

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE DIRECTOR
P.O. BOX 942873, MS-49
SACRAMENTO, CA 94273-0001
PHONE (916) 654-5266
FAX (916) 654-6608
TTY 711
www.dot.ca.gov



*Serious drought.
Help save water!*

July 1, 2015

Ms. Diane Boyer-Vine
Legislative Counsel
State Capitol, Room 3021
Sacramento, CA 95814

Mr. Daniel Alvarez
Secretary of the Senate
State Capitol, Room 3044
Sacramento, CA 95814

Mr. E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196
Sacramento, CA 95814

Dear Ms. Boyer-Vine and Messrs. Alvarez and Wilson:

I am pleased to transmit the California Department of Transportation's (Caltrans) "Report of Reimbursable Projects Implemented Prior to Allocation," as required by Section 14529.19(b) of the Government Code.

Caltrans has made distribution to the Legislature pursuant to Section 9795 of the Government Code. This report can be found at <http://www.dot.ca.gov/reports-legislature.htm>.

Sincerely,

A handwritten signature in blue ink, appearing to read "Malcolm Dougherty".

MALCOLM DOUGHERTY
Director

Attachments

1. Report to the Legislature
2. Report of Reimbursable STIP Projects Implemented Prior to Allocation

REPORT TO THE LEGISLATURE

**REIMBURSABLE STATE TRANSPORTATION
IMPROVEMENT PROGRAM PROJECTS
IMPLEMENTED PRIOR TO ALLOCATION**

APRIL 2015

Prepared by the California Department of Transportation, Division of Local Assistance

REPORT TO THE LEGISLATURE

REIMBURSABLE STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) PROJECTS IMPLEMENTED PRIOR TO ALLOCATION

PURPOSE:

This report was prepared in accordance with Section 14529.19(b) of the Government Code (GC), which states:

“Notwithstanding Section 7550.5, on July 1, 2000, and annually thereafter, the department shall compile information and report to the Legislature on the number of projects for which an agreement to transfer funds under subdivision (a) was executed and on all projects for which an agreement was not executed within the period provided under subdivision (a) and the reasons therefore. The information provided by the department shall include a description of any actions taken by the department during the prior fiscal year to streamline, expedite, and simplify the department’s process for executing the agreements to transfer funds required under subdivision (a).”

The purpose of the report is to provide the Legislature with information on efforts to help local agencies accelerate projects and receive timely reimbursement.

SUMMARY:

Between April 2014 and March 2015, 22 allocations were made under the provisions of AB 872 for 22 projects. Agreements for 18 projects were executed within 90 days of allocation. The California Department of Transportation (Caltrans) sent two agreements to the local agency within the 90-day period and the execution of the agreements was delayed by the local agency. Caltrans sent agreements for 2 projects after the 90-day period and were signed and executed after the 90-day period.

BACKGROUND:

Senate Bill (SB) 45, Chapter 633, Statutes of 1997, provided 75 percent of funds allocated through the State Transportation Improvement Program (STIP) for projects selected by regional agencies. The 75 Percent Program, entitled the Regional Transportation Improvement Program (RTIP), allows regional agencies to program State and federal STIP funds for projects on the State Highway System or on eligible local roads. Under the STIP guidelines, agencies must request allocation for their projects through the California Transportation Commission (CTC).

Assembly Bill (AB) 872, Chapter 572, Statutes of 1999, amended by SB 184, Chapter 462, Statutes of 2007, permits a regional or local agency to spend its own funds in order to implement projects programmed in the STIP in advance of CTC approval of project allocations. The regional or local agency will be reimbursed for the expenditures subsequent to the CTC’s approval of the allocation. Regional or local agencies have to comply with all legal requirements for the project, as specified in State and federal law.

Per SB 184, Section 14529.17 of the GC, the statute is limited to projects advanced for expenditure within the current fiscal year STIP. Per AB 872, Section 14529.19 of the GC, Caltrans is required to execute the program supplement agreement within 90 days from the date on which the CTC approves an allocation for the project.

AB 872 was passed in order to streamline the process by which local agencies may begin projects and was an attempt to “spend down” the large amount of dollars that had accumulated in the State Highway Account in the late 1990s. The Legislature was concerned that the allocation process impeded the delivery of transportation projects programmed in the STIP. Local agencies could expedite a project using their own funds, with the expectation of receiving an allocation vote from the CTC. Once a project is allocated, Caltrans is required to execute an agreement within 90 days of the allocation and an agency can request reimbursement from Caltrans. This would increase the delivery of local projects within a given fiscal year.

PROJECT DATA:

Under AB 872, 22 allocations totaling \$5,799,000 were made between April 1, 2014, and March 31, 2015, for 22 projects. Detailed information about the projects is shown on the attachment to this report. Agreements for 18 projects were executed within 90 days of allocation. One project was allocated on August 20, 2014, and the agreement was sent to the local agency on September 24, 2014. The local agency delayed the execution of the agreement by returning the agreement on December 1, 2014; two weeks after the 90-day period.

In April 2013, the Division updated the AB 872 agreement process. The process is now closely monitored and is tracked by the Division’s STIP Coordinator. AB 872 project agreements are considered to be the highest priority and an effort is made to process and send the agreements to the local agencies within 30 days. Throughout the past year, the number of project agreements executed prior to the 90-day deadline has decreased. The Division will continue to follow the AB 872 process.

PROGRAM CHALLENGES:

The budget difficulties faced by the State of California continue to create an unstable funding source for transportation projects. Beginning in July 2010, Caltrans implemented the Fiscal Year 2010–11 Federal-aid Project Guidelines (FPFG) and applied the FPFG to the STIP in order to maximize the use of federal funds and help alleviate concerns with State Funds (SHA funds) balance. In recent years, many STIP projects have been allocated with federal funds, however, the majority of AB 872 projects in past years have been for Planning, Programming, and Monitoring projects, which cannot receive federal funds and can only be funded by State funds. Agencies invoke SB 184 in order to begin expending their own funds to continue developing projects in a timely manner to meet delivery schedule, environmental windows and even when State funding shortages exist such as California budget delays.

AB872/SB184 allows agencies to expend local funds in advance of allocation. Therefore, no SHA funds are committed to projects until the Governor approves the budget; granting budget authority to allocate State funds to projects. The CTC made 22 allocations under AB 872 for this report period, which represents no change in the number of allocations reported in last year’s report.

Report of Reimbursable STIP Projects Implemented Prior to Allocation
Allocation Period: April 1, 2014 to March 31, 2015

District	Agency Name	County Name	Project Number	PPNO	Location Description	Allocation Date	*Effective Reimb Date	Program Supplement Agreement Effective Date	Program Supplement Agreement **Amended Date	Environmental and Permits Funds	Plans, Specifications and Estimates Funds	Right of Way Funds	Construction Funds
01	Transportation Commission	Del Norte	PPM15-6130(038)	01-1032	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/21/2014		\$0	\$0	\$0	\$34,000
01	Lake County City Area Planning Council	Lake	PPM15-6136(042)	01-3002P	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/9/2014		\$0	\$0	\$0	\$64,000
01	Mendocino Council of Governments	Mendocino	PPM15-6140(039)	01-4002P	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	11/21/2014		\$0	\$0	\$0	\$91,000
01	Humboldt County Association of Governments	Humboldt	PPM14-6133(041)	01-2002P	Planning, Programming, and Monitoring	12/10/2014	7/1/2014	9/9/2013		\$0	\$0	\$0	\$118,000
02	Tehama County	Tehama	BRLS-5908(070)	02-2430	99W at Thomes Creek Bridge	6/25/2014	5/14/2014	8/15/2013		\$0	\$0	\$0	\$953,000
02	City of Alturas	Modoc	RPL-5120(006)	02-2508	Chip Seal Various Locations City of Alturas	8/20/2014	7/1/2014	10/31/2014		\$1,000	\$0	\$0	\$0
02	City of Dorris	Siskiyou	RPL-5179(008)	02-2485	Oregon Street Rehabilitation	8/20/2014	7/1/2014	10/27/2014		\$3,000	\$0	\$0	\$0
* 02	City of Etna	Siskiyou	RPL-5054(008)	02-2486	Scott Street Rehabilitation	8/20/2014	7/1/2014	3/3/2015		\$3,000	\$0	\$0	\$0
02	City of Montague	Siskiyou	RPL-5180(009)	02-2523	7th & 8th Street Rehabilitation	8/20/2014	7/1/2014	10/17/2014		\$2,000	\$0	\$0	\$0
02	Tehama County	Tehama	BRLSZD-5908(031)	02-2378	Sacramento River Bridge (No. 08C-0043)	8/20/2014	7/1/2014	8/30/2000		\$0	\$309,000	\$49,000	\$0
* 03	Sacramento Area Council of Governments	Various	PPM15-6085(058)	03-Var	Planning, Programming, and Monitoring	6/25/2014	7/1/2014	10/28/2014		\$0	\$0	\$0	\$827,000
03	Nevada County Transportation Commission	Nevada	PPM15-6144(035)	03-0L83	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	11/17/2014		\$0	\$0	\$0	\$81,000
04	Contra Costa County Transportation Authority	Contra Costa	PPM15-6072(018)	04-2011O	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/7/2014		\$0	\$0	\$0	\$431,000
* 04	Napa County Transportation Planning Agency	Napa	PPM15-6429(015)	04-1003E	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	12/3/2014		\$0	\$0	\$0	\$69,000
04	San Francisco County Transportation Authority	San Francisco	PPM15-6272(042)	04-2007	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/14/2014		\$0	\$0	\$0	\$161,000
04	San Mateo City/County Association of Governments	San Mateo	PPM15-6419(021)	04-2140A	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/17/2014		\$0	\$0	\$0	\$355,000
04	Santa Clara Valley Transportation Authority	Santa Clara	PPM15-6264(064)	04-2255	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/9/2014		\$0	\$0	\$0	\$696,000

Report of Reimbursable STIP Projects Implemented Prior to Allocation
Allocation Period: April 1, 2014 to March 31, 2015

District	Agency Name	County Name	Project Number	PPNO	Location Description	Allocation Date	*Effective Reimb Date	Program Supplement Agreement Effective Date	Program Supplement Agreement **Amended Date	Environmental and Permits Funds	Plans, Specifications and Estimates Funds	Right of Way Funds	Construction Funds
04	Solano Transportation Authority	Solano	PPM15-6249(038)	04-2263	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/1/2014		\$0	\$0	\$0	\$191,000
04	Metropolitan Transportation Commission	Various	PPM15-6084(189)	04-Var	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	10/7/2014		\$0	\$0	\$0	\$589,000
05	San Luis Obispo Council of Governments	San Luis Obispo	PPM15-6096(063)	05-0942	Planning, Programming, and Monitoring	6/25/2014	7/1/2014	9/25/2014		\$0	\$0	\$0	\$225,000
10	Tuolumne County Transportation Council	Tuolumne	PPM15-6154(047)	10-0452	Planning, Programming, and Monitoring	10/8/2014	7/22/2014	12/19/2014		\$0	\$0	\$0	\$60,000
* 11	San Diego Association of Governments	San Diego	PPM15-6066(122)	11-7402	Planning, Programming, and Monitoring	8/20/2014	7/1/2014	2/10/2015		\$0	\$0	\$0	\$854,000
Total										\$9,000	\$309,000	\$49,000	\$5,799,000

* PSA's executed after the 90-days