

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 21-22, 2004

Reference No.: 4.9
Action Item

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST FOR WAIVER OF ASSEMBLY BILL (AB) 1012 USE IT OR LOSE IT PROVISIONS FOR REGIONAL AGENCY APPORTIONED FEDERAL FUNDS WAIVER 03-34**

ISSUE:

The annual notice to regional agencies for Cycle 4 of AB 1012 "Use it or Lose It" provisions was released on December 9, 2002, with a deadline for obligating balances subject to reprogramming of December 9, 2003. The November 30, 2003 balance reports show total funds subject to reprogramming for Cycle 4 of AB 1012 are approximately \$16 million. Of that amount \$13 million is for Congestion Management and Air Quality (CMAQ), and \$3 million is for Regional Transportation Enhancement Activities (R-TEA). At its September 2003 meeting, the California Transportation Commission (Commission) agreed to extend the December 9 deadline for an additional two months because local obligation authority was loaned to the State. The new deadline is February 9, 2004. It is anticipated that all CMAQ funds and the majority of R-TEA funds will be obligated by the February 9, 2004 deadline. Four agencies have requested extensions of the new obligation deadline for R-TEA funds.

Extension requests for R-TEA funds have been received from four agencies: Imperial Valley Association of Governments (Imperial) for \$442,566, Plumas County Transportation Commission (Plumas) for \$84,216, Amador County Transportation Commission (Amador) for \$115,315 and Tulare County Association of Governments (Tulare) for \$180,378. Imperial, Plumas and Amador are waiting for approved Disadvantaged Business Enterprise (DBE) programs and Tulare lacks an executed Cooperative Agreement with the Department of Transportation. Until these are received, they are unable to obligate additional funds. It is anticipated that the DBE programs and the Cooperative Agreement will be complete prior to June 2004.

RECOMMENDATION:

The Department of Transportation (Department) recommends approval of the extension requests for Cycle 4 R-TEA balances submitted for Imperial, Plumas, Amador and Tulare counties as shown on the attachment. The requested extensions are four months each (until June 9, 2004) and total \$836,194.

BACKGROUND:

AB 1012 was enacted October 10, 1999 with a goal of improving the delivery of transportation projects. A section of the legislation states that regional agency CMAQ and Regional Surface Transportation Program (RSTP) funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the Commission in the fourth year. The Department is including R-TEA funds under the AB 1012 use it or lose it requirements.

Attachment

Time Extension/Waiver
 AB 1012 "Use It or Lose It" Provisions
 Program Year 2002/2003

Project #	Regional Agency	Extension Amount	Number of Months Requested
	Implementing Agency	Fund Type	Extended Deadline
	Project		CT Recommendation
	Reason for Project Delay:		
1	Plumas County Transportation Commission Lassen National Forest Lake Almanor Trail Extension	\$84,216 R-TEA	4 months 6/09/04 Support
	<p>The Lassen National Forest is in need of an extension in order to reach agreement between the US Forest Service and Federal Highways Administration on the Disadvantaged Business Enterprise (DBE) requirements for this project's contract documents. An exception to the DBE requirement must be granted by DOT or the project must be allowed to utilize Plumas County's DBE program goals. If agreement cannot be reached by April 2004, Plumas County Local Transportation Commission will be requested to obligate the funds on the County's East Quincy Pathway Project which already has completed environmental clearance and design.</p>		
2	Imperial Valley Association of Governments City of Calipatria Landscaping on State Routes 111 and 115	\$456,285 R-TEA	4 months 6/09/04 Support
	<p>The City anticipated having the funds obligated prior to October 2003. However, due to delays in the final accounting of TEA dollars expended by the Department of Transportation to complete the design and the City subsequently completing the plans, specifications and estimate for advertising, administering and awarding the contract, the Federal authorization was delayed. Additionally, with the limited Obligation Authority available at the end of the 2002-2003 Federal Fiscal Year, the City did not want to pursue advanced construction to proceed with authorizing the project for advertisement. Since the project was delayed into the following Federal Fiscal Year, the City had to revise their DBE plan to reflect this delay. It is expected that the DBE plan will be approved in February 2004, after the current deadline to obligate. Therefore, the City is requesting an extension to obligate the funds.</p>		
3	Amador County Transportation Commission El Dorado National Forest Peddler Hill Scenic Overlook	\$115,315 R-TEA	4 months 6/09/04 Support
	<p>The US Forest Service and the Amador County Transportation Commission (ACTC) are requesting an extension to obligate TEA funds. The only unmet requirement for obligation of the funds is approval of a DBE plan for the El Dorado National Forest. Upon approval of the plan, the funds will be obligated on the project. A draft of the DBE plan is now out for public comment. The plan should be approved soon (hopefully in January 2004), but in case of further delay, an extension until June 2003 to obligate the funds is requested.</p>		
4	Tulare County Association of Governments Tulare County Goshen Pedestrian Overcrossing Project	\$180,378 R-TEA	4 months 6/09/04 Support
	<p>The County submitted a Request for Authorization to Proceed with Construction on November 25, 2003 for this project. However, the request has been held up due to a lack of the executed Cooperative Agreement for the construction phase. The Department of Transportation is reviewing the cooperative agreement. A final agreement will be reached soon, but it is not guaranteed that it will be reached by the existing deadline. Therefore, the County is requesting an extension until June 2003 to complete the agreement and obligate the funds.</p>		