auxiliary lanes for merging or weaving between adjacent interchanges, curve corrections and alignment improvements, truck climbing lanes, signals and/or intersection improvements, two-way left-turn lanes, channelization, turnouts, railroad at-grade crossings improvements or separations, shoulder widening.
- Projects that employ advanced and innovative technology, like Intelligent Transportation Systems.
- Projects that include supporting infrastructure for deployment of current and future technologies.
- Transportation Management Systems (TMS) and Transportation Demand Management (TMD).
- Bicycle facilities such as dedicated bicycle lanes.

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- Pedestrian facilities, including: sidewalks, walkways, paths, driveways, crosswalks, median islands, ramps, pedestrian bridges and tunnels.
- Closing gaps in the street network including general purpose mainline lanes on local streets and roads.
- New or existing transit infrastructure improvements including: adding roadway capacity for improved transit service, such as bus-only lanes or traffic signal priority; adding rail capacity or implementing other rail improvements or traffic signal priority for improved light rail service; operational and/or safety improvements that allow for faster transit speeds, more reliable service, or more frequent service; improvements at transit stations that allow for improved safety, operational efficiency, or additional capacity.
- New or existing rail infrastructure such as: construction of track siding to allow for trains to pass; adding railroad capacity by expanding the number of tracks serving the rail corridor; operational and/or safety improvements that allow for faster train speeds; improvements at rail stations that allow for improved safety, operational efficiency, or additional capacity.
- Direct mitigation or other regulatory requirement of a transportation project or facility funded under the Congested Corridors Program, including restoration or protection of critical habitat and open space.
- Transit hubs to increase linked trips or multimodal transportation modes.
- Transit hubs or stations and nearby roadways providing accessibility for first mile and last mile connectivity to public transit system.

Projects NOT eligible for funding, include but are not limited to additions of general purpose lanes and projects on railroad corridors that do not serve passenger rail.

The Commission will only program the construction component of a project in the Congested Corridors Program, except for those projects expected to be delivered using the design-build method, where a portion of the funds may be in design.

11. Screening Criteria

Nominations will receive an initial screening by the Commission for completeness and eligibility before moving to the evaluation process. Incomplete or ineligible applications may not be evaluated.

Nominations will be screened for the following:

- Project is included in an adopted regional transportation plan and, if applicable, consistent with an approved Sustainable Communities Strategies.
- Project is included in a multimodal comprehensive corridor plan that has been prepared by either the county transportation commission, the regional transportation planning agency, or Caltrans.
- Project that can demonstrate a minimum of 30% funding match as outlined in Section 8.

- Projects nominated by Caltrans that have a minimum of \$1,000 programmed in the Interregional Transportation Improvement Program of the State Transportation Improvement Program (STIP).
- Project must meet the objectives of the Congested Corridors Program.
- Project must demonstrate that negative environmental/community impacts will be avoided or mitigated.

In selecting projects for funding under the Congested Corridors Program, the Commission may group projects for the purposes of comparing similar projects within similar regions. An agency submitting multiple project applications must clearly prioritize its projects. Where practical, scaling the projects into deliverable segments or phases is encouraged. When a project is scaled or the agency is proposing improvement on a segment or a phase of a corridor, the nomination should address how all other components or phases of the corridor will be delivered and include an estimated time line.

The application must clearly identify ineligible elements of a project and certify (or confirm) that those ineligible elements will not be funded with Congested Corridors Program funds or be considered as match.

12. Evaluation Criteria

All project nominations will be selected through a competitive process using a primary evaluation criteria, a secondary evaluation criteria and deliverability criteria as indicated in this section. Each nomination will be evaluated for compliance with the objectives of the program. Each evaluation criteria will be scored with a “High”, “Medium”, or “Low”. The highest ranking project will be selected for funding.

The projects should identify specific transportation improvements designed to reduce congestion in highly congested travel corridors by providing a transportation network that balances transportation, environment and community.

The Commission intends to fund transformative projects that bring significant change to a community.

12.1 Primary Evaluation Criteria

The primary evaluation criteria will be based on how well a project meets the primary objective of the program of addressing congestion by making specific improvements to reduce congestion in highly traveled corridors by providing more transportation choices while preserving the character of the local community and creating opportunities for neighborhood enhancement projects.

A project nomination shall include documentation regarding the quantitative and qualitative measures validating the project’s consistency with identified policy objectives. Listed are the metrics to include in the application to help answer the criteria questions.

- A. The project should identify the extent of congestion in the corridor. What is the current state? How extensive is the problem? What are the community and environmental impacts? How much worse will the problem get under the no-build environment?
- Existing vehicle hours of delay
 - Existing person hours of delay
 - Existing person throughput by mode
 - Limited mode choices
 - Travel time reliability
 - Safety issues
 - Limited Access to jobs, destination, and communities
 - Limited connections to residential, recreational, health, education and employment destinations
- B. How well will the proposed project address the problem? How is the solution balancing transportation, environment and community? Why is this solution the best improvement in the corridor?
- Changes in vehicle hours of delay
 - Changes in person hours of delay
 - Changes in person throughput by mode
 - Changes in mode choices
 - Changes in travel time reliability
 - Dedicated rights of way for bike and transit

12.2 Secondary Evaluation Criteria

Projects will also be evaluated based on the following criteria:

A project nomination shall include documentation regarding the quantitative and qualitative measures validating the projects consistency with identified co-benefits objectives of the proposed project.

- Safety – How does the proposed project increase safety for motorized and non-motorized users?
 - Number of fatal and injury collisions expected to be avoided due to project implementation
 - Fatal and injury collisions per 100 million vehicle miles traveled expected to be avoided due to project implementation
 - Elements that support the enhancement of public safety and security such as secured bike parking, lighting for transit projects, other crime prevention and safety measures
- Accessibility– How will the proposed project improve accessibility for people that travel the corridor or need to travel through the corridor?
 - Access to multimodal choices
 - Closing gaps in transit

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- Connecting to jobs, major destinations and residential areas
 - Reliability of the system
 - Response time
 - First/last mile
 - Complete streets
 - Creation of networks of non-vehicle facilities that connects residential, recreational and employment
- Economic development and job creation and retention – How does the proposed project support economic development and access to employment, and/or reduce the economic impacts and increase regional competitiveness caused by congestion?
 - Cumulative job access for all modes
 - Change in cumulative job access for communities (disadvantaged populations)
 - Improves freight throughput
- Air Quality & Greenhouse Gases – How will the proposed project reduce greenhouse gas emissions and criteria pollutants, and advance the State’s air quality and climate goals?
 - Potential for reducing greenhouse gas and improve air quality by reducing airborne particulate matter; ground level ozone, toxic air contaminants, and other pollutants in the corridor as well as the localized area most impacted by the corridor
- Efficient land use – How does the propose project supports transportation-efficient land use principles?
 - Supports mixed-use development with multimodal choices
 - Supports in-fill development
 - Supports interconnected streets and corridor access management policies

12.3 Deliverability Criteria

- Matching Funds – 30% minimum match required as specified in Section 8. Projects with more match than required will be given higher priority.
- Deliverability – Only construction will be funded through the Congested Corridors Program. Projects with an early construction date will be given higher priority.
- Collaboration – Priority will be given to jointly nominated and jointly funded projects.
- Cost Effectiveness – Benefit/Cost Ratio analysis or an alternative may be considered.

13. Project Nominations

Project nominations and supporting documentation must be submitted to the Commission by February 16, 2018. Nominations will be treated in accordance with California Public Records Act requirements and information, subject to those requirements, may be publicly disclosed.

Nominations from regional agencies will include the signature of the Chief Executive Officer or other authorized officer of the agency. Nominations from Caltrans will include the signature of the Director of Transportation or a person authorized by the Director to submit the nomination. Jointly nominated projects shall have the duly authorized signature of both agencies. Where a project is to be implemented by an agency other than the nominating agency, the nomination will also include the signature of the Chief Executive Officer or other authorized officer of the implementing agency.

The Commission will post basic project application information on its website prior to adopting the final program of projects. After projects are selected for programming, the Commission will post the status of all project applications to its website.

Each project application submittal must include two copies of the application package and one electronic copy. All application materials should be addressed or delivered to:

Susan Bransen, Executive Director
California Transportation Commission
1120 N Street, MS-52
P.O. Box 942873
Sacramento, CA 95814

Each project application should be limited to 10 pages (excluding the benefits documentation and the Project Programming Request form) and must include:

- A. A cover letter, with signature authorizing and approving the application. Where the project is to be implemented by an agency other than the nominator, documentation of the agreement between the project nominator and implementing agency must be submitted with the application
- B. An explanation of the project and its proposed benefits, including the following:
 - o Project title, which should be a brief non-technical description of the project type, scope, and location.
 - o Project priority (if agency is submitting multiple applications)
 - o Project background and a purpose and need statement.
 - o A concise description of the project scope and anticipated benefits (outcomes and outputs) proposed for funding.
 - o Projects are to be designed to achieve a balanced set of improvements within highly congested travel corridors. Improvements must include transportation, environmental, and community access considerations. A description on how the project furthers the objectives of the Congested Corridors Program must be included that addresses all of the following:

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- Providing more transportation choices for residents, commuters and visitors.
 - Advancing the State's air quality and climate goals.
 - Preserving the character of the local community.
 - Creating opportunities for neighborhood enhancement projects.
 - Advancing program co-benefits of safety, economy and efficient land use.
- A map (or maps) of the project location.
 - A project cost estimate which includes the amount and source of all funds committed and uncommitted to the project and the basis for concluding that the funding is expected to be available. Cost estimates should be escalated to the year of proposed implementation and be approved by the Chief Executive Officer or other authorized officer of the implementing agency. For uncommitted funds the agency must include a risk assessment and the plan if the uncommitted funds are not secured.
 - When proposing a segment or a phase of a corridor, the applicant must include a narrative of the plan to complete the improvements of the entire corridor. The analysis should be coordinated with other jurisdictions if the corridor crosses multiple jurisdictions.
 - A description that demonstrates the ability to absorb any cost overruns and deliver the proposed project with no additional funding from this program. For Caltrans implemented projects, the projects must have a minimum of \$1,000 programmed in the STIP with a commitment that cost overruns will be funded through the Interregional Transportation Improvement Program, unless Caltrans secures an alternate source.
 - A description of the project delivery plan, including a description of the known risks that could impact the successful implementation of the project and the response plan of the known risks. The risks considered should include, but not be limited to, risks associated with deliverability and engineering issues, community involvement, and funding commitments.
 - A description of the projected quantitative and qualitative measures of the proposed improvements as described in the Evaluation Criteria in Section 12.
 - A quantitative and qualitative analysis of the proposed project compared to the no-build environment.
 - A description and quantification of the local and corridor effects of the project on diesel particulate, greenhouse gases and other pollutant emissions.
 - A description and quantification of community impacts, such as noise, localized congestion, safety, public health, etc.
 - A description of how the project furthers the goals, performance measures, and targets of the region's Regional Transportation Plan, corridor plan and, if applicable, the sustainable communities strategy. For each performance measure, the applicant should indicate how the project scored relative to other projects in the Regional Transportation Plan.

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- A description of the corridor plan or other coordinated management strategies being implemented by the nominator and other jurisdictions within the corridor to preserve corridor mobility.
- C. Documentation supporting the benefits and cost estimates cited in the application should be no more than 10 pages in length, citing or excerpting, as appropriate, the project study report, environmental document, Regional Transportation Plan, corridor plans and other studies that provide quantitative and qualitative measures of the project's costs and benefits, including both congestion, and emission reduction benefits while at the same time preserving the character of the community.
- Each applicant should provide documentation that the expected benefits of the proposed project justify its costs, recognizing that some costs and benefits can be difficult to quantify. Each application should include analysis utilizing Caltrans' Life-Cycle Benefit-Cost Analysis. This model can be found at: http://www.dot.ca.gov/hq/tpp/offices/eab/LCBC_Analysis_Model.html. If another model is more applicable the application should describe why and provide the analysis based on the alternate model.
 - Where investment is proposed to improve private infrastructure, this documentation should include an assessment of public and private benefits to show that the share of public benefit is commensurate with the share of public funding. The investment of public funding must be tied to public benefits as demonstrated through a public/private benefit cost analysis. The benefit cost analysis should take into account who owns the asset once the project is completed.
 - Each applicant should provide a description and quantification of the local and corridor effects of the project on diesel particulate (PM 10 and PM 2.5), nitrogen oxides, greenhouse gases and other pollutant emissions using the Caltrans' Life-Cycle Benefit-Cost Analysis Model 6.0. (Cal B/C), the SB 1 Intermodal Tool, or the SB 1 Other Projects Tool. Report emissions saved in both tons and dollars. The SB 1 Intermodal Tool and the SB 1 Other Projects Tool are currently under development and will be available not later than December XX, 2017. These tools will be located at:
http://www.dot.ca.gov/hq/tpp/offices/eab/LCBC_Analysis_Model.html.
- D. Documentation for rail investments should acknowledge and describe how the private railroads, regional agencies and appropriate state agencies will come to agreement on public and private investment levels and resulting benefits.
- E. Each application must include a Project Programming Request (PPR) Form. An excel template of this form may be found at <http://www.dot.ca.gov/hq/transprog/ocip.htm>. Each Project Programming Request must list federal, state, local, and private funding categories by project component and fiscal year. If the project is a scope addition to a project with a prior Project Programming Request Form, the prior Project Programming Request should be included. Congested Corridors Program funds cannot be used to supplant other committed funds.

14. Programming

Following a public hearing, the Commission intends to adopt the 2018 Congested Corridors Program by May 16, 2018. Subsequent programs will be adopted by November 1 of each even numbered year. Funds in the Congested Corridors Program will only be used for the Construction component.

The Congested Corridors Program will be developed consistent with the annual amount of funds available for the Program. There are not regional guarantees, minimums or targets for this program. All nominated projects will be evaluated based on the evaluation criteria as specified in Section 12. The Commission will not program more than one-half of the funds available each year to projects nominated by Caltrans.

The program of projects will include the amount to be funded from the Congested Corridors Program and the estimated total cost of the project. In the case of a large project delivered in segments, include the total cost of all the segments for which Congested Corridors Program funds are requested as well as the actual or estimated cost of all segments in the corridor.

The Commission will program and allocate funding to the projects in whole thousands of dollars and will include a project only if it is fully funded from a combination of Congested Corridors Program funds and other committed funds and uncommitted funds. The Commission will regard funds as committed when they are programmed by the Commission or 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 Regional Surface Transportation, Congestion Mitigation and Air Quality and federal formula transit funds, the commitment may be by federal Transportation Improvement Program adoption. For federal discretionary funds, the commitment may be by federal approval of a full funding grant agreement or by grant approval.

Uncommitted funds may only be from the following competitive programs: Active Transportation Program, Trade Corridor Enhancement Program, Local Partnership Program or the Transit and Intercity Rail Capital Program. The agency must indicate its plan for securing a funding commitment, explain the risk of not securing that commitment, and its plan for securing an alternate source of funding should the commitment not be obtained. If a project with uncommitted funds is programmed, all funding commitments must be secured prior to July 1 of the year in which the project is programmed. Projects programmed by the Commission in the Congested Corridors Program will not be given priority for funding in other programs under the Commission purview.

If there is additional capacity in any one fiscal year due to programming less funds than available, a project (s) is removed from the program, or there are savings generated, the Commission will approve advances to projects that are programmed in future years. Any unused programming balance will be added to the available programming capacity in the following cycle.

15. Project Amendments

Project amendments will be considered for the Congested Corridors Program as follows:

Scope changes – The Commission will not consider changes to the scope of the project unless the change is minor and has no impact to the project benefits or the scope change increases the benefits of the project. The Commission should be notified as soon as possible and the request must be included as part of the allocation request package.

Cost Changes – The Congested Corridors Program will not participate in cost increases to the project. Any cost increases should be funded from other fund sources. If there is a change in the cost estimate, the Commission should be notified as soon as possible in writing explaining the change and the plan to cover the increase. A revised Project Programming Request form identifying the source of funding must also be included. Projects savings at project completion will be returned to the program proportionally at the time the final delivery report is approved.

Schedule changes – Schedule changes to a project will not be considered unless a time extension was approved as specified in Section 18. For projects programmed in the last year of the Congested Corridors Program, the agency may request to reprogram the project only once with a justification. The Commission may approve the request only if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the change.

16. Allocations

The Commission will consider the allocation of funds for a project when it receives an allocation request with a recommendation from Caltrans. The recommendation will include a determination of project readiness, the availability of appropriated funding, and the availability of all identified and committed supplementary funding. The Commission will only consider an allocation of construction and/or construction support funds to projects that are ready to advertise. For projects that are ready to advertise, the Commission expects Caltrans to certify that a project's plans, specifications and estimate (PS&E) are 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.

The Commission will approve the allocation in whole thousands of dollars if the funds are available and the allocation is necessary to implement the project as included in the adopted Congested Corridors Program. If there is a cost increase to the project, the implementing agency must submit and updated PPR that identifies the cost increase and the fund source that will cover the cost increase. If fund source(s) is not identified to cover the cost increase, the project will be deleted from the Congested Corridors Program.

Allocations must be requested in the fiscal year of project programming, and are valid for award for six months from the date of allocation unless the Commission approves an extension. Agencies should not request Commission allocations unless prepared to award contracts related to the allocation within six months. Whenever programmed funds are not allocated

within the fiscal year programmed or within the time allowed by an approved extension, the project will be deleted from the Congested Corridors Program.

When Caltrans is the implementing agency, construction support costs must be allocated separately from construction capital costs.

17. Letter of No Prejudice

The Commission will consider approval of a Letter of No Prejudice (LONP) to advance a project programmed in the Congested Corridors Program. Approval of the LONP will allow the agency to begin work and incur eligible expenses prior to allocation. The Amended LONP Guidelines were adopted in October 2017 and are available on the Commission's website.

18. Timely Use of Funds

Congested Corridors Program allocations must be requested in the fiscal year of project programming, and are valid for award for six months from the date of allocation unless the Commission approves an extension. Agencies should not request Commission allocations unless prepared to award contracts related to the allocation within six months. Whenever programmed funds are not allocated within the fiscal year programmed or within the time allowed by an approved extension, the project will be deleted from the Congested Corridors Program.

After award of the contract, the implementing agency 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.

19. Delivery Deadline Extensions

The Commission may extend a deadline only once for either allocation or award upon the request of the implementing agency. The extension will not exceed 6 months. The extension will only be granted if it is for an extraordinary circumstance beyond the control of the implementing agency.

Upon request of the implementing agency, the Commission may extend the deadline for expenditure and for project completion. The extension cannot exceed more than 20 months for project completion and 12 months for expenditure. The extension will only be granted if it is for an extraordinary circumstance.

All requests for project delivery deadline extensions shall be submitted directly to Caltrans for processing. The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to the circumstance. Caltrans will review and prepare a written analysis of the proposed extension request and forward the written analysis and recommendation to the Commission for action.

20. Project Reporting

Caltrans, in cooperation with the implementing agencies, will report to the Commission on a semi-annual basis. The reports will include information on the activities and progress made toward implementation of the project, including those project activities taking place prior to an allocation and the commitment status of supplemental funding identified at the time of programming. The reports will at a minimum include:

- A summary describing the overall progress of the project since the initial award.
- Expenditures to date for all project phase costs.
- A summary of milestones achieved during the prior year and milestones expected to be reached in the coming year.
- An assessment of how the project is meeting the quantitative and qualitative measurements identified in the project nomination.
- Identify any changes to the scope, cost, or schedule of the project

A final delivery report will be required. The purpose of the report is to ensure that the project achieves the objectives of the program, is executed in a timely fashion, and is within the scope and budget identified when the decision was made to fund the project.

Within one year of the project becoming operable, the implementing agency must provide the following information to Caltrans to be included in a final delivery report to the Commission which includes:

- The scope of the completed project as compared to the programmed project.
- Before and after photos documenting the project.
- Project duration as compared to the project schedule in the project application.
- Performance outcomes and benefits derived from the project as compared to those described in the project application. This should include an explanation of the methodology used to quantify the benefits.
 - For the purpose of this section, a project becomes operable when the construction contract is accepted.

21. Database

Caltrans is responsible for developing, upgrading and maintaining an electronic database record of the adopted Congestion Corridors Program and Commission actions. The database will include project specific information, including project description, location, cost, scope, schedule, progress of the project and a map. The project information from the database will be accessible through Caltrans' website.

22. Project Auditing

Caltrans must audit, in accordance with Generally Accepted Government Auditing Standards, a representative sample of the projects. The scope of these audits will be performed to determine whether:

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- A. Project costs incurred and reimbursed are in compliance with the Commission's Congested Corridor Program Guidelines, the Commission's SB 1 Accountability Guidelines, contract provisions and state and federal laws and regulations;
- B. Project deliverables (outputs) and outcomes are consistent with the project scope, schedule, and benefits described in the project nomination used to program the project.

A report on the projects audited, their findings and status of any corrective action must be submitted to the Commission by October 1 of each year.