

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 24-25, 2008

Reference No.: 2.5h. - **REVISED**
Action Item

From: CINDY McKIM
Chief Financial Officer

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Chief
Division of Budgets

Subject: **FINANCIAL ALLOCATION AUGMENTATION FOR LOCAL ASSISTANCE
LUMP SUM FEDERAL FUNDS
RESOLUTION FM-08-01, AMENDING RESOLUTION FM-07-07**

CTC ACTION UPDATE: The California Transportation Commission approved an allocation of \$683,282,997.

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an allocation of \$1,366,565,994 of federal funds for Fiscal Year (FY) 2008-09. The Department also recommends that the Commission approve this allocation contingent upon the enactment of the 2008-09 Budget Act.

ISSUE:

Each year, the Department requests an annual lump sum allocation to administer the local assistance State and federal subvention budget under the authority of the Commission. The Department is requesting the allocation of \$1,366,565,994 for the federal portion of the subvention funds, augmenting the State allocation of \$128,313,016 approved under Resolution FM-07-07 on June 26, 2008, bringing the total amount for local assistance funding for FY 2008-09 to \$1,494,879,010.

BACKGROUND:

The Department's Division of Local Assistance administers the State and federal local assistance subvention budget under the 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 2008 meeting, the Commission allocated approximately \$128 million of State subvention funds, per Resolution FM-07-07, pending passage of the State 2008 Budget Act.

The Department is requesting an allocation of approximately \$1.4 billion of federal subvention funds, in preparation of the start of the federal fiscal year, October 1, 2008. 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 (FHWA).

Allocations made by the Commission will be revisited upon enactment of the 2009 Federal Appropriations Act to ensure consistency in funding levels.

RESOLUTION:

Resolved, that ~~\$1,366,565,994~~ **\$683,282,997** be allocated from the Budget Act of 2008, Budget Act Item 2660-102-0890(1).

ALLOCATION OF FUNDS FOR FY 2008-09 LOCAL ASSISTANCE

Dollars in Thousands

	State	Federal	Federal Revised	Total
<u>2660-102-0042(1)</u>				
Surface Transportation Program				
(STP) 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 (STP)		\$429,197	\$214,598	\$214,598
Congestion Mitigation and Air Quality (CMAQ)		407,874	203,937	203,937
Seismic Bridge Retrofit		159,385	79,693	79,693
Highway Bridge Program		70,572	35,286	35,286
Bridge Inspection		2,640	1,320	1,320
Railroad Grade Crossing Protection		11,716	5,858	5,858
Highway Safety Improvement Program (HSIP)		47,212	23,606	23,606
High Risk Rural Roads (HRRR)		7,428	3,714	3,714
Safe Routes to School		20,672	10,336	10,336
Misc. Unassigned Local Programs		1,700	850	850
High Priority Projects		208,170	104,085	104,085
Subtotal		\$1,366,566	\$683,283	\$683,283
Total Local Programs	\$128,313	\$1,366,566	\$683,283	\$811,596
June 26, 2008 State Allocation, FM-07-07				- \$128,313
Current Allocation Request				\$683,283