

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 22-23, 2010

Reference No.: 3.5
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **FINAL CLOSE-OUT REPORT ON FY 2009-10 SHOPP MINOR LUMP SUM ALLOCATION**

SUMMARY:

In Fiscal Year (FY) 2009-10, the California Department of Transportation (Department) awarded contracts totaling \$31,337,900 for Minor A State Highway Operation and Protection Program (SHOPP) projects, including \$27,040,300 sub-allocated by the Department and \$4,297,600 allocated by the California Transportation Commission (Commission) for substitute projects. In addition, \$27,287,969 for Minor B projects was awarded and \$1,127,054 was encumbered for right of way. The total amount awarded for the Minor Program was \$59,752,923.

The Minor Program target allocation for the 2009-10 fiscal year was \$68 million. The SHOPP Minor program is a one-year program in which projects must be awarded in the fiscal year programmed. The Department awarded 88 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 Minor A projects included on an annual project list accepted by the Commission each year. For FY 2009-10, the project list and allocation of \$68,000,000 was approved by the Commission on June 11, 2009. The delegation authority allows the Department to proceed with advertisement of minor projects without waiting for the next Commission meeting to receive an allocation. The Department submitted allocation requests to the Commission for projects that were not included on the approved Minor A list.

Minor A projects are those over \$250,000, and Minor B projects are those \$250,000 and under.