

## Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 7-8, 2006

Reference No.: 3.13  
Information Item

From: CINDY McKIM  
Chief Financial Officer

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Local Assistance

Subject: **LOCAL ASSISTANCE QUARTERLY LUMP SUM ALLOCATION STATUS REPORT FOR FISCAL YEAR 2005-06**

### **SUMMARY:**

The amount of Fiscal Year (FY) 2005-06 local assistance subvention funds administered by the Department of Transportation's (Department) Division of Local Assistance is \$976 million. Of this amount, approximately \$96 million are State funds and \$880 million are federal funds. As of March 31, 2006, \$381 million or 39 percent of the \$976 million has been sub-allocated for 602 local projects. The majority of these sub-allocations, including Federal Transit Administration (FTA) transfers, are for:

- Surface Transportation Program (STP) – 143 projects, \$53 million
- Congestion Mitigation and Air Quality (CMAQ) Program – 95 projects, \$188 million

The remaining 364 projects are sub-allocated in other categories and account for 37 percent of the expenditures reported.

The delivery to date for FY 2005-06 (\$381 million or 39 percent of the funds allocated) is slightly higher when compared to the same period last year (\$335 million or 30 percent of the funds allocated). Based on historical trends it is anticipated that all funds allocated will be used consistent with prior fiscal years.

### **BACKGROUND:**

On May 26, 2005, the California Transportation Commission (Commission) passed Resolution FM-04-06, allocating \$498 million for the Local Assistance Program for FY 2005-06. The initial allocation request was for \$996 million. The Commission reduced the initial allocation request to \$498 million, pending the final close-out report for FY 2004-05, which was presented to the Commission at the September 29, 2005 meeting.

On March 16, 2006, the Commission passed Resolution FM-05-04, allocating the remaining \$500 million for the Local Assistance Program for FY 2005-06.

The Division of Local Assistance administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation

consistent with each fiscal year's Budget Act. The Commission further delegates to the Department the authority to adjust allocations for Local Assistance, and the Department reports to the Commission if transfers in or out of an expenditure category exceed ten percent of its allocation.

**Local Assistance Lump Sum Allocation Status for FY 2005-2006:**

As of March 31, 2006, \$381 million or 39 percent of the \$976 million of Local Assistance funds allocated have been used. Consistent with prior years, the allocation for Demonstration Projects is zero since specific projects expected to receive funds during this fiscal year are not known. This category is included in the allocation to allow the Department to make allocations using excess funds from other categories and prevent allocation delays for demonstration projects.

Funds allocated for projects under the Miscellaneous category show 636 percent. Most of the expenditures under this category are for Emergency Relief (ER) projects and will be covered by funds not used in other categories. Three programs have no expenditures. The Transportation Enhancement Activities (TEA) Exchange is not anticipated to incur expenditures. These funds were included to cover the potential exchange of old apportionments. Railroad Grade Separations projects are anticipated to come in June 2006. Project applications are being reviewed by the Public Utilities Commission (PUC). The High Risk Rural Roads Program is a new federal program. The Department is developing guidelines to implement the program and project selection criteria. Obligation of funds for eligible projects is dependent upon approval of the Strategic Highway Safety Plan (SHSP) anticipated in August 2006.

Attachment

LOCAL ASSISTANCE FUNDS  
 FY 2005-06  
 As of March 31, 2006

Reference No.: 3.13  
 June 7-8, 2006  
 Attachment

(Dollars in thousands)

Fund Description	CTC Allocation			Total Expenditures			Allocation Balance			Percent of Allocation Expended	Number of Projects
	State	Federal	Total	State	Federal	Total	State	Federal	Total		
Surface Transportation Pgrm ( STP)	0	310,600	310,600	0	45,123	45,123	0	265,477	265,477	15%	140
STP State Match and Exchange	51,250	0	51,250	48,116	0	48,116	3,134	0	3,134	94%	130
Congestion Mitigation & Air Qual Pgrm (CMAQ)	0	333,608	333,608		39,587	39,587	0	294,021	294,021	12%	63
Bridge Inspection & State Match	735	1,725	2,460	292	1,168	1,460	443	557	1,000	59%	1
Highway Bridge Program		127,311	127,311	0	23,596	23,596	0	103,715	103,715	19%	52
Bridge - Seismic Retrofit	0	53,905	53,905	0	18,816	18,816	0	35,089	35,089	35%	20
RR Grade Crossing Protection		10,911	10,911	0	374	374	0	10,537	10,537	3%	2
RR Grade Crossing Maintenance	1,000		1,000	1,000	0	1,000	0	0	0	100%	1
Railroad Grade Separations	15,000	0	15,000	0	0	0	15,000	0	15,000	0%	0
Highway Safety Improvement Program	0	18,549	18,549	0	2,023	2,023	0	16,526	16,526	11%	21
High Risk Rural Roads	0	7,021	7,021	0	0	0	0	7,021	7,021	0%	0
Safe Routes to School	23,000	14,353	37,353	0	696	696	23,000	13,657	36,657	2%	2
Transportation Enhancement Activities (TEA) Exchange	2,000	0	2,000	0	0	0	2,000	0	2,000	0%	0
Demonstration Projects	0	0	0	0	14,346	14,346	0	-14,346	-14,346		17
Miscellaneous	3,000	1,616	4,616	1,000	28,348	29,348	2,000	-26,732	-24,732	636%	127
<b>Total Local Assistance Subvented Funds</b>	<b>95,985</b>	<b>879,600</b>	<b>975,585</b>	<b>50,408</b>	<b>174,077</b>	<b>224,485</b>	<b>45,577</b>	<b>705,523</b>	<b>751,100</b>	<b>23%</b>	<b>576</b>
Federal Transit Administration (FTA) Transfers	0	0	0	0	156,530	156,530	0	0	0		26
<b>Total Local Assistance including FTA Transfers</b>	<b>95,985</b>	<b>879,600</b>	<b>975,585</b>	<b>50,408</b>	<b>330,607</b>	<b>381,015</b>	<b>45,577</b>	<b>705,523</b>	<b>751,100</b>	<b>39%</b>	<b>602</b>

**Assumptions:**

- \* The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- \* FTA Transfers are \$8,280,008 for RSTP, \$ 148,249,635 for CMAQ.
- \* Balances are based on project allocation requests.
- \* The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- \* Expenditures and Number of Projects is from LP2000 report.
- \* Highway Safety Improvement Program (HSIP) formerly Hazard Elimination and Safety (HES)
- \* Highway Bridge Program formerly Highway Bridge Rehabilitation & Replacement (HBRR)