DEPARTMENT OF TRANSPORTATION
DIVISION OF LOCAL ASSISTANCE – M.S. 1
1120 N STREET
P. O. BOX 942874
SACRAMENTO, CA 94274-0001
PHONE (916) 653-1776
FAX (916) 654-2409
TTY 711

Flex your power!
Be energy efficient!

March 4, 2009

TO: All American Recovery and Reinvestment Act Fund Recipients

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA) of 2009. This Act includes $2.57 billion for highway transportation projects in California. If you are a recipient of these funds, please read this letter carefully, as it provides further instructions on how to get ARRA funds approved and obligated.

New DBE Requirement: All federally funded (including ARRA) project contracts (for consultant and/or construction) awarded after June 2, 2009 shall include the new Race Conscious (RC) Disadvantaged Business Enterprise (DBE) provisions. Failure to meet this requirement will make the project INELIGIBLE for federal funds. Please refer to my letter dated March 4, 2009 on this subject or our web site at: http://www.dot.ca.gov/hq/LocalPrograms/index.htm for further instructions.

The ARRA highway funds were apportioned to the states on March 2, 2009 by the Federal Highway Administration (FHWA). A portion of the highway funds from ARRA received by the local agencies shall be obligated by FHWA within 120 days (before June 30, 2009) and the remainder shall be obligated within one year (before March 2, 2010) from the date the funds are apportioned to the states. Please allow sufficient time to process your Request for Authorization. We are waiting for California Transportation Commission (CTC) action and/or state legislation to clarify how much of the funds apportioned to the local agencies need to be obligated within the first 120 days.

In order to get the ARRA funds obligated, your projects first need to be programmed in the Federal Transportation Improvement Program/Federal Statewide Transportation Improvement Program (FTIP/FSTIP). If your project is not yet programmed in the FTIP, please contact your Regional Transportation Planning Agency (RTPA) or Metropolitan Planning Organization (MPO) immediately. RTPAs and MPOs may contact Muhaned Aljabiry of the California Department of Transportation (Caltrans) at (916) 654-2983 if they have any questions.

Priority for ARRA funding should be given to projects that can be completed within three (3) years. A Federal Authorization to Proceed (E76) is required prior to beginning any reimbursable work. Beginning work, including advertising the project for construction, prior to the receiving Authorization to Proceed may result in the project being ineligible for federal reimbursement.

To initiate the federal funds approval process, please submit a Request for Federal Authorization (RFA) to Proceed to the Caltrans District Local Assistance Engineer (DLAE) per instructions

below. The contact information for DLAEs is enclosed. Additional instructions and the required forms can be found in Chapter 3 "Project Authorization" of the Caltrans Local Assistance Procedures Manual (LAPM) at the following web site: http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_g/g03fdhwy.pdf.

To request Federal Authorization to Proceed with PE, please complete and submit the following documents to the DLAE:

1. RFA to Proceed with Preliminary Engineering (LAPM Exhibit 3-A)
2. RFA to Proceed Data Sheet(s) (LAPM Exhibit 3-E)
3. FTIP/FSTIP Sheet showing programmed funds
4. Finance Letter (LAPM Exhibit 3-O)
5. Field Review Form – first two pages (LAPM Exhibit 7-B)

To request Federal Authorization to Proceed with R/W, please complete and submit the following documents to the DLAE:

1. RFA to Proceed with Right of Way (LAPM Exhibit 3-B)
2. RFA to Proceed Data Sheet(s) (LAPM Exhibit 3-E)
3. FTIP/FSTIP Sheet showing programmed funds
4. Finance Letter (LAPM Exhibit 3-O)
5. Field Review Form (LAPM Exhibit 7-B)
6. Approved NEPA Document

If the project is programmed to receive funding for PE and R/W activities with ARRA funds, please be reminded of ARRA's stated goal of retaining and creating jobs, and the priority for funding projects that will be completed in three years. In addition, given the requirement that all ARRA funds need to be obligated within one year after funding apportionment by FHWA, there may not be enough time for a project to proceed to construction within the funding time window to take full advantage of the ARRA funds, after receiving ARRA funding to complete PE or R/W activities.

To request Federal Authorization to Proceed with Construction, please complete and submit the following documents to the DLAE:

1. RFA to Proceed with Construction (LAPM Exhibit 3-D)
2. RFA to Proceed Data Sheet(s) (LAPM Exhibit 3-E)
3. FTIP/FSTIP Sheet showing programmed funds
4. Finance Letter (LAPM Exhibit 3-O)
5. Field Review Form (LAPM Exhibit 7-B)
6. Approved NEPA Document
7. R/W Certification (LAPM Exhibit 13-A or 13-B)

8. PS&E Certification (LAPM Exhibit 12-C)
9. PS&E Checklist (LAPM Exhibit 12-D)
10. Preliminary Estimate of Cost (LAPM Exhibit 12-A)
11. Local Agency Construction Contract Administration Checklist (LAPM Exhibit 15-A)

Caltrans is also offering Local Assistance ARRA workshops throughout the state to assist the local agencies to meet these requirements. Please refer to my letter dated February 24, 2009 (copy enclosed) regarding these workshops. If you would like to participate in these workshops, please contact your RTPA, MPO or the Caltrans District Local Assistance Engineer (DLAE) immediately.

The increased funding provided by ARRA also requires unprecedented accountability and transparency for the expenditure of these funds. Please note there will be intensive reporting requirements for the projects funded by ARRA. We are currently working with FHWA to identify the format and the timeline on which these reports need to be submitted. Further CTC action and/or state legislation may impose additional State Transportation Improvement Program (STIP) requirements on some of the ARRA funded projects. We are closely monitoring any further developments in this area. We will continue to post the frequently asked questions and answers in our web site at:
http://www.dot.ca.gov/hq/LocalPrograms/EconomicRecovery/index.htm.

If you have any further questions, please contact your DLAE.

Sincerely,

DENIX D. ANBIAH, Chief
Division of Local Assistance

Enclosures
February 24, 2009 Letter to RTPAs and MPOs
DLAE Contact List

DEPARTMENT OF TRANSPORTATION
DIVISION OF LOCAL ASSISTANCE – M.S. 1
1120 N STREET
P. O. BOX 942874
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February 24, 2009

METROPOLITAN PLANNING ORGRANIZATIONS
REGIONAL TRANSPORTATION PLANNING AGENCIES

Re: The American Recovery and Reinvestment Act of 2009

President Barack Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA) on February 17, 2009. The new Act, designed to stimulate the economy and create jobs, includes $27.5 B in stimulus funding nationwide for highway transportation projects. California's share of the recovery funds is estimated to be $2.57 billion.

While it is great news for California to receive a significant investment for the State's transportation infrastructure system, ARRA contains provisions which present great challenges for the recipient agencies of the economic recovery funds. ARRA requires that a significant portion of the federal economic recovery funds allocated to California be obligated (Federal authorization to Proceed approved by FHWA) within 120 days of apportionment of the funds to California. Depending on when the apportionment of funds takes place, this deadline is expected to be **around June 30, 2009**. The remaining funds are required to be obligated within one year from the apportionment of the funds.

Caltrans Division of Transportation Programming has provided the MPOs with guidance on programming ARRA funds. You should already have initiated the process to amend target amounts of federal economic recovery funds into the Federal Transportation Improvement Program/Federal Statewide Transportation Improvement Program (FTIP/FSTIP). If not, please contact Muhaned Aljabiry in the Caltrans Division of Transportation Programming at (916) 654-2983 for assistance.

In addition, you should have initiated the process to identify the ARRA funded local transportation projects to be programmed into the FTIP/FSTIP. When the list of projects is established, please forward a copy of the list, in the attached format, to your District Local Assistance Area Engineer (DLAE).

As soon as we receive this list from you we will send specific instructions to the recipients of the ARRA funds. With your cooperation, Caltrans will then also schedule workshops throughout the state for the recipients of these funds. Both Caltrans District, Headquarters staff and all the support

(Environmental, Right of Way, DBE, etc.) will be available to assist with the workshop. At the workshop we will assist the local agencies in completing requests for authorization and/or agree on an action plan that will lead up to the obligation of the ARRA funds.

We anticipate a huge increase in workload for Caltrans Local Assistance. We expect these workshops will streamline the workload for both Caltrans as well as the local agencies. Any assistance you can provide (such as facility, coordination, support staff, etc.) to the DLAEs in arranging this workshop will be greatly appreciated.

Please contact your Caltrans DLAE, if you have any questions.

Sincerely,

DENIX D. ANBIAH
Chief
Division of Local Assistance

Enclosure

c: DLAEs
MAljabiry

State of California – Division of Local Assistance

District Local Assistance Engineer (DLAE) Contacts

DISTRICT 1
District Director: Charles Fielder
DLAE: Suzanne Theiss
1656 Union Street
Eureka, CA 95501
(P.O. Box 3700, 95502-3770)
(707) 445-6399
Fax: (707) 441-2048

DISTRICT 2
District Director: John Bulinski
DLAE: John Pedersen
1657 Riverside Drive
Redding, CA 96001
(P.O. Box 496073, 96049-6073)
(530) 225-3484
Fax: (530) 225-3020

DISTRICT 3
District Director: Jody Jones
DLAE: Ben Bramer
703 B Street
Marysville, CA 95901
(P.O. Box 911, 95901)
(530) 741-5450
Fax: (530) 741-5466

DISTRICT 4
District Director: Bijan Sartipi
DLAE: Sylvia Fung
111 Grand Avenue
Oakland, CA 94612
(P.O. Box 23660, 94623-0660)
(510) 286-5226
Fax: (510) 286-5229

DISTRICT 5
District Director: Rich Krumholz
DLAE: Mike Giuliano
50 Higuera Street
San Luis Obispo, CA 93401-5415
(805) 542-4606
Fax: (805) 549-3746

DISTRICT 6
District Director: Malcolm Dougherty
DLAE: Jim Perrault
855 M Street, Suite 200
Fresno, CA 93721
(P.O. Box 12616, 93778-2616)
(559) 445-5417
Fax: (559) 445-5425

DISTRICT 7
District Director: Doug Failing
DLAE: Kirk Cessna
100 S. Main Street, #12-420
Los Angeles, CA 90012
(213) 897-0131
Fax: (213) 897-2999

DISTRICT 8
District Director: Raymond Wolfe
DLAE: Patrick Hally
464 West Fourth Street, 6th Floor – MS-760
San Bernardino, CA 92401-1400
(909) 383-4030
Fax: (909) 383-1419

DISTRICT 9
District Director: Tom Hallenbeck
DLAE: Ryan Dermody
500 South Main Street
Bishop, CA 93514
(760) 872-0681
Fax: (760) 872-0744

DISTRICT 10
Dist. Director: Tony Taveras (Acting)
DLAE: Sinaren Pheng
1976 East Charter Way/Dr.Martin
Luther King Jr. Boulevard
Stockton, CA 95205
(P.O. Box 2048, 95201)
(209) 948-3689
Fax: (209) 948-3820

DISTRICT 11
District Director: Pedro Orso-Delgado
DLAE: Erwin Gojuangco
4050 Taylor Street
Bldg. 1, 3rd Fl, MS 132
San Diego, CA 92110
(619) 278-3756
Fax: (619) 220-5432

DISTRICT 12
District Director: Cindy Quon
DLAE: Alan Williams
3337 Michelson Drive, Suite 380
Irvine, CA 92612-8894
(949) 756-7805
Fax: (949) 756-2592