

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 7, 2013

Reference No.: 3.6
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Local Assistance

Subject: **QUARTERLY REPORT OF AB 1012 "USE IT OR LOSE IT" PROVISION FOR FEDERAL FISCAL YEAR 2011 UNOBLIGATED CMAQ AND RSTP FUNDS**

SUMMARY:

As of December 31, 2012, the Regional Surface Transportation Program (RSTP) amount subject to redirection is about \$6.2 million. In addition, the Congestion Mitigation and Air Quality Program (CMAQ) amount subject to redirection is about \$900,000.

BACKGROUND:

The Intermodal Surface Transportation Efficiency Act was enacted in 1991 and was in effect for six years. During that time, the Regions were able to obligate only 87 percent of their federal funding. The next Federal Highway Act, known as the Transportation Equity Act for the 21st Century (TEA-21), was signed into law in 1998. During the first two years of TEA-21, the Regions' obligation of federal funds dropped to as low as 41 percent. By October 1999, the Regions had accumulated a \$1.2 billion backlog in federal apportionments and \$854 million in Obligation Authority (OA).

Assembly Bill (AB) 1012 was enacted October 10, 1999 (Chapter 783, Statutes of 1999), with a goal of improving the delivery of transportation projects and addressing the backlog of the Regions' federal apportionments and OA. AB 1012 states that CMAQ and RSTP funds not obligated within the first three years of federal eligibility are subject to redirection by the California Transportation Commission (Commission) in the fourth year in order to prevent the funds from being lost by the State. As of December 31, 2012, there are about \$6.2 million of RSTP funds and about \$900,000 of CMAQ funds subject to redirection. According to the Federal Highway Administration's data, these funds will not revert until Federal Fiscal Year (FFY) 2015.

The annual notice to the Regions, under AB 1012 "Use It or Lose It" provisions for FFY 2011 (October 1, 2010 through September 30, 2011), was released on December 5, 2012. With this notification, the total FFY 2011 funds identified as subject to redirection under the provisions of AB 1012 were approximately \$15 million. This included approximately \$13.7 million of RSTP funds and about \$1.2 million of CMAQ funds. As of December 31, 2012, the RSTP amount has decreased to about \$6.2 million, and the CMAQ amount has decreased to about \$900,000. Of this \$900,000 CMAQ amount about \$31,000 is for Regions that are in attainment for CMAQ and therefore are unable to use CMAQ funding. The California Department of Transportation (Department) discussed this issue with Commission staff and both parties agreed to pool the funds and make them available to other Regions at the time of August Redistribution.

The Department is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated CMAQ and RSTP balances that have one year remaining under the AB 1012 guidelines. Beginning in FFY 2000, and continuing through FFY 2012, the Regions have delivered enough projects to obligate a minimum of 100 percent of the available OA.

Attachments

Apportionment Status Report
CMAQ and RSTP
as of December 31, 2012

Reference No.: 3.6
May 7, 2013
Attachment 1

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Regional Report Summary

*Previously referred to as Cycle 14

| Region | CMAQ Unobligated 12/31/2012 Delivery Balance ¹ | CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ² | RSTP Unobligated 12/31/2012 Delivery Balance ¹ | RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ² |
|-----------------------|---|--|---|--|
| Butte | 2,462,423 | - | 3,123,983 | - |
| Fresno | 21,671,650 | - | 25,900,387 | 4,118,898 |
| Kern | 19,364,175 | 560,679 | 20,212,099 | 2,129,086 |
| Kings | 1,558,194 | - | 1,988,833 | - |
| Los Angeles | 286,841,033 | - | 252,961,267 | - |
| Madera | 3,582,443 | 97,963 | 1,888,530 | - |
| Merced | 3,065,734 | - | 3,233,552 | - |
| Monterey | 3,136 | - | 7,449,057 | - |
| Orange | 51,936,267 | - | 36,966,894 | - |
| Riverside | 54,340,015 | - | 29,196,432 | - |
| S. F. Bay Area (MTC) | 77,646,730 | - | 74,024,003 | - |
| Sacramento (SACOG) | 22,398,525 | - | 29,504,902 | - |
| San Benito | 28,268 | - | 848,153 | - |
| San Bernardino | 47,410,894 | - | 45,986,212 | - |
| San Diego | 34,054,737 | - | 39,240,958 | - |
| San Joaquin | 8,793,082 | - | 6,440,278 | - |
| San Luis Obispo | - | - | 4,670,366 | - |
| Santa Barbara | - | - | 7,778,346 | - |
| Santa Cruz | - | - | 3,990,181 | - |
| Stanislaus | 8,023,412 | - | 11,888,192 | - |
| Tahoe | 663,755 | - | 707,733 | - |
| Tulare | 7,600,899 | - | 5,706,120 | - |
| Ventura | 8,621,922 | - | 17,148,111 | - |
| Rural Counties & SCAG | 5,714,052 | 243,772 | 21,545,722 | - |
| | | | | |
| TOTAL | 665,781,345 | 902,414 | 652,400,311 | 6,247,985 |

Footnotes:

* Balances entering the 3rd year on October 1, 2012 are subject to reprogramming on November 1, 2013. The December 31, 2012 balances include the federal fiscal year 2013 "Advance" apportionments (dated October 2011).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.

³ These Regions are in air quality attainment and cannot use CMAQ apportionments. These Regions have balances that are deobligations of closed out projects. It is anticipated that any CMAQ balance that accumulates in a Region in air quality attainment will be transferred to another Region that over-delivered prior to the end of the current federal fiscal year.

Apportionment Status Report
CMAQ and RSTP
as of December 31, 2012

Reference No.: 3.6
May 7, 2013
Attachment 2

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Rural Report Summary

*Previously referred to as Cycle 14

| Region | CMAQ Unobligated 12/31/2012 Delivery Balance ¹ | CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ² | RSTP Unobligated 12/31/2012 Delivery Balance ¹ | RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ² |
|----------------------------------|---|--|---|--|
| Rural County Information: | | | | |
| Alpine | - | - | 132,836 | - |
| Amador | 626,660 | 11,343 | 541,006 | - |
| Calaveras | 452,628 | - | 624,563 | - |
| Colusa | - | - | 293,685 | - |
| Del Norte | - | - | 429,409 | - |
| El Dorado | - | - | 1,630,412 | - |
| Glenn | - | - | 412,957 | - |
| Humboldt | - | - | 1,975,062 | - |
| Imperial (SCAG) | 2,116,410 | - | 3,141,205 | - |
| Inyo | - | - | 681,834 | - |
| Lake | - | - | 910,259 | - |
| Lassen | - | - | 521,136 | - |
| Mariposa | 584,324 | 232,429 | 264,271 | - |
| Mendocino | - | - | 1,346,676 | - |
| Modoc | - | - | 300,088 | - |
| Mono | - | - | 232,574 | - |
| Nevada | 1,154,271 | - | 1,419,644 | - |
| Placer | - | - | 1,035,775 | - |
| Plumas | - | - | 323,847 | - |
| Shasta | - | - | 2,549,781 | - |
| Sierra | - | - | 132,832 | - |
| Siskiyou | - | - | 675,160 | - |
| Tehama | - | - | 875,234 | - |
| Trinity | - | - | 255,030 | - |
| Tuolumne | 779,759 | - | 840,444 | - |
| Rural Combined Totals: | 5,714,052 | 243,772 | 21,545,722 | - |

Footnotes:

* Balances entering the 3rd year on October 1, 2012 are subject to reprogramming on November 1, 2013. The December 31, 2012 balances include the federal fiscal year 2013 "Advance" apportionments (dated October 2011).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.