

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 9-10, 2009

Reference No.: 2.5h. – **REVISED**
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Norma Ortega
Chief
Division of Budgets

Subject: **FINANCIAL ALLOCATION FOR FY 2009-10 LOCAL ASSISTANCE LUMP SUM
– FEDERAL FUNDS
RESOLUTION FM-09-02**

CTC ACTION UPDATE: The California Transportation Commission approve half the requested amount, a total of \$679,056,500.

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) allocate \$1,358,113,000 of federal funds to the Department for Fiscal Year 2009-10 Local Assistance subvention budget.

ISSUE:

Each year, the Department requests an annual lump sum allocation to administer the local assistance subvention budget under the authority of the Commission. The Department is requesting the allocation of the federal portion of subvention funds, augmenting the allocation of State funds of \$128,313,000 approved on June 11, 2009, under Resolution FM-08-05.

BACKGROUND:

The Department's Division of Local Assistance administers the State and federal local assistance subvention budget under authority of the Commission. Each year, the Department requests an annual lump sum allocation for these funds consistent with the Budget Act. At the June 2009 meeting, the Commission allocated approximately \$128 million of State subvention funds, per Resolution FM-08-05.

The Department is requesting an allocation of approximately \$1.4 billion of federal subvention funds in preparation for the start of the federal fiscal year, which is October 1, 2009. The allocation of these federal subvention funds will allow the Department to suballocate projects once the federal funds are made available by the Federal Highway Administration.

The guidelines for allocating, monitoring, and auditing of funds for local assistance projects are set forth in Commission Resolution G-99-25, which is based on Government Code 14529.1. The Commission delegates to the Department the authority to adjust allocations between categories, and the Department reports to the Commission if transfers in or out of an expenditure category exceed ten percent of its allocation. Allocations made by the Commission will be revisited upon enactment of the 2010 Federal Fiscal Appropriation Act to ensure consistency in funding levels from the Federal Highway Administration.

RESOLUTION:

Resolved, that ~~\$1,358,113,000~~ **\$679,056,500** in federal funds be allocated from the Budget Act of 2009, Budget Act Item 2660-102-0890(1), in accordance with the chart below, bringing the total lump sum allocation for FY 2009-10 Local Assistance subvention budget to ~~\$1,486,426,000~~ **\$807,369,500**.

ALLOCATION OF FUNDS FOR FY 2009-10 LOCAL ASSISTANCE

Dollars in Thousands

	State	Federal	Revised Federal	Total
<u>2660-102-0042(1)</u>				
Surface Transportation Program				
(STP) State Match and Exchange	\$57,849			\$57,849
Bridge Inspection and Scour Evaluation State Match	735			735
Railroad Grade Separation	15,000			15,000
Railroad Grade Crossing Maintenance	2,000			2,000
Misc. Unassigned Local Programs	3,000			3,000
STIP Freeway Service Patrol	25,479			25,479
Safe Routes to School	24,250			24,250
Subtotal	\$128,313			\$128,313
<u>2660-102-0890(1)</u>				
Surface Transportation Program (STP)		\$423,351	\$211,676	\$211,676
Congestion Mitigation and Air Quality (CMAQ)		405,266	202,644	202,644
Seismic Bridge Retrofit		30,874	15,437	15,437
Highway Bridge Program		199,084	99,542	99,542
Bridge Inspection		2,640	1,320	1,320
Railroad Grade Crossing Protection		11,716	5,858	5,858
Highway Safety Improvement Program (HSIP)		47,212	23,606	23,606
High Risk Rural Roads (HRRR)		7,428	3,714	3,714
Safe Routes to School		20,672	10,336	10,336
Misc. Unassigned Local Programs		1,700	850	850
High Priority Projects		208,170	104,085	104,085
Subtotal		\$1,358,113	\$679,057	\$679,057
Total Local Programs	\$128,313*	\$1,358,113	\$679,057	\$807,370
*June 11, 2009 State Allocation, FM-08-05				- \$128,313
Current Allocation Approved				\$679,057