



■ 260 North San Antonio Road., Suite B ■ Santa Barbara, CA ■ 93110
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STAFF REPORT

SUBJECT: AB 1012 Obligation Plan

MEETING DATE: May 20, 2004

AGENDA ITEM: 7A

RECOMMENDATION:

Approve the AB 1012 Obligation Plan for Cycle 5.

DISCUSSION:

Assembly Bill 1012, enacted in October 1999, requires SBCAG to obligate all regional apportionments of Congestion Mitigation Air Quality (CMAQ), Regional Surface Transportation Program (RSTP), and Regional Transportation Enhancement (TE) funds that are at least 2 years old by the third federal fiscal year after they have been apportioned. Funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission (CTC) on December 29, 2004. Due to the fact that SBCAG's apportionments of RSTP funds are almost entirely exchanged for state dollars, the primary focus of this requirement in Santa Barbara County is on CMAQ and TE funding.

As of March 31, 2004, Caltrans is reporting that all apportionments of CMAQ at least 2 years old had been obligated. The unobligated balance of TE apportionments at least 2 years old that must be obligated by the end of the federal fiscal year is \$256,753.

Under the guidelines established for implementing AB 1012, SBCAG is required to adopt an annual obligation plan to identify specific projects for which federal funding is expected to be obligated to avoid lapsing apportionment balances.

The attached Cycle 5 obligation plan indicates that the TE balance will be eliminated by two projects obligating a total of \$465,000 in late April and early May. The projects are the Northwest Presidio Reconstruction in the City of Santa Barbara sponsored by the State Parks Department and the Riverbend Park Bikeway sponsored by the City of Lompoc. All obligated funds over the required \$256,753 will be applied toward next year's balance of funds.

The State Parks Department obligated its funds for the Presidio project in the last week of April, meeting a deadline imposed by the SBCAG Board requiring that \$425,000 in funds for the project be obligated by May 1, 2004. If the deadline had not been met, \$250,000 in funds would have been unprogrammed from the project.

STAFF CONTACT: Steve VanDenburgh

Member Agencies

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County



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April 30, 2004

Donn Miyahara
Caltrans – Local Assistance
50 Higuera Street
San Luis Obispo, CA 93401-5415

Re: Regional Agency Cycle 5 Obligation Plan for Santa Barbara County

Dear Mr. Miyahara:

Enclosed please find the Draft Regional Agency Cycle 5 Obligation Plan for Santa Barbara County. The plan is scheduled to be adopted by the Santa Barbara County Association of Governments board at its May 20, 2004 meeting. This plan was completed pursuant to the Guidelines for Implementation of the Timely Use of Funds Provisions of AB 1012.

Caltrans' Obligation Balance report indicates that SBCAG has no Congestion Mitigation Air Quality (CMAQ) funds subject to lapse during the current federal fiscal year. No Regional Surface Transportation Program (RSTP) funds are subject to lapse because Santa Barbara County has elected to exchange all eligible federal RSTP funds for State Highway Account dollars that are not subject to the requirements of AB 1012. The report shows a \$256,753 unobligated Transportation Enhancement (TE) balance for Santa Barbara County subject to lapse and potential reprogramming by the California Transportation Commission. The draft Regional Agency Obligation Plan prepared by SBCAG indicates that this balance will be eliminated by two projects obligating a total of \$465,000 in late April or early May. The projects are the Northwest Presidio Reconstruction in the City of Santa Barbara sponsored by the State Parks Department and the Riverbend Park Bikeway sponsored by the City of Lompoc. All obligated funds over the required \$256,753 will be applied toward next year's balance of funds.

If you have any questions or need additional information, please feel free to contact me at (805) 961-8904.

Sincerely,

STEVE VANDENBURGH
Deputy Director, Programming & Project Development

Enclosure

Member Agencies

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County

2004 TEA-21 OBLIGATION PLAN FOR SANTA BARBARA COUNTY

In compliance with Assembly Bill 1012, a Transportation Efficiency Act for the 21st Century (TEA-21) Obligation Plan has been prepared by the Santa Barbara County Association of Governments (SBCAG). AB 1012 requires Caltrans and regional agencies to monitor and report on the use of Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) balances to assure full and timely use of these funds. CMAQ and RSTP funds that are not obligated within the timeframes specified by law are subject to reprogramming by the California Transportation Commission (CTC). The Obligation Plan illustrates which projects will obligate funds in order to prevent possible lapsing or reprogramming of federal funds by the CTC.

Federal CMAQ funds are apportioned to areas such as Santa Barbara County that are classified as non-attainment for federal ozone or carbon monoxide standards. Projects that are eligible for CMAQ funding must provide a demonstrable emission reduction benefit and contribute to attainment of the national ambient air quality standards. RSTP funds are the most flexible type of funding provided among the programs authorized under TEA-21. These funds can be used for a variety of projects from road construction, rehabilitation, resurfacing, and operational improvements to transportation planning programs. A portion of the RSTP program must be used for Transportation Enhancements. TE projects are designed to enhance the traveler's experience by providing funding for projects that provide environmental or other benefits over and above the required mitigation for transportation projects. There are eleven different eligible TE categories that accommodate a wide variety of project types. All of these funds are programmed to projects selected by the SBCAG Board and included in a Federal Transportation Improvement Program.

SBCAG has implemented project tracking activities to identify early on when a project schedule may be in jeopardy of slipping. While AB 1012 is designed to encourage timely use of funds, it effectively institutes severe penalties for the regional agency's funds when the annual deadline is missed. Each year in December, the remaining balance of unobligated TE and CMAQ funds are subject to lapsing. Project sponsors must now adhere to programmed schedules or risk delayed funding of their projects.

The "use it or lose it" provisions of AB 1012 only apply to federal CMAQ and TE funds in Santa Barbara County. Santa Barbara County has elected to exchange all eligible federal RSTP funds for State Highway Account dollars that are not subject to the requirements of AB 1012. CMAQ and TE funds are not eligible for this exchange; and therefore, must be included in the Obligation Plan.

Under AB 1012, Caltrans notifies regional agencies each year of the balance of unobligated apportionments of TE, STP, and CMAQ funds that are at least two years old. Under federal law, these funds are available for three years after the year of appropriation and

are subject to lapse after the third year. The regional agency must submit an obligation plan identifying specific projects in the FTIP that will be responsible for obligating the outstanding apportionment balance. The plan must demonstrate that the balance will be fully obligated by December. The attached table shows the projects that will be moving forward at this time to obligate the funds.

Caltrans has reported that SBCAG has no Congestion Mitigation Air Quality (CMAQ) funds subject to lapse during the current federal fiscal year.

Caltrans has reported that \$256,753 of SBCAG's regional apportionment of TE funds is at least two years old and must be obligated this year. SBCAG's Obligation Plan (see attached table) shows that \$465,000 in TE funding is expected to be obligated in late April and early May. The amount of funds obligated that exceed \$256,753 will count against next year's balance of older TE apportionments.

CYCLE 5 REGIONAL AGENCY OBLIGATION PLAN
TRANSPORTATION ENHANCEMENT PROJECTS

4/30/2004

					<u>Federal Fund Type</u>						<u>Total</u>		
<u>District</u>	<u>MPO/RTPA</u>	<u>Local Agency</u>	<u>Project Number</u>	<u>Project Location</u>	<u>Scope / Desc</u>	<u>\$ RSTP</u>	<u>\$ CMAQ</u>	<u>\$ HBRR</u>	<u>\$ HES</u>	<u>\$ R-TEA</u>	<u>\$ Fed. STIP</u>	<u>Federal \$ this obligation</u>	<u>Remarks</u>
5	SBCAG	Lompoc		City of Lompoc	Riverbend Park Bikeway					40		\$40	
5	SBCAG	State Parks		City of Santa Barbara	Northwest Presidio Reconstruction					425		\$425	

SBCAG