

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 29, 2014

Reference No.: 4.15
Information

From: ANDRE BOUTROS
Executive Director

Subject: **PRESENTATION OF THE PROPOSED 2014 SHOPP**

SUMMARY:

Government Code section 14526.5.(c) requires the Department to submit to the Commission not later than January 31 of each even-numbered year the State Highway Operation and Protection Program (SHOPP). The Department submitted the Proposed 2014 SHOPP on January 10, 2014.

A draft of the 2014 SHOPP was made available to transportation planning agencies for review and comment in November 2013. The Proposed 2014 SHOPP includes comments received from the regional agencies.

Attached for Commission review and comment is the Executive Summary of the Proposed 2014 SHOPP. The entire document is available on the Department's SHOPP page at:

<http://www.dot.ca.gov/hq/transprog/shopp.htm>

Commission comments will be included in the final 2014 SHOPP to be approved at the March 2014 Commission meeting.

BACKGROUND:

Pursuant to Government Code section 14526.5.(d), the Commission shall approve and submit the SHOPP to the Legislature and the Governor not later than April 1 of each even-numbered year.

Also per section 14526.5.(d), the Commission may review the SHOPP relative to its overall adequacy, level of annual funding needed to implement the program, and the impact of those expenditures on the state transportation improvement program.

Per section 14526.5.(a), projects included in the program shall be limited to capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges which do not add a new traffic lane to the system.

Funding for the SHOPP is not subject to Sections 188 and 188.8 of the Streets and Highways Code.

Attachment



PROPOSED 2014 SHOPP

STATE HIGHWAY OPERATION AND PROTECTION PROGRAM

FISCAL YEARS 2014-15 through 2017-18

Prepared by the CALIFORNIA DEPARTMENT OF TRANSPORTATION

CALIFORNIA STATE TRANSPORTATION AGENCY

In accordance with Government Code section 14526.5

January 10, 2014

EXECUTIVE SUMMARY

The 2014 State Highway Operation and Protection Program (SHOPP) was prepared by the California Department of Transportation (Department) in accordance with Government Code section 14526.5, Streets and Highways Code section 164.6, and the strategies outlined in the Department's Policy for Management of the SHOPP. The 2014 SHOPP is a four-year program of projects for Fiscal Years (FYs) 2014-15 through 2017-18, that have the purpose of collision reduction, restoring damaged roadways, bridge preservation, roadway preservation, roadside preservation, mobility enhancement, and preservation of other transportation facilities related to the state highway system.

The 2014 SHOPP is the culmination of a two-year cycle that began with rehabilitation needs and priorities identified in the 2013 Ten-Year State Highway Operation Protection Program Plan (2013 Plan) and is constrained by the forecast of funding in the adopted 2014 State Transportation Improvement Program Fund Estimate (2014 Fund Estimate).

The adopted 2014 Fund Estimate, which relies on current law and revenue projections to estimate available funding, forecasts an average annual of \$2.3 billion of SHOPP program capacity. As described in the 2013 Plan, the estimated goal-constrained need for the rehabilitation and reconstruction of the aging state highway system is \$8.2 billion per year.^[1] As a result of the approximately \$6 billion annual shortfall, potential impacts may include delays of needed rehabilitation and reconstruction projects on the state highway system that cannot be funded, an inability to fix new and ongoing deterioration of the highways, and cost increases when needed rehabilitation work is ultimately undertaken.^[2]

The new projects selected for programming in the 2014 SHOPP are based on the highest priority statewide needs. Programming in the SHOPP is not based on county shares, historical percentages, or a predetermined formula.

Since funding is insufficient to preserve and maintain the existing transportation infrastructure, the Department will continue to focus available resources on the most critical categories of projects in the SHOPP (safety, mandates, bridge, and pavement preservation). Few improvements to maintenance facilities, repairs to roadside rest areas, and mobility improvements will be made.

^[1] Final 2013 Ten-Year State Highway Operation and Protection Program Plan, California Department of Transportation, March 2013

^[2] 2014 State Transportation Improvement Program Fund Estimate, California Department of Transportation, August 2013

**2014 State Highway Operation and Protection Program
Funding Summary for Fiscal Years 2014-15 through 2017-18**

(\$ Millions)

Program Funding	2014-15	2015-16	2016-17	2017-18	Total
2014 Fund Estimate	\$2,200	\$2,300	\$2,300	\$2,300	\$9,100
ER Reimbursement	\$140	\$140	\$140	\$140	\$560
Programmed	2014-15	2015-16	2016-17	2017-18	Total
Major Damage Restoration	200	351	12	13	577
Collision Reduction	559	670	253	229	1,712
Mandates	135	149	178	56	517
Bridge Preservation	528	566	295	457	1,847
Roadway Preservation	510	321	637	914	2,382
Mobility	17	37	125	25	204
Roadside Preservation	-	18	-	-	18
Facilities	=	=	=	=	=
Subtotal	\$1,950	\$2,112	\$1,500	\$1,694	\$7,256
Reserved	2014-15	2015-16	2016-17	2017-18	Total
Major Damage Restoration	140	140	240	240	760
Collision Reduction	20	3	59	87	168
Mandates	-	-	32	11	43
Bridge Preservation	-	29	37	33	99
Roadway Preservation	-	-	264	125	389
Mobility	-	5	-	-	6
Roadside Preservation	1	1	1	1	3
Facilities	=	=	=	=	=
Subtotal	\$161	\$178	\$633	\$497	\$1,468
Programmed and Reserved	2014-15	2015-16	2016-17	2017-18	Total
Major Damage Restoration	340	491	252	253	1,337
Collision Reduction	579	673	312	316	1,880
Mandates	135	149	210	66	560
Bridge Preservation	528	595	332	490	1,945
Roadway Preservation	510	321	901	1,039	2,771
Mobility	17	42	125	25	209
Roadside Preservation	1	19	1	1	21
Facilities	=	=	=	=	=
Subtotal	\$2,110	\$2,290	\$2,133	\$2,191	\$8,724
Minor Program Reservation	150	150	150	150	600
Program Contingency	80	-	157	99	336
Total	\$2,340	\$2,440	\$2,440	\$2,440	\$9,660

Note: The SHOPP is developed in thousands and rounded for this table. Numbers may not add due to rounding.