

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 14-15, 2009

Reference No.: 3.3
Information Item

From: NORMA ORTEGA
Chief Financial Officer (Interim)

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Recovery Act

Subject: **UPDATE ON IMPLEMENTATION OF RECOVERY ACT OF 2009**

SUMMARY:

The California Department of Transportation (Department) is implementing the American Recovery and Reinvestment Act of 2009 (Recovery Act) and has committed to report to the California Transportation Commission (Commission) the status of implementation. This includes reporting on the amount of Recovery Act funds certified, obligated and awarded for state and local highway and transit projects to date. Attached is the current status for state and regional agency projects as of September 21, 2009. The Department will present the most current data at the Commission meeting.

BACKGROUND:

The Recovery Act is a job and economic stimulus bill intended to help restart the nation's economy and stimulate employment during the worst economic downturn in over 70 years. In drafting this bill, President Obama and Congress recognized that investment in transportation infrastructure is one of the best ways to create and sustain jobs, stimulate economic development, and leave a legacy to support the financial well-being of the generations to come. The state departments of transportation and other transportation stakeholders have been tasked to quickly move forward with mobility projects that bring real value to the local, state, and national economy.

Nationally, the bill provides more than \$48 billion for transportation infrastructure. The Recovery Act apportions, in formula programs, approximately \$2.57 billion for highways, local streets and roads in California. These funds are segregated by federal and state law to provide approximately \$1.6 billion to the regions (including \$48 million for TE) and \$964 million to the state (including \$29 million for TE). California has received apportionments for transit formula grants of \$1.068 billion for urban (Section 5307), non-urban (Section 5311) and fixed guideway (Section 5309) projects. The Recovery Act also provides \$8 billion nationally for Capital Assistance for High Speed Rail Corridors for which Caltrans has submitted 42 pre-applications for over \$1.2 billion in Recovery Act funding for tracks 1, 3 and 4. Track 2 applications are due to the Federal Railroad Administration on October 2, 2009. In addition, California airports have directly received to date \$86 million in aviation grants for 21 projects at 19 airports. Lastly, the Recovery Act provides \$1.5 billion available nationally under the Transportation Investment Generating Economic Recovery (TIGER) program for competitive discretionary grants for highway, public transportation, rail, and port infrastructure projects. The maximum any state could receive from the TIGER program is \$300 million. Caltrans received 86 applications requesting \$2.3 billion of TIGER funding that has the potential to leverage \$12.6 billion in total funds. A consensus group selected 26 projects for

consideration by the Governor for endorsement. All applicants were to submit their projects to the U.S. Department of Transportation by September 15, 2009.

Attachment

Recovery Act Program Status as of September 21, 2009.

Caltrans Recovery Act Program Status for the Week of September 21, 2009

HIGHWAYS											
Program	Appropriation ¹	Certifications ²		Obligations ³		Awards ⁴			Projected Awards (Sept-Nov)		Outlays
	Dollars	Projects	Dollars	Projects	Dollars	Projects	Recovery Dollars	Total Leveraged Dollars	Projects	Recovery Dollars	Recovery Dollars
State	\$963,588,120	81	\$1,223,205,100	78	\$1,195,569,638	64	\$368,203,861	\$369,163,581	13	\$525,825,000	\$24,350,595
Region	\$1,605,980,200	753	\$1,420,428,346	560	\$856,919,169	158	\$440,196,397	\$1,023,093,098	138	\$215,432,352	\$2,472,318
Total	\$2,569,568,320	834	\$2,643,633,446	638	\$2,052,488,807	222	\$808,400,258	\$1,392,256,679	151	\$741,257,352	\$26,822,913

TRANSIT			
Program	Appropriation ¹	Certifications ²	Grant Awards (Obligation) ³
	Dollars	Dollars	Dollars
5307 ⁵	\$968,313,640	\$935,700,724	\$876,773,800
5309 ⁵	\$66,171,889	\$66,171,889	\$66,171,889
5311	\$33,963,166	\$32,265,008	\$33,963,166
Total	\$1,068,448,695	\$1,034,137,621	\$976,908,855

TIGER DISCRETIONARY			
Nationally Available Grants	Applications Received		
	Projects	Requested Dollars ⁷	Total Leveraged Dollars
\$1,500,000,000	83	\$2,351,311,853	\$12,611,926,692

AVIATION ⁶			
Nationally Available Grants	Grant Awards		
	Projects	Airports	Awarded Dollars
\$1,300,000,000	21	19	\$86,000,000

HIGH SPEED & INTERCITY PASSENGER RAIL		
Nationally Available Grants (All Tracks) ⁸		\$8,000,000,000
Applications		
Track	Applications	Requested Dollars
1	38	\$1,149,322,000
2	Applications Due October 2, 2009	
3	4	\$3,033,000
4	1	\$6,200,000
Total	42⁹	\$1,158,555,000

¹ Total funds apportioned to state by FHWA & FTA.

² Recovery Act certification required under Section 1511 may exceed appropriation due to the capturing of cost savings on previously certified projects.

³ Commitment by FHWA or FTA to reimburse eligible project expenditures.

⁴ Construction contracts awarded to contractors.

⁵ Grants awarded by FTA directly to transit agencies.

⁶ Grants awarded by FAA directly to airports.

⁷ The maximum any state can receive is \$300 million.

⁸ Specific allocations by Track have not been made by the FRA.

⁹ One application was submitted concurrently for Tracks 1 and 4.