

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 2-3, 2005

Reference No.: 3.10
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **LOCAL ASSISTANCE QUARTERLY AB 1012 UNOBLIGATED RSTP, CMAQ, AND REGIONAL TEA BALANCES - CYCLE 6**

SUMMARY:

The annual notice to regional agencies for the sixth cycle of AB 1012 "Use It or Lose It" provisions was released on November 15, 2004. At that time, sixth cycle Regional Surface Transportation Program (RSTP), Congestion Mitigation and Air Quality (CMAQ), and Regional Transportation Enhancement Activity (R-TEA) funds subject to potential reprogramming on November 1, 2005, totaled approximately \$119 million, based on September 30, 2004 balances. Eleven agencies had CMAQ balances subject to reprogramming, eleven agencies had RSTP balances subject to reprogramming, and twenty-three agencies had R-TEA balances subject to reprogramming.

The December 31, 2004 balance reports show the total funds subject to reprogramming for the sixth cycle of AB 1012 are approximately \$95 million, a reduction of \$24 million from the September 30, 2004 balances, including: CMAQ - \$35 million; RSTP - \$49 million; and R-TEA - \$11 million. CMAQ funds account for 37 percent of the balance subject to reprogramming, RSTP funds account for 52 percent, and R-TEA funds account for 11 percent. The number of agencies with CMAQ balances subject to reprogramming have decreased from eleven to nine, agencies with RSTP balances subject to reprogramming have decreased from eleven to ten, and agencies with R-TEA balances subject to reprogramming have decreased from twenty-three to twenty-one (please note that agencies may have more than one type of fund subject to reprogramming).

There are several issues that may be impacting local delivery and the unobligated apportionment balances. Obligation authority (OA) has been issued by Continuing Resolutions. As of December 31, 2004, the Department of Transportation (Department) had received only 69 days

of OA. Local OA in the amount of \$727 million was made available on January 25, 2005. In addition, actual apportionments for Federal Fiscal Year (FFY) 2004, instead of the previous estimated amounts, were not available until mid December. This resulted in a net increase to the unobligated apportionment balances. The estimated FFY 2005 apportionments were also distributed in December 2004. In addition, the Federal Highway Administration (FHWA) just released notices rescinding FFY 2005 apportionments and OA, as well as unobligated balances. The Department is in the process of determining the impact of these rescissions and will provide additional information in the next quarterly report.

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 RSTP funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission (Commission) in the fourth year. The Department is including R-TEA funds under the AB 1012 "Use it or Lose it" requirements as well. In addition, the Department is required to submit quarterly progress reports on impacted fund balances to the Commission.

Attachments

**APPORTIONMENT STATUS REPORT
CMAQ, RSTP, R-TEA
Per AB 1012
as of December 31, 2004**

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**Cycle 6 Summary
(with AC Projects Included)**

Region	CMAQ Unobligated 12/31/2004 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	RSTP Unobligated 12/31/2004 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	R-TEA Unobligated 12/31/2004 Delivery Balance ¹	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²
Butte	2,790,453	-	2,424,318	-	-	-
Fresno	27,021,137	6,946,939	18,602,127	883,448	908,922	908,922
Kern	21,405,529	4,734,797	19,437,589	4,773,840	672,467	672,467
Kings	3,249,514	-	1,544,780	-	-	-
Los Angeles	173,374,420	-	192,531,906	-	339,370	339,370
Madera	2,927,857	-	1,468,032	-	-	-
Merced	2,997,453	-	2,605,656	-	-	-
Monterey	4,519,277	-	6,387,452	-	564,169	564,169
Orange	45,442,341	-	70,791,593	7,710,124	17,638	17,638
Riverside	28,854,727	-	51,064,269	16,814,537	3,153,618	2,154,921
Sacramento (SACOG)	26,059,949	-	19,153,748	-	249,662	249,662
San Benito	1,051,862	296,483	635,210	-	-	-
San Bernardino	66,786,932	15,587,682	45,352,264	7,466,822	4,099,861	2,802,221
San Diego	33,505,895	-	60,749,848	-	(132,281)	-
S.F. Bay Area (MTC)	69,829,306	-	102,219,974	-	(298,742)	-
San Joaquin	15,830,261	1,112,948	14,400,594	2,133,698	(71,962)	-
San Luis Obispo	-	-	4,439,238	-	409,601	409,601
Santa Barbara	9,039,833	2,310,510	5,348,581	-	454,381	454,381
Santa Cruz	2,549,011	-	3,303,168	-	69,638	69,638
Stanislaus	10,780,423	-	13,177,887	3,271,287	139,500	139,500
Tahoe	1,423,651	239,419	550,717	-	141,224	85,224
Tulare	9,832,177	637,224	4,391,373	-	163,437	163,437
Ventura	20,130,640	2,924,111	21,383,014	4,690,236	579,872	579,872
Rural Counties & SCAG	\$0	\$0	\$20,322,872	\$1,788,685	\$625,361	\$1,015,394
TOTAL	\$579,402,644	\$34,790,111	\$682,286,210	\$49,532,676	\$12,085,737	\$10,626,418

¹ Indicates all apportionments not yet obligated. Includes FY 2005 advanced apportionments.

² Reflects balances 2-years old entering 3rd year.

* Cycle 6 assumes the use of all previous cycle balances.

* Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.

* Balances include FFY 2004 actual apportionments.

* Balances include FFY 2005 advanced apportionments.

* Balances are adjusted for projects using the State Advanced Construction (AC) process.

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**Cycle 6 Summary
Rural Counties**

Region	CMAQ Unobligated 12/31/2004 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	RSTP Unobligated 12/31/2004 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²	R-TEA Unobligated 12/31/2004 Delivery Balance ¹	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 ²
Rural County Information:						
Del Norte	-	-	328,224	-	-	-
Humboldt	-	-	1,509,662	-	(34,723)	-
Lake	-	-	695,767	-	-	-
Mendocino	-	-	1,029,348	-	481,760	297,066
Lassen	-	-	404,187	-	(251,000)	-
Modoc	-	-	296,409	-	-	-
Plumas	-	-	244,215	-	120,447	120,447
Shasta	-	-	1,948,036	-	-	-
Siskiyou	-	-	654,878	-	-	-
Tehama	-	-	668,680	-	-	-
Trinity	-	-	251,908	-	(115,854)	-
Colusa	-	-	224,376	-	-	-
El Dorado	-	-	1,396,135	-	(154,839)	-
Glenn	-	-	315,648	-	-	-
Nevada	-	-	1,098,175	-	71,297	71,297
Placer	-	-	2,556,240	1,165,871	34,629	34,629
Sierra	-	-	131,206	-	-	-
Inyo	-	-	673,483	-	(74,586)	-
Mono	-	-	229,725	-	-	-
Alpine	-	-	131,208	-	-	-
Amador	-	-	418,827	-	-	-
Calaveras	-	-	483,906	-	-	-
Mariposa	-	-	204,402	-	118,000	81,725
Tuolumne	-	-	650,327	-	-	-
Imperial (SCAG)	-	-	3,777,900	622,814	430,230	410,230
Rural Combined Totals:	\$0	\$0	\$20,322,872	\$1,788,685	\$625,361	\$1,015,394

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