

## Temporary Policy for Flexible Cancellation of Project Allocations to Reapply and Pre-Award Authority

**Issue:** Considering the extraordinary inflationary impacts currently being experienced, local jurisdictions have requested that the Orange County Transportation Authority (OCTA) consider the flexibility for local jurisdictions to apply for Comprehensive Transportation Funding Programs (CTFP) funds in the upcoming 2023 call for projects (call) for the same project that was approved in a prior grant cycle. This would allow the local jurisdictions to cancel the prior grant if successful in the new grant cycle or retain the prior grant if not successful in the new grant cycle. Further, local jurisdictions requested that OCTA consider pre-award authority.

**Background:** Currently, if a local jurisdiction wishes to cancel a project phase that has been allocated funds through a CTFP call for Project O Regional Capacity Program (RCP) and Project P Regional Traffic Signal Synchronization Program (RTSSP), and reapply for that phase in a future call, then the agency would typically cancel that project before applications are due in October. This would typically take place as part of the preceding September semi-annual review.

**Board-Approved Request:** Under this request, OCTA will accept project applications from local jurisdictions that were previously approved in a prior call. The following conditions would apply:

- As part of the new application, the local jurisdiction must agree to a condition that if the project has an existing allocation and submits a new application for funding that is approved by the Board of Directors (Board), the original allocation will be cancelled in its entirety.
- OCTA would require that the funds made available from the cancelled project phase will roll into the 2023 call.
- The application for 2023 call must be a complete application for the full funding request under the terms of the 2023 call guidelines.
- The scope in the application must be generally the same as the original project. In most cases, any expansion of project limits from the original application is not acceptable.
- A project is only eligible to be considered under a new application if the contract has not been awarded for construction phase for RCP projects, a notice to proceed issued for RTSSP projects, or offer letters issued for right-of-way phase. Work cannot have started for the phase that is submitted for consideration of funding in the 2023 call.
- OCTA will allow pre-award authority for projects approved by the Board (typically May) and before the start of the next fiscal year (July). OCTA will not reimburse costs or count toward match secondary contract or internal staff costs that occur prior to Board approval.

## **Temporary Policy for Flexible Cancellation of Project Allocations to Reapply and Pre-Award Authority**

- The estimated timeline would be:
  - August/September 2022– OCTA issues call, subject to Board approval.
  - October 2022 – Applications due, must include the condition statement, must also request pre-award authority (and advancement to award contract) prior to July 1, 2023.
  - February 2023 – Request to cancel project is submitted as part of the March semi-annual review.
  - March 2023 – Technical Steering Committee and Technical Advisory Committee meetings with allocation recommendations, funding target would be increased to incorporate funds from existing projects that will be cancelled.
  - May 2023 – Planned Board action to approve 2023 call allocations. If pre-award authority and advancement are requested, jurisdiction may award a contract immediately following Board approval.
  - May/June 2023 – Staff sends notification to allocated applicants who reapplied for projects through this process that the original project allocation has been cancelled.
- If agreed to, changes will be recommended for the project application form to include the condition statement to cancel existing allocation and a check box for requesting pre-award authority.