

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 16-17, 2016

Reference No.: 3.5  
Information Item

From: NORMA ORTEGA  
Chief Financial Officer

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Division of Local Assistance

Subject: **FIRST QUARTER – BALANCE REPORT ON AB 1012 “USE IT OR LOSE IT” PROVISION FOR FEDERAL FISCAL YEAR 2014 UNOBLIGATED RSTP AND CMAQ FUNDS**

## **SUMMARY:**

As of December 31, 2015, the Regional Surface Transportation Program (RSTP) and the Congestion Mitigation and Air Quality Improvement Program (CMAQ) have approximately \$35.7 million and \$26.7 million that are subject to reprogramming.

## **BACKGROUND:**

The Intermodal Surface Transportation Efficiency Act was enacted in 1991, and was in effect for six years. During that time, the Regions only obligated 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 declined to 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 on 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 RSTP and CMAQ funds not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission in the fourth year in order to prevent the funds from being lost by the state.

The annual notice to the Regions, under AB 1012 “Use It or Lose It” provisions for Federal Fiscal Year (FFY) 2014 (October 1, 2013 through September 30, 2014), was released on November 10, 2015. The total FFY 2014 funds identified as subject to reprogramming under the provisions of AB 1012 were approximately \$59.6 million. This included approximately \$33.8 million of RSTP funds and approximately \$25.8 million of CMAQ funds. As of December 31, 2015, the RSTP amount has increased to \$35,662,065 and the CMAQ amount has increased to \$26,723,621. This increase is due to de-obligations that occur during the first quarter of the year (October 1 through December 31).

The California Department of Transportation (Department) is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated RSTP and CMAQ balances that have one year remaining under the AB 1012 guidelines. Beginning in FFY 2000, and continuing through FFY 2015, the Regions have delivered enough projects to obligate 100 percent of the available OA. The Department anticipates to fully deliver for the 17<sup>th</sup> consecutive year.

Attachments

Apportionment Status Report  
CMAQ and RSTP  
as of December 31, 2015

Reference No.: 3.5  
March 16-17, 2016  
Attachment 1

AB 1012  
Balances entering the 3rd Year  
(from FFY 2014\*)  
Regional Report Summary

\*Previously referred to as Cycle 17

Region	CMAQ Unobligated 12/31/2015 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2016 <sup>2</sup>	RSTP Unobligated 12/31/2015 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2016 <sup>2</sup>
Butte	3,441,689	-	2,663,349	-
Fresno	20,179,384	-	31,530,830	8,555,081
Kern	21,014,451	1,195,077	20,347,822	-
Kings	3,890,062	-	1,859,872	-
Los Angeles	124,161,360	-	195,260,174	-
Madera	4,766,285	1,205,138	1,827,748	-
Merced	4,259,242	-	3,108,383	-
Monterey	-	-	6,186,194	-
Orange	47,085,475	-	55,190,825	-
Riverside	47,585,904	-	61,270,338	8,740,636
S. F. Bay Area (MTC)	70,011,052	-	82,532,525	-
Sacramento (SACOG)	42,195,178	-	34,977,482	-
San Benito	-	-	698,471	-
San Bernardino	70,987,104	14,366,786	59,869,204	10,487,046
San Diego	31,882,689	-	44,719,805	-
San Joaquin	17,777,636	1,532,735	11,445,312	-
San Luis Obispo	1,756,105	-	3,737,205	-
Santa Barbara	-	-	6,231,963	-
Santa Cruz	-	-	3,157,595	-
Stanislaus	11,350,747	-	7,845,135	-
Tahoe	1,067,497	26,082	506,209	-
Tulare	2,050,514	-	7,232,914	-
Ventura	23,924,713	7,266,736	26,843,822	7,071,518
Rural Counties & SCAG	7,101,827	1,131,067	21,991,486	807,785
<b>TOTAL</b>	<b>556,488,913</b>	<b>26,723,621</b>	<b>691,034,662</b>	<b>35,662,065</b>

**Footnotes:**

Balances in the 3rd year (October 1, 2015) are subject to reprogramming on November 1, 2016. These balances include the federal fiscal year 2015 "Actual" apportionments (dated October 22, 2015) and federal fiscal year 2016 "Advance" apportionments (dated October 22, 2015).

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Totals reflect balances in the third year.

<sup>3</sup> These Regions are in air quality attainment and cannot use unobligated CMAQ apportionments, which are deobligations of closed out projects. It is anticipated that any CMAQ balance that accumulates in a Region in air quality attainment will be included in a future CMAQ rescission or 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, 2015

Reference No.: 3.5  
March 16-17, 2016  
Attachment 2

AB 1012  
Balances entering the 3rd Year  
(from FFY 2014\*)  
Rural Report Summary

\*Previously referred to as Cycle 17

Region	CMAQ Unobligated 12/31/2015 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2016 <sup>2</sup>	RSTP Unobligated 12/31/2015 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2016 <sup>2</sup>
<b>Rural County Information:</b>				
Alpine	-	-	153,892	-
Amador	455,687	134,842 <sup>3</sup>	486,425	-
Calaveras	384,565	-	581,761	-
Colusa	-	-	285,546	-
Del Norte	-	-	364,716	-
El Dorado	-	-	1,013,152	-
Glenn	-	-	364,016	-
Humboldt	-	-	1,690,379	-
Imperial (SCAG)	2,186,105	-	5,338,044	807,785
Inyo	-	-	885,506	-
Lake	-	-	804,870	-
Lassen	-	-	502,378	-
Mariposa	456,476	148,753	248,502	-
Mendocino	-	-	1,146,392	-
Modoc	-	-	348,772	-
Mono	-	-	387,341	-
Nevada	2,077,075	411,854	1,208,882	-
Placer	-	-	944,914	-
Plumas	-	-	295,039	-
Shasta	-	-	2,190,194	-
Sierra	-	-	158,993	-
Siskiyou	-	-	770,179	-
Tehama	1,505,642	435,617	810,030	-
Trinity	-	-	312,483	-
Tuolumne	36,276	-	699,078	-
<b>Rural Combined Totals:</b>	<b>7,101,827</b>	<b>1,131,067</b>	<b>21,991,486</b>	<b>807,785</b>

**Footnotes:**

Balances in the 3rd year (October 1, 2015) are subject to reprogramming on November 1, 2016. These balances include the federal fiscal year 2015 "Actual" apportionments (dated October 22, 2015) and federal fiscal year 2016 "Advance" apportionments (dated October 22, 2015).

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Totals reflect balances in the third year.

<sup>3</sup> These Regions are in air quality attainment and beginning with Federal Fiscal Year 2016 will no longer receive new CMAQ funding. These Regions can use these unobligated CMAQ apportionments prior to their AB 1012 reprogramming date or any loss of funds, such as a federal rescission.