

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 10-11, 2011

Reference No.: 2.5c.(2a)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Budgets

Subject: **FINANCIAL ALLOCATION FOR LOCALLY ADMINISTERED STIP TRANSPORTATION
ENHANCEMENT PROJECTS ON THE STATE HIGHWAY SYSTEM
RESOLUTION FP-11-08**

RECOMMENDATION:

The Department of Transportation recommends the California Transportation Commission (Commission) carefully consider the impact of allocating state-only funds in the amount of \$11,882,000 for the locally administered Atwater-Merced Expressway Phase 1A State Transportation Improvement Program (STIP) project in Merced County, on the State Highway System.

The Department does not recommend approval of this allocation because the local agency has requested the use of state-only funding. The current funding uncertainties and low state-funded allocation capacity require preserving the flexibility of using Federal funds. This is the first allocation request for a relatively large project with an estimated total cost of \$74,349,000. The construction is programmed for \$54,240,000 in 2015. The Department recommends that the project obtain National Environmental Policy Act (NEPA) clearance prior to right of way, to avoid undue burden on the state-funded portion of the STIP.

ISSUE:

The attached vote list describes one locally administered STIP project on the State Highway System for \$11,882,000 in state-only funds, plus \$1,250,000 from local sources. Although the local agency is ready to proceed with this project, it is recommended that the Commission not allocate state-only funds to this project at this time. This project does not have NEPA clearance and the allocation of state-only funds stresses an already low allocation capacity, possibly impacting allocations to other projects. In addition, because this is an allocation of right of way, the Commission may face a similar decision for state-only funding for the construction phase, currently estimated at \$54,240,000 and programmed in 2015.

Attachment

2.5 Highway Financial Matters

Project # Allocation Amount Recipient <u>RTPA/CTC</u> County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	PPNO Program/Year Phase Prgm'd Amount Project ID Adv Phase EA	Budget Year Item # Fund Type Program Code	Amount by Fund Type
2.5c.(2a) Locally Administered STIP Project on the State Highway System			Resolution FP-11-08	
1 \$11,882,000 Merced County Association of Governments <u>MCAG</u> Merced 10N-Mer-99 19.3/20.9	Near Atwater, from 1.2 miles south of Buhach Road to 0.33 mile north of Buhach Road. Widen to 6 lane freeway including demolition of Buhach Road interchange & construction of a new interchange. (Concurrent Future Consideration of Funding under Resolution E-11-59; August 2011.) (Contributions from local sources: \$1,250,000.) (MCAG requests "State Only" funding due to lack of NEPA environmental document.) <u>Outcome/Output</u> : 36 parcels (approximately 79.5 acres) will be acquired.	10-5264A RIP/11-12 R/W \$11,882,000 1000000045 4RWCL OG4404	2011-12 301-0042 SHA 20.20.075.600	\$11,882,000
THE DEPARTMENT DOES NOT RECOMMEND APPROVAL OF THIS ALLOCATION BECAUSE THE PROJECT DOES NOT QUALIFY FOR "STATE ONLY" FUNDS.				