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Use AC to Advertise Early Before Allocation

Save between 47 to 109 days!

How

This works if project sponsor turns in CTC allocation *and* federal AC paperwork at same time on or before due date.

- Local Assistance processing of obligation and allocation requests is sequential: HQ will not obligate until CTC allocates.
- Sponsors outside of MTC do not typically submit federal obligation request at same time as allocation request. (There is no incentive for simultaneous submission.) *
- Few make use of Advance Construction (AC). AC means HQ will submit E-76 ASAP.
- With AC, **the sooner you submit the sooner you advertise.**
- CTC allows and encourages sponsors to **Advertise before Allocation**.
- **Award cannot come before Allocation** *unless* SB 184 submitted (and same SFY) or LONP approved. LONP is not a useful tool for awarding before allocation. Basically, only STIP projects should award before allocation, because only STIP projects can use SB 184.
- **Must program AC in FTIP/FSTIP**. (All STIP and SHOPP are already programmed as AC.)

Benefits

1. 47 days earlier can mean not missing a construction season.
2. Lower bids, more bids, longer bid/review time.
3. Reduced risk of missing 6-months-to-award deadline.
4. Reduced impact of inflation.
5. Benefits to public sooner.
6. **SB 1 streamlining!**
7. AC means no issue with Inactive Obligation

Risks

1. Must carry costs for 60 days until AC conversion at award.
2. Explaining fiscal impacts to decision makers is challenging.
3. Risk of awarding before allocation (which you can't do w/o SB 184 or LONP).
4. Risk of denied or delayed allocation.

** A sponsor can submit obligation paperwork 30 days after allocation deadline and not suffer any delay in schedule. Metropolitan Transportation Commission (MTC) requires that federal authorization to proceed request be submitted simultaneously with allocation request (*MTC Resolution # 4308, RTIP Program Policies, Procedures, 10/25/2017)
https://mtc.ca.gov/sites/default/files/Res_4308_RTIP_Policies_Final.pdf