State of California
Business, Transportation and Housing Agency
Department of Transportation

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POLICY MATTERS
Project Development Expenditure Report
Information Item

CTC Meeting: November 7-8, 2001

Agenda Item: 4.7

Original Signed By
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November 1, 2001

PROJECT DEVELOPMENT EXPENDITURE REPORT

SUMMARY

At the October 3-4, 2001 California Transportation Commission (Commission) Meeting, the Department of Transportation (Department) told the Commission that it would begin providing the estimated final capital outlay support expenditure amounts for the environmental and design phases of individual projects programmed from the Interregional Improvement Program (IIP) and the Regional Improvement Programs (RIPs) at the November Commission Meeting. The Department remains committed to reporting the estimated final expenditure amounts for both the environmental and design phases of Project Development, but has not yet completed compilation of the historical data. The reporting has been delayed by the need to reconcile information retrieved from multiple databases which have different update cycles and to distinguish the proper pro-ration for projects that are split off from or combined with other projects for development and/or construction. The Department and the Commission staff are continuing to work together to refine the reporting process so that reports to the Commission on Project Development expenditures can begin as soon as possible.

BACKGROUND

Beginning with the implementation in the 1998 State Transportation Improvement Program (STIP) of Senate Bill 45, project support activities programmed in the STIP began counting against the programming share balance of either the IIP or the RIP(s) that submitted the project for programming unless the projects were grandfathered from the 1996 STIP. California Streets and Highways Code Section 188.8 establishes that the total amount programmed for the two Project Development components (Environmental and Design) shall be counted against share balances, unless the total of actual expenditures for the two components differs by more than 20 percent from the amount programmed. When actual expenditures exceed the margin of plus or minus 20 percent, the actual expenditure is charged against the appropriate share balance.

The Project Development phase spans several years, but some projects that were not grandfathered into the 1998 STIP are beginning to be delivered for construction. The Department will now begin providing both the amounts programmed from the IIP and/or RIPs for Project Development and the estimate of actual final expenditures at the time of the construction allocation. The Department will also specifically note share balance adjustments when expenditures exceed the statutory limits. Listing this information in the individual vote boxes for projects at the time of their construction allocation facilitates share balance accounting. As part of each Quarterly Delivery Report, the Department will summarize the information reported for Project Development during the quarter.