

Re-Allocation of Unobligated ARRA MPO/Local Funds – Policy Options

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MAG Management Committee

October 14, 2009





On the Agenda for Action

- Information, discussion, and possible action to recommend that MAG staff explore the following uses for the reallocation of unobligated ARRA be considered, with the priorities for the uses be set next month based on further consideration:
 1. Additional ARRA funds for existing ARRA projects, however, no increase in scope would be allowed,
 2. Reduction in the local match, but not below the minimum set by MAG policy, for other federally funded projects that will obligate by the deadline,
 3. Other local projects in the region that are eligible for ARRA funds and can obligate by the deadline,
 4. Transfer funds to Transit;
 5. And to explore an alternative obligation deadline to the November 30, 2009 date set by the MAG Regional Council.



Future Meetings and Deadlines

10/21/2009	Transportation Policy Committee
10/28/2009	Regional Council
10/29/2009	Transportation Review Committee
11/18/2009	Management Committee
11/30/2009	Per RC approval, Obligation Deadline for MAG Sub-allocated ARRA Funds
12/2/2009	Transportation Policy Committee
12/9/2009	Regional Council
3/2/2010	Per Federal Law, Obligation Deadline for all ARRA Transportation Funds
9/10/2010	Per FHWA Guidance, Obligation Deadline for unobligated funds due to project savings found after 3/2/2010



Possible Change to Action

- Information, discussion, and possible action to recommend that MAG staff explore the following uses for the reallocation of unobligated ARRA be considered, with the priorities for the uses be set next month based on further consideration:
 1. Additional ARRA funds for existing ARRA projects, however, no increase in scope would be allowed,
 2. Reduction in the local match, but not below the minimum set by MAG policy, for other federally funded projects that will obligate by the deadline,
 3. Other local projects in the region that are eligible for ARRA funds and can obligate by the deadline,
 4. Transfer funds to Transit;
 5. **Modify the November 30, 2009 obligation deadline to a project development status review to determine the likelihood to obligate by March 2, 2009 with a final obligation/project development status review deadline in January to be determined.**



To Be Discussed

1. Status Report
2. MPO/Local ARRA Unobligated Policy Options
3. Discussion and Possible Action



September Status Report



Status Report

- Coordinating information from FHWA, FTA, ADOT, and ADOT-Consultant Teams
- Project Development Status –
 - ✓ = complete
 - Date = Completed or estimated completion date
- Please review your agency's projects



MAG Region

Transportation Infrastructure American Recovery and Reinvestment Act of 2009 (ARRA)

MAG REGION	FUNDING AMOUNT
Highway - ADOT/State Discretionary	\$129.4 Million
Highway - MAG Sub-Allocation	\$104.6 Million
TOTAL Transit	\$65 Million
TOTAL ECONOMIC RECOVERY	\$299 Million



Anticipated Unobligated MPO/Local ARRA Funds & Policy Options



Anticipated Unobligated MPO/Local ARRA funds

1. Project bids and awards will come in below estimates
2. Projects not meeting the November 30, 2009 obligation deadline (*or a later date**) set by Regional Council

*** If a modification is made to the motion**



Anticipated Unobligated MPO/Local ARRA Policy Options

Key Factors:

- Eligibility per ARRA/STP Guidance
- Project Readiness to obligate
- MAG, ADOT, FTA, and FHWA staff working together to evaluate projects for Project Readiness to obligate on time.



Anticipated Unobligated MPO/Local ARRA Policy Options

1. Local Priority – Policy Options

- Providing additional ARRA funds for existing ARRA projects (no increase in scope)
- Reducing the local match, but not below the minimum set by MAG policy, for other federally funded projects that would obligate by the deadline
- Funding other local projects in the regional that are eligible for ARRA funds that could obligate by the deadline
- Allow local determination on the allocation of unspent funds to projects in their jurisdiction



Anticipated Unobligated MPO/Local ARRA Policy Options

2. Transit Priority – Policy Options

- Transferring ARRA funds to transit for operations up to the \$6.4 million
- Transfer ARRA to transit for it to serve as a catch-all, to the largest degree possible, before transferring funds to highway
- No exchange of funds



Anticipated Unobligated MPO/Local ARRA Policy Options

2. Transit Priority – What we have learned:

- Transit ARRA will have savings, the RPTA is having discussions focused around prioritizing Transit ARRA savings for Operations and Preventative Maintenance
- Local/MPO ARRA funds are not eligible for Transit operations and preventative maintenance.
- Any transfer at this point needs to be for capital.



Anticipated Unobligated MPO/Local ARRA Policy Options

3. Highway Priority – Policy Option

- Transfer any remaining funds over to ADOT, if necessary
- Including ADOT/Highway as a catch-all is to ensure that all of the regional ARRA funds are obligated by the federally mandated deadline.
- Exchange with STP funds



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Questions & Discussion

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