

Tab 18



June 25, 2008

John Chalker, Chairman  
California Transportation Commission  
1120 N Street, Room 2221  
Sacramento, CA 95814

RE: Tab 18 - CMIA/SR 99 Accountability Implementation Plan,  
Supplement 1 – Financial Accountability

Dear Chairman Chalker:

The Self-Help Counties Coalition (SHCC) has reviewed the proposed CMIA/SR 99 Accountability Implementation Plan, Supplement 1 – Financial Accountability included in your agenda as Tab 18 and appreciates the opportunity to offer comments as follow up to our letter last month on this same topic.

Overall the SHCC would like to commend CTC staff on their efforts to clarify expectations and procedures associated with financial accountability and project delivery. The proposed Supplement 1 addresses many issues the SHCC felt were important including the sections related to: Quarterly Progress Reports and Corrective Plans, Project Cost Increases, and Project Cost Savings.

The SHCC would like to offer two specific comments regarding the proposed Supplement 1.

On page 2 of 5, under “Quarterly Progress Reports and Corrective Plans,” the SHCC asks the Commission consider inserting language that recognizes a degree of flexibility will be used in evaluating corrective action plans due to the general uncertainty that surrounds transportation funding sources. Some examples of where flexibility might be needed are:

- o Proportional distribution of CMIA funds when a project is split. This may not be desirable or even allowable if, for example, a landscaping job is split from construction.
- o Cash flow may need to be adjusted on a project-by-project basis, depending on fund type availability
- o Sequential funding of federal earmarks to ensure funds are not lost to the State

The SHCC recognizes and appreciates that with flexibility comes a heightened level of monitoring by Commission staff and the Project Delivery Council. The SHCC assumes that all actions related to amendments that have occurred to date will remain in place and that from today forward Supplement 1 will be implemented.

- Alameda County  
Transportation Improvement Authority
- Contra Costa County  
Transportation Authority
- Fresno County  
Transportation Authority
- Imperial Valley  
Association of Governments
- L.A. METRO
- Madera County  
Transportation Authority
- Marin County  
Transportation Authority
- Orange County  
Transportation Authority
- Riverside County  
Transportation Commission
- Sacramento  
Transportation Authority
- Sonoma County  
Transportation Authority
- San Bernardino County  
Associated Governments
- San Diego County  
Association of Governments
- San Francisco County  
Transportation Authority
- San Joaquin County  
Council of Governments
- San Mateo County  
Transportation Authority
- Santa Barbara County  
Association of Governments
- Santa Clara Valley  
Transportation Authority
- Tulare County  
Association of Governments

The SHCC supports the guidance on page 4 of 5, under "Project Cost Savings," that, "Remaining funds will be de-allocated from the project at contract award, but will remain available to address any cost increases necessary to complete the project." The CMIA savings to date identified in the staff report as the difference between Baseline Agreements and Contract Award is very good news.

More generally, the SHCC looks forward to continuing to work with the Department to develop the necessary tools and templates to ensure project reporting is timely, accurate, and helpful.

As the Commission is well aware, local/regional agencies throughout the State have long been delivering projects in the spirit of partnership by working closely with the Department and the Commission on both funding and delivery issues. The continuation of that partnership is crucial to providing the traveling public with much needed benefits for our transportation system. The SHCC believes the particular attention paid to CMIA/SR 99 projects will serve to highlight our teamwork, professionalism and drive to deliver.

Thank you for your consideration of the proposed changes to Supplement 1.

Sincerely,



Suzanne Smith  
Chair, Self-Help Counties Coalition

c: Will Kempton, Caltrans  
John Barna, CTC  
Self Help Counties Coalition Members