

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 14-15, 2007

Reference No.: 3.12  
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 2006-07**

## **SUMMARY:**

On September 7, 2006, the California Transportation Commission (Commission) passed Resolution FM-06-02, allocating \$712 million for the Department of Transportation's (Department's) Local Assistance Program for Fiscal Year (FY) 2006-07. The initial allocation request was for \$1.42 billion. The Commission reduced the initial allocation request to \$712 million, pending the final close-out report for FY 2005-06, which was presented to the Commission at its December 13-14, 2006 meeting.

The amount of local assistance subvention funds allocated and administered by the Department's Division of Local Assistance is \$688 million. Of this amount, approximately \$78 million are State funds and \$610 million are federal funds. As of December 31, 2006, \$14 million, or 2 percent, of the \$688 million has been sub-allocated to 80 local projects. The majority of these sub-allocations, including Federal Transit Administration (FTA) transfers, are for:

- Surface Transportation Program (STP) – 30 projects, \$6 million
- Highway Bridge Program – 17 projects, \$7 million

The remaining 33 projects are sub-allocated in other categories and account for nine percent of the expenditures reported.

## **BACKGROUND:**

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 2006-07:**

The allocation for the Division of Local Assistance was approved by the Commission on September 7, 2006. Federal fiscal year 2006-2007 began on October 1, 2006 and federal obligation authority has been made available through a continuing resolution by Congress. The President signed the latest

Continuing Resolution on February 15, 2007, providing funding for the remainder of the federal fiscal year.

As of December 31, 2006, the end of the first quarter, \$14 million, or 2 percent, of the \$688 million of local assistance funds allocated has been sub-allocated. An additional \$65.4 million has been sub-allocated to projects and agreements in process. When these agreements are executed, the percent of allocation used will increase from the current 2 percent to 12 percent. In addition, the Regional Surface Transportation Program (RSTP) State Match and Exchange is expected to be completed by April 30, 2007. The bridge list for projects in the Highway Bridge Program category was released by the Department in February 2007. As Regions program bridge projects in the FSTIP, projects will receive sub-allocations. As of December 31, 2006, Miscellaneous category expenditures are 28 percent; most of the projects in this category are for federal Scenic Byways projects. The High Priority Projects Program has approximately \$3 million in agreements in the approval process, which are expected to be completed before the end of the second quarter of the federal fiscal year. Applications for funds from the Highway Safety Improvement Program are due April 1, 2007, with an approved list of projects due for release on May 15, 2007. The High Risk Rural Roads program applications are due February 28, 2007. A list of approved projects will be released April 1, 2007. It is expected that federally funded Safe Routes to School (SRTS) program projects will be selected by the SRTS Advisory Committee and announced in April 2007. Consistent with historical trends, expenditures are lower at the beginning of each fiscal year.

Attachment

LOCAL ASSISTANCE FUNDS  
 FY 2006-07  
 As of December 31, 2006  
 (Dollars in thousands)

Reference No.: 3.12  
 March 14-15, 2007  
 Attachment

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 Program ( STP)	0	176,568	176,568	0	6,047	6,047	0	170,521	170,521	3%	30
STP State Match and Exchange	58,150	0	58,150	0	0	0	58,150	0	58,150	0%	0
Congestion Mitigation & Air Quality(CMAQ) Program	0	189,915	189,915	0	99	99	0	189,816	189,816	0%	7
Bridge Inspection & State Match	735	1,219	1,954	0	0	0	735	1,219	1,954	0%	0
Highway Bridge Program		63,898	63,898	0	7,114	7,114	0	56,784	56,784	11%	17
Bridge - Seismic Retrofit	0	43,651	43,651	0	0	0	0	43,651	43,651	0%	0
Railroad Grade Crossing Protection		3,697	3,697	0	0	0	0	3,697	3,697	0%	0
Railroad Grade Crossing Maintenance	1,000	0	1,000	0	0	0	1,000	0	1,000	0%	0
Railroad Grade Separations	15,000	0	15,000	0	0	0	15,000	0	15,000	0%	0
Highway Safety Improvement Program	0	21,680	21,680	0	32	32	0	21,648	21,648	0%	5
High Risk Rural Roads	0	3,433	3,433	0	0	0	0	3,433	3,433	0%	0
Safe Routes to School	0	6,751	6,751	0	68	68	0	6,683	6,683	1%	1
High Priority Projects (formerly Demonstration Projects)	0	99,309	99,309	0	138	138	0	99,171	99,171	0%	4
Miscellaneous	3,000	289	3,289	170	737	907	2,830	-448	2,382	28%	16
<b>Total Local Assistance Subvented Funds</b>	<b>\$ 77,885</b>	<b>\$ 610,410</b>	<b>\$ 688,295</b>	<b>\$ 170</b>	<b>\$ 14,235</b>	<b>\$ 14,405</b>	<b>\$ 77,715</b>	<b>\$ 596,175</b>	<b>\$ 673,890</b>	<b>2%</b>	<b>80</b>
Federal Transit Administration (FTA) Transfers	0	0	0	0	0	0	0	0	0		0
<b>Total Local Assistance including FTA Transfers</b>	<b>\$ 77,885</b>	<b>\$ 610,410</b>	<b>\$ 688,295</b>	<b>\$ 170</b>	<b>\$ 14,235</b>	<b>\$ 14,405</b>	<b>\$ 77,715</b>	<b>\$ 596,175</b>	<b>\$ 673,890</b>	<b>2%</b>	<b>80</b>

**Assumptions:**

- \* Allocations reflect September 2006 vote (Reference 2.5h.).
- \* The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- \* No FTA Transfers during the current Fiscal Year.
- \* 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.