

DEPARTMENT OF TRANSPORTATION

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July 8, 2013

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 95817

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 www.dot.ca.gov/reports/htm.

Sincerely,

A handwritten signature in black 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 2013

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, 20 allocations totaling \$10,846,000 were made between April 1, 2012, and March 31, 2013, for 20 projects. Detailed information about the projects is shown on the attachment to this report. Agreements for seven projects were executed within 90 days of allocation. Caltrans sent two agreements to local agencies within the 90 day period; one was delayed by the local agency and both agreements were executed after the 90 day period. Caltrans sent agreements for 11 projects after the 90 day period which resulted in agreements for eight projects being signed and executed after the 90 day period. Agreements for three projects are still pending signature.

The delays in processing agreements for the 13 projects were primarily due to the need to revise master agreements for new projects, update the database used to process the project supplement agreements, and a shift in workload due to staff vacancies. The Division has streamlined the process so that AB872 projects flow through one focal point and implemented new tracking and monitoring practices to prevent delays to ensure the 90 day processing timeline is met on these projects.

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 20 allocations under AB 872 for this report period, which represents a 13 percent decrease in the number of allocations reported in last year's report.

SUMMARY:

Between April 2012 and March 2013, 20 allocations were made under the provisions of AB 872 for 20 projects. Agreements for seven projects were executed within 90 days of allocation. Caltrans sent two agreements to local agencies within the 90 day period; one was delayed by the local agency and both agreements were executed after the 90 day period. Caltrans sent agreements for 11 projects after the 90 day period which resulted in agreements for eight projects being signed and executed after the 90 day period. Agreements for three projects are still pending signature.

**Report of Reimbursable STIP Projects Implemented Prior to Allocation
Allocation Period: April 1, 2012 to March 31, 2013**

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
03	Placer County Transportation Planning Agency	Placer	PPM13-6158(055)	03-0L11	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	10/17/2012		\$0	\$0	\$0	\$143,000
03	Sacramento Area Council of Governments	Various (Sacramento, Sutter, Yolo, Yuba)	PPM13-6085(050)	03-0L41	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	10/25/2012		\$0	\$0	\$0	\$828,000
03	Nevada County Transportation Commission	Nevada	PPM13-6144(031)	03-0L83	Planning, Programming, and Monitoring	9/27/2012	7/1/2012	11/1/2012		\$0	\$0	\$0	\$81,000
04	Metropolitan Transportation Commission	Various (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)	PPM13-6084(174)	04-2100	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	9/20/2012		\$0	\$0	\$0	\$550,000
04	Alameda County Transportation Commission	Alameda	PPM13-6480(002)	04-2179	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	10/15/2012		\$0	\$0	\$0	\$1,563,000
04	Contra Costa County Transportation Authority	Contra Costa	PPM13-6072(013)	04-20110	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	11/28/2012		\$0	\$0	\$0	\$430,000
04	Transportation Authority of Marin	Marin	PPM13-6406(012)	04-2127C	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	11/28/2012		\$0	\$0	\$0	\$239,000
04	Napa County Transportation Planning Agency	Napa	PPM13-6429(011)	04-1003E	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	pending		\$0	\$0	\$0	\$69,000
04	Santa Clara Valley Transportation Authority	Santa Clara	PPM13-6264(054)	04-2255	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	9/4/2012		\$0	\$0	\$0	\$696,000
04	San Francisco County Transportation Authority	San Francisco	PPM13-6272(038)	04-2007	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	12/5/2012		\$0	\$0	\$0	\$530,000
04	Solano County Transportation Authority	Solano	PPM13-6249(032)	04-2263	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	8/23/2012		\$0	\$0	\$0	\$229,000
04	Sonoma County Transportation Authority	Sonoma	PPM13-6364(013)	04-0770E	Planning, Programming, and Monitoring	6/28/2012	7/1/2012	8/21/2012		\$0	\$0	\$0	\$374,000
02	Trinity County Santa Cruz	Trinity	RPSTPLE-5905(072)	02-2487	Lowden Park to Senior Center Bike/Pedestrian Path	8/22/2012	7/1/2012	1/20/2009	10/16/2012	\$0	\$60,000	\$100,000	\$0
05	Santa Cruz County	Santa Cruz	RPSTPLE-5936(088)	05-2304	Calabasas Road Improvements	8/22/2012	8/1/2012	1/18/2013		\$0	\$0	\$0	\$1,050,000

* 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
Allocation Period: April 1, 2012 to March 31, 2013**

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	Council of San Benito county Governments	San Benito	PPM13-6060(065)	05-2043	Planning, Programming, and Monitoring	8/22/2012	7/1/2012	1/31/2013		\$0	\$0	\$0	\$45,000
05	San Luis Obispo Council of Governments	San Luis Obispo	PPM13-6096(054)	05-0942	Planning, Programming, and Monitoring	8/22/2012	7/1/2012	1/31/2013		\$0	\$0	\$0	\$300,000
08	San Bernardino Associated Governments	San Bernardino	PPM13-6053(106)	08-9811	Planning, Programming, and Monitoring	9/27/2012	7/11/2012	pending		\$0	\$0	\$0	\$1,200,000
10	Tuolumne County Transportation Council	Tuolumne	PPM13-6154(043)	10-0452	Planning, Programming, and Monitoring	8/22/2012	7/1/2012	10/8/2012		\$0	\$0	\$0	\$60,000
11	San Diego Association of Governments	San Diego	PPM13-6066(111)	11-7402	Planning, Programming, and Monitoring	8/22/2012	7/1/2012	pending		\$0	\$0	\$0	\$854,000
12	Orange County Transportation Authority	Orange	PPM13-6071(081)	12-2132	Planning, Programming, and Monitoring	8/22/2012	7/1/2012	2/25/2013		\$0	\$0	\$0	\$1,445,000
Total										\$0	\$60,000	\$100,000	\$10,686,000

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