

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 11, 2013

Reference No.: 3.12
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Local Assistance

Subject: **QUARTERLY REPORT OF AB 1012 “USE IT OR LOSE IT” PROVISION FOR FEDERAL FISCAL YEAR 2011 UNOBLIGATED CMAQ AND RSTP FUNDS**

SUMMARY:

As of March 31, 2013, the Regional Surface Transportation Program (RSTP) amount subject to redirection is about \$13.4 million. In addition, the Congestion Mitigation and Air Quality Program (CMAQ) amount subject to redirection is about \$3.1 million.

BACKGROUND:

The Intermodal Surface Transportation Efficiency Act was enacted in 1991 and was in effect for six years. During that time, the Regions were able to obligate only 87 percent of their federal funding. The next Federal Highway Act, known as the Transportation Equity Act for the 21st Century (TEA-21), was signed into law in 1998. During the first two years of TEA-21, the Regions' obligation of federal funds dropped to as low as 41 percent. By October 1999, the Regions had accumulated a \$1.2 billion backlog in federal apportionments and \$854 million in Obligation Authority (OA).

Assembly Bill (AB) 1012 was enacted on October 10, 1999 (Chapter 783, Statutes of 1999), with a goal of improving the delivery of transportation projects and addressing the backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and RSTP funds not obligated within the first three years of federal eligibility are subject to redirection by the California Transportation Commission (Commission) in the fourth year in order to prevent the funds from being lost by the State. As of March 31, 2013, there are about \$13.4 million of RSTP funds and about \$3.1 million of CMAQ funds subject to redirection. According to the Federal Highway Administration's data, these funds will not revert until Federal Fiscal Year (FFY) 2015.

The annual notice to the Regions, under AB 1012 “Use It or Lose It” provisions for FFY 2011 (October 1, 2010 through September 30, 2011), was released on December 5, 2012. With this notification, the total FFY 2011 funds identified as subject to redirection under the provisions of AB 1012 were approximately \$15 million. This included approximately \$13.7 million of RSTP funds and about \$1.2 million of CMAQ funds. As of December 31, 2012, the RSTP amount had decreased to about \$6.2 million, and the CMAQ amount had decreased to about \$900,000.

As of March 31, 2013, the RSTP amount has increased to about \$13.4 million, and the CMAQ amount has increased to about \$3.1 million. About \$7 million of this RSTP amount is due to a March 2013 \$11.8 million repayment of an interagency loan agreement between the Ventura County Transportation Commission and the Orange County Transportation Authority. Per the Regional obligation plans, all of these RSTP funds are expected to be obligated by September 30, 2013.

Of the CMAQ, about half of the \$3.1 million is due to a February 2013 \$40 million repayment of several interagency loan agreements to the Riverside County Transportation Commission (RCTC). For information, RCTC also obligated about \$35 million of CMAQ funds in February 2013. The CMAQ amount also increased due to several deobligations during the 2nd quarter of the FFY. Per the current information on the Regional obligation plans, all but about \$250,000 of the \$3.1 million of CMAQ funds is expected to be obligated by September 30, 2013. The Department has been communicating with the Regions carrying AB 1012 balances and is encouraging them to obligate funds prior to the November 1, 2013 date.

The Department is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated CMAQ and RSTP balances that have one year remaining under the AB 1012 guidelines. Beginning in FFY 2000, and continuing through FFY 2012, the Regions have delivered enough projects to obligate a minimum of 100 percent of the available OA.

Attachments

Apportionment Status Report
CMAQ and RSTP
as of March 31, 2013

Reference No.: 3.12
June 11, 2013
Attachment 1

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Regional Report Summary

*Previously referred to as Cycle 14

Region	CMAQ Unobligated 3/31/2013 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ²	RSTP Unobligated 3/31/2013 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ²
Butte	2,052,714	-	2,982,668	-
Fresno	17,860,684	-	26,173,929	4,377,555
Kern	19,765,192	592,727	21,127,898	2,238,478
Kings	1,495,284	-	2,055,261	-
Los Angeles	266,120,875	-	167,383,531	-
Madera	4,285,204	789,153	2,018,704	-
Merced	2,287,613	-	3,426,990	-
Monterey	3,136	-	6,925,275	-
Orange	47,813,367	-	22,331,762	-
Riverside	63,535,859	1,440,448	34,056,713	-
S. F. Bay Area (MTC)	35,816,968	-	45,350,303	-
Sacramento (SACOG)	13,895,410	-	30,830,623	-
San Benito	28,268	-	782,093	-
San Bernardino	40,799,953	-	44,849,174	-
San Diego	8,245,204	-	38,728,063	-
San Joaquin	7,371,088	-	6,359,938	-
San Luis Obispo	2,314,305	-	4,529,634	-
Santa Barbara	-	-	7,396,278	-
Santa Cruz	-	-	3,636,428	-
Stanislaus	8,214,698	-	11,414,808	-
Tahoe	462,782	-	568,035	-
Tulare	7,739,899	-	6,319,720	-
Ventura	7,246,561	-	26,691,272	6,808,094
Rural Counties & SCAG	5,490,891	243,772	20,920,882	-
TOTAL	562,845,954	3,066,100	536,859,980	13,424,126

Footnotes:

* Balances entered the 3rd year on October 1, 2012, and are subject to reprogramming on November 1, 2013. The March 31, 2013 balances include the federal fiscal year 2013 Revised "Advance" apportionments (dated February 22, 2013).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.

³ These Regions are in air quality attainment and cannot use unobligated CMAQ apportionments, which are deobligations of closed out projects. It is anticipated that any CMAQ balance that accumulates in a Region in air quality attainment will be included in a future CMAQ rescission or transferred to another Region that over-delivered prior to the end of the current federal fiscal year.

Apportionment Status Report
CMAQ and RSTP
as of March 31, 2013

Reference No.: 3.12
June 11, 2013
Attachment 2

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Rural Report Summary

*Previously referred to as Cycle 14

Region	CMAQ Unobligated 3/31/2013 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ²	RSTP Unobligated 3/31/2013 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ²
Rural County Information:				
Alpine	-	-	133,766	-
Amador	566,649	11,343	517,615	-
Calaveras	(137,200)	-	616,711	-
Colusa	-	-	293,536	-
Del Norte	-	-	395,904	-
El Dorado	-	-	1,261,137	-
Glenn	-	-	388,173	-
Humboldt	-	-	1,858,027	-
Imperial (SCAG)	2,236,149	-	3,392,470	-
Inyo	-	-	696,520	-
Lake	-	-	888,363	-
Lassen	-	-	481,608	-
Mariposa	559,065	232,429	248,714	-
Mendocino	-	-	1,218,576	-
Modoc	-	-	307,759	-
Mono	-	-	243,820	-
Nevada	1,029,651	-	1,344,721	-
Placer	-	-	1,176,386	-
Plumas	-	-	287,898	-
Shasta	-	-	2,441,659	-
Sierra	-	-	135,397	-
Siskiyou	-	-	698,002	-
Tehama	544,706	-	870,273	-
Trinity	-	-	265,944	-
Tuolumne	691,871	-	757,902	-
Rural Combined Totals:	5,490,891	243,772	20,920,882	-

Footnotes:

* Balances entered the 3rd year on October 1, 2012, and are subject to reprogramming on November 1, 2013. The March 31, 2013 balances include the federal fiscal year 2013 Revised "Advance" apportionments (dated February 22, 2013).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.