

AGENDA: June 7, 2007

TO: Regional Transportation Commission
FROM: Rachel Moriconi, Transportation Planner
RE: FY 2006/07 Regional Surface Transportation Program (RSTP) Exchange Program and Amendments to the FY07-08 Budget

RECOMMENDATION

Staff recommends that the Regional Transportation Commission (RTC) approve the attached resolution (Attachment 1) to:

1. Exchange \$2,978,000 in federal Regional Surface Transportation Program (RSTP) funds programmed to seven projects for state RSTP Exchange funds as shown in Exhibit A; and
 2. Amend the *Regional Transportation Improvement Program* (RTIP) and the RTC's fiscal year (FY) 2007/08 budget to reflect the exchange (Exhibit B).
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BACKGROUND

Annually Caltrans allows smaller regions, including Santa Cruz County, to exchange their share of federal Regional Surface Transportation Program (RSTP) funds for state funds. State RSTP Exchange funds have fewer requirements and therefore are useful for expediting delivery of projects. Projects that have already been programmed by the Regional Transportation Commission for RSTP funds are eligible to request an exchange of these federal funds for the more flexible state RSTP Exchange funds (Attachment 2). Upon receipt of requests from local project sponsors, the Commission allocates the funds, with projects that can be delivered within the next twelve months receiving priority.

DISCUSSION

Caltrans has made \$2,746,000 of the region's FY06/07 federal RSTP funds available to the RTC to exchange for state funds. There is also a \$332,000 RSTP Exchange balance in the RTC's RSTPX account. In total, approximately \$3.1 million in state RSTPX is available to the RTC this year. Notably, Caltrans allocates an additional \$225,000 of the region's annual apportionment of RSTPX funds directly to the County of Santa Cruz for road projects, consistent with an agreement established in the early 1990's.

Last month, RTC staff asked project sponsors to submit requests for the available RSTPX funds and received requests from project sponsors for nearly \$3 million in projects (Exhibit A of Attachment 1). There are adequate funds to accommodate all of these requests; therefore, **staff recommends that the Regional Transportation Commission approve the attached**

resolution to exchange federal RSTP funds for state RSTP Exchange funds (Attachment 1) for the projects listed in Exhibit A in the amount of \$2,978,000 and to amend the *Regional Transportation Improvement Program (RTIP)* and FY07/08 RTC Budget to reflect the exchange. The balance of funds will be held in reserve for future exchange. Staff also recommends that the budget be amended to carry over RSTPX funds for outstanding projects from FY06/07.

Consistent with the Commission's Rules and Regulations, after the Commission approves exchanges, project sponsors can invoice the Commission for the funds within six months of starting their project or upon completion of the project.

SUMMARY

Annually, Caltrans provides state funds to the Santa Cruz County region to exchange with federal Regional Surface Transportation Program (RSTP) funds. Santa Cruz County's allocation of state RSTP Exchange funds this year is over \$2.7 million. Together with past unprogrammed RSTP Exchange funds there is \$3.1 million available for RSTP Exchange eligible projects in Santa Cruz County. Requests for these funds total \$3 million. Since all of the requests can be accommodated, staff recommends that the RTC approve the requests and amend the RTIP and FY07/08 budget to reflect these exchanges.

Attachments:

1. Resolution
 - Exhibit A: Projects Recommended to Receive RSTP Exchange Funds
 - Exhibit B: FY2007/08 Budget Amendment
2. Projects Eligible to Receive RSTP Exchange Funds

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