

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 15-16, 2009

Reference No.: 2.5g.(1c)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Budgets

Subject: **FINANCIAL ALLOCATION FOR LOCALLY-ADMINISTERED MULTI-PROGRAMMED PROJECTS ON THE STATE HIGHWAY SYSTEM**
RESOLUTION CMIA-A-0809-014
RESOLUTION STIP1B-A-0809-016
RESOLUTION FP-08-43

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) allocate \$91,406,000 for Segments 1 and 2 of the Route 215 High Occupancy Vehicle (HOV) lane project in San Bernardino County programmed in the 2008 State Transportation Improvement Program (STIP) and the Corridor Mobility Improvement Account (CMIA) program.

The Department further recommends that the allocation be contingent upon 1) funding being made available from Private Placement bond sales by the State Treasurer's Office, and 2) authorization from the State Treasurer's Finance Committee to advance bond projects with American Recovery and Reinvestment Act of 2009 (ARRA) funds in anticipation of reimbursement to the State Highway Account from proceeds of future bond sales, consistent with Assembly Bill X3-20.

ISSUE:

The attached vote describes one locally-administered CMIA/STIP project. The San Bernardino Associated Governments (SANBAG) is ready to proceed with this project and is requesting an allocation at this time. In response to the current state budget crisis and the State's inability to issue more bonds in the foreseeable future, Private Placement bonds will be sold to fund a portion (\$38,853,000) of the STIP RIP programmed on the project in order to get this critical project underway.

In addition, the Department intends to loan \$49,120,000 in State ARRA funds for the project pursuant to G.C. Section 8879.77, which will be reimbursed to the State Highway Account from proceeds of future bond sales.

SANBAG will obligate \$78,944,000 in Regional Surface Transportation Program - ARRA funds to backfill a portion of programmed STIP-RIP funds. SANBAG is also increasing funding from the

Projects of National and Regional Significance (PNRS) to backfill STIP-RIP funds. The \$99,047,000 of programmed STIP-RIP funds will be returned to the appropriate county share.

SANBAG is also requesting an allocation of \$3,433,000 for RIP TE, funded from federal non-ARRA funds, currently programmed as a lump sum TE reserve.

SANBAG and the Department will present a baseline agreement amendment to the Commission at a future meeting for approval.

FINANCIAL RESOLUTION:

Resolved, that \$38,853,000 be allocated from the Budget Act of 2008, Budget Act Item 2660-304-6058, \$49,120,000 be allocated from the Budget Act of 2008, Budget Act Item 2660-304-6055, and \$3,433,000 be allocated from the Budget Act of 2008, Budget Act Item 2660-301-0890 for one locally-administered Proposition 1B project, as described in the attached vote box, and

Be it further resolved, that the allocation of \$38,853,000 in STIP/TFA funds is contingent upon funds being made available from Private Placement bond sales by the State Treasurer's Office, and

Be it further resolved, that the advance of \$49,120,000 in State ARRA funds is contingent upon approval from the Finance Committee to advance bond projects with ARRA funds in anticipation of reimbursement to the State Highway Account from proceeds of future bond sales, consistent with Assembly Bill X3-20.

Attachment

