

# STAFF REPORT



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| <b>MEETING DATE:</b>  | <b>February 26, 2026</b>                                                                                                          |
| <b>SUBJECT:</b>       | <b>Review and Provide Direction on Draft Work Elements and Planning Budget for Fiscal Year 2026/27 Overall Work Program (OWP)</b> |
| <b>AGENDA ITEM:</b>   | <b>13</b>                                                                                                                         |
| <b>STAFF CONTACT:</b> | <b>Michael Kuker, CNU-A, Senior Transportation Planner</b>                                                                        |

## **SUMMARY:**

The Overall Work Program (OWP) is the agency's annual application for federal and state formula planning grant funds and work plan. Preliminary regional planning priorities, reviewed in December, have been used to draft work elements and a planning budget for the Fiscal Year (FY) 2026/27 OWP. Feedback provided by the SRTA Board of Directors, state and federal funding partners, member agencies, and the public will inform the final OWP and planning budget which will be presented to the board of directors for adoption in April 2026.

## **STAFF RECOMMENDATION:**

It is recommended that the board of directors review the draft FY 2026/27 OWP work element worksheets and planning budget (see attached) and provide direction to staff on the proposed work plan.

## **DISCUSSION:**

The OWP describes the agency's planning activities and budget. Each year the OWP is developed and presented to the board of directors in phases, as noted below.

### **ANNUAL OWP DEVELOPMENT TIMELINE**

| Board of Directors Meeting Date | Staff Presentation                                | Recommendation               |
|---------------------------------|---------------------------------------------------|------------------------------|
| December                        | Proposed regional planning priorities             | Review and provide input     |
| February                        | Draft work element worksheets and planning budget | Review and provide direction |
| April                           | Final and complete OWP                            | Adopt                        |

SRTA's core planning and programming functions are funded first, including the regional transportation plan (RTP) and sustainable communities strategy (SCS), and supporting activities; public, interagency, and intergovernmental (Tribal) engagement and consultation; transportation improvement programs; public transportation planning and administration; active transportation planning (including Complete Streets), and the OWP. The board of directors may then direct funds to other eligible transportation planning activities and to local agencies or

other eligible applicants for planning efforts that support implementation of the RTP. The OWP is then submitted to the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and Caltrans for approval to receive funding.

**FY 2026/27 Work Elements and Planning Budget** – The board of directors, state, and federal funding partners, member agencies, Federal Land Management Agencies (FLMA), Tribal governments, and the public are invited and encouraged to provide comments on the draft work program and budget (Attachment A) through March 31, 2026. In summary, draft work element worksheets address the following needs:

- Core planning and programming functions – Essential activities required to receive state and federal funding, such as the RTP, OWP, public outreach, transportation improvement programs, active transportation planning (including Complete Streets), and public transportation planning and administration.
- Carryover work elements – Prior funded and board-approved special planning projects that will not be completed by June 30, 2026, include the Regional Freight Plan (701.18), GoShasta Active Transportation Plan Update (703.08), and REAP 2.0 (707.12).
- Changing Federal priorities – The FHWA and FTA have eliminated 2021's Federal Planning Emphasis Areas for the upcoming fiscal year and instructed MPOs to focus on the following Federal Planning Priorities: air quality monitoring and conformity, complete streets planning set-aside requirement, federal certification reviews in the OWP, FLMA coordination, adding federal planning grant funds awarded to other agencies as an information item in the OWP, Infrastructure Investment and Jobs Act Implementation and Programs, fiscal constraint consistency between the RTP and TIPS, and congestion management or managed lane processes and procedures. Information about these priorities may be found beginning on page 21 in the draft OWP (attached).
- Federal Toll Credit match changes – SRTA was notified on February 5, 2026, that the use of state Toll Credits as match for federal planning funds will be capped starting FY 2026/27. This is a departure from recent years. Toll Credits help reduce the amount of local funds that are required to match federal planning funds, which for SRTA typically includes Local Transportation Funds designated for SRTA planning activities. Staff has maximized the opportunity for Toll Credit match.
- New work elements – The following new work element is proposed for inclusion in the FY 2026/27 OWP:
  - **TBD** – FY 2026/27 Sustainable Communities Strategies (SCS) Development and Support (Work Element 701.19) – Funding comes from FY 2026/27 SB1 formula planning funds which are allocated to SRTA for activities that support implementation of the 2022 RTP/SCS. This work focuses on **TBD**.
  - Shasta NextGen Railroad Corridor Crossing Plan (Tentative) (707.13) – SRTA applied for a competitive Sustainable Transportation planning grant to address safety and mobility challenges at at-grade railroad crossings such as low overall connectivity, lack of route options, unnecessary additional vehicle miles traveled, longer vehicle delays due to increased freight rail activity, increased at-grade collisions, and increased emergency response times.

An overview of how the draft work elements address the board of directors' FY 2026/27 regional planning priorities, reviewed in December 2025, is included on pages 15–16 of the OWP. Feedback received at the February board of directors meeting or delivered to SRTA by March 31, 2026, will be considered in the final and complete FY 2026/27 OWP, which will be presented to the board of directors in April for adoption.

**SRTA's Planning and Administration Budget** – The estimated FY 2026/27 budget of \$4,503,682 covers SRTA's costs for personnel, indirect expenses, services and supplies, consultants, and pass-through funds to subrecipients. By comparison, this is \$151,696 less than the original FY 2025/26 OWP planning and administration budget adopted in April 2025. This is due to the anticipated completion of three discretionary planning efforts in FY 2025/26, and estimated revenues and expenditures.

**ALTERNATIVES:**

The board of directors may direct staff to modify any element to the draft FY 2026/27 work program and budget, provided such changes are consistent with available funding and eligible activities.

**OTHER AGENCY INVOLVEMENT:**

Caltrans, FHWA, and FTA held a statewide meeting on October 21, 2025, to provide an overview of expectations for development of OWPs for FY 2026/27. Staff met with the state and federal funding partners on November 17, 2025, to discuss planning priorities, estimated funding apportionments, and receive technical guidance specific to SRTA's FY 2026/27 OWP. *///The Technical Advisory Committee (TAC) met on February 11, 2026, to review and discuss the draft OWP.///*

**FISCAL IMPACT:**

The draft FY 2026/27 budget is consistent with federal and state planning funding estimates. A final FY 2026/27 OWP and budget will be provided at the April board of directors meeting.

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**Sean Tiedgen, AICP, Executive Director**

**Attachment:** Draft FY 2026/27 Overall Work Program: [www.srta.ca.gov/148/Overall-WorkProgram](http://www.srta.ca.gov/148/Overall-WorkProgram)