

Metropolitan Transportation Commission Programming and Allocations Committee

July 10, 2019

Agenda Item 2i

Federal Earmark Repurposing

Subject: Potential projects to receive Federal Highway Administration (FHWA) repurposed earmark funds under the earmark repurposing provision of the Department of Transportation Appropriations Act, 2019.

Background: The Department of Transportation Appropriations Act, 2019 includes a provision that enables States to repurpose earmarks that were appropriated or authorized to be appropriated on or before September 30, 2008 and are completed and closed, or that otherwise have not substantially progressed (less than 10% of the earmark funds have been obligated).

Repurposed funds can be directed to any new or existing project that is eligible to receive Surface Transportation Block Grant Program (STBGP) funds. The project must also be located within 50 miles of the original earmark designation in the State.

This is the fourth consecutive year States have been authorized to repurpose unused earmark balances. To date, nearly \$32 million in unspent earmark balances have been repurposed and put to use on projects in the Bay Area.

Earmarks Available for Repurposing

On June 14, 2019, Caltrans released the list of earmarks that are eligible for repurposing, totaling approximately \$16 million statewide. Within the Bay Area, three earmark balances are currently available for repurposing (Table 1).

Table 1. Earmarks Available for Repurposing

Sponsor	Earmark Description	Current Balance
WETA	Construction of a ferry terminal in the Berkeley/Albany area and construction of ferry vessels to operate between Berkeley/Albany and San Francisco	\$642,346
Solano County	Construct I-80 HOV lanes and interchange in Vallejo	\$26,573
Danville	Design and construction of Camino Tassajara Crown Canyon to East Town	\$111,885
Total		\$780,804

Recommendation for Projects to Receive Repurposed Funds

Caltrans has requested regions to submit a recommended list of projects, if any, to receive repurposed funds (the projects to which the earmark funds will be directed) by August 16, 2019. Staff worked with project sponsors and County Transportation Agencies (CTAs) to verify the status of projects associated with the abovementioned earmarks.

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In response to the requests from CTAs and sponsors, staff recommends the Commission forward the following earmark balance to Caltrans for repurposing to a new project as identified below (Table 2). Projects in Table 3 are not to be repurposed; funds are to remain committed to the respective projects with the expectation that they can be delivered in the near-term.

Table 2. MTC Earmark Repurposing Recommendation

Sponsor	Earmark Description	Balance Available	MTC Recommendation
Danville	Design and construction of Camino Tassajara Crown Canyon to East Town	\$111,885	Repurpose to new project: Danville, Camino Ramon Improvements Total: \$111,885
Repurposing Recommendation Total:		\$111,885	

Table 3. Remaining Bay Area Earmark Balances - Do Not Repurpose (shown for informational purposes only)

Sponsor	Earmark Description	Balance Available	MTC Recommendation
WETA	Construction of a ferry terminal in the Berkeley/Albany area and construction of ferry vessels to operate between Berkeley/Albany and San Francisco	\$642,346	Do not repurpose; project proceeding and funds will be obligated in the near-term.
Solano County	Construct I-80 HOV lanes and interchange in Vallejo	\$26,573	Do not repurpose; funds will be programmed to Redwood-Fairgrounds Dr. Interchange Imps. and will be obligated in the near-term.

Issues:

Federal regulations require repurposed funds to be fully obligated within three fiscal years of repurposing, or September 30, 2022 for this year's repurposing effort. To reduce the risk of funds being lost to the region, and consistent with MTC's Project Delivery Policy (MTC Resolution No. 3606), Bay Area sponsors are required to fully obligate any repurposed earmark balances one year in advance of federal deadlines.

Additionally, once repurposed onto a new project, the earmark funds cannot be repurposed again.

Recommendation:

Refer for approval to the Commission the recommended project to receive repurposed earmark funds (Table 2 above) and direct staff to submit the recommendation to Caltrans.

Attachments:

None.


Alix Bockelman