

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 15, 2011

Reference No.: 3.9  
Information Item

From: NORMA ORTEGA  
Chief Financial Officer

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Subject: **QUARTERLY REPORT OF AB 1012 "USE IT OR LOSE IT" PROVISION FOR FEDERAL FISCAL YEAR 2009 UNOBLIGATED CMAO AND RSTP FUNDS**

## **SUMMARY:**

Two regions at risk: The annual notice to the Regions, under Assembly Bill (AB) 1012 (Chapter 783 of the Statutes of 1999) "Use It or Lose It" provisions for Federal Fiscal Year (FFY) 2009 (October 1, 2008 through September 30, 2009), was released on January 10, 2011. In September 2010, based on the available information, there were no FFY 2009 funds identified as subject to reprogramming under the provisions of AB 1012.

However, as of June 30, 2011, the AB 1012 balance report shows a total of approximately \$6 million of Regional Surface Transportation Program (RSTP) funds subject to reprogramming on November 1, 2011. These RSTP funds are identified for two Regions: Approximately \$1.4 million for San Bernardino and \$4.6 million for Ventura. The increase from the initial notification is based on the final reconciliation of the unobligated balances. Current balances subject to reprogramming may increase as a result of project deobligations from the inactive project review process.

Department follow-up: In March 2011, the California Department of Transportation (Department) contacted both Regions about their balances potentially subject to reprogramming in November 2011. Based on the information received, both Regions were planning to obligate their RSTP funds potentially subject to reprogramming. This is further documented on their April 1, 2011, Regional obligation plans that show San Bernardino's plans to obligate \$48 million of RSTP, and Ventura's plans to obligated \$20 million of RSTP this FFY. The Department will continue to track these apportionments to ensure that these funds are obligated before being subject to reprogramming.

## **BACKGROUND:**

The Intermodal Surface Transportation Efficiency Act was enacted in 1991 and was in effect for six years. During that time, the Regions were able to obligate only 87 percent of their federal funding. The next Transportation Act, known as the Transportation Equity Act for the 21st Century (TEA-21) was signed into law in 1998. During the first two years of TEA-21, the Regions' obligation of federal funds dropped to a low of 41 percent. As a result, by October 1999, the Regions had accumulated a \$1.2 billion backlog in federal apportionments and \$854 million in Obligational Authority (OA).

AB 1012 was enacted October 10, 1999, with a goal of improving the delivery of transportation projects and addressing the backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and RSTP funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission in the fourth year in order to prevent the funds from being lost by the state.

The Department is responsible for monitoring and reporting unobligated balances. The Department provides notification to the Regions of the unobligated CMAQ and RSTP balances that have one year remaining under the AB 1012 guidelines.

The Regions have successfully met and exceeded this goal. Beginning in FFY 2000, and continuing through FFY 2010, the Regions have been able to obligate a minimum of 100 percent of the OA made available to them.

Attachments

Apportionment Status Report  
CMAQ and RSTP  
(as of June 30, 2011)

Reference No.: 3.9  
September 15, 2011  
Attachment 1

AB 1012  
Balances entering the 3rd Year  
(from FFY 2009\*)  
Regional Report Summary

\*Previously referred to as Cycle 12

Region	CMAQ Unobligated 6/30/2011 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2011 <sup>2</sup>	RSTP Unobligated 6/30/2011 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2011 <sup>2</sup>
Butte	578,144	-	2,353	-
Fresno	17,424,659	-	25,068,179	-
Kern	11,727,540	-	8,387,737	-
Kings	1,315,176	-	1,748	-
Los Angeles	96,664,384	-	122,651,632	-
Madera	830,576	-	1,559	-
Merced	(9,947)	-	2,432	-
Monterey	135,486	-	1,179,372	-
Orange	25,298,362	-	29,051,626	-
Riverside	59,007,221	-	23,450,989	-
Sacramento (SACOG)	20,998,994	-	14,067,014	-
San Benito	-	-	290	-
San Bernardino	42,655,605	-	55,316,763	1,385,787
San Diego	(1,804,802)	-	1,099,973	-
S.F. Bay Area (MTC)	5,743,061	-	38,099,391	-
San Joaquin	(2,870,014)	-	6,724,081	-
San Luis Obispo	-	-	939,600	-
Santa Barbara	-	-	2,173	-
Santa Cruz	-	-	1,393	-
Stanislaus	6,953,944	-	7,437,626	-
Tahoe	1,806,258	-	481	-
Tulare	5,010,009	-	4,558	-
Ventura	17,968,170	-	30,772,075	4,598,383
Rural Counties & SCAG	\$3,614,772	-	\$2,489,462	-
<b>TOTAL</b>	<b>313,047,598</b>	<b>-</b>	<b>366,752,505</b>	<b>5,984,171</b>

**Balances now include:**

\* October 2010 -- Advance FFY 2011 Apportionments.

**Footnotes:**

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Totals reflect balances in the third year.

Assumes the use of all previous balances.

Apportionment Status Report  
CMAQ and RSTP  
(as of June 30, 2011)

Reference No.: 3.9  
September 15, 2011  
Attachment 2

AB 1012  
Balances entering the 3rd Year  
(from FFY 2009\*)  
Rural Report Summary

\*Previously referred to as Cycle 12

Region	CMAQ Unobligated 6/30/2011 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2011 <sup>2</sup>	RSTP Unobligated 6/30/2011 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2011 <sup>2</sup>
<b>Rural County Information:</b>				
Del Norte	-	-	150	-
Humboldt	-	-	690	-
Lake	-	-	318	-
Mendocino	-	-	470	-
Lassen	-	-	(3,234)	-
Modoc	-	-	(2,365)	-
Plumas	-	-	(1,763)	-
Shasta	-	-	889	-
Siskiyou	-	-	(5,245)	-
Tehama	-	-	306	-
Trinity	-	-	(2,029)	-
Colusa	-	-	102	-
El Dorado	-	-	569	-
Glenn	-	-	144	-
Nevada <sup>3</sup>	1,042,332	-	725	-
Placer	-	-	342	-
Sierra	-	-	(1,056)	-
Inyo	-	-	(5,258)	-
Mono	-	-	(1,838)	-
Alpine	-	-	(1,050)	-
Amador <sup>3,4</sup>	259,262	-	332	-
Calaveras <sup>3,4</sup>	1,264,058	-	372	-
Mariposa <sup>3</sup>	318,387	-	150	-
Tuolumne <sup>3,4</sup>	343,792	-	232	-
Imperial (SCAG) <sup>3</sup>	386,940	-	2,507,508	-
<b>Rural Combined Totals:</b>	<b>\$3,614,772</b>	<b>-</b>	<b>2,489,462</b>	<b>-</b>

**Balances now include:**

\* October 2010 -- Advance FFY 2011 Apportionments.

**Footnotes:**

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Totals reflect balances in the third year.

<sup>3</sup> Beginning in FFY 2006, these rural regions are now receiving CMAQ apportionments.

<sup>4</sup> MOU was entered into between Amador, Calaveras & Tuolumne-balances adjusted accordingly. (MOU spans five FFYs).

Assumes the use of all previous balances.