U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
CALIFORNIA DIVISION
650 Capitol Mall, Suite 4-100
Sacramento, CA. 95814

June 7, 2007

IN REPLY REFER TO
HDA-CA
Document #: S50565

Mr. Will Kempton, Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

Attention: Federal Resources Office, M.S. 82
For Rachel Falsetti, Division of Transportation Programming

Dear Mr. Kempton:

SUBJECT: AMBAG 2006/07 MTIP/FSTIP AMENDMENT NO. 4

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) have completed our reviews of Amendment No. 4 to the Association of Monterey Bay Area Governments (AMBAG) portion of the 2006/07-2009/10 Federal Statewide Transportation Improvement Program (FSTIP) that was submitted by your letter dated May 21, 2007. The AMBAG Board of Directors endorsed this amendment to the Monterey Bay Area Metropolitan Transportation Improvement Program (MTIP) on March 31, 2007, by approving Resolution No. 2007-6. As detailed in the enclosure to your letter, Amendment No. 4 to AMBAG's 2006/07 MTIP adds four new project listings and modifies the listings for 21 projects or grouped projects that were previously included in the AMBAG MTIP and California's FSTIP.

Pursuant to the July 15, 2004, *Memorandum of Understanding between the Federal Highway Administration, California Division, and the Federal Transit Administration, Region IX*, we accept these modifications to the 2006/07 – 2009/10 FSTIP for the AMBAG region in accordance with the Final Rule on Statewide and Metropolitan Transportation Planning that was published in the February 14, 2007, Federal Register. We find that the AMBAG's 2006/07 MTIP, through Amendment No. 4, was developed through a continuing, cooperative and comprehensive transportation planning process carried out in accordance with the metropolitan planning provisions of 23 U.S.C. 134, and 49 U.S.C. Chapter 53 as amended by Section 6001 of Public Law 109-59, the *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users* (SAFETEA-LU). The addition of this fourth year of programming revises AMBAG's 2006/07 – 2008/09 MTIP into the 2006/07 – 2009/10 MTIP. This approval does not constitute a compliance finding with the remainder of the SAFETEA-LU provisions, but constitutes approval and inclusion of the AMBAG MTIP Amendment No. 4 into California's

MOVING THE
AMERICAN
ECONOMY

2006/07 – 2009/10 FSTIP. Based upon FHWA's understanding that a gap closure analysis has been completed, AMBAG will be able to continue to amend the 2006/07 – 2009/10 FTIP beyond the SAFETEA-LU implementation deadline of July 1, 2007.

The changes proposed to the FSTIP by this amendment are associated with transportation projects proposed for implementation in an area of the State of California that is designated as attainment for Federal air quality standards and, as a consequence, is not subject to the requirement that an air quality conformity determination be made.

If you have questions or need additional information concerning our approval of this FSTIP amendment, please contact Wade Hobbs of the FHWA California Division office at (916) 498-5027, or by email at wade.hobbs@fhwa.dot.gov; or Lorraine Lerman in the FTA, Region IX office at (415) 744-2735, or by email at Lorraine.Lerman@fta.dot.gov.

Sincerely,

/s/ Leslie T. Rogers

Leslie T. Rogers
Regional Administrator
Federal Transit Administration

For
Gene K. Fong
Division Administrator
Federal Highway Administration