

## STAFF REPORT

**SUBJECT:** FY 12/13 Project Study Report (PSR) Work Program

**MEETING DATE:** September 1, 2011

**AGENDA ITEM:** 3C

**STAFF CONTACT:** Brittany Odermann

**RECOMMENDATION:**

Recommend board approval of Three-Year PSR Work Program for period FY 12/13 – 14/15 and revised PSR Work Program policy.

**SUMMARY:**

In May 2010 the SBCAG Board adopted our regional Project Study Report (PSR) work program policy for Santa Barbara County. Our current regional policy requires that our work program be updated and adopted each November for inclusion in the statewide Three-Year PSR Workplan. In the past this allowed our PSR needs to be integrated into the statewide plan and work program scheduled to be updated annually, by January 10, by Caltrans. Recently Caltrans revised their schedule to require that local and regional PSR needs be submitted by August of each fiscal year to correspond with preparation of the state budget. The current regional work program, covering FYs 11/12–13/14 must roll forward one fiscal year and cover the period FY 12/13–14/15. Projects in the current work program in FY 12/13 and 13/14 will remain in their respective years in the updated work program. Last month TTAC members provided input on the new work program requesting that one new project be added. The revised work program, prioritized according to the regional PSR policy, is attached and staff is seeking a TTAC recommendation to the SBCAG Board to approve the plan. In future years this process will occur in July with final adoption in August to coincide with the state budget schedule.

**BACKGROUND:**

A Project Study Report (PSR) or Project Initiation Document (PID) is the first stage in the Caltrans project development process of identifying a solution for a specific transportation deficiency. A PSR is required before using state or federal funds for capital improvements on or near the State Highway System or for any major work affecting the state highway system that will require Caltrans approvals, whether publicly or privately funded. As the owner and operator of the state highway system Caltrans is responsible for PSR development and oversight of PSRs developed by resources outside the agency. A PSR is a pre-programming document that provides preliminary information on a project's scope, schedule, and cost before funds are committed for subsequent phases of development (environmental, design, right-of-way and construction).

In response to recommendations from the Legislative Analyst's Office, a legislative requirement for a report on PSR reform, and increasingly difficult state budget issues, Caltrans Headquarters

**Member Agencies**

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County

developed a three-year Project Initiation Document (PID) Strategic Plan in coordination with the statewide Regional Transportation Planning Agencies group to begin to better manage PSR resources throughout the state. Development of the PID Strategic Plan occurred over 18 months in 2009 and 2010.

The plan directs Caltrans to, “coordinate and consult with regional agencies to capture the region’s projected PID workload over the next three years.” In addition, the plan addresses the issues raised by the Legislative Analyst’s Office (LAO) and identifies ways to streamline the PID development process by investigating the potential of cost-sharing, and streamlining the PID process to reduce costs and delays.

Part of the plan includes an appendix of a Three-Year STIP Project Listing Summary for PID Development. The plan outlines criteria for selection and development of PIDs that is consistent with the criteria established in the SBCAG PSR Work Program policy including:

- that the project be tied to a reasonable funding source;
- that the project mitigates deficiencies in the transportation system; and
- that projects come from a long range transportation plan.

Coordination with Caltrans will occur annually at the district level and will be used as a basis for developing the statewide PID workplan consistent with each districts’ staffing allocation levels. The state will develop their workplan each year in September.

In the past coordination with regional agencies was informal and discussions about upcoming PSR work with Caltrans’ district staff normally occurred in the December timeframe for the upcoming year. Now that the statewide plan is approved there is a more formal process at the state and regional level. The current SBCAG PSR Work Program Policy (Attachment 2) requires that a regional work program be adopted in November of each year so that Caltrans can consider it for inclusion in the statewide PSR workplan that will go into effect July 1 of the following year. Caltrans recently confirmed that the new schedule will require regions to submit a work program by the end of August for consideration in the statewide PSR workplan. Proposed revisions to the Work Program Policy are highlighted to reflect this schedule change. SBCAG staff will recommend that the Board approve these changes with adoption of the updated work program.

#### Update to Three Year PSR Work Program

The SBCAG Board adopted the PSR Work Program policy to determine when PSRs should be initiated to help ensure that an appropriate shelf of PSRs is created for the region’s highest priority projects that have a reasonable chance of being funded in the near term while the PSR is still valid. The policy is applied to a regional PSR work program for annual submittal to Caltrans.

Consistent with the statewide PSR workplan, SBCAG’s work program is a three fiscal year, rolling horizon work program. It includes all PSR needs that SBCAG foresees for the next three years that meet the PSR work program eligibility criteria as prescribed in the regional policy. The attached work program includes FYs 12/13 – 14/15.

Since the PSR is the first stage in project development, it is an important place to implement financial constraint and begin assessment of timed project delivery by determining when the

PSR process should begin. The work program is an important tool in managing our “shelf” regionally to have a variety of projects ready when and if additional funding becomes available.

At the August TTAC meeting, SBCAG staff asked that agencies submit candidate projects that could be included in FY 12/13 – 14/15. One project request was received.

#### Hollister Avenue/State Street Improvements Project

*Project Sponsor:* County of Santa Barbara.

*Project Description:* Reconstruct segments of Hollister Avenue/State Street between San Antonio Road and State Route 154.

*Project Purpose & Need:* The project proposes to enhance multi-modal circulation, mobility, and accessibility for all uses as well as improve the aesthetics and functionality of the upper Hollister Avenue/State Street corridor.

*Proposed Project Funding:* Federal SAFETEA-LU High Priority Project earmark funding.

The County is preparing the PSR using the Federal SAFETEA-LU High Priority Project earmark and local funding as a required match. In their request the County noted that Caltrans’ oversight may not be necessary if the scope of the preferred project alternative does not significantly affect Caltrans right of way.

In accordance with the PSR Work Program Policy, the new PSR was added to year one of the work program as priority number three.

- ATTACHMENTS:**
1. Proposed PSR Work Program (FYs 12/13 - 14/15)
  2. PSR Work Program Policy with proposed revisions

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PSR Three Year Work Program FY 2012/13 – 14/15					
Fiscal Year of Work Program	Priority	Project	Sponsor Agency	Work Requested	Scheduled Date - Start of Construction or ROW Purchases
2012-13					
	1	Goleta Overpass Project	Goleta	Carryover - Continue oversight of new PSR	2023 (ROW)
	2	Cottage Hospital Area Circulation Improvements	Santa Barbara	Carryover - Continue oversight of new PSR	2015 (CON)
	3	Hollister Avenue/State Street Improvements	County of Santa Barbara	Oversight New PSR	
2013-14					
	1	Clark Avenue/Highway 101 Interchange	County of Santa Barbara	Oversight New PSR	2014 (CON)
2014-15					
No new projects at this time.					

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SBCAG's PSR Work Program Policy  
[Non-SHOPP Projects]

1. In order for SBCAG to request that Caltrans work on a PSR in Santa Barbara County, the project must be in the PSR work program adopted by the SBCAG Board.
2. The work program will be adopted in ~~November~~ **August** of each year so that Caltrans can consider it for inclusion in the statewide PSR work program that will go into effect July 1 of the following year.
3. Consistent with the statewide PSR work program, SBCAG's work program will be a three fiscal year, rolling horizon work program. It will include all PSR needs that SBCAG foresees for the next three years that meet the PSR work program eligibility criteria that are part of this policy.
4. The work program will include PSRs that SBCAG is requesting Caltrans:
  - a. initiate work on with Caltrans work forces; or
  - b. update with Caltrans work forces; or
  - c. oversight (if a PSR is prepared by local or private work forces)
5. All PSR needs that meet the eligibility criteria will be included in the work program and prioritized by fiscal year. SBCAG's work program will take into consideration, but not be constrained by, Caltrans' estimated work force availability.
6. Local project sponsors can request that a PSR be included in SBCAG's work program by submitting a request to SBCAG. If the agency will have more than one project in the work program, including carryover projects, and privately funded projects, the requesting agency's policy body must rank the request relative to its other PSRs.
7. PSRs in SBCAG's work program will be prioritized by fiscal year to assist Caltrans in applying its resources. General guidance in prioritizing PSR work requests will be:
  - a. By work request:
    1. Updates of PSRs for currently programmed projects
      - a. The older the PSR needing an update, the higher the priority.
    2. New PSRs

- b. By funding source:
    - 1. Measure A funded projects
    - 2. Other publicly funded projects
    - 3. privately funded projects
  - c. By project type
    - 1. Safety
    - 2. Operational
    - 3. Capacity increasing
    - 4. Transportation enhancement
  - d. By priority within a local jurisdiction
    - 1. If a sponsor agency has more than one PSR work request in the work program, by the priority the agency's policy body gives to its own PSR requests.
8. The work program, or amendment requests, will be voted on by TTAC before being brought to the SBCAG board for adoption.
  9. If more resources become available for the upcoming fiscal year at Caltrans than anticipated when the work program is being developed, Caltrans may work on PSRs in year two (or three) of the work program. This will not require an amendment to the work program. If Caltrans has fewer resources than anticipated, Caltrans may not be able to work on all PSRs in the first fiscal year of the work program. SBCAG will request that Caltrans provide notice of the "cut line" each fiscal year as soon as it is established.
  10. A project sponsor that believes its project deserves special consideration for SBCAG's PSR work program that should override the eligibility criteria or alter the prioritization ranking in the work program may submit a written appeal to the SBCAG board.
  11. The PSR work program can be amended at any time by a majority vote of the SBCAG board.
  12. The Executive Director will be authorized to sign off on the Caltrans PSR initiation request form and PSR charter for all projects in the work program.



## **SBCAG's PSR WORK PROGRAM ELIGIBILITY CRITERIA**

- A. On-system, publicly funded capacity increasing projects (includes AB 1600 projects)
  - 1. The project is itemized in the Regional Transportation Plan (RTP)
  - 2. It has an adopted feasibility study by a local policy body or SBCAG that includes a financing plan and delivery schedule based on the cash flow and schedule of the Measure A Strategic Plan.
  - 3. Start of construction date or scheduled right of way capital purchases are within 12 years of the respective year that the project would be included in the three year PSR work program.
  
- B Publicly funded, on system, operational or safety projects that are non-capacity increasing, and publicly funded off system projects (includes AB 1600 projects)
  - 1. The project is itemized in the RTP or supported by a policy or project category in the RTP.
  - 2. The local policy body or SBCAG has adopted a financing plan and delivery schedule based on the cash flow and schedule of the Measure A Strategic Plan.
  - 3. Start of construction date or right of way capital purchases are within 12 years of the respective year that the project would be included in the three year PSR work program.
  
- C. Privately funded on system projects
  - 1. The project is itemized in the RTP or supported by a policy or project category in the RTP.
  - 2. Start of construction date is within 12 years of the respective year that the project would be included in the three year PSR work program