

## Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 19-20, 2016

Reference No.: 3.12  
Information Item

From: NORMA ORTEGA  
Chief Financial Officer

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Subject: **FINAL CLOSE-OUT REPORT ON FISCAL YEAR 2015-16 SHOPP MINOR LUMP  
SUM ALLOCATION**

### **SUMMARY:**

In Fiscal Year (FY) 2015-16, the California Transportation Commission (Commission) approved the State Highway Operations and Protection Program (SHOPP) Minor Program target allocation of \$84,783,000 for Capital Outlay Construction (CO).

At the completion of the fiscal year, the total CO amount awarded by the California Department of Transportation (Department) was \$74,974,386. The total Capital Outlay Support expended was \$71,436,628, for a total program value of \$146,411,014. This equates to approximately 97 percent of the available \$152,000,000 FY 2015-16 minor program funding. The remaining funds were fully utilized in FY 2015-16 on other programmed SHOPP projects.

### **BACKGROUND:**

At its June 2016, the Commission approved Resolution G-05-16, the sub-allocation and adjustment authority for Minor A projects included on a concurrent list of projects approved under Resolution FM-05-16. Resolution G-05-16, allows the Department to sub-allocate funding and advertise projects without waiting for Commission meetings to receive an allocation. However, Commission review is required for Minor A projects not previously identified in the Department's approved list.

The Minor Program is a one-year program reserved for low cost capital projects that are SHOPP eligible. Minor projects must be awarded in the fiscal year in which they were allocated. Effective February 29, 2016, Minor B projects have a construction limit up to \$291,000. Minor A projects have a construction limit ranging from \$291,001 up to \$1,000,000.

For FY 2015-16, the Department awarded contracts totaling \$31,687,400 in construction funding for Minor A projects, consisting of \$23,730,700 sub-allocated by the Department and \$7,956,700 allocated by the Commission for substitute projects. In addition, the Department has sub-allocated \$41,146,971 for Minor B construction projects, \$1,792,033 for right-of-way capital and \$347,982 for Day Labor acquisitions. In total, the Department sub-allocated \$74,974,386, which constitutes 85 percent of the FY 2015-16 approved lump sum allocation.