

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 25-26, 2005

Reference No.: 3.7
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **LOCAL ASSISTANCE QUARTERLY AB 1012 UNOBLIGATED RSTP, CMAQ, AND REGIONAL TEA BALANCES - CYCLE 6**

SUMMARY:

The annual notice to regional agencies for the sixth cycle of AB 1012 "Use It or Lose It" provisions was released on November 15, 2004. At that time, sixth cycle Regional Surface Transportation Program (RSTP), Congestion Mitigation and Air Quality (CMAQ), and Regional Transportation Enhancement Activity (R-TEA) funds subject to potential reprogramming on November 1, 2005, totaled approximately \$119 million, based on September 30, 2004 balances. Eleven agencies had CMAQ balances subject to reprogramming, eleven agencies had RSTP balances subject to reprogramming, and twenty-three agencies had R-TEA balances subject to reprogramming.

The February 28, 2005 balance reports show the total funds subject to reprogramming for the sixth cycle of AB 1012 are approximately \$80 million, a reduction of \$39 million from the September 30, 2004 balances, including: CMAQ - \$32 million; RSTP - \$38 million; and R-TEA - \$10 million. CMAQ funds account for 40 percent of the balance subject to reprogramming, RSTP funds account for 48 percent, and R-TEA funds account for 12 percent. The number of agencies with CMAQ balances subject to reprogramming have decreased from eleven to nine, agencies with RSTP balances subject to reprogramming have decreased from eleven to seven, and agencies with R-TEA balances subject to reprogramming have decreased from twenty-three to eighteen. (Please note that agencies may have more than one type of fund subject to reprogramming.)

The draft March 31, 2005 numbers show the total funds subject to reprogramming for the sixth cycle of AB 1012 are approximately \$76 million, a reduction of \$43 million from the September 30, 2004 balances. Additional information on the March 31, 2005 numbers will be provided in the next quarterly report.

There are several issues that may be impacting local delivery and the unobligated apportionment balances. Obligation authority (OA) has been issued by Continuing Resolutions. As of February 28, 2005, the Department of Transportation (Department) has received Continuing Resolutions – providing eight months of OA. Therefore, Local OA available for Federal Fiscal Year (FFY) 2005 was revised to \$734 million. The FFY 2005 apportionments were revised to \$723 million and the Federal Highway Administration (FHWA) included adjustments from the 2003/2004 Byrd amendment restoration and Supplemental Minimum Guarantee. The FFY 2005 apportionments were estimated and the various adjustments will have no impact on the unobligated apportionment balances until the beginning of the next FFY. Regional agencies were required to submit obligation plans for all AB 1012 sixth cycle balances by May 1, 2005. Review of these plans is currently underway, and findings will be included with the next quarterly report.

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 is including R-TEA funds under the AB 1012 “Use it or Lose it” requirements as well. In addition, the Department is required to submit quarterly progress reports on impacted fund balances to the Commission.

Attachments

**APPORTIONMENT STATUS REPORT
CMAQ, RSTP, R-TEA
Per AB 1012
as of February 28, 2005**

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**Cycle 6 Summary
(with Advance Construction Projects Included)**

Region	CMAQ Unobligated 2/28/2005 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	RSTP Unobligated 2/28/2005 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	R-TEA Unobligated 2/28/2005 Delivery Balance ¹	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²
Butte	3,144,117	298,959	-	-	-	-
Fresno	27,727,432	6,604,867	18,334,018	615,339	839,088	839,088
Kern	22,323,283	4,685,741	19,236,546	4,572,797	672,467	672,467
Kings	3,429,535	-	-	-	20,844	20,844
Los Angeles	172,033,664	-	183,362,696	-	(2,923,630)	-
Madera	3,009,876	-	-	-	-	-
Merced	3,225,640	-	-	-	-	-
Monterey	4,540,325	-	1,593,468	-	366,669	366,669
Orange	46,006,788	-	52,434,831	-	17,638	17,638
Riverside	30,623,604	-	50,741,593	16,491,861	2,820,893	2,154,921
Sacramento (SACOG)	24,072,920	-	16,730,140	-	305,291	305,291
San Benito	1,056,475	296,483	-	-	-	-
San Bernardino	67,811,270	15,574,682	44,227,895	6,342,453	4,039,218	2,802,221
San Diego ³	26,597,748	-	52,843,497	-	(132,281)	-
S.F. Bay Area (MTC)	70,785,609	-	101,907,015	-	(1,444,742)	-
San Joaquin	16,743,310	1,112,948	14,400,594	2,133,698	(39,117)	-
San Luis Obispo	-	-	1,495,741	-	409,601	409,601
Santa Barbara	7,732,596	2,272,292	125,298	-	454,381	454,381
Santa Cruz	2,543,880	-	253,223	-	69,638	69,638
Stanislaus	10,977,783	-	13,127,349	3,220,749	139,514	139,514
Tahoe	1,418,962	239,419	-	-	85,224	85,224
Tulare	10,152,979	468,892	-	-	163,437	163,437
Ventura	15,200,485	-	21,418,067	4,725,289	579,872	579,872
Rural Counties & SCAG	-	-	\$3,107,269	-	\$331,285	\$798,593
TOTAL	\$571,158,279	\$31,554,281	\$595,339,240	\$38,102,186	\$6,775,290	\$9,879,400

¹ Indicates all apportionments not yet obligated. Includes FY 2005 advanced apportionments.

² Reflects balances 2-years old entering 3rd year.

*Cycle 6 assumes the use of all previous cycle 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.

*Balances are adjusted for projects using the State Advance Construction (AC) process.

³San Diego (SANDAG) Project 6211 (042) apportionment code - (Q240) \$7,450,000 was processed using the state AC Process. However, RSTP balances do not reflect this transaction.

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**Cycle 6 Summary
Rural Counties**

Region	CMAQ Unobligated 2/28/2005 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	RSTP Unobligated 2/28/2005 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	R-TEA Unobligated 2/28/2005 Delivery Balance ¹	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²
Rural County Information:						
Del Norte	-	-	-	-	-	-
Humboldt	-	-	-	-	(34,723)	-
Lake	-	-	-	-	-	-
Mendocino	-	-	-	-	481,760	297,066
Lassen	-	-	-	-	(251,000)	-
Modoc	-	-	-	-	-	-
Plumas	-	-	-	-	-	-
Shasta	-	-	-	-	-	-
Siskiyou	-	-	-	-	-	-
Tehama	-	-	-	-	-	-
Trinity	-	-	-	-	(115,854)	-
Colusa	-	-	-	-	-	-
El Dorado	-	-	37,255	-	(154,839)	-
Glenn	-	-	-	-	-	-
Nevada	-	-	-	-	71,297	71,297
Placer	-	-	66,874	-	(21,000)	-
Sierra	-	-	-	-	-	-
Inyo	-	-	130	-	(74,586)	-
Mono	-	-	-	-	-	-
Alpine	-	-	-	-	-	-
Amador	-	-	-	-	-	-
Calaveras	-	-	-	-	-	-
Mariposa	-	-	-	-	-	-
Tuolumne	-	-	-	-	-	-
Imperial (SCAG)	-	-	3,003,010	-	430,230	430,230
Rural Combined Totals:	-	-	\$3,107,269	-	\$331,285	\$798,593

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