



U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
CALIFORNIA DIVISION
650 Capitol Mall, Suite 4-100
Sacramento, CA. 95814
September 25, 2007

IN REPLY REFER TO
HDA-CA
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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. 7

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) have completed our reviews of Amendment No. 7 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 August 21, 2007. The AMBAG Board of Directors endorsed this amendment to the Monterey Bay Area Metropolitan Transportation Improvement Program (MTIP) on June 13, 2007, by approving Resolution No. 2007-09. Based on our review of the project data associated with this amendment in the California Transportation Improvement Program System (CTIPS), Amendment No. 7 to AMBAG's 2006/07 MTIP proposes to add twenty-one new project listings, modify the listings for thirty-three projects or grouped projects that were previously included in the AMBAG MTIP and California's FSTIP, and modifies the data for three projects that are programmed outside the four year MTIP/FSTIP cycle.

Based on our review of the CTIPS data for this amendment and our subsequent follow-up discussions with the Division of Programming staff at Caltrans, we offer the following comments concerning our FSTIP approval for this amendment:

- Based on our discussions with the Caltrans Federal Programming office, the following new project listings proposed for inclusion in the FSTIP by this amendment are excluded from our approval because they have been determined to duplicate similar modifications also proposed by this amendment as part of a project listings previously approved for inclusion in the FSTIP, or as part of a new listing:



CTIPS ID

101-0000-0328 101-0000-0330
101-0000-0327 101-0000-0325
101-0000-0329

- The following projects are listed as a reserve of funding or are listed with funding beyond the four year MTIP/FSTIP cycle, and as a result, are being accepted by the FHWA and the FTA for information purposes only.

CTIPS ID

101-0000-0251 101-0000-0241
101-0000-0043 101-0000-0317

- The following projects have construction funding programmed in two or more years of the TIP cycle. Unless these projects are proposed for construction as separate contract phases in separate years, the split programming of construction phase funding between two or more years of the MTIP/FSTIP is inconsistent with the intent of the Federal Metropolitan and Statewide Planning Regulations which require that the TIPs shall include for each project or phase “The amount of Federal funds proposed to be obligated during each program year for the project or phase...” In other words, when a project construction phase will be accomplished under a single contract, all funding for the construction of the project should be programmed in the year of the TIP cycle that the E-76 will be processed for the obligation of Federal funds.

CTIPS ID

201-0000-0291 201-0000-0371
101-0000-0239 201-0000-0188
201-0000-0352 201-0000-0343
101-0000-0053 101-0000-0208
101-0000-0243 101-0000-0303
201-0000-0418 101-0000-0265

- The following project listings have been added or modified to increase the amount of funding proposed for obligation in program year 2006/07. As noted above, the Federal planning regulations require that the funds be listed in the TIP in the year they are proposed for obligation. Adding funding to a prior year (e.g. 06/07) of the current MTIP/FSTIP cycle appears contrary to the intent of the planning regulations unless those funds can be obligated in the year listed. Since the State’s 06/07 fiscal year has passed, and the 2007 Federal Fiscal year ends on September 30th, it appears unlikely that all of the additional funds listed in program year 2006/07 can be obligated in the year they are listed. We caution AMBAG to ensure funds are listed in the MTIP and FSTIP in the year they are proposed for obligation when adding or modifying the project listings in the TIP.

CTIPS ID

201-0000-0429 201-0000-0427
101-0000-0180 201-0000-0371

101-0000-0212	101-0000-0117
101-0000-0118	101-0000-0037
201-0000-0297	101-0000-0321
201-0000-0352	201-0000-0162
201-0000-0343	101-0000-0303
201-0000-0418	

- The following project listings includes comments or other information that indicates that full funding may not be reasonably available within the time period contemplated for completion of the projects. Pursuant to Federal law [23 USC 134 (j)(3)(D)], “The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.” We caution AMBAG and Caltrans to ensure that full funding is reasonably available for all projects listed in the AMBAG MTIP and FSTIP.

CTIPS ID

101-0000-0182	201-0000-0188
101-0000-0116	

- We note inconsistencies between the CTIPS data summaries included as an attachment to the AMBAG transmittal letter; the descriptions of the project modifications summarized in the AMBAG transmittal letter; and the current project data contained in the CTIPS. Because of the inconsistencies in this information we are concerned with the possibility that the AMBAG Board, like the FHWA and FTA reviewers, may have had difficulty determining what actual changes to the MTIP/FSTIP were proposed by Amendment No. 7. We caution AMBAG and Caltrans that only those modifications that are accurately presented to and subsequently adopted by the MPO Policy Board and approved by the Governor should be included in the FSTIP and MPO TIP. Further, we recommend that AMBAG and Caltrans take the appropriate steps to ensure that the information provided to the AMBAG Policy Board regarding each amendment is consistent with the corresponding project data included in the Federal Programs CTIPS data and with the project listing data included with the amendment.
- Other issues associated with projects included in this amendment:
 - Incomplete project data (i.e. Route, MPO ID, Postmile) in CTIPS (i.e. CTIPS ID: 201-0000-0035, 201-0000-0430, 201-0000-0416, 101-0000-0317, etc.).
 - Lacking or improper change reason listed in CTIPS, such as cost/scope/schedule change versus “carry over (i.e. CTIPS ID: 201-0000-0291, 201-0000-0035, 101-0000-0212, 101-0000-0251, 201-0000-0132, 201-0000-0133, 201-0000-0352, and 101-0000-0208).
 - Lack of data in numerous project listings regarding the listed projects total cost.
- In view of the duplications of project listings and inconsistencies between the CTIPS data included with the amendment and the data in the CTIPS database, we encourage

AMBAG to review and update as appropriate, the documentation of financial constraint (i.e. the financial tables) to ensure the MTIP accurately reflects the actual available revenues and programmed costs associated with the AMBAG MTIP through Amendment Number 7.

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. 7, 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 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

/s/ Steve Luxenberg

For
Gene K. Fong
Division Administrator
Federal Highway Administration

cc: (e-mail)

Kathy Urlie, AMBAG (Kurlie@ambag.org)

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cc:

AMBAG 2006-07 MTIP Binder

WEH/ac