

# **State Highway Operation and Protection Program SHOPP**



**Presented to**  
**California Transportation Commission**  
**January 10, 2008**

# **Purpose of the SHOPP**

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**The purpose of the SHOPP is to maintain and preserve the investment in the State Highway System and its supporting infrastructure.**

# SHOPP Development Cycle

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# **SHOPP Challenges**

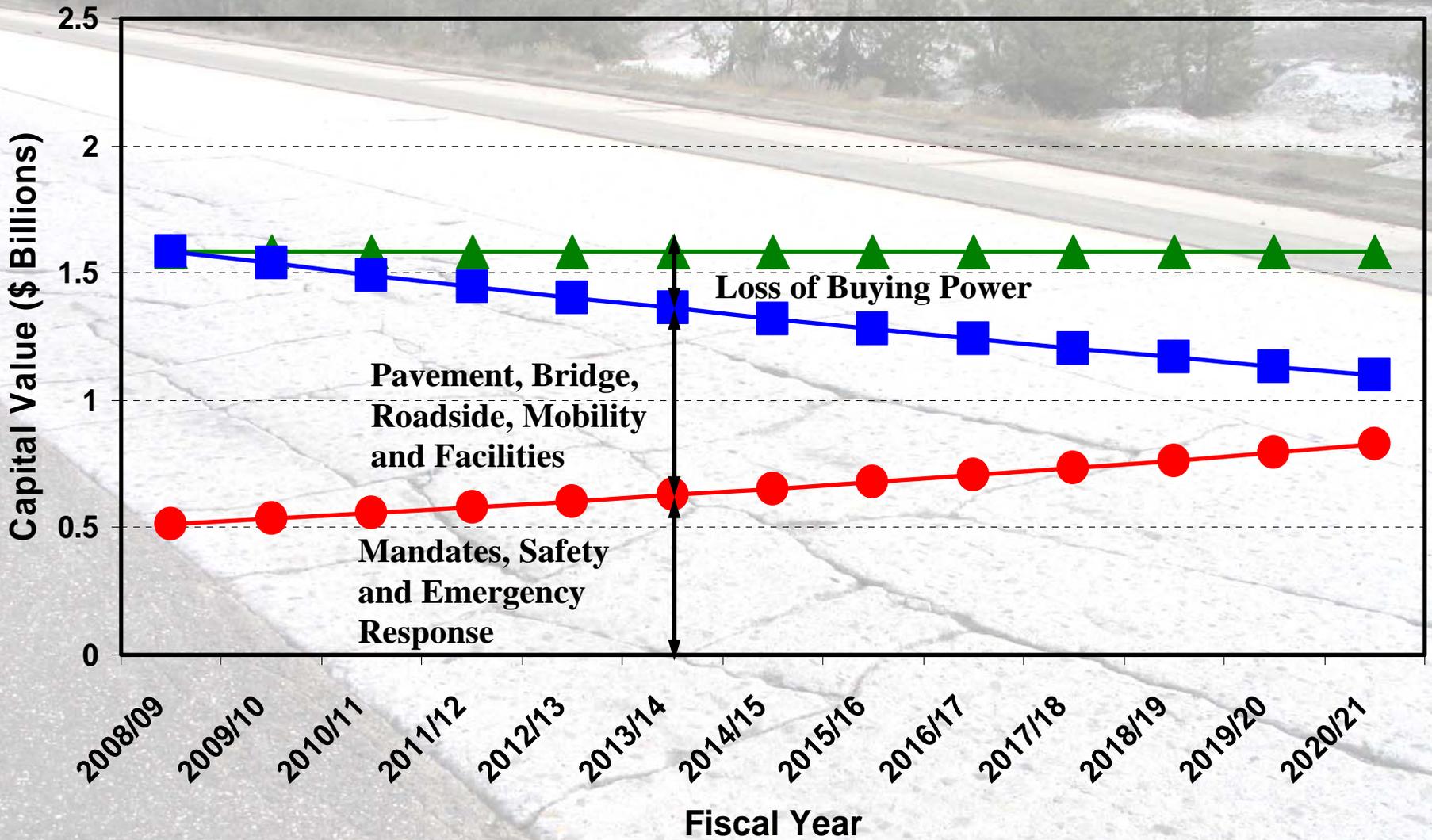
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- **Increasing Needs**
- **Flat Revenue**
- **Loss of Buying Power**

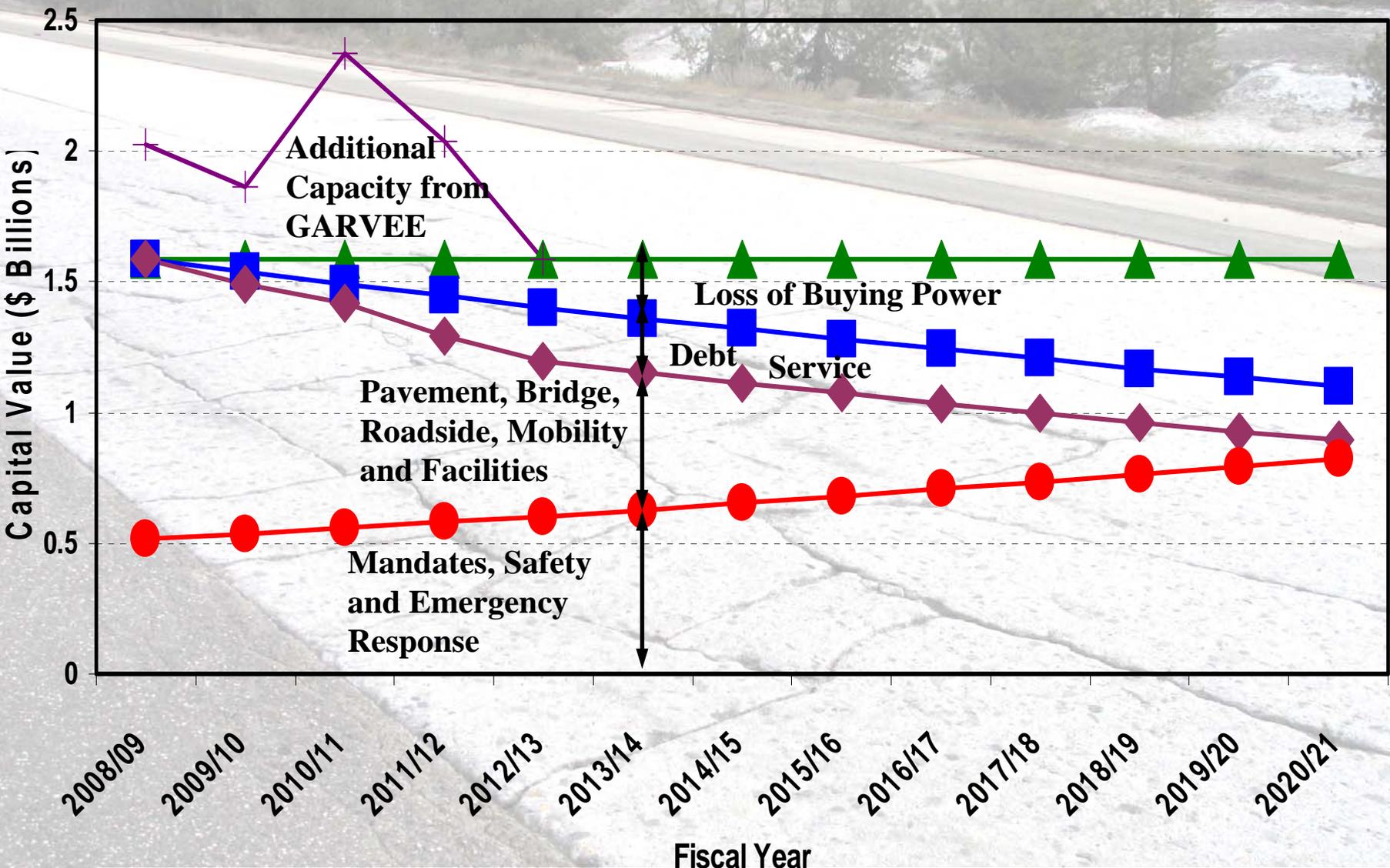
# Programmed SHOPP versus 10-Year Plan

(Does not include Capital Outlay Support)





- ▲ Sustainable SHOPP SHA Capital Allocation Level (\$1.6 Bil per year per 2008 Fund Estimate)
- Loss of Buying Power (assume 3% per year escalation)
- TREND for Mandates, Safety and Emergency Response (assume 4% per year growth rate)



- ▲ Sustainable SHOPP SHA Capital Allocation Level (\$1.6 Bil per year per 2008 Fund Estimate)
- Loss of Buying Power (assume 3% per year escalation)
- ◆ GARVEE Debt Service
- TREND for Mandates, Safety and Emergency Response (assume 4% per year growth rate)
- ✦ Additional capacity made possible by GARVEE financing

# Next Actions

(Timeline per Government Code Section 14526.5)

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- **Department submittal to the Commission by January 31, 2008**
- **Commission approval by April 1, 2008**
- **Commission submittal to the Governor and California State Legislature.**