



STAFF REPORT

MEETING DATE:	October 13, 2015
SUBJECT:	Adopt Overall Work Program (OWP) Policies and Procedures
AGENDA ITEM:	5-6
STAFF CONTACT:	Daniel Wayne, Senior Transportation Planner

STAFF RECOMMENDATION:

It is recommended that the board of directors adopt the attached Overall Work Program (OWP) policies and procedures.

DISCUSSION:

The OWP describes the agency's planning activities for the fiscal year and serves as SRTA's comprehensive budget document. Formal policies and procedures are needed to ensure consistency and transparency when developing and administering the OWP.

Adoption of the attached policies and procedures would formalize the more robust process developed in consultation with the board of directors and refined over the last three years. The process now begins much earlier and provides ample opportunity for the board of directors, partner agencies, and the community to participate in and contribute to the agency's work program.

The following topics are covered:

1. A discussion of the strategic role and purpose of the OWP;
2. A month-by-month timeline of major work tasks; and
3. General guidelines for effective administration and management of the OWP.

ALTERNATIVES:

The agency is not required to maintain formal OWP policies and procedures. The board of directors may modify the policies and procedures as presented, or take no action.

OTHER AGENCY INVOLVEMENT:

The OWP policies and procedures incorporate guidance from SRTA's funding partners, namely Caltrans District 2, the Federal Highway Administration, and the Federal Transit Administration.

FINANCING:

Adoption of the OWP policies and procedures has no direct fiscal impact to the agency.

A handwritten signature in blue ink, appearing to read "D. Little", is written over a horizontal line.

Daniel S. Little, AICP, Executive Director

Attachment: SRTA Policies and Procedures, Section 2.24.10, Overall Work Program

2.24.10 Overall Work Program (OWP)

(2.24.10a) Background

The OWP describes the agency's planning activities for the fiscal year and serves as the agency's comprehensive budget document. It includes work tasks organized into work elements with accompanying cost estimates, funding sources, and completion schedules. Together with the Overall Work Program Agreement (OWPA) and the Master Fund Transfer Agreement (MFTA), the OWP constitutes the annual funding contract between SRTA and the state – once it is approved by the US Department of Transportation (US DOT).

Complete and detailed information regarding the development, approval, and management of the OWP, including: minimum content; interagency consultation requirements; certifications and assurances; approval and amendment procedures; and other such direction is found in the Regional Planning Handbook prepared by Caltrans Office of Regional and Interagency Planning. Federal guidance is likewise provided in the Code of Federal Regulations (23 CFR Part 420 and 450) and Federal Transit Administration Section 5305 Program Circular (FTA Circular 8100.1C).

The following SRTA policies and procedures do not supplant these references; rather, they are intended to promote consistency and transparency during the development and administration of the annual OWP for the Shasta Region.

(2.24.10b) Strategic Role and Purpose of the OWP for the Shasta Region:

In addition to guiding the administration of fiscal and human resources, the OWP for the Shasta Region should:

- (1) Support the realization of goals and objectives in the adopted Regional Transportation Plan;
- (2) Inform the development of short-range Transportation Improvement Programs and future Regional Transportation Plans; and
- (3) Provide a basis for the agency and its funding partners to evaluate regional planning activities for consistency with Federal Planning Factors and California Planning Emphasis Areas.

(2.24.10c) Development of the Future Fiscal Year OWP for Shasta County:

The following timeline and activities represent the typical process whereby the OWP is developed for the ensuing fiscal year.

- (1) October
 - A) Receive annual estimate of FHWA PL and FTA 5303 funds from Caltrans Office of Regional and Interagency Planning (ORIP). Whereas these estimates are provided as a range from low to high, a mid-point is typically used for budgeting purposes.

- B) Review and update agency labor and benefit rates, allowing for scheduled and other reasonably foreseeable variances as a result of step increases, promotions, performance pay, changes in staffing, extra help, and employee benefit premiums.
- C) Receive and review latest Federal Planning Factors and California Planning Emphasis Areas (PEAs) provided by Caltrans Office of Regional Planning and posted online.

(2) November

- A) Develop preliminary planning priorities for the ensuing fiscal year and forward to Caltrans District Liaison and FTA and FHWA partners in preparation for the annual MPO coordination meeting. Preliminary planning priorities should take into consideration:
 - I) MPO Core Planning Functions;
 - II) Federal Planning Factors and California Planning Emphasis Areas;
 - III) Implementation of the Regional Transportation Plan, including Sustainable Communities Strategy;
 - IV) Existing and forthcoming funding programs and leveraging opportunities available through traditional and non-traditional sources; and
 - V) Public input received and documented by way of routine planning processes, special planning initiatives, and other such efforts.
- B) Schedule and participate in annual MPO coordination meeting with FHWA, FTA, and Caltrans. The agenda should include discussion of:
 - I) Most recent Caltrans audit findings, responses, and further actions;
 - II) Federal Planning Factors, California Planning Emphasis Areas, and MPO core planning functions; and
 - III) Anticipated carry-over work elements, significantly updated work elements, and new work elements.

(3) December

- A) Present preliminary regional planning priorities for the ensuing fiscal year to the SRTA Technical Advisory Committee and SRTA Board of Directors as part of the December agenda. Whereas preliminary priorities can and do evolve as the work program is developed, the agenda item should be for discussion and direction. Final regional planning priorities are adopted as part of the OWP in April.
- B) As appropriate, and if funding is available after all of SRTA's core planning and administrative activities have been budgeted, a call for planning project concept proposals from member local agencies may be published. In addition

to meeting eligibility criteria associated with the applicable funding source(s), proposals should accomplish or otherwise support the following:

- I) Draft regional planning priorities for the ensuing fiscal year;
- II) Activities needed to ready projects within the Regional Transportation Plan for funding and construction; and
- III) Other, local agency-identified needs that help to implement the adopted Regional Transportation Plan.

In order to facilitate the submittal of planning project concept proposals, a uniform online form should be provided by way of the agency's website.

(4) January

- A) Evaluate local agency planning project concept proposals and develop staff recommendations in preparation for the February Board of Directors meeting.
- B) Develop draft work element worksheets, including narratives, work tasks, deliverables, and timelines.
- C) Budget agency labor costs, consultant costs, material and supply costs, and other expenditures by work element for the upcoming fiscal year. All expenditures should be allocated according to anticipated month of expenditure. Funds that are tied to a specific work product, consultant contract, sub-recipient agreement, or other expenses should be noted as a separate line item with the appropriate Work Element worksheet.
- D) Allocate agency revenue sources by work element based on anticipated labor and non-labor expenditures, indirect costs, matching requirements, and carry-over funds.

(5) February

- A) Provide draft OWP worksheets and budget to Technical Advisory Committee (including staff-recommended local agency planning projects and funding) as part of the February meeting agenda packet, making note of significantly updated and new work elements.
- B) Present draft OWP worksheets to Board of Directors for review and direction. As applicable, include recommendations for the selection of local agency planning project concepts.
- C) Review OWP prospectus and narrative. Make updates as needed.
- D) Evaluate Sub-Recipient Cooperative Agreements (SCAs) and update as needed.

(6) March

- A) Prepare indirect cost allocation plan.
- B) Prepare a complete draft of the OWP, including prospectus, narrative, budget summary tables, and work element worksheets;

- C) Submit draft OWP to Caltrans, FHWA, and FTA for 30-day review and comment period.
- D) Send draft OWP to SRTA general distribution email list, and post to SRTA website.
- E) Receive Caltrans and/or federal agencies' comment letter(s) on the draft OWP and revise as needed.

(7) April

- A) Present final and complete OWP to SRTA Board of Directors for the following actions:
 - I) Adoption by resolution;
 - II) Certification of compliance with the FHWA metropolitan planning and state transportation planning processes;
 - III) Authorization to execute annual FTA certifications and assurances;
 - IV) Authorization to execute the Overall Work Program Agreement (OWPA) and OWPA amendments, as applicable; and
 - V) Authorization to execute sub-recipient agreements.
- B) Submit final OWP and Indirect Cost Allocation Plan to Caltrans.
- C) Post adopted OWP and related documents to SRTA website.

(8) May

- A) Prepare local agency Sub-recipient Cooperative Agreements based on adopted OWP and deliver to sub-recipients for completion by June 30.

(9) June/July

- A) Receive and document letter of federal approval of the OWP.
- B) Receive OWPA from Caltrans and review for accuracy. Sign and return to Caltrans.
- C) Provide notice-to-proceed to local agency sub-recipients as each fully executed Sub-Recipient Cooperative Agreement is received.

(2.24.10d) Administration and Management of the OWP

In addition to adherence to all procedures, timelines, reporting, and other requirements found in the Regional Planning Handbook, it is essential that the agency track budgeted versus actual expenditures as well as any changes in work scope and deliverables. This includes work performed by SRTA and by sub-recipients.

Amendments should be performed as often as needed, but no later than May 1. Amendments during the first three quarters are typically used to adjust budgets upward to avoid going over budget within any work element. The April amendment is used to true-up all work elements based on the best estimate of remaining work and anticipated expenditures through the end of the

fiscal year. Whereas SRTA cannot be reimbursed for FHWA PL and FTA expenditures exceeding budgeted amounts within each work element, the April amendment – and subsequent adherence to it – is critical.

Key responsibilities over the OWP are as follows:

(1) Executive Director

- A) Provides oversight, technical support, and review of draft and final documents.
- B) Executes certifications and assurances as delegated by the SRTA Board of Directors.
- C) Executes OWPAAs consistent with approved OWP funding.
- D) Periodically executes new Master Fund Transfer Agreement with Caltrans for transfer of OWPA funding.
- E) Approves annual “true-up” of OWPA fund availability, as provided by Caltrans and verified by the SRTA’s chief financial officer.

(2) Chief Financial Officer

- A) Prepares OWP financial reports for executive director, project manager and staff no less than quarterly, highlighting work elements and line item expenditures incurred at a rate significantly slower or faster than anticipated in the budget.
- B) Supports the OWP Project Manager in the preparation of OWP amendments.
- C) Prepares indirect cost allocation plan.
- D) Prepares requests for reimbursement in accordance with funding source requirements.
- E) Verifies accuracy of annual OWPA with approved OWP funding.
- F) Verifies accuracy of carryover balances of OWPA funding, as provided annually by Caltrans, after the close-out of the prior fiscal year.

(3) OWP Project Manager

- A) Coordinates and prepares OWP amendments with input from staff.
- B) Prepares quarterly narratives reports for OWPA-funded work with input from staff.
- C) Completes a first review of sub-recipient quarterly reports, invoices, and back-up documentation. Assigns expenditures to appropriate work element(s) and forwards to staff for review and approval.
- D) Notifies sub-recipients of OWP amendments affecting the scope or available budget.
- E) Monitors compliance with OWP procedures and requirements as outlined in Regional Planning Handbook.
- F) Prepares and transmits annual SCAs based on approved OWP sub-recipient funding/activities.

(4) Agency Staff

- A) Monitors expenditures and ensures the timeliness and quality of deliverables.

- B) Completes secondary review and approval of invoices, tracking projects' progress and expenditures against budgets.
- C) Supports the development of the upcoming fiscal year OWP, including scope of work, deliverables, and cost estimating.

(5) Sub-Recipient

- A) Submits quarterly reports, invoices, and other documentation of work performed in accordance with the Sub-recipient Cooperative Agreement.
- B) Receives and adheres to OWP amendments affecting scope and budget terms.