

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 8-9, 2004

Reference No.: 2.8f
Action Item

From: CINDY MCKIM
Acting Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST FOR WAIVER FOR ASSEMBLY BILL (AB) 1012 FIFTH CYCLE "USE IT OR LOSE IT" PROVISIONS FOR REGIONAL AGENCY APPORTIONED FEDERAL FUNDS WAIVER 04-04**

SUMMARY:

The annual notice to regional agencies for the fifth cycle of AB 1012 "Use it or Lose It" provisions was released on December 29, 2003, with a deadline for obligating balances subject to reprogramming of December 29, 2004. One agency has submitted a request for a six month extension for Regional Transportation Enhancement Activity (R-TEA) funds.

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 Congestion Mitigation and Air Quality Improvement (CMAQ) funds and Regional Surface Transportation Program (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 as well.

DISCUSSION:

The September 30, 2004 balance reports show total funds subject to reprogramming for the fifth cycle of AB 1012 are approximately \$5 million. Of that amount, \$190,535 is for CMAQ, \$139,149 is for RSTP, and approximately \$4.6 million is for R-TEA. It is anticipated that all CMAQ and RSTP funds will be obligated by the December 29, 2004 deadline.

The Riverside County Transportation Commission (RCTC) has submitted an extension request for approximately \$3.2 million of R-TEA funds. This amount is approximately 70 percent of the

remaining fifth cycle R-TEA amount subject to reprogramming. Imperial Valley County Transportation Commission (IVAG) has notified the Department that they will be submitting an extension request in time for presentation at the January Commission meeting.

RECOMMENDATION:

The Department recommends approval of the six-month extension request submitted by RCTC for fifth cycle R-TEA balances.

Attachments

**AB 1012 Cycle 5 Extension Requests
Item 2.8f
Waiver Request 04-04**

Regional Agency		
Local Agency	Extension Amount	Number of Months Requested
	Fund Type	Extended Deadline
		CT Recommendation
Reason for Project Delay:		
Riverside County Transportation Commission		
Various Projects	\$3,209,121	6 months
	R-TEA	06/29/05
		Support
<p>There are seven R-TEA projects in process. These projects have required extensive environmental studies and reviews (including Section 106 studies) that required coordination with other agencies (flood control, Santa Ana River Conservancy, Fish and Wildlife, flood control districts, etc.).</p>		