DEPARTMENT OF TRANSPORTATION
DIVISION OF LOCAL ASSISTANCE, MS 1
1120 N STREET
P. O. BOX 942874
SACRAMENTO, CA 94274-0001
PHONE (916) 653-1776
FAX (916) 654-2409

Flex your power!
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November 12, 2004

To: Metropolitan Planning Organizations
Regional Transportation Planning Agencies
Local Transportation Commissions

Dear Executive Directors:

Subject: Assembly Bill (AB) 1012 Cycle Six "Use It or Lose It" Notification

This correspondence serves as the official notification to Regional agencies for the sixth cycle of the "Use It or Lose It" provisions contained in AB 1012. Agencies are required to obligate federal funds within 3 years of receiving the apportionments. Sixth cycle balances subject to potential reprogramming on November 1, 2005, total $119 million: Congestion Mitigation and Air Quality Improvement Program (CMAQ) - $40 million, Regional Surface Transportation Program (RSTP) – $68 million, and Regional Transportation Enhancement Activities Program (R-TEA) – $11 million. Balances are as of September 30, 2004. Regions may check the enclosed tables for specific CMAQ, RSTP, or R-TEA balances. The sixth cycle notification assumes that all fifth cycle funds, subject to reprogramming, will be obligated, extended, or reprogrammed. Therefore, no fifth cycle funds, subject to potential reprogramming, are included in the sixth cycle amounts.

The unobligated balances shown on the enclosed charts do not include Federal Fiscal Year (FFY) 2005 apportionments, actual FFY 2004 apportionments (only the advanced FFY 2004 apportionments are included), or rescissions or additional adjustments to FFY 2004 apportionments or unobligated balances. Cycle Six charts will be updated when this information becomes available.

Regional agencies are also required to submit a plan to the California Department of Transportation (Department) to obligate any balance older than 2 years and to ensure that none of the apportionment balances reach 3 years of age. Obligation plans are due to the Departments' District Local Assistance Engineer's no later than May 1, 2005. The obligation plans will also be used to determine Obligation Authority (OA) needs for the remainder of the federal fiscal year, review, prioritize, and track projects, and plan workload. As a result, the format is being revised to better meet these needs. The revised obligation plan format and instructions will be distributed under separate cover within the next 2 months.

Please note, we are still waiting for the new Federal Transportation Act to be enacted. Until this occurs, we anticipate receiving continuing resolutions throughout the year. These continuing resolutions will provide a limited amount of OA and apportionments. Currently, we have received $137 million in formula funds OA (roughly equivalent to 51 days of the projected annual total) for local agency use. We anticipate receiving approximately 8 month's of FFY 2005 apportionments soon. We will provide updated information as soon as it becomes available.

There is a total of $11 million of R-TEA funds subject to reprogramming for Cycle Six. Per: the California Transportation Commission Resolution G-03-13, "any Transportation Enhancement Activities (TEA) projects programmed or allocated with the Intermodal Surface Transportation Efficiency Act or the Transportation Equity Act for the 21st Century era, Federal enhancement funds will continue to be administered under the separate Federal Enhancement TEA program as outlined in Commission Resolution G-98-20 until the projects are constructed or lapse their funds due to timely use of funds issues". Please contact Howard Reynolds at (916) 654-2477 or CALNET 464-2477 for specific question questions regarding the TEA program.

If you have any specific concerns regarding your Cycle Six balances subject to reprogramming, please contact Penny Gray at (916) 653-4790 or CALNET 453-4790.

Sincerely,

ORIGINAL SIGNED BY

TERRY L. ABBOTT
Chief
Division of Local Assistance

Enclosures

c: District Directors
District Division Chiefs for Local Assistance
District Local Assistance Engineers
Division of Local Assistance Area Engineers
John Taylor, OFR
Fardad Falakfarsa, OFR
Tracey Frost, OFR
Penny Gray
Howard Reynolds

Apportionment Status Report
CMAQ, RSTP, R-TEA
per AB 1012
as of September 30, 2004

Cycle 6 Summary

Region	CMAQ Unobligated 9/30/2004 Delivery Balance [1]	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]	RSTP Unobligated 9/30/2004 Delivery Balance [1]	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]	R-TEA Unobligated 9/30/2004 Delivery Balance [1]	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]
Butte	1,471,855	187,959	-	-	-	-
Fresno	16,773,029	7,684,070	10,102,792	1,924,729	1,006,198	1,006,198
Kern	13,712,269	6,176,146	11,542,578	4,773,840	672,467	672,467
Kings	1,472,078	-	-	-	-	-
Los Angeles	24,272,701	-	111,294,465	13,910,056	(631,323)	-
Madera	1,213,539	-	1,536	-	-	-
Merced	30,428	-	93,242	-	-	-
Monterey	4,013,584	1,472,701	1,593,468	-	1,037,339	577,374
Orange	9,746,772	-	44,263,789	15,145,577	-	-
Riverside	2,573,923	-	29,581,236	13,632,525	3,639,618	2,154,921
Sacramento (SACOG)	77,354	-	(5,549,158)	-	249,662	249,662
San Benito	830,462	296,483	-	-	-	-
San Bernardino	38,671,651	15,551,652	24,941,335	7,453,542	4,099,861	2,802,221
San Diego	12,228,826	-	24,932,623	-	(2,680,093)	-
S.F. Bay Area (MTC)	13,242,956	-	22,741,276	-	(2,963,999)	-
San Joaquin	7,747,231	1,114,094	7,674,366	1,908,665	(71,962)	-
San Luis Obispo	-	-	1,495,741	-	806,806	587,768
Santa Barbara	6,697,230	2,961,510	(187)	-	454,381	454,381
Santa Cruz	679,308	-	253,223	-	69,638	69,638
Stanislaus	5,133,412	-	7,879,446	3,306,593	139,500	139,500
Tahoe	778,926	236,129	-	-	141,224	85,224
Tulare	5,126,472	956,566	-	-	163,437	163,437
Ventura	10,849,252	3,043,427	12,479,573	4,774,243	579,872	579,872
Rural Counties & SCAG	$0	$0	$5,745,528	$1,562,994	$2,514,073	$1,760,034
TOTAL	$177,343,258	$39,680,737	$311,066,872	$68,392,764	$9,226,699	$11,302,697

[1] Indicates all apportionments not yet obligated

[2] Reflects balances 2-years old entering 3rd year

Cycle 6 assumes the use of all previous cycle balances

Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.

Balances include FFY 2004 advanced apportionments

Balances do not include FFY 2005 apportionments.

R-TEA balance subjec to reprogramming is greater than the total R-TEA unobligated balance due to the inclusion of negative balances in the unobligated balance, but only positive amounts in the balance subject to reprogramming.

Apportionment Status Report
CMAQ, RSTP, R-TEA
per AB 1012
as of September 30, 2004

Cycle 6
Rural County Summary

Region	CMAQ Unobligated 9/30/2004 Delivery Balance [1]	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]	RSTP Unobligated 9/30/2004 Delivery Balance [1]	RSTP Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]	R-TEA Unobligated 9/30/2004 Delivery Balance [1]	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 6 11/01/2005 [2]
Rural County Information:						
Del Norte	-	-	-	-	-	-
Humboldt	-	-	-	-	433,275	314,659
Lake	-	-	-	-	-	-
Mendocino	-	-	-	-	503,760	297,066
Lassen	-	-	-	-	-	-
Modoc	-	-	-	-	-	-
Plumas	-	-	-	-	171,346	120,447
Shasta	-	-	-	-	-	-
Siskiyou	-	-	-	-	68,603	68,603
Tehama	-	-	-	-	-	-
Trinity	-	-	-	-	(115,854)	-
Colusa	-	-	-	-	-	-
El Dorado	-	-	309,242	-	(154,839)	-
Glenn	-	-	-	-	-	-
Nevada	-	-	-	-	71,297	71,297
Placer	-	-	3,356,965	940,180	34,629	34,629
Sierra	-	-	-	-	-	-
Inyo	-	-	130	-	(74,586)	-
Mono	-	-	-	-	-	-
Alpine	-	-	-	-	-	-
Amador	-	-	-	-	226,235	105,943
Calaveras	-	-	-	-	-	-
Mariposa	-	-	-	-	98,000	81,725
Tuolumne	-	-	-	-	295,185	139,446
Imperial (SCAG)	-	-	2,079,191	622,814	957,022	526,219
Rural Combined Totals:	$0	$0	$5,745,528	$1,562,994	$2,514,073	$1,760,034

[1] Indicates all apportionments not yet obligated
[2] Reflects balances 2-years old entering 3rd year
Cycle 6 assumes the use of all previous cycle balances
Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.
Balances include FFY 2004 advanced apportionments
Balances do not include FFY 2005 apportionments.
R-TEA balance subject to reprogramming is greater than the total R-TEA unobligated balance due to the inclusion of negative balances in the unobligated balance, but only positive amounts in the balance subject to reprogramming.