

**DEPARTMENT OF TRANSPORTATION**

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*Making Conservation  
a California Way of Life.*

July 1, 2018

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 State Transportation Improvement Program Projects Implemented Prior to Allocation," as required by Section 14529.19(b) of the Government Code.

Caltrans has distributed this report 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,

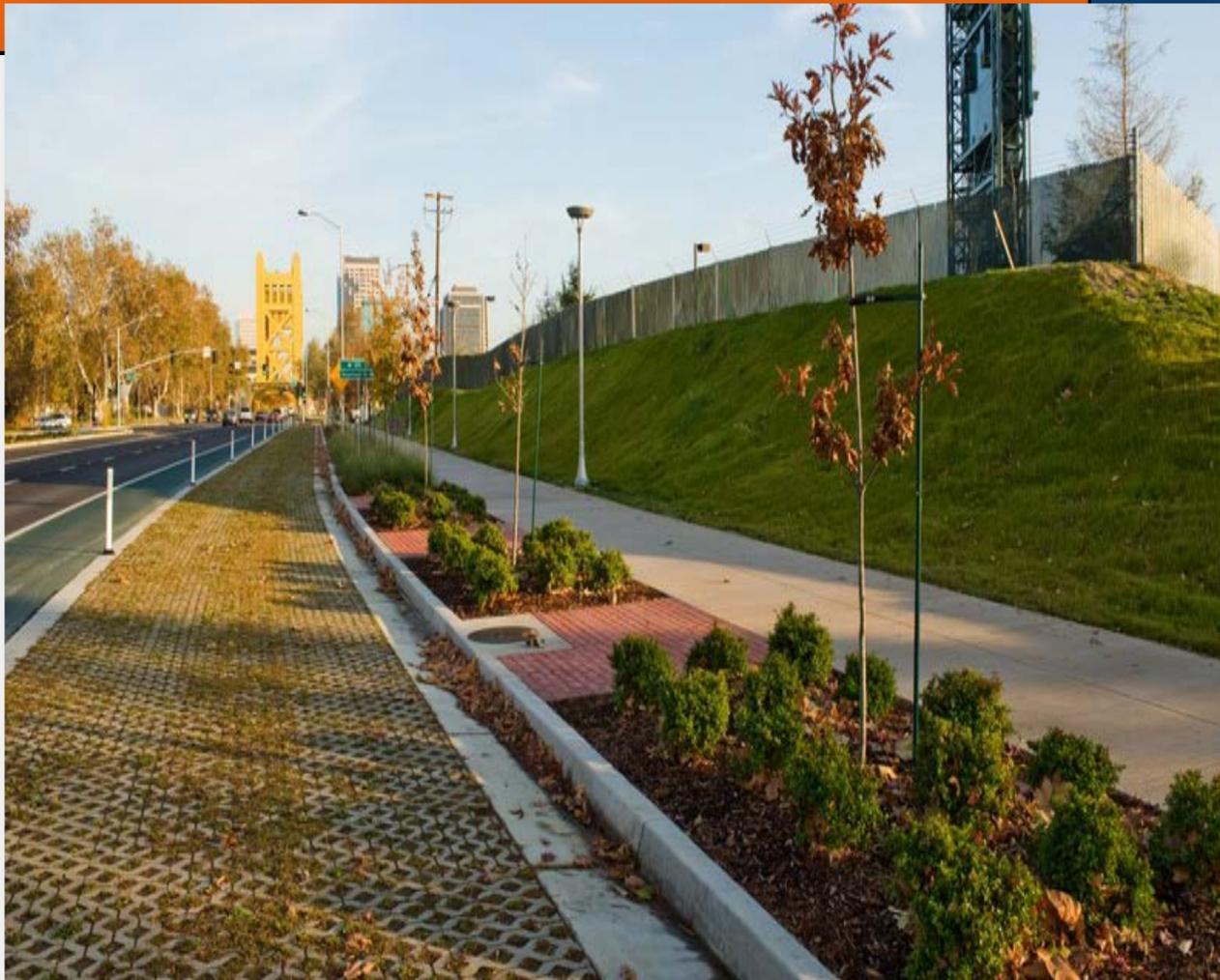
A handwritten signature in blue ink, appearing to read "Laurie Berman".

LAURIE BERMAN  
Director

Enclosures

- (1) Reimbursable State Transportation Improvement Program Projects Implemented Prior to Allocation Report
- (2) Reimbursable State Transportation Improvement Program Projects Implemented Prior to Allocation Report Allocation Period: April 1, 2017 to March 31 2018

# Reimbursable State Transportation Improvement Program Projects Implemented Prior to Allocation



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Report to the Legislature

2018

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**REPORT TO THE LEGISLATURE**  
**REIMBURSABLE STATE TRANSPORTION**  
**IMPROVEMENT PROGRAM PROJECTS**  
**IMPLEMENTED PRIOR TO ALLOCATION**

**PURPOSE:**

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

- (a) If no deficiencies that require clarification by a local or regional entity are identified in the pre award audit for a local or regional project that is included in an adopted State Transportation Improvement Program (STIP), the department and the local or regional entity shall execute an agreement to transfer funds for the project within 90 days from the date on which the commission approves an allocation or the project.
- (b) 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.

**EXECUTIVE SUMMARY:**

Between April 2017 and March 2018, a total of 33 allocations were made under the provisions of Assembly Bill (AB) 872 for 33 projects. Agreements for 28 projects were executed within 90 days of allocation. The California Department of Transportation (Caltrans) sent 33 agreements within the 90-day period; five (5) were returned by the local agencies beyond the 90-day period delaying their execution.

This year's record of 28 of 33 projects with executed agreements within 90 days, compares to last year's record of 21 of 30 projects with executed agreements within 90 days. Delays to four executed agreements were due to local agencies returning the signed agreement beyond the 90-day period. One agreement was executed 3 business days past the 90-day deadline. The Program Supplement Agreement has been nominated and accepted for a Lean 6 Sigma project. The review will commence this calendar year, with the expectation that this effort will result in further acceleration of executed agreements.

## **BACKGROUND:**

Senate Bill (SB) 45 (Chapter 633, Statutes of 1997) provided 75 percent of funds allocated through the 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 (FY) 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.

Assembly Bill 872 was passed 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. Once the agreement is executed, an agency can request reimbursement from Caltrans. This is intended to improve the delivery of local projects within a given FY.

## **PROJECT DATA:**

Under AB 872, 33 allocations totaling \$8,407,000.00 were made between April 1, 2017, and March 31, 2018 for 33 projects. Detailed information about the projects is shown in Appendix A "Report of Reimbursable STIP Projects Implementation Prior to Allocation." Caltrans sent 33 agreements within the 90-day period; agreements for 28 projects were executed within 90 days of allocation, four (4) were delayed by local agencies returning the agreement late, one (1) was executed 3-business days beyond the deadline.

### **PROGRAM CHALLENGES:**

Beginning in July 2010, Caltrans implemented the FY 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 Highway Account (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 (PPM) 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 to address State funding shortages. With the recent passage of SB 1, the Road Repair and Accountability Act of 2017, the stabilization of STIP funding was included in the 2018 STIP Fund Estimate and incorporated in the 2018 STIP. Assembly Bill 872 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 33 allocations under AB 872 for this reporting period, which represents a 10 percent increase in the number of allocations reported in last year's report.

**Appendix A**  
**Report of Reimbursable STIP Projects Implemented Prior to**  
**Allocation**  
**Allocation Period April 1, 2017 to March 31, 2018**

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**Report of Reimbursable STIP Projects Implemented Prior to Allocation**  
**Allocation Period: April 1, 2017 to March 31, 2018**

District	Agency Name	County Name	Project Number	PPNO	Location/Description	Allocation Date	*Effective Reimb. Date	Program Supplement Agreement Effective Date	Date Sent To Local Agency	Environmental & Permits Funds	Plans, Specifications & Estimates Funds	Right of Way Funds	Construction Funds
1	Del Norte Local Transportation Commission-DNLTC	Del Norte	PPM18-6130(048)	01-1032	PPM	8/17/2017		11/8/2017	10/20/2017	\$ -	\$ -	\$ -	\$ 44,000
1	Humboldt County Association of Governments-HCAOG	Humboldt	PPM18-6133(049)	01-2002P	PPM	8/17/2017		11/8/2017	10/20/2017	\$ -	\$ -	\$ -	\$ 160,000
1	Lake County/City Area Planning Council-Lake CCAPC	Lake	PPM18-6136(048)	01-3002P	PPM	8/17/2017		12/5/2017	10/20/2017	\$ -	\$ -	\$ -	\$ 76,000
1	Mendocino County Council of Governments-MCOG	Mendocino	PPM18-6140(050)	01-4002P	PPM	8/17/2017		11/8/2017	10/20/2017	\$ -	\$ -	\$ -	\$ 164,000
3	Nevada County Transportation Commission	Nevada	PPM18-6144(041)	03-0L83	PPM	8/17/2017		10/31/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 80,000
3	Sacramento Area Council of Governments-SACOG	Sacramento	PPM18-6085(072)	03-0L30	PPM	8/17/2017		11/8/2017	9/18/2017	\$ -	\$ -	\$ -	\$ 822,000
3	Sacramento Area Council of Governments-SACOG	Sutter	PPM18-6085(072)	03-1L53	PPM	8/17/2017		11/8/2017	9/18/2017	\$ -	\$ -	\$ -	\$ 76,000

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3	Sacramento Area Council of Governments-SACOG	Yolo	PPM18-6085(072)	03-0L37	PPM	8/17/2017		11/8/2017	9/18/2017	\$ -	\$ -	\$ -	\$ 158,000
3	Sacramento Area Council of Governments-SACOG	Yuba	PPM18-6085(072)	03-0L41	PPM	8/17/2017		11/8/2017	9/18/2017	\$ -	\$ -	\$ -	\$ 58,000
3	Sierra County Local Transportation Commission-SCTC	Sierra	PPM18-6150(029)	03-0L04	PPM	8/17/2017		12/11/2017	9/18/2017	\$ -	\$ -	\$ -	\$ 27,000
4	Alameda County Transportation Commission-MTC	Alameda	PPM18-6480(014)	04-2179	PPM	8/16/2017		1/17/2018	9/13/2017	\$ -	\$ -	\$ -	\$ 750,000
4	Metropolitan Transportation Commission-MTC	Alameda	PPM18-6084(214)	04-2100	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 135,000
4	Metropolitan Transportation Commission-MTC	Contra Costa	PPM18-6084(214)	04-2118	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 88,000
4	Metropolitan Transportation Commission-MTC	Marin	PPM18-6084(214)	04-2127	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 25,000
4	Metropolitan Transportation Commission-MTC	Napa	PPM18-6084(214)	04-2130	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 15,000

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4	Metropolitan Transportation Commission-MTC	San Francisco	PPM18-6084(214)	04-2131	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 69,000
4	Metropolitan Transportation Commission-MTC	San Mateo	PPM18-6084(214)	04-2140	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 71,000
4	Metropolitan Transportation Commission-MTC	Santa Clara	PPM18-6084(214)	04-2144	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 158,000
4	Metropolitan Transportation Commission-MTC	Solano	PPM18-6084(214)	04-2152	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 42,000
4	Metropolitan Transportation Commission-MTC	Sonoma	PPM18-6084(214)	04-2156	PPM	8/17/2017		11/8/2017	9/20/2017	\$ -	\$ -	\$ -	\$ 50,000
4	Contra Costa County Transportation Authority-MTC	Contra Costa	PPM18-6072(024)	04-20110	PPM	8/17/2017		10/2/2017	9/13/2017	\$ -	\$ -	\$ -	\$ 455,000
4	Transportation Authority of Marin-MTC	Marin	PPM18-6406(019)	04-2127C	PPM	8/17/2017		10/16/2017	9/13/2017	\$ -	\$ -	\$ -	\$ 206,000
4	Napa Co Transportation Planning Agency-MTC	Napa	PPM18-6429(021)	04-1003E	PPM	8/17/2017		1/10/2018	9/11/2017	\$ -	\$ -	\$ -	\$ 165,000
4	Santa Clara Valley Transportation Authority-MTC	Santa Clara	PPM18-6264(079)	04-2255	PPM	8/17/2017		10/18/2017	9/27/2017	\$ -	\$ -	\$ -	\$ 784,000

**Report of Reimbursable STIP Projects Implemented Prior to Allocation**  
**Allocation Period: April 1, 2017 to March 31, 2018**

District	Agency Name	County Name	Project Number	PPNO	Location/Description	Allocation Date	*Effective Reimb. Date	Program Supplement Agreement Effective Date	Date Sent To Local Agency	Environmental & Permits Funds	Plans, Specifications & Estimates Funds	Right of Way Funds	Construction Funds
4	San Francisco County Transportation Authority-MTC	San Francisco	PPM18-6272(045)	04-2007	PPM	8/17/2017		10/19/2017	9/27/2017	\$ -	\$ -	\$ -	\$ 667,000
4	San Mateo City/County Association of Governments-MTC	San Mateo	PPM18-6419(026)	04-2140A	PPM	8/17/2017		11/2/2017	9/27/2017	\$ -	\$ -	\$ -	\$ 338,000
4	Sonoma County Transportation Authority	Solano	PPM18-6249(043)	04-2263	PPM	8/17/2017		10/19/2017	9/27/2017	\$ -	\$ -	\$ -	\$ 203,000
4	Sonoma County Transportation Authority	Sonoma	PPM18-6364(020)	04-0770E	PPM	8/17/2017		11/6/2017	9/27/2017	\$ -	\$ -	\$ -	\$ 504,000
5	City of Watsonville-SCCRTC	Santa Cruz	RPL-5031(024)	05-2556	Sidewalk Infill on Harkins Slough Road & Main Street	6/29/2017		8/29/2017	7/28/2017	\$ -	\$ -	\$ -	\$ 120,000
5	City of Scotts Valley- SCCRTC	Santa Cruz	RPL-5400(018)	05-2734	Glen Canyon Road/Green Hills Road/S. Navarra Drive Bike Corridor & Roadway Preservation	3/22/2018							\$ 707,000
10	Alpine County Local Transportation Commission-ACLTC	Alpine	PPM18-6126(026)	10-A1950	PPM	8/17/2017		10/19/2017	10/2/2017	\$ -	\$ -	\$ -	\$ 19,000

**Report of Reimbursable STIP Projects Implemented Prior to Allocation**  
**Allocation Period: April 1, 2017 to March 31, 2018**

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10	Tuolumne County Transportation Council- Tuolumne CTC	Tuolumne	PPM18-6154(055)	10-0452	PPM	8/17/2017		10/19/2017	10/2/2017	\$ -	\$ -	\$ -	\$ 66,000
11	San Diego Association of Governments- SANDAG	San Diego	PPM18-6066(135)	11-7402	PPM	8/17/2017		11/22/2017	10/18/2017	\$ -	\$ -	\$ -	\$ 1,105,000
<b>Grand Total</b>										\$ -	\$ -	\$ -	\$ <b>8,407,000</b>