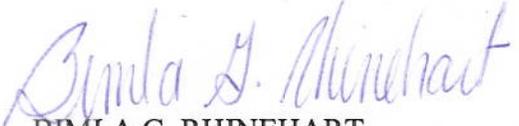


Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 22-23, 2012

Reference No.: 4.7
Information


From: BIMLA G. RHINEHART
Executive Director

Subject: **PRESENTATION OF THE PROPOSED 2012 SHOPP**

SUMMARY

Government Code section 14526.5.(c) requires the Department to submit to the Commission not later than January 31 of each even-numbered year the State Highway Operation and Protection Program (SHOPP). The Department submitted the Proposed 2012 SHOPP on January 30, 2012.

A draft of the 2012 SHOPP was made available to transportation planning agencies for review and comment in November 2011. The Proposed 2012 SHOPP includes comments received from the regional agencies.

Attached for Commission review and comment is the Executive Summary of the Proposed 2012 SHOPP. The entire document is available on the Department's SHOPP page at:

<http://www.dot.ca.gov/hq/transprog/shopp.htm>

Commission comments will be included in the final 2012 SHOPP to be approved at the March 2012 Commission meeting.

BACKGROUND

Pursuant to Government Code section 14526.5.(d), the Commission shall approve and submit the SHOPP to the Legislature and the Governor not later than April 1 of each even-numbered year.

Also per section 14526.5.(d), the Commission may review the SHOPP relative to its overall adequacy, level of annual funding needed to implement the program, and the impact of those expenditures on the state transportation improvement program.

Per section 14526.5.(a), projects included in the program shall be limited to capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges which do not add a new traffic lane to the system.

Funding for the SHOPP is not subject to Sections 188 and 188.8 of the Streets and Highways Code.

Attachment



Proposed 2012 SHOPP

State Highway Operation and Protection Program



FISCAL YEARS
2012/13 THROUGH 2015/16

Prepared by the
CALIFORNIA DEPARTMENT OF
TRANSPORTATION

In accordance with Government
Code section 14526.5

January 2, 2012



EXECUTIVE SUMMARY

The 2012 State Highway Operation and Protection Program (SHOPP) was prepared in accordance with Government Code section 14526.5, Streets and Highways Code section 164.6, and the strategies outlined in the California Department of Transportation's (Department) Policy for Management of the SHOPP. The 2012 SHOPP is a four-year program of projects for Fiscal Years (FYs) 2012/13 through 2015/16, that have the purpose of collision reduction, restoring damaged roadways, bridge preservation, roadway preservation, roadside preservation, mobility enhancement, and preservation of other transportation facilities related to the state highway system.

As contained in the 2011 Ten-Year State Highway Operation Protection Program Plan (2011 Plan), the estimated goal-constrained need for the rehabilitation and reconstruction of the aging state highway system is \$7.4 billion per year.

The adopted 2012 State Transportation Improvement Program Fund Estimate, which relies on current law and revenue projections to estimate available funding, provides programming capacity of \$2.0 billion per year for the 2012 SHOPP period. This leaves a need of \$5.4 billion per year that cannot be funded.

Because funding is insufficient to preserve and maintain the existing transportation infrastructure, the Department will continue to focus available resources on the most critical categories of projects in the SHOPP (safety, mandates, bridge, and pavement preservation). Because of the limited funding, the state highway system will continue to deteriorate. For example, the percentage of lane miles of highway pavement in a distressed condition, which is pavement with significant rutting, cracking, potholes, or other signs of deterioration, is projected to increase from 26 percent to 40 percent during the next ten years. In addition, few improvements to maintenance facilities, repairs to safety roadside rest areas, and mobility improvements will be made.

In the absence of new revenue sources, the condition of the transportation system will continue to deteriorate, affecting the Departments' ability to improve mobility across California.

2012 SHOPP SUMMARY:

Table 1 summarizes 2012 SHOPP projects and planned reservations against the 2011 Ten-year SHOPP Plan. A detailed summary of the 2012 SHOPP, by fiscal year, is shown in Exhibit B.

**TABLE 1:
COMPARISON OF 2012 SHOPP PROGRAMMING TO THE 2011 TEN-YEAR SHOPP PLAN
FISCAL YEARS 2012/13 THROUGH 2015/16
(\$ MILLIONS)**

Program Categories	2012 SHOPP Projects		2012 SHOPP Reservations	2012 SHOPP Total	40 % of Constrained 2011 Ten-Yr SHOPP Plan*
	No.	\$		\$	\$
Major Damage Restoration	97	\$ 446	\$ 586	\$ 1,031	\$ 616
Collision Reduction	142	1,027	664	1,689	1,514
Mandates	75	675	73	749	752
Bridge Preservation	113	1,557	396	1,953	1,434
Roadway Preservation	73	1,682	-	1,682	1,669
Mobility	18	272	21	293	271
Roadside Preservation	5	43	18	62	61
Facilities	2	46	-	46	26
Subtotal	525	\$ 5,748	\$ 1,759	\$ 7,507	\$ 6,343
			Minor Program Reservation	493	600
			Total	\$ 8,000	\$ 6,943

* Un-escalated dollars.

Note: The SHOPP is developed in thousands and rounded for this table. Numbers may not add due to rounding.