

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 25-26, 2007

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

From: CINDY McKIM
Chief Financial Officer

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Subject: **FINANCIAL ALLOCATION FOR TRAFFIC CONGESTION RELIEF PROGRAM PROJECTS
RESOLUTION TFP-06-35**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution TFP-06-35, reallocating \$6,850,000 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 projects are ready to proceed and will continue to need the remaining balance of previously allocated TCRP funds that expired at the end of January and February 2007, respectively:

- \$4,200,000 – Project #104 – Route 99; build seven miles of new six-lane freeway south of Merced, Buchanan Hollow Road to Healey Road in Merced County.
- \$2,650,000 – Project #105 – Route 99; build ~~two~~ 4.5 miles of new six-lane freeway, Madera County line to Buchanan Hollow Road in Merced County.

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

Justification:

Completion of the Project Approval and Environmental Document phase for these projects, which were funded by the State Transportation Improvement Program, took much longer than anticipated, delaying approvals by Federal Highway Administration and U.S. Fish and Wildlife Service and consequently, leading to the delay of Plans, Specifications, and Estimates (PS&E). Reallocation of funds for these projects will allow PS&E to be completed. PS&E is expected to be completed by January and September 2010, respectively.

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-06-35	
1 \$4,200,000 California Department of Transportation 10 – Merced	Project # 104 – Route 99; build seven miles of new six-lane freeway south of Merced, Buchanan Hollow Road to Healey Road in Merced County. Re-allocate \$4,200,000 in previously allocated TCRP funding for PS&E.	Chapter 91 of the Statutes of 2000 889-3007 20.10.710.870	\$4,200,000
2 \$2,650,000 California Department of Transportation 10 – Merced	Project #105 – Route 99; build two 4.5 miles of new six-lane freeway, Madera County line to Buchanan Hollow Road in Merced County. Re-allocate \$2,650,000 in previously allocated TCRP funding for PS&E.	Chapter 91 of the Statutes of 2000 889-3007 20.10.710.870	\$2,650,000