

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29, 2014

Reference No.: 3.3
Action Item

From: STEVEN KECK
Acting Chief Financial Officer

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Acting Division Chief
Local Assistance

Subject: **REQUEST FOR REDIRECTION OF AB 1012 “USE IT OR LOSE IT” PROVISIONS FOR UNOBLIGATED CMAQ FUNDS**
RESOLUTION G-14-02

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approves the redirection of \$232,430 of Federal Fiscal Year (FFY) 2011 Congestion Mitigation and Air Quality Improvement Program (CMAQ) unobligated apportionments from the Mariposa County Local Transportation Commission (LTC) to the San Joaquin Council of Governments (SJCOG).

ISSUE:

LTC has \$232,430 of unobligated CMAQ apportionments that are subject to redirection per Assembly Bill (AB) 1012 (Chapter 783, Statutes of 1999). Currently, LTC does not have projects programmed and is uncertain as to whether they can deliver the unobligated balance in before the funds will lapse in May 2014. SJCOG has already submitted a Request for Authorization (RFA) to the Department for approval to fund a CMAQ project in the amount of \$360,000. Therefore, LTC requests to have their unobligated CMAQ balance redirected to SJCOG.

BACKGROUND:

As of September 30, 2013, the total balance subject to redirection under the provisions of AB 1012 for FFY 2011 is \$649,884. Of this amount, LTC has an unobligated CMAQ balance subject to redirection of \$232,430.

The Department recognizes a purpose of the CMAQ program is to improve the air quality in non-attainment areas. SJCOG is located in a non-attainment area near LTC. In FFY 2013, SJCOG over-delivered its Obligation Authority (OA) target and is eligible to receive additional funding consistent with the Division of Local Assistance's OA Management Policy.

Federal Transportation Improvement Program (FTIP) ID 21200000374 is a CMAQ project that can use the reprogrammed CMAQ funds toward fleet services replacement that includes the purchase of 60 hybrid (gas-electric) vehicles to replace unleaded fuel vehicles for San Joaquin County. SJCOG has already submitted the RFA to the Department with a request to obligate \$360,000 in CMAQ funds. Based on the factors cited above, the Department is recommending that the Commission redirect the \$232,430 of CMAQ funding subject to AB 1012 from LTC to SJCOG.

In order to reduce the future risk of RSTP and CMAQ funding being subject to the redirection provisions contained within AB 1012, the Department is taking the following action:

1. Verify Regions' FTIPs contain enough CMAQ and RSTP funding in the current federal fiscal year to deliver unobligated balances subject to AB 1012
2. Follow-up with Regions to verify they will deliver the unobligated balances by September 30 of that federal fiscal year.

AB 1012 was enacted on October 10, 1999, with the goal of improving the delivery of transportation projects and addressing the significant backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and Regional Surface Transportation Program (RSTP) funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the Commission in the fourth year in order to prevent the funds from being lost by the state. Although this is a requirement of AB 1012, the apportionments will not lapse until FFY 2016 according to Federal Highway Administration records.

RESOLUTION:

Resolved, that \$232,430 in federal Congestion Mitigation and Air Quality Improvement Program funds from (FFY) 2010-11 will be reprogrammed from Mariposa County Local Transportation Commission to San Joaquin Council of Governments under the provisions of Assembly Bill 1012 (Chapter 783 of the Statutes of 1999).