

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 14-15, 2007

Reference No.: 2.6e.(1)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Acting Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION FOR TRAFFIC CONGESTION RELIEF PROGRAM PROJECTS
RESOLUTION TFP-06-31**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution TFP-06-31, reallocating \$31,000,000 in previously allocated Traffic Congestion Relief Program (TCRP) funds for the project identified on the attached vote list.

ISSUE:

TCRP funds are available for expenditure for five years. However, with the previous suspension of Proposition 42, some TCRP projects were unable to proceed. Proposition 42 has been restored and this project is ready to proceed, but TCRP funds are in danger of lapsing and must be reallocated before the project can continue.

BACKGROUND:

Section 3.3 of the TCRP Guidelines states allocated TCRP funds are available for expenditure and reimbursement for up to five years after the date of the allocation.

TCRP funding is derived from Proposition 42. However, this funding was partially suspended in FY 2003-04 and fully suspended in FY 2004-05 in response to the fiscal crisis experienced by the State at that time. In response to the future availability of TCRP funds being in doubt, both applicant and implementing agencies decelerated the expenditure rate of some projects and/or in some cases suspended all activities pending future funds becoming available. In FY 2005-06, Proposition 42 funds were restored and projects are once again proceeding.

Initial allocations of TCRP funds were made beginning in September 2000. The unspent portions of those early allocations started to expire in September 2005. Projects ready to continue are at risk of further delays and incurring higher costs if these expiring allocations are not reallocated.

The following project is ready to proceed and will continue to need the remaining balance of previously allocated TCRP funds otherwise set to expire at the end of April 2007:

- \$31,000,000 – Project #1.1 – BART Extension from Fremont to Warm Springs.

Approval of this reallocation request extends the availability of the TCRP funds, allowing the TCRP project identified above to continue to expend funds beyond the current five-year time limit.

Justification:

Reallocation of funds for this project will allow Environmental, Plans, Specifications, and Estimates and Right-of-Way to be completed. The work has taken longer to complete than originally anticipated due to the lengthy process required to receive a Federal Transit Administration (FTA) Record of Decision (ROD) evidencing the completion of the federal environmental process. The ROD was received October 24, 2006, and the Memorandum of Agreement between the State Historic Preservation Officer, FTA and the San Francisco Bay Area Rapid Transit District has been executed.

FINANCIAL RESOLUTION:

Resolved That:

The project(s), as component phases or in their entirety, appear under Government Code Section 14556.40(a) and are entitled to participate in this allocation.

Reimbursement of eligible costs is subject to the policies, restrictions and assurances as set forth in the Commission's policy for allocating, monitoring, and auditing TCRP projects, and is governed by the terms and conditions of the Fund Transfer Agreement, Program Supplement or Cooperative Agreement, and subsequent amendments to the same if required, as executed between the Implementing Agency and the Department.

Attachment

2.6 Mass Transportation Financial Matters

Project # Allocation Amount Implementing Agency District-County	BREF # and Project Description Description of Allocation	Item # Program Code	Total Allocation Amount
2.6e.(1) Traffic Congestion Relief Program Re-Allocation		Resolution TFP-06-31	
1 \$31,000,000 San Francisco Bay Area Rapid Transit District (BART) 04 – Alameda and Santa Clara	Project #1.1 – BART Extension from Fremont to Warm Springs. Extend BART 5.4 miles south of the existing Fremont Station. Re-allocate \$31,000,000 in previously allocated TCRP funding for Project Approval and Environmental Document, Plans, Specification & Estimates and Right-of-Way.	Chapter 91 of the Statutes of 2000 889-3007 30.10.710.010	\$31,000,000