

Memorandum

To: Chairman and Commissioners

Date: September 10, 2003

From: Diane C. Eidam

BOOK ITEM 3.12
INFORMATION

Ref: Report on AB 3090 Cash Reimbursements and GARVEE Debt Service

The attached chart presents the status of the Commission's cash commitments by fiscal year for AB 3090 reimbursements and for the payment of GARVEE bond debt service. These commitments now stand at \$74 million for FY 2004-05 and over \$100 million in each year from FY 2005-06 through FY 2008-09. In light of current cash flow projections, the suspension of project allocations, and the prospect of postponing projects through the 2004 STIP, the Commission may wish to consider the demands and implications of these commitments before approving additional commitments. Each new commitment of cash for either debt service or reimbursement means a priority commitment to one project that will delay the funding of other projects.

Under a GARVEE bond arrangement, the state issues bonds to pay the Federal portion of current project costs, with debt service on the bonds to be paid from future Federal transportation funds that would otherwise come to the STIP and SHOPP. The payment of GARVEE debt service takes precedent over payment for any other STIP or SHOPP purpose.

Under an AB 3090 arrangement, a local agency agrees to use local funds to cover the costs of a current STIP project. An AB 3090 arrangement may call for either an AB 3090 replacement project or an AB 3090 cash reimbursement. In the case of an AB 3090 replacement project, the local agency is programmed to receive a replacement project, usually in the year the original project was programmed. The replacement project has the same programming priority as the original project. In the case of an AB 3090 cash reimbursement, however, the local agency is programmed to receive a cash reimbursement in a specific fiscal year, and that reimbursement is guaranteed priority over any other STIP project allocation for that fiscal year.

In April 2003, the Commission adopted a policy that generally gives preference to AB 3090 replacement projects over cash reimbursements. In May 2003, the Commission amended that policy to limit cash reimbursements to more than \$200 million in any one fiscal year statewide and to no more than \$50 million in any one fiscal year for any one region. That policy did not address the cash demands of GARVEE bond debt service.

STIP CASH COMMITMENTS, AB 3090 AND GARVEE DEBT SERVICE

(\$1,000's)

County	Agency	PPNO	Project	Total	Project Totals by Fiscal Year					
					FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
AB 3090 Cash Reimbursements, Approved in Prior Programming										
Alameda	Caltrans	16R	AB 3090 reimbursement (880 HOV)(02S-74A)	11,800	0	11,800	0	0		
Los Angeles	LACMTA	3358	AB 3090 reimbursement (0S-52)(Eastside)	175,000	0	0	43,600	43,800	43,800	43,800
Los Angeles	LACMTA	9001	AB 3090 reimbursement (02S-63)(FY 03 PPM)	3,837	0	3,837	0	0	0	0
Sacramento	Sacramento	9L02A	AB 3090 reimbursement (02S-89)(N 3rd, Vine, recon)	1,891	0	1,891	0	0	0	0
SUBTOTAL:				192,528	0	17,528	43,600	43,800	43,800	43,800
GARVEE Debt Service, September Agenda for Allocation Approval										
Riverside	Caltrans	121D	GARVEE debt (Rt 215, El Cerrito- Rt 60/91)(RIP, 85%)	109,403	0	14,986	17,025	25,805	25,798	25,789
Riverside	Caltrans	121D	GARVEE debt (Rt 215, El Cerrito- Rt 60/91)(IIP, 15%)	19,305	0	2,644	3,004	4,554	4,552	4,551
San Diego	Caltrans	672	GARVEE debt (Rt 15, mid seg)(RIP 75%)(02S-51)	85,400	0	17,080	17,080	17,080	17,080	17,080
San Diego	Caltrans	672	GARVEE debt (Rt 15, mid seg)(IIP 25%)(02S-51)	28,465	0	5,693	5,693	5,693	5,693	5,693
Santa Clara	SCVTA	409C	GARVEE debt (Rt 880 Coleman)(02S-60)	39,210	0	7,842	7,842	7,842	7,842	7,842
SUBTOTAL:				281,783	0	48,245	50,644	60,974	60,965	60,955
AB 3090 Cash Reimbursements, September Agenda for Program Approval										
Riverside	Caltrans	121D	AB 3090 reimbursement (Rt 60/91/215)(02S-102)(RIP, 85%)	26,625	0	0	0	26,625	0	0
Riverside	Caltrans	121D	AB 3090 reimbursement (Rt 60/91/215)(02S-102)(IIP, 15%)	4,699	0	0	0	4,699	0	0
SUBTOTAL:				31,324	0	0	0	31,324	0	0
GARVEE Debt Service, Other Programming Approved										
Santa Clara	SCVTA	443N	GARVEE debt (Rt 87 HOV North, Julian-Rt 280)(02S-60)	20,720	720	4,000	4,000	4,000	4,000	4,000
Santa Clara	SCVTA	443S	GARVEE debt (Rt 87 HOV, Rt 280-Rt 85)(02S-60)	24,328	828	4,700	4,700	4,700	4,700	4,700
SUBTOTAL:				45,048	1,548	8,700	8,700	8,700	8,700	8,700
AB 3090 Cash Reimbursement, Proposal on September Agenda for Notice										
Los Angeles	SGVCOG	2318	Alameda Corr East, Temple St train diversion (SO)	1,766	0	0	1,766	0	0	0
TOTAL, PROGRAMMED AND PENDING:				552,449	1,548	74,473	104,710	144,798	113,465	113,455

SUMMARY BY COUNTY

County	Total	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Alameda	11,800	0	11,800	0	0	0	0
Los Angeles	180,603	0	3,837	45,366	43,800	43,800	43,800
Riverside	160,032	0	17,630	20,029	61,683	30,350	30,340
Sacramento	1,891	0	1,891	0	0	0	0
San Diego	113,865	0	22,773	22,773	22,773	22,773	22,773
Santa Clara	84,258	1,548	16,542	16,542	16,542	16,542	16,542
Total	552,449	1,548	74,473	104,710	144,798	113,465	113,455