

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 29-30, 2016

Reference No.: 3.13
Information Item

From: NORMA ORTEGA
Chief Financial Officer

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Programming

Subject: **PRELIMINARY CLOSE OUT REPORT ON THE FY 2015-16 SHOPP MINOR PROGRAM LUMP SUM ALLOCATION**

SUMMARY:

As of May 26, 2016, the California Department of Transportation (Department) sub-allocated and the California Transportation Commission (Commission) allocated \$76,207,898 of the \$84,783,000 available capital for the Fiscal Year (FY) 2015-16 State Highway Operation and Protection Program (SHOPP) Minor Program.

BACKGROUND:

On July 14, 2005, the Commission approved Resolution G-05-05 delegating to the Department the sub-allocation and adjustment authority for minor capital construction projects included in a concurrent list of projects approved under Resolution FM-14-05. Resolution G-05-05, allows the Department to sub-allocate funding and advertise projects without waiting for Commission meetings to receive an allocation. However, Commission review is required for Minor A projects not previously identified in the Department's approved list.

The Minor Program is a one-year program reserved for low cost capital projects that are SHOPP eligible. Minor projects must be awarded in the fiscal year in which they were allocated. Effective February 29, 2016, Minor B projects have a construction limit up to \$291,000. Minor A projects have a construction limit ranging from \$291,001 up to \$1,000,000.

The Commission approved a lump sum construction allocation for FY 2015-16 of \$84,783,000. As of May 26, 2015, the Department utilized \$33,335,300 in construction funding for Minor A projects, consisting of \$24,073,000 sub-allocated by the Department and \$9,262,300 allocated by the Commission for substitute projects. In addition, the Department has sub-allocated \$41,358,329 for Minor B construction projects and \$1,514,269 for right-of-way capital. In total, the Department sub-allocated \$76,207,898, which constitutes 90 percent of the FY 2015-16 approved lump sum allocation.

The FY 2015-16 Final SHOPP Minor Program Close-Out Report will be reported on the October 2016 Commission meeting.