

POLICY BOARD
1010 10th Street
City County Chambers
Modesto, CA
July 9, 2008
6:00 PM

California Brown Act Requires:

This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans With Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Sabrina Pinheiro, at (209) 525-4600, during regular business hours, at least twenty-four hours prior to the time of the meeting.

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the StanCOG Policy Board shall be in English and anyone wishing to address the Board is advised to have an interpreter or give StanCOG a 48 hour notice so that StanCOG can provide an interpreter from any language not English into the English language.

PUBLIC PARTICIPATION

Matters not on the posted agenda may be addressed by the general public at the beginning of the regular agenda and any off-agenda matters before the Board for consideration. However, California law prohibits taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board. Any member of the public wishing to address the Board will be limited to five minutes or the discretion of the Chair.

Questions: Contact Sabrina Pinheiro at (209) 525-4600.

AGENDA

PLEDGE OF ALLEGIANCE

- | | |
|---|------------|
| 1. ELECTION OF FY 2008/09 OFFICERS | MOTION |
| 2. PUBLIC PARTICIPATION | |
| <i>These matters may be presented only by interested persons in the audience. Discussion is limited to the discretion of the Chair.</i> | |
| 3. CONSENT CALENDAR | |
| A. Adopt Minutes of Policy Board (06.11.08) | MOTION |
| B. FY 2007/08 Local Transportation Fund Non-Transit Claim:
City of Hughson | RESOLUTION |
| C. FY 2007/08 Transportation Development Act Amended Transit Claim:
City of Turlock | RESOLUTION |
| D. Memorandum of Understanding for Proposition 1B – Public Transportation
Modernization, Improvement and Service Enhancement Account Grant
(PTMISEA) between StanCOG and: | |
| 1. The City of Ceres | |
| 2. The Riverbank-Oakdale Transit Authority (ROTA) | RESOLUTION |
| E. Amendment #2 to the Moore Iacofano Goltsman, Inc., contract for
Blueprint Phase II Community Outreach and Facilitation Services | MOTION |
| F. Adoption of the Final Draft 2009 Interim Federal Transportation Improvement
Program, corresponding Air Quality Conformity Analysis and the Technical
Addendum to the 2007 Regional Transportation Plan Year of Expenditures. | RESOLUTION |

4. PRESENTATIONS
Recognition of Service for CJ Johnson

5. PUBLIC HEARINGS
(None)

6. ORAL REPORT ITEMS

A. Transportation Sales Tax Measure

1. Certification of 2008 Transportation Sales Tax Programmatic
Final Environmental Impact Report and Approval of Final 20-Year
Countywide ½ Cent Sales Tax Measure Financial Expenditure Plan

RESOLUTION

2. Adoption of Transportation Sales Tax Ordinance Pursuant to
Government Code Section 25131 and Transmittal to the
Stanislaus County Board of Supervisors

RESOLUTION

7. INFORMATION ITEMS

The following items are for information only.

A. Stanislaus Blueprint Planning Process Update

B. Social Services Transportation Advisory Council – Agenda (07.09.08)

8. STANISLAUS COUNCIL OF GOVERNMENTS ADVISORY COMMITTEES

A. Technical Advisory Committee Minutes : (05.29.08)

9. CALTRANS REPORT

10. EXECUTIVE DIRECTOR'S REPORT

11. CLOSED SESSION

PURSUANT TO GOVERNMENT CODE Section 54956.8

Conference with Real Property Negotiators

(a) Property: (APN 03-078-002;-04;-05)

Agency Negotiator: Vince Harris (DeeAnne Gillick and Jennifer Alves)

Negotiating Parties: Stanislaus Council of Governments and

Bright Development (Carol Bright and John Dunn)

Under Negotiation: Both price and terms of payment.

12. RETURN TO OPEN SESSION

13. COMMENTS FROM THE BOARD

Topics may be presented, but no action may be taken except to place an item on a future agenda.

ADJOURNMENT

Next regular meeting scheduled for

August 13, 2008, 6:00 P.M.

1010 Tenth St.

City County Chambers


Modesto, CA



City of Ceres • City of Hughson • City of Modesto • City of Newman • City of Oakdale • City of Patterson
City of Riverbank • City of Turlock • City of Waterford • County of Stanislaus

TO: Policy Board

Staff Report
Motion

FROM: Vince Harris, Executive Director 

DATE: July 2, 2008

SUBJECT: Election of Chair and Vice-Chair for FY 2008/09

Recommendation

Hear the report of the Executive Committee (Nominating Committee) and then, By Motion, nominate and elect a Chair and Vice-Chair for Fiscal Year 2008/09.

Background

The Policy Board annually elects a Chair and Vice-chair. The Executive Committee, acting as the Nominating Committee, will present the nominations to the Policy Board.

Discussion

StanCOG Bylaws, Article IV: Officers, states the Policy Board shall elect from among their numbers a Chairperson and Vice-chairperson to serve a one-year term of office beginning the first regular meeting of each fiscal year. At the February 13, 2008 Executive Committee meeting, a revised rotation for the position of Chairperson was designated, and is listed below:

- Small Cities (Hughson, Newman, Waterford)
- Medium Cities (Ceres, Oakdale, Patterson, Riverbank, Turlock)
- Stanislaus County
- City of Modesto

Mayor Fantazia, City of Newman, is the Fiscal Year 2007/08 Chair, and Mayor Jackson, City of Oakdale, is the Vice-chair.

Larkdowns@stancog.org

**ITEM 3A WILL BE SENT
UNDER
SEPARATE COVER**



City of Ceres • City of Hughson • City of Modesto • City of Newman • City of Oakdale • City of Patterson
 City of Riverbank • City of Turlock • City of Waterford • County of Stanislaus

TO: Policy Board

**STAFF REPORT
 Resolution**

THROUGH: Vince Harris, Executive Director *VH*

FROM: Vince Canales, Finance Director *VC*
 Robin Whitehead, Budget & Grants Coordinator *RW*

DATE: June 26, 2008

SUBJECT: FY 2007/08 Local Transportation Fund Non-Transit Claim: City of Hughson

Recommendation

BY RESOLUTION, based on the findings and comments, approve the claim as submitted.

Background

The claimant has submitted a claim for Local Transportation Funds (LTF) as follows:

<u>Purpose</u>	<u>Source</u>	<u>2007/08 Claim</u>
Nonmotorized Streets	LTF-99234	\$ 3,069
Pavement Mgmt Program	LTF-99400a	71,531
Financial Expenditure Plan	LTF-99262/99402	683*
		<u>4,765**</u>
		\$ 80,048

* Modesto is the lead agency for the Pavement Management Program Update. The PMP amount will be paid to Modesto.

**StanCOG is the lead agency for the Financial Expenditure Plan. The Financial Expenditure Plan amount will be deposited to StanCOG's general fund.

Consistent with the Transit Cost Sharing Procedures, all transit claims for FY 2007/08 were presented to the StanCOG Policy Board on 6/13/07. The City of Hughson does not provide transit service; therefore they had no transit claim.

The claim has been checked and determined to be complete. The claimant has submitted all required audits and reports. The audit for FY 2005/06 contains no audit recommendations.

The rules governing the LTF require the adopting resolution to contain specific findings prior to any LTF allocations. The findings are as follows:

Required Findings

- (1) The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
- (2) The sum of the claimant's allocations from the Local Transportation Fund does not exceed the amount the claimant is eligible to receive during the fiscal year.
- (3) There are no unmet transit needs which are reasonable to meet within the jurisdiction.

Committee Actions

This report was submitted to the Consolidated Planning Committee and to the Technical Advisory Committee. Each committee concurred with staff's recommendation.

rwhitehead@stancog.org

f:c/5202 2007/08

v:\stancog\robin\tda07-08\Hughson claim to Board 07-08

City of Ceres • City of Hughson • City of Modesto • City of Newman • City of Oakdale • City of Patterson
City of Riverbank • City of Turlock • City of Waterford • County of Stanislaus

TO: Policy Board

**Staff Report
Resolution**

THROUGH: Vince Harris, Executive Director *VH*

FROM: Vincent Canales, Finance Director *VC*
Robin Whitehead, Budget & Grants Coordinator *RW*

DATE: June 26, 2008

SUBJECT: FY 2007/08 Transportation Development Act Fund
Amended Transit Claim: City of Turlock

Recommendation

BY RESOLUTION, approve the FY 2007/08 Transportation Development Act (TDA) Fund amended transit claim for the City of Turlock, as submitted to StanCOG.

Background

On November 14, 2007, the StanCOG Policy apportioned additional State Transit Assistance (STA) funds to the City of Modesto, the City of Turlock, and the County of Stanislaus. The City of Turlock has now submitted its amended transit claim #2 to reflect this action.

Discussion

The revised apportionment increased the City of Turlock's STA from \$4,116 to \$6,662, for a \$2,546 increase. Accordingly, the additional STA apportionment reduced the City of Turlock's Local Transportation Fund (LTF) apportionment by \$2,546.

The required findings for the City of Turlock's claim were previously made on June 13, 2007.

Committee Actions

This report was submitted to the Consolidated Planning Committee and to the Technical Advisory Committee. Each committee concurred with staff's recommendation.

Vcanales@stancog.org

Rwhitehead@stancog.org

v:\stancog\robin\tda07-08\Turlock amended transit claim to Board 2007-08



City of Ceres • City of Hughson • City of Modesto • City of Newman • City of Oakdale • City of Patterson
 City of Riverbank • City of Turlock • City of Waterford • County of Stanislaus

Staff Report
Resolution

TO: Policy Board

THROUGH: Vince Harris, Executive Director

FROM: Carlos P. Yamzon, Senior Planner

Scott Philips, Associate Planner

DATE: July 2, 2008

SUBJECT: Memorandum of Understanding (MOU) for Proposition 1B – Public Transportation Modernization, Improvement and Service Enhancement Account Grant (PTMISEA) between StanCOG and the Riverbank-Oakdale Transit Authority (ROTA)

Recommendation

By resolution, StanCOG staff recommends the Policy Board approve and enter into the Memorandum of Understanding (MOU) between StanCOG the Riverbank-Oakdale Transit Authority (ROTA).

Background

The Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) is part of a comprehensive voter-approved transportation bond investment package designed to help advance important goals and policies, including protecting the environment and public health, conserving energy, reducing congestion, and providing alternative mobility and access choices for Californians. Projects funded from the PTMISEA will help advance the State's policy goals of providing mobility choices for all residents, reducing congestion, and protecting the environment.

Discussion

StanCOG is the designated recipient for Prop 1B PTMISEA funds for member agencies that are not recipients of State Transit Assistance (STA) Funds. The MOU is necessary

in order to establish a fund disbursement system and project reporting procedures between StanCOG and non-STA Funded PTMISEA recipients (the City of Ceres and ROTA). Items addressed by the MOU are required elements and fulfill all requirements of the Executive Order and State Laws governing the PTMISEA program.

Funds will be disbursed on a reimbursement basis. Applicants shall provide proof of evidence that the funds being requested are eligible for reimbursement and that the applicant has incurred the eligible cost. Once project eligibility has been determined, StanCOG will disburse the funds amount to the requesting agency. The requesting agency is responsible for project reporting as established in the PTMISEA guidelines. A copy of the guidelines as well as the required reporting forms are included as Attachments A-1 and A-2.

COMMITTEE ACTION

The attached MOU was presented to the CPC on June 24th and to TAC on June 26th, 2008. It was recommended that prior to Policy Board action the MOUs be forwarded to the respective member agency's policy board or commission for review and execution. Upon executing and returning the MOU to StanCOG, each MOU was to be presented at the Policy Board's earliest subsequent meeting.

ROTA has requested that StanCOG place this item on the Policy Board's next meeting agenda. ROTA has provided StanCOG an executed MOU and has requested the StanCOG Policy Board to enter into the agreement.

Attachments: ROTA MOU

swphilips@stancog.org

Memorandum of Understanding

Proposition 1B - Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA)

This Memorandum of Understanding (MOU) is made by and between the Stanislaus Council of Governments (the “StanCOG”) and the RIVERBANK-OAKDALE TRANSIT AUTHORITY (ROTA) (the “Project Sponsor”). The StanCOG and Project Sponsor are collectively hereinafter referred to as “Parties.” This MOU is not a legally binding agreement. The Parties will endeavor (if desired) to articulate their intentions and desires into several fully integrated agreements which, at that time, may include the terms and conditions expressed herein and may include other matters not expressed herein, but in the aggregate will constitute legally binding agreements between the Parties.

BACKGROUND

The Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) is part of a comprehensive voter-approved transportation bond investment package designed to help advance important goals and policies, including protecting the environment and public health, conserving energy, reducing congestion, and providing alternative mobility and access choices for Californians. Projects funded from the PTMISEA will help advance the State’s policy goals of providing mobility choices for all residents, reducing congestion, and protecting the environment.

DISBURSEMENT OF FUNDS

PTMISEA Funds will be disbursed to the Project Sponsor on a reimbursement basis. Project Sponsor shall provide proof of evidence that: 1) PTMISEA funds being requested are eligible for reimbursement; 2) The Project Sponsor has incurred the eligible cost.

After receiving the Project Sponsor’s claim for reimbursement, StanCOG will disburse the funds

to the Project Sponsor up to their level of eligible funding.

PROJECT REPORTING

Semi-annual project status reports are a requirement of the Executive Order and State Laws governing the PTMISEA program. Project Sponsors shall undertake the reporting requirements and forms outlined in the PTMISEA Guidelines. For convenience copies of the program guidelines and required forms are attached with this MOU as Attachments A-1 and A-2 respectively. The forms include the "Outcome Progress Report" and "Financial Progress Report". Due dates for submission of these reports is:

Cycle 1 Recipients: September 1, 2008 (Six month report)
March 1, 2009 (Twelve month report)
Cycle 2 Recipients: December 1, 2008 (Six month report)
June 1, 2009 (Twelve month report)

Comments stated in the original allocation request are the foundation for completing the "Outcome" and "Financial" reports. All funds are distributed based on the Project Sponsor's commitment that their project will commence within six months. The six month report must represent the progress as it relates to the original projections identified in the Project Description and Allocation Request. To assist with the completion of the semiannual reports, attached is a list of suggested measurements that comply with the Governor's Bond Accountability Requirements. The list of measurements is identified as Attachment A-2, titled "Benefits".

The MOU is only a statement of the Parties intentions and does not cover all matters upon which the Parties intend to provide information. This MOU does not create a contract or other binding obligations and is intended to only be an expression of the Parties mutual desires to proceed expeditiously and acknowledge that nothing stated orally or in writing by either Party may be construed as a legally binding obligation. The Parties further understand and acknowledge that any action taken by a Party consistent with or in furtherance with this MOU shall not be considered evidence of intent by the Party to be bound hereby. Until a definitive,

integrated agreement has been executed and delivered by the Parties, any party may (a) discontinue participation in the selection process; (b) reject any proposal made to it with regard to the selection process and (c) terminate discussions at any time and for any reason.

Stanislaus Council of Governments

By: _____

Date: _____

Vincent J. Harris
Executive Director

City of RIVERBANK-OAKDALE TRANSIT AUTHORITY (ROTA)

Virginia Madueno, Council Member
City of Riverbank

Date _____

Farrell Jackson, Mayor Pro Tem
City of Oakdale

Date _____

Sandy Bentiez, Council Member
City of Riverbank

Date _____

Katherine Morgan, Council Member
City of Oakdale

Date _____

Attachment A-1

**California Department of Transportation
Public Transportation Modernization, Improvement, and Service Enhancement
Account
(PTMISEA) Guidelines
and
Project Description and Allocation Request (Request)**

1. Authority and Purpose of Guidelines

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Bond Act), approved by the voters as Proposition 1B on November 7, 2006, includes a program of funding in the amount of \$4 billion to be deposited in the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). Of this amount, \$3.6 billion in the PTMISEA is to be made available to project sponsors in California for allocation to eligible public transportation projects.

Funds will be appropriated to the State Controller's Office (Controller) for allocation to eligible agencies. Senate Bill (SB) 88, Statutes of 2007 (added to Government Code (GC) as Sections 8879.55 and Section 8879.56) identified the California Department of Transportation (Department) is the administrative agency for the PTMISEA. As such, the Department is responsible to develop and approve guidelines that do the following:

- a. Provide for the audit of project expenditures and outcomes.
- b. Require that the useful life of the project be identified as part of the project nomination process.
- c. Require that project nominations have project delivery milestones, including, but not limited to, start and completion dates for environmental clearance, land acquisition, design, construction/equipment bid award, construction/equipment procurement completion, as applicable, and project closeout.

These guidelines are intended to assist the project sponsor and the Department in verifying that the proposed project(s) is consistent with the criteria established for the PTMISEA in the Bond Act and SB 88, Statutes of 2007. SB 88 also provides statutory provisions for the \$600 million appropriated in fiscal year (FY) 2007-08 for this program. In accordance with SB 88, Statutes of 2007, the program will become inoperable on July 1, 2008. The Department will revise these guidelines as necessary for the remainder of the funds to be appropriated for the PTMISEA in future fiscal years.

2. Program Intent

The PTMISEA is part of a comprehensive voter-approved transportation bond investment package designed to help advance important goals and policies, including protecting the environment and public health, conserving energy, reducing congestion, and providing alternative mobility and access choices for Californians. Projects funded from the

PTMISEA will help advance the State's policy goals of providing mobility choices for all residents, reducing congestion, and protecting the environment.

Statutory Program Eligibility

3. Project Sponsors

"Project sponsor" is identified by the Controller and means:

- a. A transit operator, including a rail transit, commuter rail, bus, or waterborne transit operator, eligible to receive an allocation of funds under the State Transit Assistance (STA) pursuant to Public Utilities Code (PUC) Sections 99314 and 99314.3, or
- b. A local agency, including a transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, eligible to receive an allocation of funds under the STA pursuant to PUC Section 99313.

"Recipient Agency" is the project sponsor that will act as the lead when multiple project sponsors agree to contribute their PTMISEA funds to a joint project. **The Recipient Agency will complete Table 1 of the Request form and the contributing project sponsors will complete Table 2.**

4. FY 2007-08 PTMISEA Share

The Controller identifies and develops the list of eligible project sponsors and the amount each is eligible to receive, based on calculations outlined in SB 88, Statutes of 2007. The Controller notifies project sponsors of their eligibility and funding level via an official letter annually. For FY 2007-08, the Controller released their letter on October 24, 2007. **The FY 2007-08 PTMISEA amount is available for allocation until June 30, 2010.**

5. Eligible Projects

Eligible projects are transit capital projects (including a minimum operable segment of a project) for purposes of one of the following:

- a. Rehabilitation, safety, or modernization improvements.
- b. Capital service enhancements or expansions.
- c. New capital projects.
- d. Bus rapid transit improvements.
- e. Rolling stock procurement, rehabilitation, expansion or replacement.

To be eligible, projects must have a useful life not less than the required useful life for capital assets pursuant to the State General Obligation Bond Law, GC Section 16727 (a).

Projects must be consistent with the sponsor's most recently adopted short-range transit plan or publicly adopted plan that programs or prioritizes funds for transit capital improvements, including a transportation improvement program or a certified board endorsement.

6. Project Full Funding Plan

The project sponsor must provide a funding plan that demonstrates the funds are expected to be reasonably available and sufficient to complete the project or a useable project segment. Funding for a useable project segment can only be approved if the benefits associated with the segment are sufficient to meet the objectives of the PTMISEA. If a project sponsor uses potential future, estimated PTMISEA funds as part of its full funding plan, it must sign the following statement on the cover sheet:

"This Request is subject to any additional restrictions, limitations or conditions that may be enacted by the State Legislature, including the State's budgetary process, which may affect the amount of bond proceeds received by the project sponsor now and in the future. Project sponsors may need to consider alternative funding sources if bond proceeds are not available. In the event the project cannot be completed as originally scoped, scheduled and estimated, or the project is terminated prior to completion, project sponsor shall, at its own expense, ensure that the project is in a safe and operable condition for the public."

Project Description and Allocation Request

7. Project Description and Allocation Request

Project sponsors shall submit to the Department a description of the proposed transit capital project or projects it intends to fund with PTMISEA for FY 2007-08, via the Project Description and Allocation Request (Request) form. The Request form is provided in the attached Microsoft Excel-formatted Attachments A, A.1, and A.2. The Request includes all of the following and serves as the basis for the Department's review to verify the projects are consistent with the PTMISEA requirements:

- a. A summary of the proposed project, which shall include the benefit the project intends to achieve.
- b. The useful life of the project.
- c. The estimated schedule for the completion of the project.
- d. The total cost of the proposed project, including the identification of all funding sources necessary for the project to be completed.

The project sponsor and/or the "recipient agency" must sign the Request. A project sponsor becomes the "recipient agency" when more than one project sponsor is

contributing to the project. The contributing project sponsors must also sign the Request form and state the dollar amount contributed and whether the funds are provided in accordance with SB 88, Statutes of 2007; or provide an official signed letter with this information. **If there are multiple contributing sponsors, each must submit an official signed letter stating the dollar amount.**

Each table in the Request must be completed as follows:

- **Table 1 – Project Sponsor/Recipient Agency Information:** If there is only one project sponsor, with no other sponsors contributing, complete Table 1 information accordingly, as the Project Sponsor. If there are other contributing project sponsors, the agency receiving the funds from other project sponsors becomes the lead agency, or Recipient Agency. In the case of multiple contributing project sponsors, the Recipient Agency completes this Table.
- **Table 2 – “Contributing Project Sponsor(s)” Information:** The Request must clearly identify the contributing PTMISEA-eligible sponsors and the amount of funds they are contributing and whether the funds are from the PTMISEA formula for GC Section 8879.55(a)(2) or GC Section 8879.55(a)(3).
- **Table 3 – Project Category:** Select one category that best describes the project.
- **Table 4 – Project Summary:** Describe the project (or minimum operable segment of a project), including:

The useful life of the project or asset, which shall not be less than the required useful life for capital assets pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with GC Section 16720) of part 3 of Division 4 of Title 2), specifically subdivision (a) of GC Section 16727. Rolling stock may be considered capital asset/equipment with a useful life of two years or more, but the project sponsor must state the intended useful life.
- **Table 5 – Description of Major Benefits/Outcomes and Attachment A.1:** In this table summarize the benefits, but also complete and submit Attachment A.1. The sample benefits included in Attachment A.1 are not exhaustive and represent those generally resulting from public transportation projects.
- **Table 6 – Project Schedule and Milestones and Attachment A.2:** State the estimated start and completion dates for the project phases, including, but not limited to: environmental clearance, land acquisition (where applicable), design, construction bid award, construction completion (and/or date of equipment procurement contract execution and delivery), and project closeout.

Attachment A.2 is the “Total Project Cost and Funding Plan” which also must be completed and submitted. The funding plan must demonstrate the project is fully funded by identifying the sources of funding, including federal, local, private, and

State money committed for the project. The PTMISEA funds requested by each project sponsor cannot exceed the amount identified by the Controller. (Section 6 above provides an additional explanation.)

The plan must show the funds will be encumbered within three years of the allocation. Encumbered means the project sponsor has entered into a contract for the phase of the project for which it receives an allocation. The plans must show the funds will be expended within three years of encumbrance.

- Table 7 – Tax Compliance Information: Respond to the questions as asked. These questions replace the Tax Compliance Questionnaire usually required.

Projects must be consistent with the project sponsor's most recently adopted short-range transit plan or other publicly adopted plan that programs or prioritizes funds for transit capital improvements, including the region's transportation improvement program or a certified board endorsement. Submit only the following information of your plan.

- Cover page
- Summary
- Adoption page
- Relevant project description

8. Request Submittal

The signed Request (including Attachments A.1, A.2, and the relevant sections of the publicly adopted plan) and any letter of verification from the regional entity, as applicable, will be submitted to:

Joan Musillani, PTMISEA Program Manager
Joan_Musillani@dot.ca.gov
(916) 654-9495

Before the Department can provide final determination, an original signed hardcopy must be sent to:

Joan Musillani, PTMISEA Program Manager
California Department of Transportation
Division of Mass Transportation, MS #39
P.O. Box 942874
Sacramento, CA 94274-0001

9. Project Eligibility Verification and Adoption

The Department will review the Requests and only approve projects that meet the requirements of PTMISEA as outlined above. A minimal operable project segment will

only be approved if the benefits are sufficient to meet the objectives of the PTMISEA. Project sponsors are expected to demonstrate they have the financial capacity to maintain and operate the project services, as well as the financial and institutional ability to accept the legal liabilities and obligations for the duration of the project's useful life. These PTMISEA funds shall be spent consistent with the California Air Resources Board's regulations governing transit equipment and emissions.

Upon approval, the Department will establish and adopt a list of the eligible projects and allocations by project sponsor that are ready to proceed within the following six-month period and submit the list to the Controller. The Department will send written notification to the project sponsor(s), including an accounting of the FY 2007-08 PTMISEA share remaining to be approved for other eligible projects.

10. Biannual Project Lists

For FY 2007-08, Requests can be made on a continuous basis up to the amount allocated for that year. However, the Department only sends a list of all approved PTMISEA **projects that are ready to proceed within the following six-month period** to the Controller biannually.

A project sponsor eligible to receive an allocation in FY 2007-08 but which does not submit a project for funding may request its funding share within the next two fiscal years. Eligible project sponsors not requesting funds in FY 2007-08 are strongly encouraged to submit a brief statement regarding the expected request date. This information will be used in the Department's reports to indicate the need for transit funds with a summary of reasons for deferral.

11. Allocations from the PTMISEA

After receiving the Department's adopted PTMISEA list, the Controller will issue the warrant to the project sponsor(s) up to the level of funding it is eligible to receive for the project. This means that a sponsor may request funds in advance of actually incurring the expense, if the Department has verified that the project is eligible. Funds will be allocated based on project readiness as indicated in the submitted schedule. **To receive funds electronically, complete the form found at the website below and send it to the Controller: <http://www.sco.ca.gov/ard/state/forms/fam34.pdf>.**

12. Eligible Bond Expenditures/Timely Use of Funds

Per statutes, costs allowable include costs incidentally but directly related to construction or acquisition including, but not limited to, planning, engineering, construction management, architectural and other design work, environmental impact reports and assessments, required mitigation expenses, appraisals, legal expenses, site acquisitions, and necessary easements. The Department must verify that funds can be encumbered within three years of the allocation and expended within three years after encumbrance. Project cost incurred after the FY 2007-08 Budget Act (August 24, 2007) was enacted are