

# Memorandum

**TAB 86**

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25, 2014

Reference No.: 3.5  
Information Item

From: NORMA ORTEGA  
Chief Financial Officer

Prepared by: Rihui Zhang, Chief  
Division of Local Assistance

Subject: **QUARTERLY REPORT - LOCAL ASSISTANCE LUMP SUM ALLOCATION FOR THE PERIOD ENDING MARCH 31, 2014**

## **SUMMARY:**

As of March 31, 2014, about \$472 million, or 55 percent, of the \$857 million that has been allocated by the California Transportation Commission (Commission) for Federal Fiscal Year (FFY) 2014 has been sub-allocated to 418 local projects. The majority of the sub-allocations (approximately \$428 million) are for 315 projects in the following four categories:

- Regional Surface Transportation Program (RSTP) – 87 projects, \$116 million
- Congestion Mitigation and Air Quality Program (CMAQ) – 76 projects, \$55 million
- High Priority Project/Demonstration Project/ Emergency Relief – 84 projects, \$206 million
- Highway Bridge Program – 68 projects, \$51 million

The remaining \$44 million was sub-allocated for 103 projects in other categories (as referenced with an asterisk on the attachment).

## **BACKGROUND:**

The California Department of Transportation's (Department) Division of Local Assistance (DLA) administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation consistent with each fiscal year's Budget Act. The Commission further delegates to the Department the authority to adjust allocations between categories, and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of its allocation, per Commission Resolution G-01-08.

For the High Priority Projects/Demonstration Projects/Emergency Relief category, the total sub-allocations by the Department exceeded Commission allocations by \$92.7 million due to an unexpected discretionary project sub-allocation in the amount of \$165 million. The Division of Local Assistance's federal non-formula budget is developed based on historical projections and submitted eight months prior to the start of fiscal year. Discretionary projects are extremely complicated, and it is difficult to estimate when a project will be delivered. Even though this allocation category has been exceeded, it will not impact the total lump sum allocation.

The Surface Transportation Program State Match and Exchange are typically sub-allocated later in the year once Congress authorizes the entirety of the annual obligation limitation. Railroad Grade Crossing Maintenance and Railroad Grade Separation currently have no sub-allocations until the Department receives applicant projects, which sometimes does not occur until after the federal fiscal year ends.

Consistent with historical trends, the Department anticipates using all funds allocated by the Commission for FFY 2014.

Attachment

**LOCAL ASSISTANCE LUMP SUM ALLOCATIONS**  
**Period Ending March 31, 2014**  
(Dollars in Thousands)

Reference No.: 3.5  
June 25, 2014  
Attachment

Fund Description	Commission Allocation			Total Sub-Allocations			Allocation Balance			Percent Sub-Allocated Total	Number of Total
	State	Federal	Total	State	Federal	Total	State	Federal	Total		
<b>Local Administered &amp; Miscellaneous Programs</b>											
Regional Surface Transportation Program (RSTP) <sup>1</sup>		267,556	267,556		116,495	116,495	0	151,061	151,061	44%	87
Surface Transportation Program State Match and Exchange	57,849		57,849	0		0	57,849	0	57,849	0%	
Congestion Mitigation & Air Quality Program		224,597	224,597		55,004	55,004	0	169,593	169,593	24%	76
Freeway Service Patrol	25,479		25,479	13,542		13,542 *	11,937	0	11,937	53%	12
High Priority Projects/Demonstration Projects/Emergency Relief		113,136	113,136		205,782	205,782	0	(92,646)	(92,646)	182%	84
Miscellaneous	3,000		3,000	1,018		1,018 *	1,982	-	1,982	34%	3
<b>Bridge Programs</b>											
Bridge Inspection	735		735	0		0	735	0	735	0%	
National Highway Performance Program & RSTP Bridge <sup>2</sup>		110,500	110,500	0	51,323	51,323	0	59,177	59,177	46%	68
<b>Rail Programs</b>											
Railroad Grade Crossing Maintenance	2,000		2,000	0		0	2,000	0	2,000	0%	
Railroad Grade Separation	15,000		15,000	0		0	15,000	0	15,000	0%	
<b>Safety Programs</b>											
Highway Safety Improvement Program		37,000	37,000	0	28,990	28,990 *	0	8,010	8,010	78%	88
<b>Total Local Assistance Subvention Funds</b>	<b>104,063</b>	<b>752,789</b>	<b>856,852</b>	<b>14,560</b>	<b>457,594</b>	<b>472,154</b>	<b>89,503</b>	<b>295,195</b>	<b>384,698</b>	<b>55%</b>	<b>418</b>

**Notes**

Allocations for state funds reflect the June 2013 Commission meeting vote, Item 2.5h.

Allocations for federal funds reflect the October 2013 Commission meeting vote, Item 2.5h.

The Allocation Balance is the difference between the Commission Allocations and the Total Sub-Allocations.

Total Sub-Allocations are from InfoAdvantage (accounting system).

In accordance with Commission Resolution G-01-08, the Department reports when total transfers in or out of an expenditure category exceed 10 percent of its allocation.

**Assumptions:**

\* Indicates programs that were not discussed in Reference 3.5

<sup>1</sup> RSTP consists of the Surface Transportation Program subvented to local agencies, less funding set-aside for off-system bridge projects.

<sup>2</sup> Bridge projects consist of off-system bridge (about \$37 million) and bridge funding available to locals from the National Highway Performance Program (about \$110 million).