

Memorandum

To: Chairman and Commissioners

Date: May 21-22, 2003

From: DIANE C. EIDAM
Executive Director

File No: 4.2b
Action

Ref: **LIST OF PROJECTS REQUESTING REIMBURSEMENT ALLOCATIONS UNDER AB 872**

Issue

At the April 3 Commission meeting, in response to testimony on the Allocation Plan, the Commission asked staff to review and provide a list of all STIP projects for which local agencies have begun work with the intention of requesting project reimbursement allocations under AB 872. A copy of the list is attached. Should some or all of these projects be added to the Allocation Plan?

Recommendation:

Staff recommends that the Commission add to the STIP Allocation Plan for 2002-03 those projects on the attached list for which Department records indicate that work was started by December 2002. This would add \$1.4 million in project components to the Plan.

Staff recommends that projects begun after December 2002 not be given priority on the basis of AB 872, and that they be treated in accordance with the Commission's priorities for all other projects in the Allocation Plan.

Background

Government Code Section 14529.17, as added by AB 872 (1999), permits a local agency to expend its own funds for a STIP project, in advance of the Commission's approval of a project allocation, and to be reimbursed for the expenditures subsequent to the Commission's approval of the allocation. However, the statute does not require the Commission to approve an allocation it would not otherwise approve. Expenditures for projects programmed for Federal funding still require advance approval of the Federal obligation for the project. Reimbursements may be made under AB 872 only for eligible expenditures incurred within the 12 months preceding the date of Commission allocation. As noted in the Commission's STIP Guidelines, "It is important that any local agency intending to take advantage of the reimbursement provisions of Section 14529.17 understand its obligations and the risk that is inherently involved."

Discussion:

None of the projects on the attached list falls into one of the categories assigned high priority in the Allocation Plan. The basis for adding projects to the Plan would be that the local agencies started the projects in advance of receiving an allocation without an understanding of the risk created by the pending cash flow shortage. The basis for excluding projects for which work started after December 2002 would be

that the agencies knew or should have known of the risk, given the Commission's suspension of project allocations and the suspension of the Department's delegated authority for project allocations.

The list includes only pending AB 872 projects as reported by the Department. There may be other projects for which local agencies intended to request reimbursement allocations under AB 872. The Department asks local agencies for prior notification in order to verify expenditures or qualify projects for Federal funding. However, nothing in the statute or in the STIP Guidelines requires an agency to notify the Commission or Department in advance of starting work in order to qualify for an AB 872 reimbursement allocation.

Attachment

STIP PROJECTS WITH WORK STARTED PRIOR TO ALLOCATION (AB 872)

(\$1,000's)

County	Agency	PPNO	Project	Amount	Component	Const Year	Work Start	Anticipated Allocation
Kern	Ridgecrest	2022	W Ridgecrest Bl, Mahan-China Lake, 4-lane	1,000	E&P	none	30-Apr-02	April-03
Humboldt	Humboldt County	2082	McKinleyville Av, Washington Av, rehab (S/O)	48	PS&E	04	01-Sep-02	August-03
Humboldt	Humboldt County	2081	Union St/Sea Av, reconstruct/widen (State only)	144	E&P	07	18-Oct-02	August-03
Humboldt	Humboldt County	2089	Tompkins Hill Rd, Fields Landing Dr, rehab (S/O)	40	PS&E	05	01-Nov-02	August-03
Humboldt	Humboldt County	2093	Central Av (McKinleyville), rehab (State only)	53	PS&E	05	01-Nov-02	August-03
Butte	Paradise	2L120	Skyway/Wagstaff intersec rehab	66	R/W	03	27-Nov-02	April-03
Butte	Butte County	1L47	West 8th Av reconstruction (ext in May-02 to Oct-03)	22	PS&E	02	02-Dec-02	May-03
Stanislaus	StanCOG	9951	RSTP/CMAQ/TEA match	1	match	03	12-Dec-02	June-03
Stanislaus	StanCOG	9951	RSTP/CMAQ/TEA match	20	match	03	12-Dec-02	June-03
Stanislaus	StanCOG	9951	RSTP/CMAQ/TEA match	2	match	03	12-Dec-02	June-03
Stanislaus	StanCOG	9951	RSTP/CMAQ/TEA match	4	match	03	18-Dec-02	June-03
			Subtotal through December 2002	1,400				
Plumas	Plumas County	2345	Chester-1st Ave Bridge rail replace, HBRR match	25	E&P	none	14-Jan-03	April-03
Monterey	Soledad	1015	West St, Front St, rehab (00S-65)	61	Const	03	15-Jan-03	February-03
Mendocino	Fort Bragg	4085P	Main St and Laurel St, signal (State only)	11	PS&E	04	23-Jan-03	April-03
Contra Costa	Lafayette	2011L	Reliez Valley Rd walkway (State only)	109	Const	03	26-Jan-03	January-03
Glenn	Willows	3L72	Pacific Av, Green-N City Limits, reconst (State only)	7	PS&E	03	01-Feb-03	April-03
Marin	Sausalito	2012R	Bridgeway, Princess-Johnson, rehab	131	Const	03	25-Feb-03	April-03
Fresno	Fowler	6L02	CMAQ match, replace sidewalks, 5th, Main	7	Const	03	02-Mar-03	April-03
Humboldt	Fortuna	2078	RR crossings, 3 locations, upgrade (State only)	30	Const	04	17-Mar-03	August-03
Trinity	Trinity County	2138	E W'ville, Rt 299-Rt 3, new 2-ln rd (ext 5-02)	360	PS&E	06	01-Apr-03	April-03
Santa Clara	Palo Alto	2168	CMAQ match, bike path, Homer/Alta-Urban Ln	292	Const	03	08-Apr-03	May-03
Stanislaus	StanCOG	9951	RSTP/CMAQ/TEA match	2	match	03	08-Apr-03	October-03
Glenn	Willows	3L72	Pacific Av, Green-N City Limits, reconst (State only)	108	Const	03	01-May-03	May-03
Butte	Butte County	2L93	Neal Rd, 4.7-5.9 mi E of Rt 99, rehab	610	Const	03	22-May-03	May-03
			Subtotal since December 2002	1,753				
			Total	3,153				