

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 10-11, 2009

Reference No.: 3.9
Information Item

From: CINDY McKIM
Chief Financial Officer

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Subject: **PRELIMINARY CLOSE OUT REPORT ON FY 2008-09 SHOPP MINOR PROGRAM
LUMP SUM ALLOCATION**

SUMMARY:

On June 26, 2008, the California Transportation Commission (Commission) approved Resolution FM-07-09 allocating a lump sum amount of \$106,000,000 to the Department of Transportation (Department) for Fiscal Year 2008-09 State Highway Operation and Protection Program (SHOPP) Minor Program.

As of May 19, 2009, the following amounts were either sub-allocated by the Department or allocated by the Commission.

- \$78,999,000 for construction of Minor A projects, including \$61,283,000 sub-allocated by the Department and \$17,716,000 allocated by the Commission for substitute projects.
- \$18,502,443 for construction of Minor B projects.
- \$2,190,000 for right of way activities.

The total amount allocated for the Minor Program was \$99,691,443, which is 94 percent of the Minor Program target allocation.

BACKGROUND:

On July 14, 2005, the Commission approved Resolution G-05-05, delegating to the Department authority to sub-allocate funds for SHOPP Minor projects. This authority allows the Department to proceed with advertisement without waiting for the next Commission meeting to receive an allocation.

As part of the Department's request for its annual lump sum allocation, the Commission approves the list of Minor A projects proposed for that fiscal year. Included in the list is a lump sum amount for Minor B projects as well as an amount for right of way. The Commission must allocate projects not on the approved list of Minor A projects.

The SHOPP Minor Program is a one-year program in which projects must be awarded in the fiscal year programmed.