

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2008

Reference No.: 4.3
Information Item

From: CINDY McKIM
Chief Financial Officer

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Subject: **PRELIMINARY CLOSE OUT REPORT ON FY 2007-08 SHOPP MINOR PROGRAM
LUMP SUM ALLOCATION**

SUMMARY:

As of May 19, 2008, the Department of Transportation (Department) allocated \$84,339,500 in construction funding for Minor A State Highway Operation and Protection Program (SHOPP) projects, consisting of \$66,465,500 sub-allocated by the Department and \$17,874,000 allocated by the California Transportation Commission (Commission) for substitute projects. In addition, \$16,998,174 in construction funding for Minor B projects was sub-allocated and \$2,959,000 was sub-allocated for right of way. The total amount allocated for the Minor Program was \$104,296,674.

BACKGROUND:

On July 14, 2005, the Commission approved Resolution G-05-05, delegating to the Department authority to allocate funds for Minor A projects included on a concurrent list of projects approved under Resolution FM 05-06. This authority allows the Department to proceed with advertisement without waiting for the next Commission meeting to receive an allocation. The Commission must allocate projects not on the Department's approved Minor A list.

The Minor Program target allocation for Fiscal Year 2007-08 was \$106 million. The SHOPP Minor Program is a one-year program in which projects must be awarded in the fiscal year programmed.

As of May 19, 2008, the Department sub-allocated and the Commission allocated 98 percent of the Minor Program target allocation.