

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 26-27, 2012

Reference No.: 3.3
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Recovery Act

Subject: **UPDATE ON IMPLEMENTATION OF RECOVERY ACT OF 2009**

SUMMARY:

The California Department of Transportation (Department) is implementing the American Recovery and Reinvestment Act of 2009 (Recovery Act) and has committed to report to the California Transportation Commission (Commission) as to the status of the implementation. This includes reporting on the amount of Recovery Act funds certified, obligated and awarded for state and local highway and transit projects to date. Attached is the current status report for state and regional agency projects as of July 31, 2012 or noted on attachments.

BACKGROUND:

The Recovery Act is a job and economic stimulus bill intended to help restart the nation's economy and stimulate employment during the worst economic downturn in over 70 years. In drafting this bill, President Obama and Congress recognized that investment in transportation infrastructure is one of the ways to create and sustain jobs, stimulate economic development, and leave a legacy to support the financial well-being of the generations to come. Nationally, the bill provides more than \$48 billion for transportation infrastructure and the state transportation departments and stakeholders were tasked to quickly move forward with mobility projects that bring real value to the local, state, and national economy.

The Recovery Act apportions, in formula programs, approximately \$2.57 billion for highways, local streets and roads in California. These funds are segregated by federal and state law to provide approximately \$1.6 billion to the regions (including \$48 million for Transportation Enhancement) and \$964 million to the state (including \$29 million for Transportation Enhancement). As of the September 30, 2010 obligation deadline, all remaining apportionments were obligated on 982 federally eligible projects.

California has received apportionments for transit formula grants in the amount of \$1.068 billion for urban (Section 5307), non-urban (Section 5311) and fixed guideway (Section 5309) projects. As of the September 30 2010 deadline, all apportionments have been obligated to eligible transit projects.

The Recovery Act also provides \$8 billion nationally for Capital Assistance for High Speed Rail Corridors. In late January of 2010, the Federal Railroad Administration announced that the San Diego-Los Angeles-San Luis Obispo (Surf liner), Oakland-Sacramento (Capital) corridors and the statewide upgrade of emissions control for locomotives received approximately \$165 million in funding for specific projects. The rail funds remain available until September 30, 2012. The Department has obligated approximately \$165 million for ten projects.

The Department was also awarded \$951,431, by the US Environmental Protection Agency, from the National Clean Diesel Grant Program to retrofit 55 non-road engines with emission control devices. The Department also received \$1.4 million for On the Job Training Supportive Services (OJTSS) for nine projects; the Federal Highway Administration and the Department determined five projects do not meet the requirements of the OJTSS Grant Program and as of June 30, 2011, all five projects were de-obligated. In addition, California airports have directly received approximately \$ 84.4 million in aviation grants for 22 projects.

The Recovery Act provides \$1.5 billion available nationally under the Transportation Investment Generating Economic Recovery (TIGER) program for competitive discretionary grants for highway, public transportation, rail, and port infrastructure projects. On February 17, 2010, California received awards for four projects that total \$130 million in TIGER funds, which leverage \$1.76 billion in total funds. These projects and TIGER awards recipients are the Doyle Drive Replacement project in the city of San Francisco, \$46 million; the State Route 905 project near Otay Mesa in San Diego County, \$20.2 million; the Alameda Corridor East – Colton Crossing project \$33.8 million; and the Green Trade Corridor Marine Highway project at the Ports of Oakland, Stockton and West Sacramento, \$30 million. As of December 2010, funds for the three TIGER projects that flow through the Department have been obligated as follows: \$33.8 million was obligated for the Alameda Corridor East project (Colton Crossing); \$46 million was obligated for the Doyle Drive Replacement Project; and of the \$20.2 million obligated for the State Route 905 project near Otay Mesa in San Diego County, approximately, \$2.3 million has been de-obligated due to a favorable bid environment.

The Department adjusted the obligation amount for 6 projects by \$1.6 million. These “upward cost adjustments” are allowed by FHWA to cover cost increases for Recovery Act funded projects. The Department is able to use up to the State’s share or ceiling amount of \$2.3 million, provided there are funds available due to de-obligations of Recovery Act funds. The majority of the funds de-obligated are savings due to projects being closed and it is anticipated that additional funds will be de-obligated as more projects are closed out.

Attachments

Recovery Act - Highways Program																	
July 31, 2012																	
Appropriation ¹		Obligations								Awards ³			Outlays ⁵		Closed	Forecast of Inactive Obligations ⁶	
		Recovery Dollars	Appropriation Source	Projects ^(2A)	Recovery Dollars ² 9/30/2010	Projects Deobligated	Deobligations ¹²	Total Recovery Dollars	Obligation Adjustments ^{2B}	Adjusted Total Recovery Dollars	Projects	Recovery Dollars	Total Leveraged Dollars ⁴	Projects	Recovery Dollars	Projects	Projects
State ⁹	\$972,275,620	State Highway System Projects															
		State	94	\$708,151,180	17	\$ 4,298,783	\$703,852,397		\$703,852,397	94	\$703,852,398	\$828,381,063	94	\$636,361,123	18		
		State (Locally Administered) ¹¹	5	\$9,577,570			\$9,577,570	\$70,181	\$9,647,751	5	\$9,647,751	\$12,741,189	5	\$8,376,183			
		State & Region (State and Region \$) ⁷	7	\$572,205,891			\$572,205,891	\$469,712	\$572,675,603	7	\$572,675,603	\$1,373,524,251	7	\$505,775,571			
		Region (State Administered, Region \$)	16	\$303,410,205.00	1	\$84,000	\$303,326,205		\$303,326,205	16	\$303,326,204	\$387,771,208	16	\$259,301,024			
		Region ⁸ (Region \$)	20	\$78,501,879	2	\$49,642,410	\$78,452,237		\$78,452,237	20	\$78,452,237	\$167,617,731	20	\$66,998,131	3		
		Subtotal	142	\$1,671,846,725	20	\$4,432,425	\$1,667,414,300	\$539,893	\$1,667,954,193	142	\$1,667,954,193	\$2,770,035,442	142	\$1,476,812,032	21	0	\$0
Region ⁹	\$1,597,292,700	Local Highway System Projects ⁸															
		Region	837	\$865,277,740	299	\$15,065,779	\$850,211,961	\$1,067,178	\$851,279,139	835	\$851,279,139	\$1,095,515,982	834	\$799,781,882	641	1	\$51,751
		State & Region (State and Region \$)	2	\$2,501,985			\$2,501,985		\$2,501,985	2	\$2,501,985	\$3,516,730	2	\$2,501,985	1		
		State	1	\$1,200,000			\$1,200,000		\$1,200,000	1	\$1,200,000	\$1,200,000	1	\$1,200,000			
		Subtotal	840	\$868,979,725	299	\$15,065,779	\$853,913,946	\$1,067,178	\$854,981,124	838	\$854,981,124	\$1,100,232,712	837	\$803,483,867	642	1	\$51,751
Flex ¹⁰	(\$28,741,870)																
Total	\$2,540,826,450	Total	982	\$2,540,826,450	319	\$19,498,204	\$2,521,328,246	\$1,607,071	\$2,522,935,317	980	\$2,522,935,317	\$3,870,268,154	979	\$ 2,280,295,900	663	1	\$51,751
		Total State Obligation				\$972,275,620											
		Total Region Obligation				\$1,568,516,813											

¹ Total funds apportioned to state by FHWA and as distributed by California law AB 3X-20 (\$2,569,568,320)

² Obligations as of September 30, 2010

^{2A} Includes number of projects obligated as of September 30, 2010 deadline to obligate funds. Two projects were withdrawn after this date

^{2B} Increase in Obligation amounts as allowed by Upward Cost Adjustments. California's ceiling is \$2.3 million provided funds are available due to deobligations

³ Construction contracts awarded-assumes obligation amount

⁴ Total Leveraged Dollars include all fund sources

⁵ Outlays are eligible project expenditures reimbursed by FHWA

⁶ Forecast of Inactive Obligations are projects at risk of deobligation if expenditures are not reimbursed by FHWA within 90 days. The at risk day is based on the obligation amount and date, last reimbursed expenditure date Projects will be removed from this summary once the reimbursement is made by the FHWA. Data as of August 29, 2012. Project for: Marysville

⁷ Projects administered by Caltrans, Region, or Local agency

⁸ Projects administered by Region or Local agency

⁹ Original appropriation is shown as provided by FHWA & AB 3X-20. At the request of the Regions, the appropriation is reduced by FHWA Flex Funds transferred to FTA for transit projects

¹⁰ FHWA Funds transferred by Regions from FHWA to FTA for transit projects

¹¹ Transportation Enhancement funds made available for eligible projects on the state highway system

¹² Deobligations due to project savings, project close out, or projects withdrawn (2) after September 30, 2010

Recovery Act Program - Non Highway Programs July 31, 2012

Reference No.: 3.3
September 26-27, 2012
Attachment 2

TIGER (Discretionary) - USDOT						
Nationally Available Grants		\$1,500,000,000				
Project	TIGER Awards	Total Leveraged Dollars	Obligations by CT	Outlays	Deobligations	Forecast of Inactive Obligations ⁹
Doyle Drive Replacement (US-101)	\$46,000,000	\$1,045,000,000	\$46,000,000	\$23,142,417		
Otay Mesa POE (805/905 Interchange)	\$20,200,000	\$198,300,000	\$20,200,000	\$16,599,852	\$2,293,686	
Alameda Corridor East - Colton Crossing	\$33,800,000	\$449,000,000	\$33,800,000	\$12,231,685		
CA Green Trade Corridor Marine Highway ⁸	\$30,000,000	\$69,300,000				
Total	\$130,000,000	\$1,761,600,000	\$100,000,000	\$51,973,954	\$2,293,686	

NATIONAL CLEAN DIESEL GRANT PROGRAM (Discretionary) - USEPA			
Division of Equipment Grant from US EPA for Engine Emission Retrofit			
Non-Road Engines	Awarded Amount	Encumbrances	Outlays
55	\$951,431	\$951,431	\$885,550

HIGH SPEED & INTERCITY PASSENGER RAIL (Discretionary) - FRA							
Nationally Available Grants ⁵		\$ 8,000,000,000					
Track	Applications	Requested Recovery Dollars	Projects Awarded	Awarded Amount	Projects Obligated	Obligations	Outlays ¹⁰
1	38	\$1,149,322,000	10	\$164,905,755	10	\$164,905,755	\$22,008,406
Total	38	\$1,149,322,000	10	\$164,905,755	10	\$164,905,755	\$22,008,406

AVIATION (Discretionary) - FAA			
Nationally Available Grants		\$1,300,000,000	
Projects	Awarded Amount ⁴	Obligations	Outlays
22	\$84,408,537	<i>Grants awarded by FAA directly to airports</i>	

ON-THE-JOB TRAINING / SUPPORTIVE SERVICES (Discretionary) - FHWA ⁷						
Projects	Awarded Amount	Obligations by CT	Projects Deobligated	Deobligations	Adjusted Obligations	Outlays
9	\$1,440,979	\$1,440,979	5	\$533,057	\$907,922	\$533,557

FEDERAL TRANSIT (Formula Distribution) - FTA				
Program	Projects	Recovery Dollars ¹	Obligations by CT ²	Outlays
5307 ³		\$968,313,640		
5307 Flex ⁶		\$26,764,736		
5309 ³		\$66,171,889		
5309 Flex ⁶		\$3,200,000		
5311	136	\$33,963,166	\$33,963,166	\$30,358,747
5311 Flex ⁶	2	\$1,977,134	\$1,977,134	\$1,977,134
Total	138	\$1,100,390,565	\$35,940,300	\$32,335,881

¹ Total funds apportioned to state by FTA.

² Commitment by FTA to reimburse eligible project expenditures

³ Grants awarded by FTA directly to transit agencies

⁴ Grants awarded by FAA directly to airports. Reflect most current award amounts

⁵ FRA allocates funds to specific projects

⁶ FHWA Funds transferred by regions from FHWA to FTA for transit projects. Amount total \$28,741,870.

⁷ On-the-Job Training - Support Services Grant for training centers

⁸ Grant funding does not flow through the Department

⁹ Forecast of Inactive Obligations are projects at risk of deobligation if expenditures are not reimbursed by FHWA within 90 days. The at risk day is based on the obligation amount and date, last reimbursed expenditure date. Projects will be removed from this summary once the reimbursement is made by the FHWA - no projects at risk as of August 29, 2012.

¹⁰ FRA Expenditures as of 07-31-12