

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 24, 2012

Reference No.: 4.13
Information

From: BIMLA G. RHINEHART
Executive Director

Subject: **UPDATE ON THE STATE TRANSPORTATION IMPROVEMENT PROGRAM AB 3090 PLAN**

ISSUE:

The Commission, in amendments to the 2012 STIP guidelines adopted on June 27, 2012, directed Commission staff to develop an AB 3090 plan of projects. The AB 3090 plan includes projects for which regions intend to request an AB 3090 reimbursement in order to advance the project into 2012-13 or 2013-14 and the proposed reimbursement schedule. The AB 3090 plan is intended to be a plan not a commitment. The inclusion of a project in the plan is not a commitment by the regional agency to request an AB 3090 reimbursement. Similarly, the inclusion of a project in the list is not an endorsement or recommendation by Commission staff, or approval by the Commission.

Below is a summary of the projects submitted for the AB 3090 plan. In general, staff believes that reimbursements for AB 3090 arrangements should be spread over multiple years consistent as indicated in the 2012 STIP guidelines. In the attached table, staff has indicated alternate reimbursement schedules that more closely approximate the expenditure of funds used to estimate program capacity in the fund estimate (0% in the year programmed, 20% in the year programmed +1, 50% in the year programmed +2, 30% in the year programmed +3). Spreading the repayments in this manner will reduce the impact to other programmed projects should it be necessary to fund the reimbursement with state cash.

Alameda, Route 84, Expressway Widening Segment 2, Ruby Hill-Concannon (PPNO 81H)

The Alameda County Transportation Commission is proposing to advance \$37.030 million from 2016-17 to 2013-14 using local measure funds. This project is programmed for \$2.179 million in Transportation Enhancement (TE) programming and \$34,851 in non-TE (Highway) programming. Issue: Depending upon the outcome of possible state legislation to implement new federal Surface Transportation Act (Moving Ahead for Progress in the 21st Century or MAP-21), an AB 3090 arrangement might not be required to advance the TE portion of this project.

Los Angeles, Crenshaw/LAX rail line, (PPNO 4027)

The Los Angeles County Metropolitan Transportation Authority is proposing to advance \$34.4 million from 2016-17 to 2013-14 using local measure funds.

Issue: It is unclear if the project would be impacted if an AB 3090 reimbursement were delayed (a risk with the uncertain federal funding).

Marin, Route 101, HOV lanes, landscaping (PPNO 342L)

The Transportation Agency of Marin is proposing to advance a \$175,000 portion of this \$3.9 million project using local private funds. \$40,000 of the advancement would be for project design (PS&E).

Issues: AB 3090 reimbursement arrangement make repayments the highest priority in the STIP. Therefore, projects approved for an AB 3090 reimbursement arrangement should be high priority projects. In the past, the Commission has not placed a high priority on landscaping projects. Also, in the past the Commission has placed a high priority on construction not preconstruction funding.

Orange, Route 5, HOV lanes, San Clemente, Av Pico-Av Vista Hermosa (PPNO 2531D)

The Orange County Transportation Authority is proposing to advance \$61 million from 2014-15 to 2012-13 using local measure funds.

Tahoe RPA, Route 28 Kings Beach Commercial Core Improvements (PPNO 4679)

The Tahoe Regional Planning Agency is proposing to advance \$5.168 million from 2014-15 to 2013-14 using traffic impact fees.

Issue: Funding for this projects as been proposed in the Proposition 1B State-Local Partnership Program. Funds for this program must be allocated by June 30, 2013, therefore this project would need to be advanced into 2012-13 (not 2013-14).

Ventura, Route 101, L.A. County Line - Route 23, Improvements phase 1 (PPNO 2291)

The Ventura County Transportation Commission is proposing to advance \$20 million from 2015-16 to 2012-13 using General Fund revenues from the City of Thousand Oaks.

BACKGROUND:

Under Government Code Section 14529.7, as amended by AB (Assembly Bill) 3090 (Chapter 1243, Statutes of 1992), the Commission, the Department, a regional agency, and a local agency may enter into either one of two types of arrangements under which a local agency pays for the delivery of a STIP project with its own funds in advance of the year in which the project is programmed. These arrangements are typically referred to as an "AB 3090 reimbursement" or an "AB 3090 replacement project".

Under the first type of arrangement, a local agency advances a STIP project and has another project or projects of equivalent value programmed in its place. These arrangements are implemented by a STIP amendment designating the specified dollar amount for an "AB 3090 replacement project" without identifying the specific project to be implemented as the replacement.

Under the second type of arrangement, a local agency advances a STIP project and is programmed to receive a direct cash reimbursement. Those arrangements are implemented by a STIP amendment that gives approval to the Department to execute a reimbursement agreement and programs the reimbursement for the fiscal year in which the project was scheduled in the STIP or a later year.

Scheduled project reimbursements have the highest STIP priority among projects programmed within a fiscal year.

On June 27, 2012 the Commission adopted amendments to the 2012 STIP guidelines adopted related to the approval of AB 3090 reimbursement arrangements. The amendments:

- Expanded the preference in AB 3090 arrangements to include AB 3090 reimbursements using federal funds and the local advance construction process.
- Noted that while scheduled project reimbursements have the highest STIP priority among projects programmed within a fiscal year, the reimbursements are subject to the availability of the appropriate fund type (e.g. federal funds).
- Stated that in most cases, reimbursements will be programmed over several years and that the Department may pay the reimbursements quarterly.
- Stated that Commission staff will develop an “AB 3090 Plan” which will include projects for which regions intend to request an AB 3090 reimbursement in order to advance the project into 2012-13 or 2013-14.
- Updated the period to award to be consistent with the Commission current timely use of funds policy for other STIP projects
- Provided flexibility for a region that is unable to explicitly find that the project to be advanced is the region’s highest priority among STIP projects programmed for that fiscal year.
- For a current year request, required that the region explain why the project cannot be advanced using the SB 184 reimbursement allocation process (as described in section 64A of the STIP Guidelines).
- Deleted from the STIP Guidelines a paragraph regarding the use of RSTP or CMAQ funds for an AB 3090 replacement project.
- Stated that the Commission intends to evaluate the limit on AB 3090 reimbursements arrangements biennially as a part of the STIP fund estimate and STIP guidelines.
- Stated that a local agency may request the approval of an AB 3090 reimbursement arrangement that exceeds the county or fiscal year limits. The Commission will consider such requests on a case-by-case basis. In evaluating such requests, the Commission will weigh the impact exceeding the limits might have on the allocation of other STIP projects

Attachment

