

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 19-20, 2005

Reference No.: 2.8f.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST FOR WAIVER FOR ASSEMBLY BILL (AB) 1012 FIFTH CYCLE "USE IT OR LOSE IT" PROVISIONS FOR REGIONAL AGENCY APPORTIONED FEDERAL FUNDS WAIVER 05-02**

SUMMARY:

The annual notice to regional agencies for the fifth cycle of AB 1012 "Use it or Lose It" provisions was released on December 29, 2003, with a deadline for obligating balances subject to reprogramming of December 29, 2004. The California Transportation Commission (Commission) approved a six-month extension request for Regional Transportation Enhancement Activity (R-TEA) funds from Riverside County Transportation Commission (RCTC) at the December 2004 Commission meeting. Additional extension requests have been submitted by three regional agencies totaling approximately \$4.7 million.

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 Congestion Mitigation and Air Quality Improvement (CMAQ) funds 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 of Transportation (Department) is including R-TEA funds under the AB 1012 "Use it or Lose it" requirements as well.

DISCUSSION:

The October 31, 2004 balance reports show total funds subject to reprogramming for the fifth cycle of AB 1012 are approximately \$5 million. Of that amount, \$190,535 is for CMAQ, \$286,757 is for RSTP, and approximately \$4.5 million is for R-TEA. Using preliminary

November 2004 numbers, RSTP funds for the fifth cycle subject to reprogramming have increased to \$3.2 million due to a project cancellation. As a result, RCTC has submitted an extension request for approximately \$3.2 million of RSTP funds for 12 months.

In addition, the San Bernardino Associated Governments (SANBAG) has submitted an extension request for approximately \$1.3 million of R-TEA funds for two projects scheduled within the next six months.

Mendocino County has submitted an extension request for approximately \$200,000 of R-TEA funds for six months. They anticipate obligating approximately \$6,000 of the remaining R-TEA funds by the December 29, 2004 deadline.

It is anticipated that all other CMAQ, RSTP, and R-TEA funds will be obligated by the December 29, 2004 deadline or will have received extension approvals.

RECOMMENDATION:

The Department recommends approval of the twelve-month extension request submitted by RCTC and six-month extension requests submitted by SANBAG and Mendocino County for fifth cycle balances subject to reprogramming.

Attachment

**AB 1012 Cycle 5 Extension Requests
Item 2.8f
Waiver Request 05-02**

Regional Agency		
Local Agency	Extension Amount	Number of Months Requested
	Fund Type	Extended Deadline
Reason for Project Delay:		
CT Recommendation		
Riverside County Transportation Commission		
County of Riverside - Construct I-15/Galena Interchange	\$3,166,642	12 months
	RSTP	12/29/05
Support		
Project required extensive environmental studies and reviews. Right of Way Certification and final approval of 100% plans are expected within next 4 to 6 weeks.		
San Bernardino Associated Governments		
San Bernardino County - Santa Ana River Trail	\$1,297,640	6 months
Lake Gregory Walkway	R-TEA	06/29/05
Support		
There are two R-TEA projects in process. These projects have required extensive environmental studies and reviews.		
County of Mendocino		
Covelo Area Walkways	\$200,000	6 months
	R-TEA	06/29/05
Support		
There is one R-TEA project in process. This project has required extensive environmental studies, reviews and extensive right of way process involving the local school district. Numerous environmental issues, right of way issues, and associated design issues caused unexpected project completion delays.		