

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 10-11, 2003

Reference No.: 3.5  
Information Item

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Local Assistance

Ref: **FOURTH CYCLE AB 1012 UNOBLIGATED RSTP, CMAQ, AND REGIONAL TEA "USE IT OR LOSE IT" BALANCE REPORT**

## **SUMMARY:**

The annual notice to regional agencies for Cycle 4 of AB 1012 "Use it or Lose It" provisions was released on December 9, 2002. At that time, Cycle 4 Regional Surface Transportation Program (RSTP), Congestion Mitigation and Air Quality (CMAQ), and Regional Transportation Enhancement Activity (R-TEA) funds subject to potential reprogramming on December 9, 2003 totaled approximately \$209 million. The current balance is down to \$19 million.

## **BACKGROUND:**

AB 1012 was enacted October 10, 1999, with a goal of improving the delivery of transportation projects. A section of the legislation states that regional agency CMAQ and RSTP funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission (Commission) in the fourth year. The Department of Transportation (Department) is including R-TEA funds under the AB 1012 use it or lose it requirements. In addition, the Department is required to submit quarterly progress reports on impacted fund balances to the Commission.

## **DISCUSSION**

The September 30, 2003 balance reports show total funds subject to reprogramming for Cycle 4 of AB 1012 are approximately \$19 million, a reduction of \$190 million. Approximately 28 percent of the amount subject to reprogramming is in the R-TEA program, and 72 percent is in the CMAQ program. There are no RSTP balances subject to reprogramming. Regional agencies submitted obligation plans that indicated all Cycle 4 balances would be obligated by the initial December 9, 2003 deadline. However, as a result of the state borrowing approximately \$200

million in obligation authority (OA) from the local agencies, only priority projects were obligated mid-July through the end of the federal fiscal year (FFY). Consequently, the Commission at its September 2003 meeting, agreed to extend the December 9, 2003 deadline for an additional two months. This equates to the period of time OA was not available for local agency obligation.

The Federal Highway Administration (FHWA) has not yet released the total OA for Federal Fiscal Year (FFY) 2004. Instead, OA has been distributed via Continuing Resolutions (CR). The Department has only received OA for 52 days, based on the previous years' total OA amount. At this time, it is not known when the full annual amount of OA for FFY 2004 will become available. In the meantime, local agencies are only able to obligate a portion of their projects that are ready to submit to FHWA. Regions with AB 1012 balances will be given priority for use of local OA when additional amounts become available.

Attachments

**APPORTIONMENT STATUS REPORT  
CMAQ, RSTP, R-TEA  
per AB 1012  
as of September 30, 2003**

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**Cycle 4 Summary**

Region	CMAQ Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>	RSTP Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>	R-TEA Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>
Butte	187,959	-	-	-	-	-
Fresno	15,268,252	-	14,133,207	-	1,935,271	-
Kern	8,762,160	-	5,190,192	-	1,541,814	-
Kings	-	-	-	-	417,619	-
Los Angeles	33,284,776	-	179,107,466	-	14,836,680	-
Madera	-	-	716	-	-	-
Merced	3,221,447	-	1,449,408	-	-	-
Monterey	2,492,056	-	1,979,859	-	1,272,354	24,909
Orange	63,440,279	-	35,528,781	-	6,627,317	354,842
Riverside	22,871,153	-	19,020,559	-	5,493,470	1,102,326
Sacramento (SACOG)	13,927,893	-	11,087,747	-	2,988,877	-
San Benito	809,488	247,796	-	-	107,281	-
San Bernardino	37,428,158	11,676,348	17,915,635	-	7,831,785	1,934,501
San Diego	19,255,724	-	28,334,786	-	3,297,052	-
S.F. Bay Area (MTC)	6,759,972	-	47,668,903	-	16,743,492	-
San Joaquin	2,758,094	-	4,366,395	-	1,178,038	-
San Luis Obispo	-	-	1,495,741	-	1,655,867	395,113
Santa Barbara	2,972,735	-	3,384,011	-	1,421,984	-
Santa Cruz	1,586,657	-	58,457	-	1,099,638	371,272
Stanislaus	3,394,988	-	5,031,071	-	1,103,057	-
Tahoe	661,129	-	-	-	(4,776)	-
Tulare	8,572,124	1,593,075	-	-	1,641,116	174,517
Ventura	14,014,535	-	7,162,083	-	1,799,750	-
Rural Counties & SCAG	-	-	5,433,171	-	7,107,179	982,147
<b>TOTAL</b>	<b>261,669,579</b>	<b>13,517,219</b>	<b>388,348,188</b>	<b>-</b>	<b>80,094,865</b>	<b>5,339,627</b>

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Reflects balances 2-years old entering 3rd year.

Cycle 4 assumes the use of all Cycles 2 & 3 balances.

Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.

**APPORTIONMENT STATUS REPORT RURAL COUNTIES  
CMAQ, RSTP, AND R-TEA  
per AB 1012  
as of September 30, 2003**

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**Cycle 4 Summary  
Rural Counties**

Region	CMAQ Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>	RSTP Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>	R-TEA Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 4 12/9/2003 <sup>2</sup>
<b>Rural County Information:</b>						
Del Norte	-	-	-	-	-	-
Humboldt	-	-	-	-	425,922	-
Lake	-	-	-	-	-	-
Mendocino	-	-	-	-	509,071	-
Lassen	-	-	-	-	641,579	216,027
Modoc	-	-	-	-	106,269	-
Plumas	-	-	-	-	344,980	84,216
Siskiyou	-	-	-	-	346,243	-
Tehama	-	-	-	-	-	-
Trinity	-	-	-	-	(115,854)	-
Colusa	-	-	-	-	-	-
El Dorado	-	-	159,699	-	94,823	-
Glenn	-	-	-	-	-	-
Nevada	-	-	-	-	276,002	-
Placer	-	-	1,551,865	-	445,629	-
Sierra	-	-	-	-	-	-
Inyo	-	-	8,005	-	982,765	64,573
Mono	-	-	-	-	735,551	59,450
Alpine	-	-	-	-	-	-
Amador	-	-	-	-	341,235	115,315
Tuolumne	-	-	-	-	295,185	-
Imperial (SCAG)	-	-	3,713,602	-	1,549,096	442,566
<b>Rural Combined Totals:</b>	-	-	5,433,171	-	7,107,179	982,147

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Reflects balances 2-years old entering 3rd year.

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Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.