

Memorandum

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To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 10, 2014

Reference No.: 3.5
Information Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rihui Zhang, Chief
Division of Local Assistance

Subject: **QUARTERLY REPORT - LOCAL ASSISTANCE LUMP SUM ALLOCATION FOR THE PERIOD ENDING SEPTEMBER 30, 2014**

SUMMARY:

As of September 30, 2014, about \$1.4 billion, or 83 percent, of the \$1.68 billion that has been allocated by the California Transportation Commission (Commission) for Federal Fiscal Year (FFY) 2014 has been sub-allocated to 1,506 local projects. The majority of the sub-allocations (approximately \$1.2 billion) are for 1,033 projects in the following four categories:

- High Priority Project/Demonstration Project/ Emergency Relief – 170 projects, \$349 million
- Regional Surface Transportation Program (RSTP) – 231 projects, \$337 million
- Highway Bridge Program – 331 projects, \$305 million
- Congestion Mitigation and Air Quality Program (CMAQ) – 301 projects, \$207 million

The remaining \$198 million was sub-allocated for 473 projects in other categories (as referenced with an asterisk on the attachment).

BACKGROUND:

The California Department of Transportation's (Department) Division of Local Assistance administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation consistent with each fiscal year's Budget Act. The Commission further delegates to the Department the authority to adjust allocations between categories, and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of its allocation, per Commission Resolution G-01-08.

The category of "High Priority Project/Demonstration Project/ Emergency Relief" is over-allocated by 38 percent due to our local partner delivering more non-formula funding than originally anticipated.

The category of "Highway Safety Improvement Program (HSIP)" is over allocated by 34 percent. This was due to the federal Railroad Grade Crossing Protection Program (an HSIP sub-program) delivering more funding than originally anticipated. This program typically sub-allocates about \$10 million each year, but over \$30 million was sub-allocated in FFY 2013-14.

Consistent with historical trends, the Department anticipates using all funds allocated by the Commission for FFY 2014.

Attachment

LOCAL ASSISTANCE LUMP SUM ALLOCATIONS
Period Ending September 30, 2014
(Dollars in Thousands)

Reference No.: 3.5
December 10, 2014
Attachment

Fund Description	Commission Allocation			Total Sub-Allocations			Allocation Balance			Percent Sub-Allocated Total	Number of Total
	State	Federal	Total	State	Federal	Total	State	Federal	Total		
Local Administered & Miscellaneous Programs											
Regional Surface Transportation Program (RSTP) ¹		481,808	481,808		337,359	337,359		144,449	144,449	70%	231
Surface Transportation Program State Match and Exchange	57,849		57,849	56,532		56,532 *	1,317		1,317	98%	138
Congestion Mitigation & Air Quality Program ³		460,998	460,998		206,650	206,650		254,348	254,348	45%	301
Freeway Service Patrol	25,479		25,479	25,479		25,479 *	0		0	100%	14
High Priority Projects/Demonstration Projects/Emergency Relief		252,832	252,832		348,748	348,748		(95,916)	(95,916)	138%	170
Miscellaneous	3,250		3,250	1,810		1,810 *	1,440	-	1,440	56%	
Bridge Programs											
Bridge Inspection	735		735			0	735	0	735	0%	
National Highway Performance Program & RSTP Bridge ²		304,831	304,831		305,127	305,127		(296)	(296)	100%	331
Rail Programs											
Railroad Grade Crossing Maintenance	2,000		2,000	2,000		2,000 *	-		-	100%	1
Railroad Grade Separation	15,000		15,000	12,959		12,959 *	2,041		2,041	86%	3
Safety Programs											
Highway Safety Improvement Program		74,000	74,000		98,949	98,949 *	0	(24,949)	(24,949)	134%	317
Total Local Assistance Subvention Funds	104,313	1,574,469	1,678,782	98,780	1,296,833	1,395,613	5,533	277,636	283,169	83%	1,506

Notes

Allocations for state funds reflect the June 2013 Commission meeting vote, Item 2.5h.

Allocations for federal funds reflect the May 2014 Commission meeting vote, Item 2.5h.

The Allocation Balance is the difference between the Commission Allocations and the Total Sub-Allocations.

Total Sub-Allocations are from InfoAdvantage (accounting system).

In accordance with Commission Resolution G-01-08, the Department reports when total transfers in or out of an expenditure category exceed 10 percent of its allocation.

Assumptions:

* Indicates programs that were not discussed in Reference 3.5

¹ RSTP consists of the Surface Transportation Program subvented to local agencies, less funding set-aside for off-system bridge projects.

² Bridge projects consist of off-system bridge (about \$75 million) and bridge funding available to locals from the National Highway Performance Program (about \$230 million).

³ A State Budget Revision was executed that reduced the 2013-14 CMAQ lump sum component by \$6.33 million. This amount was subsequently transferred to the Department's Mass Transportation program (30.10).