

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 13-14, 2005

Reference No.: 2.1b.(34)
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross A. Chittenden
Division Chief
Transportation Programming

Ref: **STIP AMENDMENT 04S-059**

The Department of Transportation (Department) and San Diego Associated Governments (SANDAG) are requesting that this proposed State Transportation Improvement Program (STIP) amendment be noticed at the April 2005 California Transportation Commission (Commission) meeting and be considered for approval in May 2005. This Notice is an informational item allowing the Commission to review the proposal, comment and/or ask questions prior to taking formal action in May 2005 or later.

The Department and SANDAG propose to transfer \$12,500,000 of Regional Improvement Program (RIP) funds and \$37,500,000 of Interregional Improvement Program (IIP) funds programmed on the Route 905 freeway – Otay Mesa project in San Diego County (PPNO 0374K) from Construction (CON) to Right of Way (R/W) in FY 2005-06.

RECOMMENDATION

The Department recommends this item be considered for action at the May 2005 Commission meeting.

BACKGROUND

The Otay Mesa Port of Entry (POE) is the largest commercial crossing on the California/Mexico border and handles the third highest volume of trucks and dollar value of trade among all United States/Mexico land border crossings. Currently, the POE remains connected to California's highway system by a four-lane city street that is currently operating at three times its current capacity. This new Route 905 freeway will provide six travel lanes connecting Route 805 to the Otay Mesa Port of Entry.

Right of Way acquisition costs are rapidly rising due to escalating regional property values. The fund transfer is needed now to keep R/W acquisition on schedule and to avoid the potential of costs escalating beyond the current increase of \$50 million. Without this transfer of funds, right of way complete acquisition (First Offers) will not be possible. A total of \$97 million has already been allocated toward R/W capital from various sources:

• Transportation Congestion Relief Program (TCRP)	\$21.0 M
• Federal Demonstration Project (DEMO)	\$40.5 M
• Coordinated Borders and Infrastructure (CBI)	\$25.4 M
• Local Funds - City of San Diego	\$ 3.1 M
• Surface Transportation Program (STP) (2005 Appropriation)	\$ 3.0 M
• <u>Other Non-STIP Contribution</u>	<u>\$ 4.0 M</u>
Total	\$97.0 M

The \$50 million of STIP funds that is being requested will bring the total R/W allocation to \$147 million, the total estimated cost to acquire the necessary R/W to construct the six-lane freeway.

The current estimate for construction and construction support of Phase 1 (six-lane freeway) is \$163,249,000. This is \$54,799,000 over the currently programmed amount of \$108,450,000. After reprogramming \$50 million of STIP funds from construction to R/W, as proposed by this amendment, the total construction and construction support shortfall will be \$104,799,000.

The City of San Diego and SANDAG recognize the construction funding shortfall and are working cooperatively with the Department to identify additional funding sources to close the construction funding gap. Potential sources include sales tax measure funds (TransNet) and local developer fees. TransNet funds totaling \$25 million have already been identified by the Region for border improvement projects. As one of the Region's highest priority transportation projects, Route 905 is eligible for these funds. In addition, the current version of the federal highway bill includes \$15 million in proposed funding for this project. The remaining difference could be funded with additional STIP funds.

The remaining unfunded phases of the Route 905 corridor consist of the Route 805/905 interchange improvements (Phase 2), the Route 125/905 interchange (Phase 3) and the Heritage Road interchange (Phase 4). The total estimated non-escalated cost for the 805/905 and 125/905 interchanges is \$63 million. It is anticipated that the Heritage Road interchange will be constructed by others.

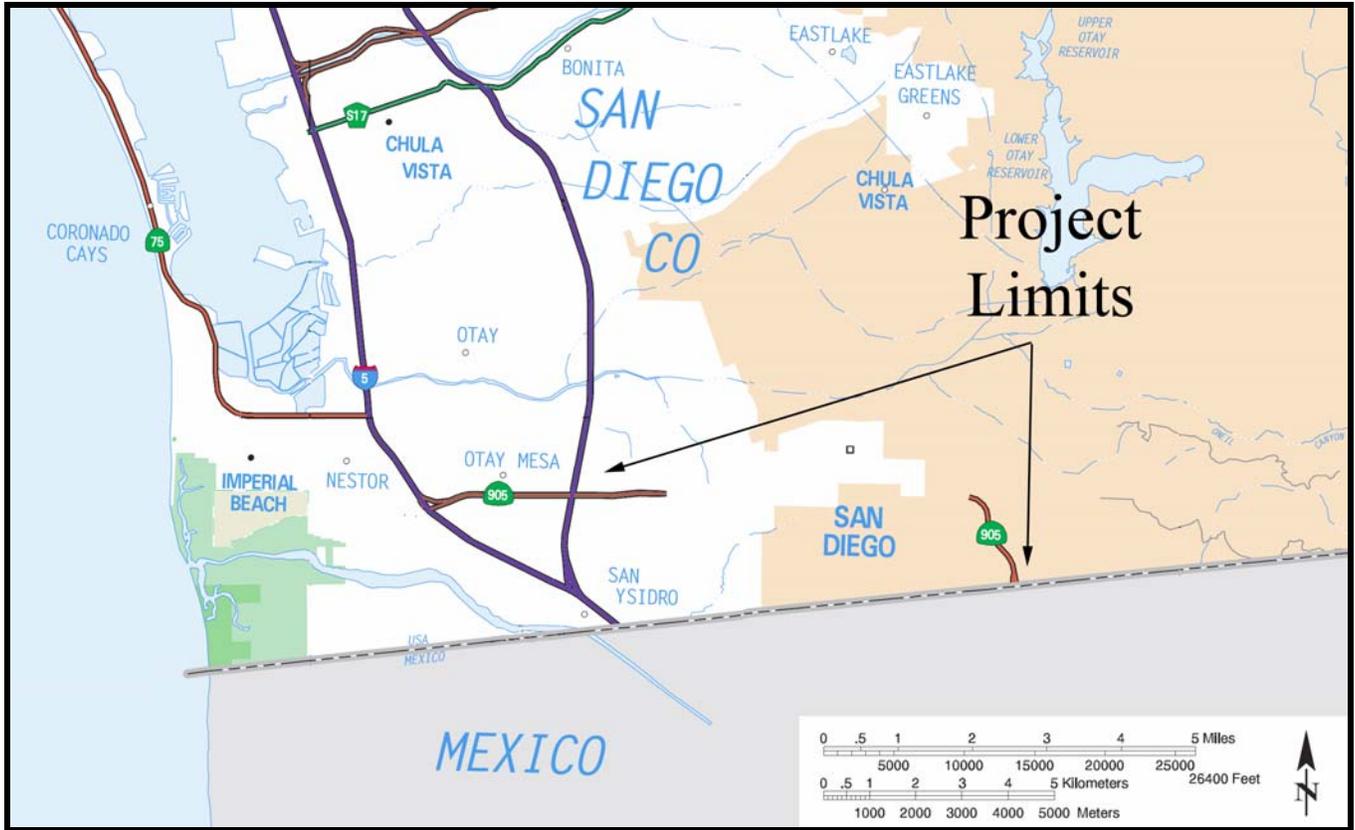
RESOLUTION

Resolved, that the California Transportation Commission revise the 2004 State Transportation Improvement Program at the end of the 30-day notice period in accordance with the attached spreadsheet that illustrates the proposed programming changes for the project.

Attachment

STIP AMENDMENT 04S-059

Location Map



11 – San Diego
PPNO 0374K

Location: Near San Diego, Route 905 from Route 805 to Otay Mesa Border Station.

Description: Construct six-lane freeway.



**San Diego County
STIP Amendment Request (04S-059)**

Reference No. 2.1b.(34)
April 13-14, 2005
Attachment

Route 905 (PPNO 0374K) - Existing Funding												
Project Funds	Project Totals By Fiscal Year (\$ in 1,000's)						Project Totals by Component (\$ in 1,000's)					
	Total	Prior	FY 05	FY 06	FY 07	FY 08	R/W	Const	E & P	PS&E	R/W Sup	Con Sup
STIP - RIP	25,249	0	0	25,249	0	0	0	24,100	0	0	0	1,149
STIP - IIP	94,822	16,621	0	78,201	0	0	0	70,101	2,771	11,850	2,000	8,100
STIP - IIP (Grandfathered)	7,237	2,237	0	5,000	0	0	0	5,000	1,836	396	5	0
Local - City of San Diego	3,100	3,100	0	0	0	0	3,100	0	0	0	0	0
Federal Demonstration - TEA 21	40,485	29,114	11,371	0	0	0	40,485	0	0	0	0	0
TCRP	21,000	21,000	0	0	0	0	21,000	0	0	0	0	0
Federal Discretionary (CBI)	25,342	14,086	11,256	0	0	0	25,342	0	0	0	0	0
Regional STP	3,000	0	3,000	0	0	0	3,000	0	0	0	0	0
Federal Demonstration - Sect 115	3,000	0	3,000	0	0	0	3,000	0	0	0	0	0
STP-Sect 330	1,000	0	1,000	0	0	0	1,000	0	0	0	0	0
Additional Project Funding Needs	54,799	0	0	54,799	0	0	0	42,799	0	0	0	12,000
Total	\$253,785	\$86,158	\$29,627	\$163,249	\$0	\$0	\$96,927	\$142,000	\$4,607	\$12,246	\$2,005	\$21,249

Route 905 (PPNO 0374K) - Proposed Funding												
Project Funds	Project Totals By Fiscal Year (\$ in 1,000's)						Project Totals by Component (\$ in 1,000's)					
	Total	Prior	FY 05	FY 06	FY 07	FY 08	R/W	Const	E & P	PS&E	R/W Sup	Con Sup
STIP - RIP	25,249	0	0	25,249	0	0	12,500	11,600	0	0	0	1,149
STIP - IIP	94,822	16,621	0	78,201	0	0	37,500	32,601	2,771	11,850	2,000	8,100
STIP - IIP (Grandfathered)	7,237	2,237	0	5,000	0	0	0	5,000	1,836	396	5	0
Local - City of San Diego	3,100	0	3,100	0	0	0	3,100	0	0	0	0	0
Federal Demonstration - TEA 21	40,485	29,114	11,371	0	0	0	40,485	0	0	0	0	0
TCRP	21,000	21,000	0	0	0	0	21,000	0	0	0	0	0
Federal Discretionary (CBI)	25,342	14,086	11,256	0	0	0	25,342	0	0	0	0	0
Regional STP	3,000	0	3,000	0	0	0	3,000	0	0	0	0	0
Federal Demonstration - Sect 115	3,000	0	3,000	0	0	0	3,000	0	0	0	0	0
STP-Sect 330	1,000	0	1,000	0	0	0	1,000	0	0	0	0	0
Additional Project Funding Needs	104,799	0	0	104,799	0	0	0	92,799	0	0	0	12,000
Total	\$329,034	\$83,058	\$32,727	\$213,249	\$0	\$0	\$146,927	\$142,000	\$4,607	\$12,246	\$2,005	\$21,249