

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 9-10, 2009

Reference No.: 3.12
Information Item

From: CINDY McKIM
Chief Financial Officer

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Local Assistance

Subject: **QUARTERLY REPORT ON LOCAL ASSISTANCE LUMP SUM ALLOCATION FOR FEDERAL FISCAL YEAR 2009**

SUMMARY:

As of June 30, 2009, the California Transportation Commission (Commission) allocated approximately \$1.5 billion to the Department of Transportation (Department) for Federal Fiscal Year (FFY) 2009 projects.

The sub-allocations reported below are based on FFY 2009, which is from October 1, 2008 through September 30, 2009. Of the \$1.5 billion allocated to the Department, approximately \$1.342 billion are federal funds and \$153 million are State funds.

As of June 30, 2009, approximately \$780 million (52 percent) of the \$1.5 billion has been sub-allocated for 887 projects. The majority of the sub-allocations (approximately \$575 million) are for 721 projects in the following categories:

- Surface Transportation Program (STP) - 98 projects, \$131 million
- STP State Match and Exchange - 137 projects, \$53.5 million
- Freeway Service Patrol - 13 projects, \$22.5 million
- Congestion Mitigation and Air Quality Program (CMAQ) - 165 projects, \$123 million
- Highway Bridge Program - 139 projects, \$100 million
- High Priority - 68 projects, \$65 million
- Bridge - Seismic Retrofit - 31 projects, \$49 million
- Miscellaneous – 70 projects, \$31 million

The remaining approximately \$205 million was sub-allocated for 166 projects in other categories and accounts for 26 percent of the expenditures reported, including 15 Federal Transit Administration transfers for 12 CMAQ projects totaling \$87.6 million and three Regional Surface Transportation Program projects totaling \$82.6 million.

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 guidelines for allocating, monitoring, and auditing of funds for local assistance projects are set forth in Commission Resolution G-99-25, which is based on Government Code 14529.1. The Commission delegates to the Department the

authority to adjust allocations between categories, and the Department reports to the Commission if transfers in or out of an expenditure category exceed ten percent of its allocation. Prior to receiving a sub-allocation, the agency provides the Department with certification that the California Environmental Quality Act (CEQA) document has been completed for the project, including the CEQA type and date of completion (or a Categorical Exemption has been received). The agency also provides certification that the National Environmental Policy Act document has been completed, if appropriate.

Local Assistance Lump Sum Allocation Status for FFY 2009:

As of June 30, 2009, the end of the third quarter of FFY 2009, approximately \$780 million, or 52 percent of the \$1.495 billion allocated, has been sub-allocated for 887 projects. The Railroad Grade Crossing Protection and Railroad Grade Crossing Maintenance programs do not have suballocations or expenditures as of June 30, 2009. In July 2009, invoices in the amount of \$2 million were submitted to the Department for the Rail Road Grade Crossing Maintenance Program. Although there have been no sub-allocations for Railroad Grade Crossing Protection Program, projects are in the process of being programmed and should be obligated during the fall of 2009, and contracts will be issued. It is anticipated that the allocation for this program will be expended.

The Miscellaneous category is at 658 percent use of its allocation amount. This category is used to capture federal discretionary programs. Due to the discretionary nature of the programs, budget authority is not requested during the budget development process because it is unknown which discretionary program will be funded. However, suballocation and expenditures in this category are funded from funds available in other programs. Historically, the majority of funds expended in the Miscellaneous category are for Emergency Relief projects. The Highway Bridge Program is at 142 percent use of its allocated amount and is covered by other bridge program funds.

The amount of funds expended as of June 30, 2009, (\$780 million, or 52 percent) is slightly lower than last year's use (\$888 million or 63 percent) when compared during the same period of time. Consistent with historical trends, the Department anticipates using all funds allocated by the Commission for FFY 2009.

Attachments

LOCAL ASSISTANCE FUNDS
FFY 2009
As of June 30, 2009
(Dollars in thousands)

Reference No.: 3.12
September 9-10, 2009
Attachment 1

Fund Description	Commission 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	429,197	429,197	0	131,261	131,261	0	297,936	297,936	31%	98
STP State Match and Exchange	57,849	0	57,849	53,429	0	53,429	4,420	0	4,420	92%	137
Congestion Mitigation & Air Quality Program (CMAQ)	0	407,874	407,874	0	122,991	122,991	0	284,883	284,883	30%	165
Freeway Service Patrol	25,479	0	25,479	22,476	0	22,476	3,003	0	3,003	88%	13
High Priority Projects	0	208,170	208,170	0	64,970	64,970	0	143,200	143,200	31%	68
Miscellaneous	3,000	1,700	4,700	1,190	29,746	30,936	1,810	-28,046	-26,236	658%	70
Bridge Programs											
Bridge Inspection	735	2,640	3,375	54	413	467	681	2,227	2,908	14%	2
Highway Bridge Program	0	70,572	70,572	0	100,175	100,175	0	-29,603	-29,603	142%	139
Bridge Seismic Retrofit State Match	24,300	0	24,300	6,868	0	6,868	17,432	0	17,432	28%	14
Bridge Seismic Retrofit	0	135,085	135,085	0	48,872	48,872	0	86,213	86,213	36%	31
Rail Programs											
Railroad Grade Crossing Protection	0	11,716	11,716	0	0	0	0	11,716	11,716	0%	0
Railroad Grade Crossing Maintenance	2,000	0	2,000	0	0	0	2,000	0	2,000	0%	0
Railroad Grade Separations	15,000	0	15,000	9,859	0	9,859	5,141	0	5,141	66%	4
Safety Programs											
Highway Safety Improvement Program (HSIP)	0	47,212	47,212	0	7,359	7,359	0	39,853	39,853	16%	72
High Risk Rural Roads (HRRR)	0	7,428	7,428	0	1,615	1,615	0	5,813	5,813	22%	16
Safe Routes to School	24,250	20,672	44,922	1,212	7,219	8,431	23,038	13,453	36,491	19%	43
Total Local Assistance Subvention Funds	152,613	1,342,266	1,494,879	95,088	514,621	609,709	57,525	827,645	885,170	41%	872
Federal Transit Administration (FTA) Transfers				0	170,177	170,177					15
Total Local Assistance including FTA Transfers	152,613	1,342,266	1,494,879	95,088	684,798	779,886	57,525	827,645	885,170	52%	887

Assumptions:

- * Allocations for state funds reflect June 2008 meeting vote, Item 2.5h.
- * Allocations for federal funds reflect May 2009 meeting vote, Item 2.5h.
- * Allocations reflect October 2008 meeting vote, Item 2.5h., exchange of federal funds for state funds, Bridge Seismic Retrofit.
- * FTA transfers are \$82,602,778 for RSTP and \$87,574,226 for CMAQ.
- * 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.

Local Assistance Funds
 FFY 2009
 Allocated vs. Expended
 as of June 30, 2009

Reference No.: 3.12
 September 9-10, 2009
 Attachment 2

