

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 10-11, 2009

Reference No.: 3.7
Information Item

From: CINDY McKIM
Chief Financial Officer

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Local Assistance

Subject: **QUARTERLY REPORT ON LOCAL ASSISTANCE LUMP SUM ALLOCATION FOR FEDERAL FISCAL YEAR 2009**

SUMMARY:

As of March 31, 2009, the California Transportation Commission (Commission) has allocated approximately \$812 million to the Department of Transportation (Department) for Federal Fiscal Year (FFY) 2009 projects.

The sub-allocations reported below are based on FFY 2009, which is from October 1, 2008 through September 30, 2009. Of the \$812 million allocated to the Department, approximately \$153 million are State funds and \$659 million are federal funds.

Approximately \$437 million (54 percent) of the \$812 million has been sub-allocated for 585 local projects. The majority of the sub-allocations (approximately \$334 million) are for 463 projects in the following categories:

- Surface Transportation Program (STP) - 60 projects, \$60 million
- STP State Match and Exchange - 137 projects, \$53.5 million
- Freeway Service Patrol - 13 projects, \$22.5 million
- Congestion Mitigation and Air Quality Program (CMAQ) - 92 projects, \$57 million
- Highway Bridge Program - 102 projects, \$75 million
- High Priority - 34 projects, \$21 million
- Bridge - Seismic Retrofit - 25 projects, \$45 million

The remaining \$103 million was sub-allocated for 122 projects in other categories and account for 24 percent of the expenditures reported, including ten Federal Transit Administration transfers for eight CMAQ projects (totaling \$33 million) and two Regional Surface Transportation Program projects (totaling \$28 million).

BACKGROUND:

The Department's 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 guidelines for allocating, monitoring, and auditing of funds for local assistance projects are set forth in Commission Resolution G-99-25 which is based on Government Code 14529.1. The Commission delegates to the Department the authority to adjust allocations between categories, and the Department reports to the Commission

if transfers in or out of an expenditure category exceed ten percent of its allocation. Prior to receiving a sub-allocation, the agency provides the Department with certification that the California Environmental Quality Act (CEQA) document has been completed for the project, including the CEQA type and date of completion (or a Categorical Exemption has been received). The agency also provides certification that the National Environmental Policy Act (NEPA) document has been completed, if appropriate.

Local Assistance Lump Sum Allocation Status for FFY 2009:

As of March 31, 2009, the end of the second quarter of FFY 2009, approximately \$437 million, or 54 percent of the \$812 million allocated, has been sub-allocated for 585 projects. Some programs show no suballocations. As of March 31, 2009, no sub-allocations were made for the following programs: Bridge Inspection, Railroad Grade Crossing Protection, or Railroad Grade Crossing Maintenance. However, over \$450,000 in suballocations were made during April 2009 under the Bridge Inspection Program. Although there have been no sub-allocations for Railroad Grade Crossing Protection contracts for FFY 2009, projects are in the process of being programmed. The Department anticipates the total amount of funds available for Railroad Grade Crossing Maintenance will be suballocated and invoiced by July 2009.

The Highway Bridge Program category had replacement and rehabilitation projects ready for delivery through the second quarter of FFY 2009 and is at 213 percent use of its allocation amount. The Miscellaneous category is at 401 percent use of its allocation amount and is primarily used to fund federal discretionary programs. Due to the discretionary nature of the programs, budget authority is not requested during budget development, but the categories are funded with available authority from other programs. The majority of the funds expended in the Miscellaneous category are for Emergency Relief projects.

The amount of funds expended as of March 31, 2009 (\$437 million, or 54 percent) is consistent with last year's use (\$423 million or 57 percent) when compared during the same period of time. Consistent with historical trends, the Department anticipates using all funds allocated by the Commission for FFY 2009.

Attachments

**LOCAL ASSISTANCE FUNDS
FY 2008-09
As of March 31, 2009
(Dollars in thousands)**

Reference No.: 3.7
June 10-11, 2009
Attachment 1

Fund Description	Commission 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)	0	214,598	214,598	0	59,933	59,933	0	154,665	154,665	28%	60
STP State Match and Exchange	57,849	0	57,849	53,429	0	53,429	4,420	0	4,420	92%	137
Congestion Mitigation & Air Quality Program (CMAQ)	0	203,937	203,937	0	57,145	57,145	0	146,792	146,792	28%	92
Freeway Service Patrol	25,479	0	25,479	22,476	0	22,476	3,003	0	3,003	88%	13
High Priority Projects	0	104,085	104,085	0	20,811	20,811	0	83,274	83,274	20%	34
Miscellaneous	3,000	850	3,850	0	15,445	15,445	3,000	-14,595	-11,595	401%	37
Bridge Programs											
Bridge Inspection	735	1,320	2,055	0	0	0	735	1,320	2,055	0%	0
Highway Bridge Program	0	35,286	35,286	0	75,021	75,021	0	-39,735	-39,735	213%	102
Bridge Seismic Retrofit State Match	24,300	0	24,300	11,152	0	11,152	13,148	0	13,148	46%	10
Bridge Seismic Retrofit	0	55,392	55,392	0	45,109	45,109	0	10,283	10,283	81%	25
Rail Programs											
Railroad Grade Crossing Protection	0	5,858	5,858	0	0	0	0	5,858	5,858	0%	0
Railroad Grade Crossing Maintenance	2,000	0	2,000	0	0	0	2,000	0	2,000	0%	0
Railroad Grade Separations	15,000	0	15,000	8,619	0	8,619	6,381	0	6,381	57%	3
Safety Programs											
Highway Safety Improvement Program (HSIP)	0	23,606	23,606	0	3,132	3,132	0	20,474	20,474	13%	37
High Risk Rural Roads (HRRR)	0	3,714	3,714	0	1,173	1,173	0	2,541	2,541	32%	11
Safe Routes to School	24,250	10,336	34,586	474	1,114	1,588	23,776	9,222	32,998	5%	14
Total Local Assistance Subvention Funds	152,613	658,982	811,595	96,150	278,883	375,033	56,463	380,099	436,562	46%	575
Federal Transit Administration (FTA) Transfers				0	61,614	61,614					10
Total Local Assistance including FTA Transfers	152,613	658,982	811,595	96,150	340,497	436,647	56,463	380,099	436,562	54%	585

Assumptions:

- * Allocations for state funds reflect June 2008 meeting vote, Item 2.5h.
- * Allocations for federal funds reflect September 2008 meeting vote, Item 2.5h.
- * Allocations reflect October 2008 meeting vote, Item 2.5h.
- * FTA transfers are \$28,202,778 for RSTP and \$33,410,900 for CMAQ.
- * Balances are based on project allocation requests.
- * The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- * Expenditures and Number of Projects are from LP2000 report.
- * In accordance with CTC Resolution G-01-08, the Department reports when total transfers into or out of an expenditure category exceed 10 percent.

Local Assistance Funds
 FY 2008-09
 Allocated vs. Expended
 as of March 31, 2009

Reference No.: 3.7
 June 10-11, 2009
 Attachment 2

