

**Frequently Asked Questions (FAQ)
State of Good Repair Program**

Q: When can agencies begin incurring eligible SGR expenditures for the upcoming FY 2019/20 cycle (or any future cycle)?

A: Agencies may begin incurring SGR expenditures for FY 2019/20 (and all future state fiscal years), when the Governor's Budget is passed by the Legislature and signed by the Governor.

Q: What happens if a local agency, or a regional entity, does not submit a Project List for the allocation of their SGR funds?

A: If a local agency does not submit an SGR Project List, the State Controller's Office (SCO) will re-apply the formula and re-distribute the SGR funds statewide.

If a Regional Entity does not submit a project list, then they forfeit the entire Region's SGR 99313 & 99314; the State Controller's Office (SCO) will re-apply the formula and re-distribute the SGR funds statewide

Q: Regarding scope of work, can agencies change approved project after receiving their SGR funds? (page 12 of guidelines/Project Revisions)

A; Yes, agencies must submit their revised project list to their regional entity and then the regional entity must notify Caltrans of the project(s) change and provide an updated project list. Caltrans shall respond within 30 days to the regional entity and recipient agency and, once approved by Caltrans, the recipient agency may expend funds on the substitute project.

Q: How much time do recipients have to accrue its SGR funds? How much time to expend SGR funds?

A: Recipients can accrue SGR funds up to four years. However, once the project begins, the recipient must liquidate those SGR funds within four years.

Q: What are examples of projects that meet definition of the "Transit services that complement local efforts for repair and improvement of local transportation infrastructure?"

A; Temporary and supplementary (non-expansive) transit service(s) necessary to support continuous public transit access thereby mitigating any interruption of normally scheduled transit services caused by or due to capital repair or rehab and maintenance work.

For example, SGR funds would allow funding for a temporary “bus bridge” service while light rail track work is being conducted for regular maintenance and repair. The temporary bus bridge would accommodate transit riders by shuttling passengers between two points where the track line cannot be accessed due to maintenance or repair.

Q: How does a recipient determine the “Useful Life” or “Service Life” of an Asset?

A: “Useful life” or “service life” is defined as the expected life cycle of a transit capital asset. The Federal Transit Administration (FTA) provides a default Useful Life Benchmark (ULB) standard, establishing a minimum acceptable period a specific capital asset should be used in service. (see link below).

<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA%20TAM%20ULB%20Chart%20Sheet%202016-10-26.pdf>

Please note, the ULB supplied by the FTA is to be used as a benchmark only; a transit provider’s local operating environment, physical geography and other regional conditions may be considered when determining “useful life” or “service life” of an asset.

Q: The Regional Entities are asked to receive, allocate, and sub-allocate funds based on local needs. Does this give the Regional Entities complete control over allocation of these funds, considering that the funds were originally allocated by the SCO using a population formula?

A; Yes, the Regional Entity may allocate the funding received per 99313 at their discretion as long the projects are eligible under the program, but are **expected** to sub-allocate the 99314 funds per the SCO formula.

In addition, the allocation of 99314 funds is at the complete discretion of the local agencies and as long as the project is eligible it cannot be disputed by or denied 99314 funding by the Regional Entity.

Q: If the regional entity sub-allocates their 99313 funds to its subrecipients (transit operators), will the regional entity need to submit the annual project status and expenditure report or will the subrecipient?

A; The regional entity will be required to submit a project status and expenditure report indicating the amount of funds received and the amount sub-allocated to the operators.

However, the operators/subrecipients will be required to submit a project status and expenditure report indicating

- amount of SGR funds received (both 99313 and 99314),

- SGR funds expended,
- and all project level status and information.

Q: Can I use SGR funds to pay for environmental work?

A: No

Q: Can a Regional Entity submit a Project List while waiting for the board resolution to be approved?

A; Yes. The regional entity must provide a draft copy of the meeting notice or agenda documentation scheduled for the next board meeting via CalSMART. The Regional Entity will then send the **APPROVED** board of resolution to Caltrans via email and/or regular mail.

Q: Do transit operators need to submit a Board Resolution to Caltrans?

A: No. As operators are to submit their project lists to their respective regional entities for review, each regional entity shall establish their own requirements for supporting documentation needed to verify the local operator's approval of their individual project lists.