

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 27-28, 2008

Reference No.: 3.8
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Earl Seaberg
Acting Division Chief
Local Assistance

Subject: **QUARTERLY REPORT ON LOCAL ASSISTANCE LUMP SUM ALLOCATION FOR FISCAL YEAR 2007-08**

SUMMARY:

For Fiscal Year (FY) 2007-08, the California Transportation Commission (Commission) allocated a total of \$1.4 billion, over the course of the fiscal year, for the Department of Transportation's Local Assistance Program. As of June 30, 2008, local agencies have used 63 percent, or \$888 million of the \$1.4 billion total allocation. This is higher when compared to last year's allocation use of 45 percent as of June 30, 2007, or \$628 million of the \$1.4 billion total allocation.

The suballocations reported below are based on Federal Fiscal Year (FFY) 2008, which is from October 1, 2007 through September 30, 2008. Of the \$1.4 billion allocated and administered by the Department, approximately \$102 million are State funds and \$1.3 billion are federal funds.

As of June 30, 2008, a total of \$888 million (63 percent) of the \$1.4 billion has been suballocated to 840 local projects. The majority of these suballocations, including Federal Transit Administration (FTA) transfers, are for:

- Surface Transportation Program - 132 projects, \$114 million
- Congestion Mitigation & Air Quality Program - 133 projects, \$164 million
- Highway Bridge Program - 81 projects, \$181 million
- Railroad Grade Separations - 4 projects, \$15 million
- Bridge - Seismic Retrofit - 38 projects, \$31 million

Additionally, there were 28 STP and CMAQ projects totaling \$80 million in Federal Transit Administration transfers. The remaining 424 projects are suballocated in other categories and account for 34 percent of the expenditures reported.

BACKGROUND:

The Department's 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 10 percent of its allocation.

Local Assistance Lump Sum Allocation Status for FY 2007-08:

As of June 30, 2008, the end of the third quarter of FFY 2008, approximately \$888 million (63 percent) of the \$1.4 billion of Local Assistance funds allocated have been suballocated. Miscellaneous program suballocations total \$122 million, for 104 projects. These sub-allocations are used for projects of regional and national significance, national corridor infrastructure improvements, and emergency relief.

The High Risk Rural Roads Program and the Highway Safety Improvement Program each have more than \$2.5 million in suballocations. The federal Safe Routes to School Program has suballocated \$6.6 million. In March 2008, the Department released a list of 139 approved projects for the State's Safe Routes to School Program. Suballocations are in various stages of being processed.

The Department, working with the Public Utilities Commission (PUC), has established a list of Railroad Grade Crossing Protection projects that meet federal requirements. It is anticipated that suballocations will be made for these projects by the end of September 2008.

The Bridge Inspection and State Match Programs do not have expenditures as of June 30, 2008. In September 2008, the Department anticipates suballocations for projects in these categories.

The use of the allocation is higher this year (63 percent) when compared to the same time last year (45 percent). Consistent with historical trends, the Department anticipates using all funds allocated by the Commission for FY 2007-08.

Attachment

LOCAL ASSISTANCE FUNDS
FY 2007-08
As of June 30, 2008
(Dollars in thousands)

Reference No.: 3.8
August 27-28, 2008
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	Total	Total
Surface Transportation Program (STP)	0	417,450	417,450	0	113,968	113,968	0	303,482	303,482	27%	132
STP State Match and Exchange	57,558	0	57,558	50,747	0	50,747	6,811	0	6,811	88%	132
Congestion Mitigation & Air Quality Program (CMAQ)	0	404,269	404,269	0	164,374	164,374	0	239,895	239,895	41%	133
Bridge Inspection and State Match	735	2,640	3,375	0	0	0	735	2,640	3,375	0%	0
Highway Bridge Program		116,945	116,945	0	180,638	180,638	0	-63,693	-63,693	154%	81
Bridge - Seismic Retrofit	0	104,000	104,000	0	30,967	30,967	0	73,033	73,033	30%	38
Railroad Grade Crossing Protection		11,195	11,195	0	246	246	0	10,949	10,949	2%	2
Railroad Grade Crossing Maintenance	2,000	0	2,000	2,000	0	2,000	0	0	0	100%	1
Railroad Grade Separations	15,000	0	15,000	15,000	0	15,000	0	0	0	100%	4
Highway Safety Improvement Program	0	30,757	30,757	0	5,295	5,295	0	25,462	25,462	17%	64
High Risk Rural Roads	0	7,098	7,098	0	2,522	2,522	0	4,576	4,576	36%	19
Safe Routes to School	25,000	15,797	40,797	0	6,649	6,649	25,000	9,148	34,148	16%	41
High Priority Projects	0	196,605	196,605	0	111,570	111,570	0	85,035	85,035	57%	61
Miscellaneous	2,000	625	2,625	1,755	122,397	124,152	245	-121,772	-121,527	4730%	104
Total Local Assistance Subvention Funds	102,293	1,307,381	1,409,674	69,502	738,626	808,128	32,791	568,755	601,546	57%	812
Federal Transit Administration (FTA) Transfers				0	80,118	80,118					28
Total Local Assistance including FTA Transfers	102,293	1,307,381	1,409,674	69,502	818,744	888,246	32,791	568,755	601,546	63%	840

Assumptions:

- * Allocations reflect May 2008 Meeting vote, item 2.5h.
- * FTA transfers are \$36,587,000 for RSTP and \$43,530,516 for CMAQ.
- * The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- * Balances are based on project allocation requests.
- * The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- * Expenditures and Number of Projects are from LP2000 report.
- * In accordance with CTC Resolution G-01-08, the Department reports when total transfers into or out of an expenditure category exceed 10 percent.