

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 27-28, 2012

Reference No.: 2.5c.(2b) - **REVISED**
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Steven Keck
Division Chief
Budgets

Subject: **FINANCIAL ALLOCATION FOR LOCALLY ADMINISTERED STIP TRANSPORTATION
ENHANCEMENT PROJECTS ON THE STATE HIGHWAY SYSTEM
RESOLUTION FP-11-82**

CTC ACTION UPDATE: The California Transportation Commission approved \$11,882,000 for the local administered Atwater-Merced Expressway Phase 1A STIP Project, with the stipulation that, should construction be programmed in the STIP, it will not be approved for State Only funding.

RECOMMENDATION:

The Department of Transportation (Department) 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 due to funding uncertainties with the construction phase. Construction is programmed for \$54,240,000 in 2015, but the funding has not been finalized. Because this is an allocation for state only funding for right-of-way, the Commission may face a similar decision for state-only funding for the construction phase. 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 \$750,000 from other sources. This is the first allocation request for the right of way phase for a relatively large project with an estimated total cost of \$74,349,000. 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 because construction funding has not yet been finalized. The Commission may find itself in the position of either state only funding \$54 million in construction or denying a project that has already received significant resources.

FINANCIAL RESOLUTION:

Resolved, that \$11,882,000 be allocated from the Budget Act of 2011, Budget Act Item 2660-301-0042 for one locally administered STIP project described on the attached vote list.

Attachment

Project # Allocation Amount Recipient <u>RTPA/CTC</u> County Dist-Co-Rte Postmile	Project Title 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.(2b) Locally Administered STIP Projects on the State Highway System				Resolution FP-11-82
1 \$11,882,000 Merced County Association of Governments <u>MCAG</u> Merced 10-Mer-99 19.3/20.9	Atwater-Merced Expressway Phase 1A. Near Atwater, from 1.2 miles south of Buhach Road to 0.3 mile north of Buhach Road. Widen to 6-lane freeway, including demolition of Buhach Road interchange, and construct new interchange. (Contributions from other sources: \$750,000.) <u>Outcome/Output:</u> Full acquisition of 12 parcels and partial acquisition of 23 others. The total right of way acquisition is approximately 81 acres. In addition, 4 acres of utility easements and 2 acres of temporary construction easements are anticipated.	10-5264A RIP / 11-12 ROW \$11,882,000 1000000045 4RWCL 0G4409	2011-12 301-0042 SHA 20.20.075.600	\$11,882,000
<p>THE DEPARTMENT DOES NOT RECOMMEND THE APPROVAL OF THIS ALLOCATION.</p> <p>APPROVED FOR FUNDING.</p>				