

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 12-13, 2009

Reference No.: 2.5h.
Action Item

From: CINDY McKIM
Chief Financial Officer

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Division Chief
Division of Budgets

Subject: **FINANCIAL ALLOCATION ADJUSTMENT FOR FY 2009-10 RIGHT OF WAY LUMP SUM RESOLUTION FM-09-01, AMENDING RESOLUTION FM-08-06**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) allocate an additional \$134,000,000 for the Fiscal Year (FY) 2009-10 lump sum right of way (R/W) allocation, bringing the total R/W allocation to \$238,000,000. This allocation is contingent upon full funding of Proposition 42 for FY 2009-10.

ISSUE:

Each year the Department is required to obtain an annual R/W capital allocation from the Commission before it can deliver the R/W needs for programmed projects in the Project Delivery Plan. The estimated need for FY 2009-10 Right of Way activities is \$238,000,000, as displayed below.

	SHOPP	STIP	TOTAL
Capital Projects	\$31,000	\$134,000	\$165,000
Specific Categories:			
Post Certification	\$19,000	\$33,000	\$52,000
Damage to Property (Inverse)	\$7,000	\$13,000	\$20,000
Project Development	\$0	\$1,000	\$1,000
Total Specific Categories	\$26,000	\$47,000	\$73,000
Pre-Project Mitigation	\$0	\$0	\$0
Roberti Re-Purchase	\$0	\$0	\$0
Total Right of Way	\$57,000	\$181,000	\$238,000

Dollars x 1,000

SHOPP = State Highway Operation and Protection Program

STIP = State Transportation Improvement Program

At its June 2009 meeting, the Commission approved a partial allocation of \$104,000,000 (Resolution FM-08-06) to deliver its R/W commitments for SHOPP, Post Certification, Inverse and Project Development costs for FY 2009-10. The Department requested a partial allocation due to uncertain funding availability in the FY 2009-10 Budget. The lump sum capital allocation was approved by the Commission with the understanding that the balance of funds will be requested at

a later date. The increase of \$134,000,000 is requested at this time to fully fund the FY 2009-10 R/W lump sum allocation need of \$238,000,000, as shown above and contingent upon full funding of Proposition 42. Proposition 42 funds State Transportation Improvement Program (STIP) projects.

BACKGROUND:

Resolution G-01-09 requires the Department to annually present its R/W capital expenditure plan to the Commission for review and acceptance. The Resolution states that the plan will be supported by a project list that includes at a minimum, project description, source programming document, district, county, route, post mile, expenditure authorization, planning programming number, planned R/W expenditure, and total programmed R/W capital.

The FY 2009-10 R/W Capital Outlay Expenditure Plan is consistent with the Department's State Highway Operation and Protection Program (SHOPP) and STIP documents, as approved by the Commission, and it includes the specific categories of Post Certification expenditures, Damage to Property Settlements as well as estimated Project Development Capital.

Separate line items for Pre-Project Mitigation costs and the cost of the re-purchase of previously sold excess land under Government Code Section 54235, et seq., commonly referred to as the Roberti Bill, for violations of terms of the purchase agreement between the Department and the purchaser are also shown as part of the R/W allocation.

Consistent with Resolution G-01-09, the Department reviewed with Commission staff the proposed list of projects that comprise the requested FY 2009-10 R/W capital allocation.

RESOLUTION:

Resolved, that the Commission does hereby allocate an additional \$134,000,000, increasing the FY 2009-10 right of way lump sum allocation of \$104,000,000 to \$238,000,000; and

Be it Further Resolved, that the increase of \$134,000,000 is to be allocated from the Budget Acts of 2008 and 2009, Items 2660-301-0042, 2660-301-0890, 2660-302-0042, 2660-302-0890, 2660-303-0042, and the Non-Budget Act Item 2660-801-3008, as a lump sum for right of way capital expenditures for FY 2009-10 as displayed by the following table:

**FY 2009-10 ESTIMATE OF FUNDS ALLOCATED FOR R/W
ALLOCATION RESOLUTION FM-09-01**

	CURRENT ALLOCATION	ADJUSTMENT	REVISED ALLOCATION
Capital Projects			
STIP (through 12/31/09)	\$0	\$134,000	\$134,000
SHOPP	\$31,000	\$0	\$31,000
Total Capital Projects	\$31,000	\$134,000	\$165,000
Specific Categories:			
Post Certification	\$52,000	\$0	\$52,000
Damage to Property (Inverse)	\$20,000	\$0	\$20,000
Project Development	\$1,000	\$0	\$1,000
Total Specific Categories	\$73,000	\$0	\$73,000
Pre-Project Mitigation	\$0	\$0	\$0
Roberti Re-Purchase	\$0	\$0	\$0
Total Right of Way	\$104,000	\$134,000	\$238,000

Dollars x 1,000

SHOPP = State Highway Operation and Protection Program

STIP = State Transportation Improvement Program

Be it Further Resolved, that Resolution FM-08-06 is hereby amended.