

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 20, 2014

Reference No.: 3.6  
Information Item

From: NORMA ORTEGA  
Chief Financial Officer

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Local Assistance

Subject: **FIRST QUARTER – BALANCE REPORT ON AB 1012 “USE IT OR LOSE IT” PROVISION FOR FEDERAL FISCAL YEAR 2012 UNOBLIGATED CMAQ AND RSTP FUNDS**

## **SUMMARY:**

As of December 31, 2013, the Regional Surface Transportation Program (RSTP) and the Congestion Mitigation and Air Quality Improvement Program (CMAQ) have approximately \$750,000 and \$3.1 million that is subject to reprogramming.

## **BACKGROUND:**

The Intermodal Surface Transportation Efficiency Act was enacted in 1991 and was in effect for six years. During that time, the Regions were able to obligate only 87 percent of their federal funding. The next Federal Highway Act, known as the Transportation Equity Act for the 21st Century (TEA-21), was signed into law in 1998. During the first two years of TEA-21, the Regions' obligation of federal funds dropped to as low as 41 percent. By October 1999, the Regions had accumulated a \$1.2 billion backlog in federal apportionments and \$854 million in Obligation Authority (OA).

Assembly Bill (AB) 1012 was enacted on October 10, 1999 (Chapter 783, Statutes of 1999), with a goal of improving the delivery of transportation projects and addressing the backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and RSTP funds not obligated within the first three years of federal eligibility are subject to redirection by the California Transportation Commission (Commission) in the fourth year in order to prevent the funds from being lost by the State.

The annual notice to the Regions, under AB 1012 “Use It or Lose It” provisions for Federal Fiscal Year (FFY) 2012 (October 1, 2011 through September 30, 2012), was released on November 20, 2013. With this notification, the total FFY 2012 funds identified as subject to reprogramming under the provisions of AB 1012 were approximately \$13.4 million. This included approximately \$6.9 million of RSTP funds and approximately \$6.5 million of CMAQ funds. As of December 31, 2013, the RSTP amount has decreased to \$747,599 and the CMAQ amount has decreased to \$3,073,684. According to the Federal Highway Administration's data, these funds will not revert until FFY 2017.

The Department is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated CMAQ and RSTP balances that have one year remaining under the AB 1012 guidelines. Beginning in FFY 2000, and continuing through FFY 2013, the Regions have delivered enough projects to obligate a minimum of 100 percent of the available OA.

Attachments

Apportionment Status Report  
CMAQ and RSTP  
as of December 31, 2013

Reference No.: 3.6  
March 20, 2014  
Attachment 1

AB 1012  
Balances entering the 3rd Year  
(from FFY 2012\*)  
Regional Report Summary

\*Previously referred to as Cycle 15

Region	CMAQ Unobligated 12/31/13 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2014 <sup>2</sup>	RSTP Unobligated 12/31/13 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2014 <sup>2</sup>
Butte	3,393,369	-	2,667,297	-
Fresno	23,088,403	-	22,347,059	-
Kern	20,059,394	68,952	21,275,544	644,351
Kings	1,680,090	-	1,856,832	-
Los Angeles	150,178,693	-	228,321,440	-
Madera <sup>4</sup>	5,898,841	2,306,956	1,824,118	-
Merced	3,295,520	-	3,101,773	-
Monterey <sup>3</sup>	-	-	6,191,109	-
Orange	42,510,238	-	30,528,486	-
Riverside	50,982,842	-	49,130,182	-
S. F. Bay Area (MTC)	50,335,910	-	49,446,432	-
Sacramento (SACOG)	31,685,084	-	38,475,392	-
San Benito <sup>3</sup>	-	-	698,662	-
San Bernardino	52,219,031	-	33,314,754	-
San Diego	18,092,642	-	36,445,822	-
San Joaquin <sup>5</sup>	9,117,174	-	8,853,132	-
San Luis Obispo	4,585,486	-	4,157,797	-
Santa Barbara <sup>3</sup>	-	-	6,174,075	-
Santa Cruz <sup>3</sup>	-	-	3,510,980	-
Stanislaus	8,369,062	-	12,399,150	-
Tahoe	918,640	-	509,672	-
Tulare	9,057,492	-	7,001,579	-
Ventura	19,559,643	-	20,288,367	-
Rural Counties & SCAG	7,892,924	697,776	21,156,977	103,247
<b>TOTAL</b>	<b>512,920,477</b>	<b>3,073,684</b>	<b>609,676,634</b>	<b>747,599</b>

**Footnotes:**

\* Balances in the 3rd year (October 1, 2013) are subject to reprogramming on November 1, 2014. These balances include the federal fiscal year 2014 "Advance" apportionments (dated November 1, 2013).

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Totals reflect balances in the third year.

<sup>3</sup> These Regions are in air quality attainment and cannot use unobligated CMAQ apportionments, which are deobligations of closed out projects. It is anticipated that any CMAQ balance that accumulates in a Region in air quality attainment will be included in a future CMAQ rescission or transferred to another Region that over-delivered prior to the end of the current federal fiscal year.

<sup>4</sup> At the December 2013 CTC meeting, Madera received a waiver to obligate a 2011 CMAQ balance of \$417,454 by May 1, 2014.

<sup>5</sup> At the January 2014 CTC meeting, the Commission redirected \$232,430 of 2011 CMAQ funding from Mariposa to San Joaquin. The redirection of the apportionments will be reflected in the forthcoming AB 1012 report for the period ending March 31, 2014.

Apportionment Status Report  
CMAQ and RSTP  
as of December 31, 2013

Reference No.: 3.6  
March 20, 2014  
Attachment 2

AB 1012  
Balances entering the 3rd Year  
(from FFY 2012\*)  
Rural Report Summary

\*Previously referred to as Cycle 15

Region	CMAQ Unobligated 12/31/13 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2014 <sup>2</sup>	RSTP Unobligated 12/31/13 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2014 <sup>2</sup>
<b>Rural County Information:</b>				
Alpine	-	-	153,886	-
Amador	672,496	24,715	487,003	-
Calaveras	382,689	-	582,347	-
Colusa	-	-	285,306	-
Del Norte	-	-	365,011	-
El Dorado	-	-	1,017,729	-
Glenn	-	-	363,999	-
Humboldt	-	-	1,691,306	-
Imperial (SCAG)	3,234,539	266,490	4,502,219	103,247
Inyo	-	-	885,491	-
Lake	-	-	804,915	-
Lassen	-	-	507,868	-
Mariposa <sup>3</sup>	716,949	406,570	248,644	-
Mendocino	-	-	1,147,575	-
Modoc	-	-	348,742	-
Mono	-	-	387,234	-
Nevada	1,013,969	-	1,209,618	-
Placer	-	-	934,620	-
Plumas	-	-	298,420	-
Shasta	-	-	2,190,896	-
Sierra	-	-	158,975	-
Siskiyou	-	-	770,100	-
Tehama	1,079,261	-	802,533	-
Trinity	-	-	312,442	-
Tuolumne	793,020	-	700,096	-
<b>Rural Combined Totals:</b>	<b>7,892,924</b>	<b>697,776</b>	<b>21,156,977</b>	<b>103,247</b>

**Footnotes:**

\* Balances in the 3rd year (October 1, 2013) are subject to reprogramming on November 1, 2014. These balances include the federal fiscal year 2014 "Advance" apportionments (dated November 1, 2013).

<sup>1</sup> Indicates all apportionments not yet obligated.

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<sup>3</sup> At the January 2014 CTC meeting, the Commission redirected \$232,430 of 2011 CMAQ funding from Mariposa to San Joaquin. The redirection of the apportionments will be reflected in the forthcoming AB 1012 report for the period ending March 31, 2014.