

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 19-20, 2007

Reference No.: 3.14
Information Item

From: CINDY McKIM
Chief Financial Officer

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Subject: **FINAL CLOSE-OUT REPORT ON FY 2006-07 SHOPP MINOR PROJECTS ALLOCATED BY THE DEPARTMENT AND THE COMMISSION**

SUMMARY:

In Fiscal Year 2006-07, the Department of Transportation (Department) awarded contracts totaling \$64,934,100 for Minor A State Highway Operation and Protection Program (SHOPP) projects, including \$46,818,400 sub-allocated by the Department and \$18,115,700 allocated by the California Transportation Commission (Commission) for substitute projects. In addition, \$29,642,200 for Minor B projects was awarded and \$3,782,785 was encumbered for right of way. The total amount awarded for the Minor Program was \$98,359,085.

BACKGROUND:

On July 14, 2005, the Commission approved Resolution G-05-05, delegating to the Department authority to allocate funds for Minor A projects included on a concurrent list of projects approved under Resolution FM 05-06. This authority allows the Department to proceed with advertisement of minor projects without waiting for the next Commission meeting to receive an allocation. The Commission must allocate projects not on the Department's approved Minor A list.

The Minor Program target allocation for the 2006-07 fiscal year was \$103 million--\$80,884,000 for Minor A projects, \$19,838,000 for Minor B projects, and \$2,278,000 for right-of-way. The SHOPP Minor Program is a one-year program in which projects must be awarded in the fiscal year programmed.

The Department awarded 95 percent of the Minor Program target allocation.