

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 11-12, 2013

Reference No.: 2.8f.(1)
Action Item

From: STEVEN KECK
Acting Chief Financial Officer

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Local Assistance

Subject: **REQUEST FOR WAIVER OF AB 1012 "USE IT OR LOSE IT" PROVISIONS FOR REGIONAL AGENCY APPORTIONED FEDERAL FUNDS WAIVER 13-61**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) extend the period of availability of Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds subject to reprogramming under the provisions of Assembly Bill (AB) 1012 (Chapter 783 of the Statutes of 1999). The Madera County Transportation Commission (MCTC) is requesting a time extension for their Federal Fiscal Year (FFY) 2011 CMAQ balances, for the time period shown on the attachment.

ISSUE:

The annual notice to the Regions, under AB 1012 "Use It or Lose It" provisions for FFY 2011 (October 1, 2010 through September 30, 2011), was released on December 5, 2012. The deadline for obligating balances subject to reprogramming was November 1, 2013. At this time, MCTC has indicated that they wish to have their CMAQ balances extended and made available for obligation at a later date. A local agency may request a onetime extension up to six months, however Commission approval is required in order for the balance amounts to remain available to the agency. Therefore, MCTC is requesting an extension for \$417,454 of CMAQ balances for a County of Madera project funded with CMAQ that totals \$440,000 which will be obligated by May 1, 2014.

BACKGROUND:

As of September 30, 2013, the balance subject to reprogramming under the provisions of AB 1012 for FFY 2011 is \$649,884. MCTC has an unobligated balance subject to reprogramming of \$417,454.

AB 1012 was enacted on October 10, 1999, with a goal of improving the delivery of transportation projects and addressing the significant backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and RSTP funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the Commission in the fourth year in order to prevent the funds from being lost by the state. Although this is a requirement of AB 1012, the apportionments will not lapse until FFY 2016 according to Federal Highway Administration records.

In past years, the Commission has granted extensions request submitted by regional agencies for the purpose of extending availability of the unobligated CMAQ balance that was subject to reprogramming.

Attachment

**AB 1012 Extension Request
Waiver 13-61**

Reference No.: 2.8f.(1)
December 11-12, 2013
Attachment

Regional Agency Local Agency Reason for Project Delay:	Extension Amount Fund Type	Number of Months Requested Extended Deadline CT Recommendation
MADERA COUNTY TRANSPORTATION COMMISSION COUNTY OF MADERA	\$417,454 CMAQ	6 months 05/01/14 Support
<p>Several Congestion Mitigation and Air Quality Improvement Program (CMAQ) projects totaling \$913,000 in CMAQ funding were identified for delivery in the Madera County Transportation Commission's (MCTC's) April 2013 obligation plan but did not get obligated by September 30, 2013 as expected. In November 2013, MCTC submitted an early federal fiscal year (FFY) 2014 obligation plan and a letter requesting an extension that shows MCTC will use the \$417,454 of CMAQ funds by May 1, 2014. In addition, MCTC's November obligation plan showed a total of \$933,000 that will be obligated by May 1, 2014 and another \$2,254,000 will be obligated by September 1, 2014. The specific project to use the \$417,454 of CMAQ funds identified above is for project (MAD 102051) which totals \$440,000 for the County of Madera, Avenue 25, Road 8 to Road 11 Shoulder Paving.</p>		
<p>As a precaution for the future, MCTC indicated in their correspondence that they are developing measures to prevent further delays and to fund projects in accordance with AB 1012 so that a potential loss of funds does not occur.</p>		