

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 30-July 1, 2010

Reference No.: 3.16
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **PRELIMINARY CLOSE OUT REPORT ON FISCAL YEAR 2009-10 SHOPP MINOR PROGRAM LUMP SUM ALLOCATION**

SUMMARY:

As of June 1, 2010, the Department of Transportation (Department) allocated \$41,227,000 in construction funding for Minor A State Highway Operation and Protection Program (SHOPP) projects, consisting of \$35,438,000 sub-allocated by the Department and \$5,789,000 allocated by the California Transportation Commission (Commission) for substitute projects. In addition, \$14,028,626 in construction funding for Minor B projects was sub-allocated, and \$2,795,000 was sub-allocated for right of way. The total amount allocated for the Minor Program was \$58,050,626.

BACKGROUND:

On July 14, 2005, the Commission approved Resolution G-05-05, delegating to the Department authority to allocate funds for Minor A projects included on a concurrent list of projects approved under Resolution FM 05-06. This authority allows the Department to proceed with advertisement without waiting for the next Commission meeting to receive an allocation. The Commission must allocate projects not on the Department's approved Minor A list

The Minor Program target allocation for Fiscal Year 2009-10 was \$68 million. The SHOPP Minor Program is a one-year program in which projects must be awarded in the fiscal year programmed.

The 3-year (Fiscal Years 2006-07, 2007-08, and 2008-09) average of SHOPP Minor Program funds awarded to Small Business is 51.1 percent.

The Fiscal Year 2009-10 Final SHOPP Minor Program Close-Out Report which will be reported at the September 2010 CTC meeting will include the percentage of Minor Program funds awarded to Small Business.

As of June 1, 2010, the Department sub-allocated and the Commission allocated 85.4 percent of the Minor Program target allocation.