

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 13-14, 2006

Reference No.: 3.12  
Information Item

From: CINDY McKIM  
Chief Financial Officer

Prepared by: Terry Abbott  
Division Chief  
Local Assistance

Subject: **LOCAL ASSISTANCE LUMP SUM ALLOCATION YEAR-END REPORT FOR FISCAL YEAR 2005-06**

## **SUMMARY:**

On May 26, 2005, the California Transportation Commission (Commission) passed Resolution FM-04-06, allocating \$498 million for the Local Assistance program for Fiscal Year (FY) 2005-06. The initial allocation request was for \$996 million and was later increased by \$2 million for the Freeway Service Patrol program. The Commission reduced the initial allocation request to \$498 million, pending the final closeout report for FY 2004-05, which was presented to the Commission at the September 29, 2005 meeting.

On March 16, 2006, the Commission passed Resolution FM-05-04, allocating the remaining \$500 million for the Local Assistance program for FY 2005-06.

As of September 30, 2006, \$839 million or 86% of the \$976 million of local assistance funds have been sub-allocated. There is approximately an additional \$135 million in project sub-allocations, pending processing and execution of agreements, made at the end of the federal fiscal year not included in this report. When processing and execution is complete, the FY 2005-06 sub-allocation totals should be approximately \$974 million or 99% of the \$976 million of local assistance funds.

## **BACKGROUND:**

The Division of Local Assistance administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation consistent with each fiscal year's Budget Act. The Commission further delegates to the Department the authority to adjust allocations for the Local Assistance program, and the Department reports to the Commission if transfers in or out of an expenditure category exceed ten percent of its allocation.

## **Local Assistance Lump Sum Allocation Status for FY 2005-2006:**

As of September 30, 2006, \$839 million or 86 percent of the \$976 million of Local Assistance funds have been sub-allocated for 1,144 projects. The majority of these sub-allocations, including Federal Transit Administration (FTA) transfers, are for 837 projects in the following categories:

- Surface Transportation Program (STP) – 318 projects, \$273 million
- Congestion Mitigation and Air Quality (CMAQ) Program – 163 projects, \$252 million

- Bridge – Seismic Retrofit – 33 projects, \$28 million
- Highway Bridge Rehabilitation and Replacement – 144 projects, \$86 million
- Demonstration Projects – 42 projects, \$49 million
- Surface Transportation Programs State Match and Exchange – 137 projects, \$51 million

The remaining 307 projects are sub-allocated in other categories and account for 12 percent of the expenditures reported.

The Demonstration Projects category has \$49 million in expenditures. The initial allocation request for this category was zero since specific projects expected to receive an allocation were not known. Funds for these projects are available from unspent funds in other categories. The Miscellaneous category exceeded its original allocation amount by approximately \$70 million. The majority of these expenditures were allocated for Emergency Relief (ER) projects and represent about 9 percent of the total allocation. Unspent allocations from other categories will be used to cover the expenditures. The Transportation Enhancement Activities (TEA) Exchange category has no expenditures. This allocation would cover local agencies' requests to exchange old TEA apportionments. The Railroad Grade Separation program currently has no expenditures. The Department received five applications for Railroad Grade Separation projects; however, none of the applications met the requirements of State regulations to receive an allocation. The California Public Utilities Commission (CPUC) will adopt a projects priority list for FY 2006-07. Historically, large grade separation projects require funding from multiple years, so these unexpended funds will be available for large projects that appear on the FY 2006-07 priority list. The High Risk Rural Roads Program has no expenditures. This is a new federal program and a call for projects has been issued. Since the Strategic Highway Safety Plan (SHSP) has been approved, obligations can now be processed with the receipt of eligible projects.

**FY 2005-06 compared to prior years as of September 30, 2006:**

The delivery to date for FY 2005-06 is \$839 million, or 86% of the \$976 million allocated by the Commission. Of this amount, \$67 million is for State sub-allocations and \$772.5 for federal sub-allocations. The federal sub-allocations include \$179.5 million for transfers made to the FTA.

Prior year Lump Sum reports are attached for reference. This information shows that the Division of Local Assistance consistently sub-allocates all funds authorized by the Commission. Beginning with FY 2005-06, the Department changed reporting methods based on federal fiscal year instead of State fiscal year.

Attachments

**LOCAL ASSISTANCE FUNDS**  
**FY 2005-06**  
**(As of September 30, 2006)**

Reference No.: 3.12  
 December 13-14, 2006  
 Attachment 1

(Dollars in 1,000)

| Fund Description                                      | CTC Allocation |                |                | Total Expenditures |                |                | Allocation Balance |                |                | Percent of Allocation Expended | Number of Projects |
|---|----------------|----------------|----------------|--------------------|----------------|----------------|--------------------|----------------|----------------|--------------------------------|--------------------|
|   | State          | Federal        | Total          | State              | Federal        | Total          | State              | Federal        | Total          | Total                          | Total              |
| Surface Transportation Program ( STP)                 | 0              | 310,600        | 310,600        | 0                  | 199,075        | 199,075        | 0                  | 111,525        | 111,525        | 64%                            | 313                |
| STP State Match and Exchange                          | 51,250         | 0              | 51,250         | 50,801             | 0              | 50,801         | 449                | 0              | 449            | 99%                            | 137                |
| Congestion Mitigation & Air Quality Program (CMAQ)    | 0              | 333,608        | 333,608        |                    | 146,766        | 146,766        | 0                  | 186,842        | 186,842        | 44%                            | 129                |
| Bridge Inspection & State Match                       | 735            | 1,725          | 2,460          | 292                | 1,168          | 1,460          | 443                | 557            | 1,000          | 59%                            | 6                  |
| Highway Bridge Program                                |                | 127,311        | 127,311        | 0                  | 85,871         | 85,871         | 0                  | 41,440         | 41,440         | 67%                            | 144                |
| Bridge - Seismic Retrofit                             | 0              | 53,905         | 53,905         | 0                  | 28,347         | 28,347         | 0                  | 25,558         | 25,558         | 53%                            | 33                 |
| RR Grade Crossing Protection                          |                | 10,911         | 10,911         | 0                  | 559            | 559            | 0                  | 10,352         | 10,352         | 5%                             | 3                  |
| RR Grade Crossing Maintenance                         | 1,000          |                | 1,000          | 1,000              | 0              | 1,000          | 0                  | 0              | 0              | 100%                           | 1                  |
| Railroad Grade Separations                            | 15,000         | 0              | 15,000         | 0                  | 0              | 0              | 15,000             | 0              | 15,000         | 0%                             | 0                  |
| Highway Safety Improvement Program                    | 0              | 18,549         | 18,549         | 0                  | 9,075          | 9,075          | 0                  | 9,474          | 9,474          | 49%                            | 47                 |
| High Risk Rural Roads                                 | 0              | 7,021          | 7,021          | 0                  | 0              | 0              | 0                  | 7,021          | 7,021          | 0%                             | 0                  |
| Safe Routes to School                                 | 23,000         | 14,353         | 37,353         | 12,818             | 933            | 13,751         | 10,182             | 13,420         | 23,602         | 37%                            | 51                 |
| Transportation Enhancement Activities (TEA) Exchange  | 2,000          | 0              | 2,000          | 0                  | 0              | 0              | 2,000              | 0              | 2,000          | 0%                             | 0                  |
| Demonstration Projects                                | 0              | 0              | 0              | 0                  | 49,088         | 49,088         | 0                  | -49,088        | -49,088        |                                | 42                 |
| Miscellaneous   | 3,000          | 1,616          | 4,616          | 2,074              | 72,086         | 74,160         | 926                | -70,470        | -69,544        | 1607%                          | 199                |
| <b>Total Local Assistance Subvented Funds</b>         | <b>95,985</b>  | <b>879,599</b> | <b>975,584</b> | <b>66,985</b>      | <b>592,968</b> | <b>659,953</b> | <b>29,000</b>      | <b>286,631</b> | <b>315,631</b> | <b>68%</b>                     | <b>1,105</b>       |
| Federal Transit Administration (FTA) Transfers        | 0              | 0              | 0              | 0                  | 179,505        | 179,505        | 0                  | 0              | 0              |                                | 39                 |
| <b>Total Local Assistance including FTA Transfers</b> | <b>95,985</b>  | <b>879,599</b> | <b>975,584</b> | <b>66,985</b>      | <b>772,473</b> | <b>839,458</b> | <b>29,000</b>      | <b>286,631</b> | <b>315,631</b> | <b>86%</b>                     | <b>1,144</b>       |

**Assumptions:**

- \* Allocations reflect March 2006 Meeting vote, item 2.5g.
- \* The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- \* FTA Transfers are \$74,048,000 for RSTP, \$105,456,943 for CMAQ.
- \* The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- \* Expenditures and Number of Projects is from LP2000 report.
- \* Highway Safety Improvement Program (HSIP) formerly Hazard Elimination and Safety (HES).
- \* Highway Bridge Program formerly Highway Bridge Rehabilitation & Replacement (HBRR).

**LOCAL ASSISTANCE FUNDS**  
**FY 2004-05**  
**(As of September 30, 2006)**

Reference No.: 3.12  
 December 13-14, 2006  
 Attachment 2

(Dollars in 1,000)

| Fund Description                                      | CTC Allocation |                  |                  | Total Expenditures |                  |                  | Allocation Balance |                |                | Percent of Allocation Expended | Number of Projects |
|---|----------------|------------------|------------------|--------------------|------------------|------------------|--------------------|----------------|----------------|--------------------------------|--------------------|
|   | State          | Federal          | Total            | State              | Federal          | Total            | State              | Federal        | Total          |                                |                    |
| Surface Transportation Program ( STP)                 |                | 376,211          | 376,211          | 0                  | 333,770          | 333,770          | 0                  | 42,441         | 42,441         | 89%                            | 295                |
| STP State Match and Exchange                          | 46,000         |                  | 46,000           | 47,477             | 0                | 47,477           | -1,477             | 0              | -1,477         | 103%                           | 131                |
| Congestion Mitigation & Air Quality Program (CMAQ)    |                | 410,856          | 410,856          | 0                  | 136,032          | 136,032          | 0                  | 274,824        | 274,824        | 33%                            | 253                |
| Bridge Scour & State Match                            | 735            | 2,640            | 3,375            | 71                 | 566              | 637              | 664                | 2,074          | 2,738          | 19%                            | 7                  |
| Highway Bridge Rehabilitation & Replacement (HBRR)    |                | 130,248          | 130,248          | 0                  | 157,407          | 157,407          | 0                  | -27,159        | -27,159        | 121%                           | 164                |
| Bridge - Seismic Retrofit                             | 0              | 67,880           | 67,880           | 0                  | 70,400           | 70,400           | 0                  | -2,520         | -2,520         | 104%                           | 73                 |
| RR Grade Crossing Protection                          |                | 12,720           | 12,720           | 0                  | 5,441            | 5,441            | 0                  | 7,279          | 7,279          | 43%                            | 25                 |
| RR Grade Crossing Maintenance                         | 4,250          |                  | 4,250            | 4,103              | 0                | 4,103            | 147                | 0              | 147            | 97%                            | 2                  |
| Railroad Grade Separations                            | 15,000         | 0                | 15,000           | 5,720              | 0                | 5,720            | 9,280              | 0              | 9,280          | 38%                            | 3                  |
| Hazard Elimination & Safety (HES)                     | 0              | 12,720           | 12,720           | 0                  | 10,142           | 10,142           | 0                  | 2,578          | 2,578          | 80%                            | 70                 |
| Safe Routes to School                                 | 22,700         | 2,740            | 25,440           | 22,692             | 839              | 23,531           | 8                  | 1,901          | 1,909          | 92%                            | 112                |
| Transportation Enhancement Activities (TEA) Exchange  | 6,440          | 0                | 6,440            | 0                  | 0                | 0                | 6,440              | 0              | 6,440          | 0%                             | 0                  |
| Demonstration Projects                                | 0              | 0                | 0                | 0                  | 104,108          | 104,108          | 0                  | -104,108       | -104,108       | 0%                             | 47                 |
| Miscellaneous   | 2,000          | 1,625            | 3,625            | 1,630              | 20,581           | 22,211           | 370                | -18,956        | -18,586        | 613%                           | 86                 |
| TEA Regional Share                                    | 0              | 0                | 0                | 0                  | 0                | 0                | 0                  | 0              | 0              | 0%                             | 9                  |
| <b>Total Local Assistance Subvented Funds</b>         | <b>97,125</b>  | <b>1,017,640</b> | <b>1,114,765</b> | <b>81,693</b>      | <b>839,286</b>   | <b>920,979</b>   | <b>15,432</b>      | <b>178,354</b> | <b>193,786</b> | <b>83%</b>                     | <b>1,277</b>       |
| <b>Federal Transit Administration (FTA) Transfers</b> | <b>0</b>       | <b>0</b>         | <b>0</b>         | <b>0</b>           | <b>259,323</b>   | <b>259,323</b>   | <b>0</b>           | <b>0</b>       | <b>0</b>       |                                | <b>75</b>          |
| <b>Total Local Assistance including FTA Transfers</b> | <b>97,125</b>  | <b>1,017,640</b> | <b>1,114,765</b> | <b>81,693</b>      | <b>1,098,609</b> | <b>1,180,302</b> | <b>15,432</b>      | <b>178,354</b> | <b>193,786</b> | <b>106%</b>                    | <b>1,352</b>       |

**Assumptions:**

- \* The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- \* Transfer of \$22.7 million from federal funds to state funds for SR2S per SB 1087 (Soto).
- \* FTA Transfers are \$128,766,188 for RSTP, \$124,780,211 for CMAQ, and \$5,776,500 for TEA.
- \* Miscellaneous expenditures include projects not included elsewhere.
- \* The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- \* Expenditures and Number of Projects is from LP2000 report.
- \* Reallocation of RR Grade Crossing Maintenance Program (to \$1M from \$4.25M); remainder to be allocated to STP State Match & Exchange for FY 2005-06.

**LOCAL ASSISTANCE FUNDS  
FY 2003-04  
(As of September 30, 2006)**

Reference 3.12  
December 13-14, 2006  
Attachment 3

(Dollars in 1,000)

| Fund Description                                      | CTC Allocation |                |                | Total Expenditures |                  |                  | Allocation Balance |               |               | Percent of Allocation Expended | Number of Projects |
|---|----------------|----------------|----------------|--------------------|------------------|------------------|--------------------|---------------|---------------|--------------------------------|--------------------|
|   | State          | Federal        | Total          | State              | Federal          | Total            | State              | Federal       | Total         | Total                          | Total              |
| Surface Transportation Program ( STP)                 |                | 372,945        | 372,945        | 0                  | 255,653          | 255,653          | 0                  | 117,292       | 117,292       | 69%                            | 209                |
| STP State Match and Exchange                          | 46,000         |                | 46,000         | 49,860             | 0                | 49,860           | -3,860             |               | -3,860        | 108%                           | 131                |
| Congestion Mitigation & Air Quality Program (CMAQ)    |                | 277,000        | 277,000        | 0                  | 210,736          | 210,736          | 0                  | 66,264        | 66,264        | 76%                            | 150                |
| Bridge Scour & State Match                            | 900            | 3,300          | 4,200          | 0                  | 0                | 0                | 900                | 3,300         | 4,200         | 0%                             | 0                  |
| Highway Bridge Rehabilitation & Replacement (HBRR)    |                | 98,640         | 98,640         | 0                  | 95,737           | 95,737           | 0                  | 2,903         | 2,903         | 97%                            | 176                |
| Bridge - Seismic Retrofit                             | 0              | 52,490         | 52,490         | 0                  | 57,505           | 57,505           | 0                  | -5,015        | -5,015        | 110%                           | 65                 |
| RR Grade Crossing Protection                          |                | 10,000         | 10,000         | 0                  | 7,759            | 7,759            | 0                  | 2,241         | 2,241         | 78%                            | 18                 |
| RR Grade Crossing Maintenance                         | 4,250          |                | 4,250          | 4,089              | 0                | 4,089            | 161                | 0             | 161           | 96%                            | 2                  |
| Railroad Grade Separations                            | 15,000         |                | 15,000         | 15,000             | 0                | 15,000           | 0                  | 0             | 0             | 100%                           | 12                 |
| Hazard Elimination & Safety (HES)                     |                | 8,000          | 8,000          | 0                  | 6,393            | 6,393            | 0                  | 1,607         | 1,607         | 80%                            | 51                 |
| Safe Routes to School                                 | 22,000         | 0              | 22,000         | 21,872             | 2,570            | 24,442           | 128                | -2,570        | -2,442        | 111%                           | 110                |
| Transportation Enhancement Activities, Regional Share |                | 45,000         | 45,000         | 0                  | 52,256           | 52,256           | 0                  | -7,256        | -7,256        | 116%                           | 143                |
| Transportation Enhancement Activities Exchange        | 6,440          |                | 6,440          | 3,129              | 0                | 3,129            | 3,311              | 0             | 3,311         | 49%                            | 18                 |
| Demonstration Projects                                |                | 0              | 0              | 0                  | 85,053           | 85,053           | 0                  | -85,053       | -85,053       |                                | 40                 |
| Miscellaneous   | 2,000          | 1,625          | 3,625          | 1,189              | 45,652           | 46,841           | 811                | -44,027       | -43,216       | 1292%                          | 91                 |
| <b>Total Local Assistance Subvented Funds</b>         | <b>96,590</b>  | <b>869,000</b> | <b>965,590</b> | <b>95,139</b>      | <b>819,314</b>   | <b>914,453</b>   | <b>1,451</b>       | <b>49,686</b> | <b>51,137</b> | <b>95%</b>                     | <b>1,216</b>       |
| FTA Transfers   |                |                |                |                    | 365,382          | 365,382          |                    |               |               |                                | 49                 |
| <b>Total Local Subvention and FTAs</b>                | <b>96,590</b>  | <b>869,000</b> | <b>965,590</b> | <b>95,139</b>      | <b>1,184,696</b> | <b>1,279,835</b> | <b>1,451</b>       | <b>49,686</b> | <b>51,137</b> | <b>133%</b>                    | <b>1,265</b>       |

**Assumptions:**

- \* The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- \* FTA transfers are \$93,573,086 for RSTP, \$250,634,309 for CMAQ, \$16,927,000 for TEA and \$4,247,445 for other projects.
- \* Misc. expenditures include projects not included elsewhere.
- \* The Allocation balance is the difference between Commission allocation and Total Expenditures.
- \* Expenditures and Number of Projects is from LP2000 report.