

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE DIRECTOR

P.O. BOX 942873, MS-49

SACRAMENTO, CA 94273-0001

PHONE (916) 654-5266

FAX (916) 654-6608

TTY 711

www.dot.ca.gov



*Serious drought.
Help save water!*

July 1, 2014

Ms. Diane Boyer-Vine
Legislative Counsel
State Capitol, Room 3021
Sacramento, CA 95814

Mr. Gregory Schmidt
Secretary of the Senate
State Capitol, Room 3044
Sacramento, CA 95814

Mr. E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196
Sacramento, CA 95814

Dear Ms. Boyer-Vine and Messrs. Schmidt and Wilson:

I am pleased to transmit the California Department of Transportation's (Caltrans) "Report of Reimbursable Projects Implemented Prior to Allocation," as required by Section 14529.19(b) of the Government Code.

Caltrans has made distribution to the Legislature pursuant to Section 9795 of the Government Code. This report can be found at <http://www.dot.ca.gov/reports-legislature.htm>.

Sincerely,

A handwritten signature in blue ink, appearing to read "Malcolm Dougherty".

MALCOLM DOUGHERTY
Director

Attachments

- (1) Report to the Legislature
- (2) Project List

REPORT TO THE LEGISLATURE
REIMBURSABLE STATE TRANSPORTATION
IMPROVEMENT PROGRAM PROJECTS
IMPLEMENTED PRIOR TO ALLOCATION

APRIL 2014

Prepared by the California Department of Transportation, Division of Local Assistance

REPORT TO THE LEGISLATURE

REIMBURSABLE STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) PROJECTS IMPLEMENTED PRIOR TO ALLOCATION

PURPOSE:

This report was prepared in accordance with Section 14529.19(b) of the Government Code (GC), which states:

“Notwithstanding Section 7550.5, on July 1, 2000, and annually thereafter, the department shall compile information and report to the Legislature on the number of projects for which an agreement to transfer funds under subdivision (a) was executed and on all projects for which an agreement was not executed within the period provided under subdivision (a) and the reasons therefore. The information provided by the department shall include a description of any actions taken by the department during the prior fiscal year to streamline, expedite, and simplify the department’s process for executing the agreements to transfer funds required under subdivision (a).”

The purpose of the report is to provide the Legislature with information on efforts to help local agencies accelerate projects and receive timely reimbursement.

BACKGROUND:

Senate Bill (SB) 45, Chapter 633, Statutes of 1997, provided 75 percent of funds allocated through the State Transportation Improvement Program (STIP) for projects selected by regional agencies. The 75 Percent Program, entitled the Regional Transportation Improvement Program (RTIP), allows regional agencies to program State and federal STIP funds for projects on the State Highway System or on eligible local roads. Under the STIP guidelines, agencies must request allocation for their projects through the California Transportation Commission (CTC).

Assembly Bill (AB) 872, Chapter 572, Statutes of 1999, amended by SB 184, Chapter 462, Statutes of 2007, permits a regional or local agency to spend its own funds in order to implement projects programmed in the STIP in advance of CTC approval of project allocations. The regional or local agency will be reimbursed for the expenditures subsequent to the CTC’s approval of the allocation. Regional or local agencies have to comply with all legal requirements for the project, as specified in State and federal law. Per SB 184, Section 14529.17 of the GC, the statute is limited to projects advanced for expenditure within the current fiscal year STIP. Per AB 872, Section 14529.19 of the GC, the California Department of Transportation (Caltrans) is required to execute the program supplement agreement within 90 days from the date on which the CTC approves an allocation for the project.

AB 872 was passed in order to streamline the process by which local agencies may begin projects and was an attempt to “spend down” the large amount of dollars that had

accumulated in the State Highway Account in the late 1990s. The Legislature was concerned that the allocation process impeded the delivery of transportation projects programmed in the STIP. Local agencies could expedite a project using their own funds, with the expectation of receiving an allocation vote from the CTC. Once a project is allocated, Caltrans is required to execute an agreement within 90 days of the allocation and an agency can request reimbursement from Caltrans. This would increase the delivery of local projects within a given fiscal year.

PROJECT DATA:

Under AB 872, 22 allocations totaling \$7,990,000 were made between April 1, 2013, and March 31, 2014, for 22 projects. Detailed information about the projects is shown on the attachment to this report. Agreements for 20 projects were executed within 90 days of allocation. Caltrans sent one agreement to the local agency within the 90 day period and the agency delayed the execution of the agreement by returning the agreement after the 90 day period ended. Caltrans sent one agreement after the 90 day deadline which resulted in delayed execution of the agreement.

In April 2013, the Division of Local Assistance (DLA) updated the AB 872 agreement process. The process is now closely monitored and is tracked by the DLA's STIP Coordinator. AB 872 project agreements are considered to be the highest priority and an effort is made to process and send the agreements to the local agencies within 30 days. Throughout the past year, the DLA has increased the number of project agreements executed prior to the 90 day deadline and will continue to follow the AB 872 process.

PROGRAM CHALLENGES:

The budget difficulties faced by the State of California continue to create an unstable funding source for transportation projects. Beginning in July 2010, Caltrans implemented the Fiscal Year 2010–11 Federal-aid Project Guidelines (FPFG) and applied the FPFG to the STIP in order to maximize the use of federal funds and save State funds. In recent years, many STIP projects have been allocated with federal funds, however, the majority of AB 872 projects in past years have been for Planning, Programming, and Monitoring projects, which cannot receive federal funds and can only be funded by State funds. Agencies are invoking SB 184 in order to begin expending their own funds to continue work on projects despite the lack of State funding. The CTC made 22 allocations under AB 872 for this report period, which represents a 10 percent increase in the number of allocations reported in last year's report.

SUMMARY:

Between April 2013 and March 2014, 22 allocations were made under the provisions of AB 872 for 22 projects. Agreements for 20 projects were executed within 90 days of allocation. Caltrans sent one agreement to the local agency within the 90 day period and the execution of the agreement was delayed by the local agency. Caltrans sent one agreement after the 90 day deadline which resulted in the delayed execution of the agreement.

Report of Reimbursable STIP Projects Implemented Prior to Allocation
Allocation Period: April 1, 2013 to March 31, 2014

District	Agency Name	County Name	Project Number	PPNO	Location Description	Allocation Date	*Effective Reimb Date	Program Supplement Agreement Effective Date	Program Supplement Agreement **Amended Date	Environmental & Permits Funds	Plans, Specifications & Estimates Funds	Right of Way Funds	Construction Funds
01	Humboldt County Association of Governments	Humboldt	PPM14-6133(041)	01-2002P	PPM	8/6/2013	7/1/2013	9/9/2013		\$0	\$0	\$0	\$150,000
01	Lake County/City Area Planning Council	Lake	PPM14-6136(039)	01-3002P	PPM	8/6/2013	7/1/2013	10/31/2013		\$0	\$0	\$0	\$64,000
01	Mendocino Council of Governments	Mendocino	PPM14-6140(037)	01-4002P	PPM	8/6/2013	7/1/2013	12/2/2013		\$0	\$0	\$0	\$140,000
01	Del Norte Local Transportation Commission	Del Norte	PPM14-6130(040)	01-1032	PPM	10/8/2013	7/1/2013	11/13/2013		\$0	\$0	\$0	\$34,000
03	El Dorado County Transportation Commission	El Dorado	PPM14-6157(047)	03-0L14	PPM	6/11/2013	7/1/2013	8/15/2013		\$0	\$0	\$0	\$140,000
03	Placer County Transportation Planning Agency	Placer	PPM14-6158(060)	03-0L11	PPM	6/11/2013	7/1/2013	7/19/2013		\$0	\$0	\$0	\$142,000
03	Sacramento Area Council of Governments	Various (Sacramento, Sutter, Yolo, Yuba)	PPM14-6085(054)	03-Various	PPM	6/11/2013	7/1/2013	8/12/2013		\$0	\$0	\$0	\$827,000
03	Butte County Association of Governments	Butte	PPM14-6092(062)	03-0L16	PPM	6/11/2013	7/1/2013	8/23/2013		\$0	\$0	\$0	\$148,000
03	Nevada County Transportation Commission	Nevada	PPM14-6144(033)	03-0L83	PPM	8/6/2013	7/1/2013	10/9/2013		\$0	\$0	\$0	\$81,000
04	Metropolitan Transportation Commission	Various (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)	PPM14-6084(181)	04-Various	PPM	6/11/2013	7/1/2013	8/22/2013		\$0	\$0	\$0	\$569,000
04	Transportation Authority of Marin	Marin	PPM14-6406(013)	04-2127C	PPM	6/11/2013	7/1/2013	9/3/2013		\$0	\$0	\$0	\$200,000
04	Santa Clara Valley Transportation Authority	Santa Clara	PPM14-6264(060)	04-2255	PPM	6/11/2013	7/1/2013	8/20/2013		\$0	\$0	\$0	\$696,000
04	San Francisco County Transportation Authority	San Francisco	PPM14-6272(040)	04-2007	PPM	6/11/2013	7/1/2013	8/12/2013		\$0	\$0	\$0	\$491,000
04	Contra Costa Transportation Authority	Contra Costa	PPM14-6072(015)	04-2011O	PPM	6/11/2013	7/1/2013	8/12/2013		\$0	\$0	\$0	\$430,000
04	Sonoma County Transportation Authority	Sonoma	PPM14-6364(016)	04-0770E	PPM	6/11/2013	7/1/2013	8/9/2013		\$0	\$0	\$0	\$373,000
04	Alameda County Transportation Commission	Alameda	PPM14-6480(005)	04-2179	PPM	8/6/2013	7/1/2013	2/6/2014		\$0	\$0	\$0	\$750,000

* Date of the local agency's notification to the California Transportation Commission that identifies the local agency's intent to spend local funds in advance of an allocation.

** Executed Program Supplement Agreement amended by a Finance Letter.

Report of Reimbursable STIP Projects Implemented Prior to Allocation
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District	Agency Name	County Name	Project Number	PPNO	Location Description	Allocation Date	*Effective Reimb Date	Program Supplement Agreement Effective Date	Program Supplement Agreement **Amended Date	Environmental & Permits Funds	Plans, Specifications & Estimates Funds	Right of Way Funds	Construction Funds
05	San Luis Obispo Council of Governments	San Luis Obispo	PPM14-6096(055)	05-0942	PPM	6/11/2013	7/1/2013	8/8/2013		\$0	\$0	\$0	\$275,000
08	San Bernardino Associated Governments	San Bernardino	PPM14-6053(111)	08-9811	PPM	8/6/2013	7/1/2013	11/7/2013		\$0	\$0	\$0	\$1,200,000
09	Inyo County	Inyo	RPL-5948(081)	09-2599	West Bishop Roadway Reconstruction	8/6/2013	7/1/2013	4/23/2013	11/15/2013	\$0	\$122,000	\$0	\$0
10	Merced County Association of Governments	Merced	PPM14-6095(068)	10-5960	PPM	10/8/2013	8/12/2013	12/31/2013		\$0	\$0	\$0	\$244,000
10	Tuolumne County Transportation Council	Tuolumne	PPM14-6154(045)	10-0452	PPM	10/8/2013	8/14/2013	12/13/2013		\$0	\$0	\$0	\$60,000
11	San Diego Association of Governments	San Diego	PPM14-6066(116)	11-7402	PPM	8/6/2013	7/1/2013	9/24/2013		\$0	\$0	\$0	\$854,000
Total										\$0	\$122,000	\$0	\$7,868,000

* Date of the local agency's notification to the California Transportation Commission that identifies the local agency's intent to spend local funds in advance of an allocation.
 ** Executed Program Supplement Agreement amended by a Finance Letter.