

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 22-23, 2010

Reference No.: 2.5h.
Action Item

From: Norma Ortega
Chief Financial Officer

Prepared by: Steven Keck
Chief
Division of Budgets

Subject: **FINANCIAL ALLOCATION FOR FY 2010-11 LOCAL ASSISTANCE LUMP SUM
– FEDERAL FUNDS
RESOLUTION FM-10-01, AMENDING RESOLUTION FM-09-04**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) allocate \$1,355,789,000 of federal funds to the Department for Fiscal Year 2010-11 Local Assistance subvention budget.

ISSUE:

Each year, the Department requests an annual lump sum allocation to administer the local assistance subvention budget under the authority of the Commission. The Department is requesting the allocation of the federal portion of subvention funds, augmenting the allocation of State funds of \$128,313,000 approved on June 30, 2010, under Resolution FM-09-04.

BACKGROUND:

The Department's Division of Local Assistance administers the State and federal local assistance subvention budget under authority of the Commission. Each year, the Department requests an annual lump sum allocation for these funds consistent with the Budget Act. At the June 2010 meeting, the Commission allocated approximately \$128 million of State subvention funds, per Resolution FM-09-04.

The Department is requesting an allocation of approximately \$1.4 billion of federal subvention funds in preparation for the start of the federal fiscal year, which is October 1, 2010. The allocation of these federal subvention funds will allow the Department to suballocate projects once the federal funds are made available by the Federal Highway Administration.

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. Allocations made by the Commission will be revisited upon enactment of a new 2011 federal appropriation act or an extension of the existing act to ensure consistency in funding levels from the Federal Highway Administration.

RESOLUTION:

Resolved, that \$1,355,789,000 in federal funds be allocated from the Budget Act of 2010, Budget Act Item 2660-102-0890(1), in accordance with the chart below, bringing the total lump sum allocation for FY 2010-11 Local Assistance subvention budget to \$1,484,102,000.

ALLOCATION OF FUNDS FOR FY 2010-11 LOCAL ASSISTANCE

Dollars in Thousands

	State	Federal	Total
<u>2660-102-0042(1)</u>			
Surface Transportation Program State Match and Exchange	\$57,849		\$57,849
Bridge Inspection and Scour Evaluation State Match	735		735
Railroad Grade Separation	15,000		15,000
Railroad Grade Crossing Maintenance	2,000		2,000
Misc. Unassigned Local Programs	3,000		3,000
STIP Freeway Service Patrol	25,479		25,479
Safe Routes to School	24,250		24,250
Subtotal	\$128,313		\$128,313
<u>2660-102-0890(1)</u>			
Surface Transportation Program		\$422,991	\$422,991
Congestion Mitigation and Air Quality		405,266	405,266
Seismic Bridge Retrofit		30,874	30,874
Highway Bridge Program		197,120	197,120
Bridge Inspection		2,640	2,640
Railroad Grade Crossing Protection		11,716	11,716
Highway Safety Improvement Program		47,212	47,212
High Risk Rural Roads		7,428	7,428
Safe Routes to School		20,672	20,672
Misc. Unassigned Local Programs		1,700	1,700
High Priority Projects		208,170	208,170
Subtotal		\$1,355,789	\$1,355,789
Total Local Programs	\$128,313	\$1,355,789	\$1,484,102
June 30, 2010 State Allocation, FM-09-04			- \$128,313
Current Allocation Request			\$1,355,789