

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY
SERVICE AUTHORITY FOR FREEWAYS EMERGENCIES
AND
MONTEREY COUNTY REGIONAL DEVELOPMENT IMPACT FEE
JOINT POWERS AGENCY**

EXECUTIVE COMMITTEE

*Members are: Fernando Armenta (Chair),
Alejandro Chavez (1st Vice Chair), Dave Potter (2nd Vice Chair),
Kimbley Craig (Past Chair),
John Phillips (County representative), Robert Huitt (City representative)*

**Wednesday, January 4, 2017TAMC Conference Room
55-B Plaza Circle, Salinas**

****9:00 AM****

1. ROLL CALL

Call to order and self-introductions. If you are unable to attend, please contact Elouise Rodriguez, Senior Administrative Assistant. Your courtesies to the other members to assure a quorum is appreciated.

2. PUBLIC COMMENTS

Any member of the public may address the Committee on any item not on the agenda but within the jurisdiction of Transportation Agency and Executive Committee. Comments on items on today's agenda may be given when that agenda item is discussed.

3. BEGINNING OF CONSENT AGENDA

Approve the staff recommendations for items listed below by majority vote with one motion. Any member may pull an item off the Consent Agenda to be moved to the end of the **CONSENT AGENDA** for discussion and action.

3.1 APPROVE minutes from the Executive Committee meeting of November 9, 2016.

- Rodriguez

END OF CONSENT AGENDA

4. RECOMMEND Board adoption of 2017 Legislative Program.

- Watson/ Arriaga

The purpose of the legislative program is to set general principles to guide staff and Board responses to proposed legislative or budgetary issues. The program also

notifies state representatives of the Transportation Agency's position on issues of key importance to the agency.

5. **RECEIVE** update on state legislative activities.

- **Watson/Arriaga**

Agency legislative analyst John Arriaga, JEA & Associates, will provide a verbal update on state legislative activities.

6. **RECEIVE** update on federal legislative activities.

- **Watson/Hale**

This report contains more questions than answers. Staff will endeavor to provide a verbal update on federal legislative activities at the meeting.

7. **RECEIVE** and approve nominations for the Transportation Excellence Awards for 2016.

- **Wright**

The Transportation Agency received nominations for the Transportation Excellence on Friday, December 2, 2016. The awards ceremony to recognize the honorees will be held during the January 25, 2017 Board meeting.

8. **CLOSED SESSION**

Public Employment pursuant to Government Code section §54957, the Executive Committee will confer concerning employment contract with the Agency's Executive Director.

RECONVENE in open session and report any actions taken.

- **Reimann**

9. **RECEIVE** report on draft agenda for January 25, 2017, TAMC Board meeting.

- **Hale**

10. **ANNOUNCEMENTS**

11. **ADJOURN**

**Next Executive Committee meeting is:
Wednesday, February 1, 2017
Please mark your calendars.**

Documents relating to an item on the open session that are distributed to the Committee less than 72 hours prior to the meeting shall be available for public inspection at the office of the Transportation Agency for Monterey County, 55-B Plaza Circle, Salinas, CA. Documents distributed to the Committee at the meeting by staff will be available at the meeting; documents distributed to the Committee by members of the public shall be made available after the meeting.

Transportation Agency for Monterey County
55-B Plaza Circle, Salinas, CA 93901-2902
Monday thru Friday 8:00 a.m. - 5:00 p.m.
TEL: 831-775-0903
FAX: 831-775-0897

CORRESPONDENCE, MEDIA CLIPPINGS, AND REPORTS - No items this month.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Executive Committee
From: Elouise Rodriguez, Senior Administrative Assistant
Meeting Date: January 4, 2017
Subject: **Exec Minutes - November**

RECOMMENDED ACTION:

APPROVE minutes from the Executive Committee meeting of November 9, 2016.

ATTACHMENTS:

- ▣ Executive Committee draft minutes

DRAFT MINUTES

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY
SERVICE AUTHORITY FOR FREEWAYS EMERGENCIES AND MONTEREY
COUNTY REGIONAL DEVELOPMENT IMPACT FEE
JOINT POWERS AGENCY**

EXECUTIVE COMMITTEE MEETING

*Members are: Fernando Armenta (Chair),
Alejandro Chavez (1st Vice Chair), Dave Potter (2nd Vice Chair),
Kimbley Craig (Past Chair),
John Phillips (County representative), Robert Huitt (City representative)*

Wednesday, November 9, 2016

*** 9:00 a.m. ***

Transportation Agency Conference Room
55-B Plaza Circle, Salinas

1. **CALL TO ORDER:** Chair Armenta called the meeting to order at 9:00 a.m. Committee members present: Chavez, Craig, Huitt, Potter, alternate Stratton (for Phillips, arrived after the Consent Agenda approval). Staff present: Hale, Goel, Leonard, Rodriguez Watson and Zeller. Others present: Agency Counsel Reimann via phone.
2. **PUBLIC COMMENTS:** None.

3. CONSENT AGENDA:

On a motion by Committee member Craig and seconded by Vice Chair Chavez, the committee voted 4 – 0 to approve the consent agenda.

- 3.1 Approved minutes from the Executive Committee meeting of October 5, 2016.
- 3.2 Amended the Executive Committee schedule to change the first meeting of 2017 to January 4, and recommended that the Transportation Agency for Monterey County Board approve the calendar year 2017 schedule of meetings for Agency Board of Directors and Executive Committee.

END OF CONSENT

4. The Committee provided direction and guidance to staff on the assumptions for the three-year operating budget

Rita Goel, Director of Finance & Administration, highlighted the proposed three-year budget assumptions for fiscal years 17/18, 18/19, 19/20. She noted that one of the major differences in the operating budget will be for the Congestion Management funding--10 percent of the operating revenue which is paid by the member agencies. Staff is requesting that it be specified that contributions must be local funding. This funding from the cities and counties needs to come from a local fund source in order for TAMC to use it for various activities not eligible for state or federal funding, or to provide a local match. Board members suggested that the funding not be renamed to "local dues". Staff is also proposing a 3 percent cost of living increase, but no increase to the health benefit allowance. Merit and promotions will continue and agency will continue to keep a six-month reserve fund balance.

Staff has begun to consider updates to the budget and activities needed to implement the transportation sales tax safety and investment plan. Past Chair Craig encouraged staff to set expectations early that the funding will not start to flow in until next July. Staff agreed to begin discussions with stakeholders and issue a news release with information on next steps and funding as soon as the election results are final.

In conclusion, Director Goel noted next steps will be that the draft budget will go to the Executive Committee in January or February 2017 and to the Board in February. Final budget adoption will be in May, 2017.

5. The Committee recommended that the Transportation Agency for Monterey County appoint Board members Edelen, Orozco and Salinas to serve as the Nominating Committee to meet and return to the Board of Directors on January 25, 2017 with recommendations for Board Chair, 1st Vice Chair, 2nd Vice Chair, and Executive Committee to serve one-year terms beginning upon their election through the next election of officers at the beginning of the January 24, 2018 Board meeting. Chair Armenta and Vice Chair Chavez will confirm that the members being recommended are willing to serve on the committee. Executive Director Hale agreed to brief the Nominating Committee prior to its first meeting.

6. The Committee received a presentation on the evaluation of the Monterey County Call Box Program; and provided direction on the development of a Monterey County Call Box Modernization Plan.

Grant Leonard, Transportation Planner, reported the Service Authority for Freeways Emergencies program provides free emergency telephone service at call boxes to stranded motorists. The Agency operates Monterey County's call box program in coordination with Caltrans and the California Highway Patrol. Call boxes enhance public safety and provide emergency roadside assistance to motorists, particularly in area with poor or no cell phone service. He noted that there are currently 190 active call boxes in Monterey County. Call boxes are located along the following routes: State Route 1, State Route 68, State Route 156, US Highway 101, Jolon Road, Carmel Valley Road, and Arroyo Seco Road.

Mr. Leonard reviewed the results of the analysis and presented options to the committee to keep the status quo, remove call boxes, add new callboxes, or have a combined strategy of removing low-performing call boxes and adding new callboxes in high need areas with low cell coverage. Committee members asked for: analysis of north county roadways for possible call box installation, including San Miguel Canyon Road; further evaluation into the ability to transition to 4G instead of 3G equipment; a closer look at the call use and stratification of calls by types of accidents; additional CHP information regarding how incidents are reported; and, more info on cost-benefit of the program. This information will be included in the staff presentation to the Agency Board of Directors in December.

7. The Committee received a report on the draft agenda for TAMC Board meeting of December 7, 2016:

Executive Director Hale reviewed the highlights of the draft agenda. She reported that the Board would receive a debrief on the November 8, 2016, election and receive an update on the proposed property acquisitions for the Salinas Rail Extension Kick Start projects. The Board will also receive a presentation on the evaluation of the Monterey County call box program, and will receive an update on the Fort Ord Reuse Authority transition plans and discussions regarding extension to 2037. Board Member Potter suggested that staff focus the Board item on providing information on the FORA transition and requesting a seat on the FORA transition committee. Executive Director Hale expressed her goal that disbursement of funding for regional projects be improved under either FORA transition scenario, and noted that regional projects had received only 5% of the FORA fees to-date, but comprise over 1/3 of the total obligations. She suggested that under either scenario the regional component of the FORA fee could be incorporated into the TAMC regional development impact fee.

On the consent agenda, the Board will be asked to approve the selection of on-call consultants for engineering services.

8. **ANNOUNCEMENTS**

None this month.

9. **ADJOURNMENT**

Vice Chair Chavez adjourned the meeting at 10:25 a.m.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: January 4, 2017
Subject: **2017 Legislative Program**

RECOMMENDED ACTION:

RECOMMEND Board adoption of 2017 Legislative Program.

SUMMARY:

The purpose of the legislative program is to set general principles to guide staff and Board respon to proposed legislative or budgetary issues. The program also notifies state representatives of the Transportation Agency's position on issues of key importance to the agency.

FINANCIAL IMPACT:

The recommended action has no direct financial impact.

DISCUSSION:

The 2017 TAMC Legislative Program is focused on maintaining and augmenting transportation funding. **Attachment 1** is the final 2017 legislative program, and **Attachment 2** is the final program, showing changes from the draft approved by the Board on October 26, 2016. The Committees reviewed and commented on the draft program in November. Agency staff also discussed the draft program with partner agencies statewide and locally. Staff recommends this Committee discuss the 2017 program and recommend Board approval of the final program.

ATTACHMENTS:

- ▣ Final 2017 TAMC Legislative Program
- ▣ Final 2017 TAMC Legislative Program, showing changes



FINAL 2017 Legislative Program: State Issues

- 1S. Increase and preserve funding for transportation projects, support the constitutional protection of all transportation funding resources, and preserve regional discretion and priority-setting.
- 2S. Encourage the state to increase investments in passenger rail and bus transit projects and seek funding for Monterey County projects.
- 3S. Support legislation to transfer funding derived from the sale of excess rights-of-way purchased for the Prunedale Bypass project to priority projects in the region.
- 4S. Support legislation to expand the Capitol Corridor Joint Powers Authority to Salinas, and to expand the Los Angeles-San Diego Rail Corridor Agency (LOSSAN) to San Francisco.
- 5S. Support legislation that promotes transit-oriented development, complete streets, alternative commutes, and active transportation projects.
- 6S. Work with partner agencies to reach agreement on proposals for California Environmental Quality Act (CEQA) reform, while retaining environmental protections.
- 7S. Support efforts to extend and expand Public Private Partnership authority, public tolling authority, and design-build authority, expand mode eligibility, and allow for regional control of such projects.
- 8S. Support efforts to develop alternative funding sources to offset the reduction in gas tax revenues and ensure that any pay-by-the-mile funding is equitably assessed and distributed.
- 9S. Support redefinition of “disadvantaged communities” in the Greenhouse Gas Reduction Fund (i.e., “cap and trade”) grant program guidelines to better reflect economic and rural area considerations, and seek funding from the program for regional priority projects.
- 10S. Support measures to allow the California Department of Fish and Wildlife to allow Caltrans to adopt appropriate avoidance and mitigation measures to protect the Santa Cruz Long-Toed Salamander from potential impacts of the Highway 156 project.
- 11S. Support funding proposals to enable cities and counties to implement storm water runoff requirements for transportation projects.
- 12S. Support legislation that promotes transparency and access to information on rail transport of hazardous materials.
- 13S. Support efforts to remove the Transportation Development Act’s Unmet Transit Needs hearing requirement if 100% of the TDA funds are already allocated to transit.

- 14S.** Support efforts to change the update timeline for the Regional Transportation Plan from the current four years to ten years.
- 15S.** Support member agencies' requests for state funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.



FINAL 2017 Legislative Program: Federal Issues

- 1F. Support stabilizing and increasing transportation funding sources to avoid the bankruptcy of the federal highway and transit trust funds:
 1. Increase and index the gas tax to inflation.
 2. Explore innovative funding mechanisms, such as a pay-by-the-mile user fee.
 3. Remove procedural obstacles that impede expenditure of authorized federal funding.
- 2F. Support maintaining the Caltrans delegation authority under the National Environmental Policy Act and an expanded definition of Categorical Exclusions under NEPA for state highway projects, while retaining environmental protections.
- 3F. Support advance payments of Planning, Programming and Monitoring funds.
- 4F. Support streamlining of federal rail funding and removal of funding barriers between commuter and intercity rail programs, with the goal of increasing passenger rail service for the traveling public.
- 5F. Support an adequate level of funding for Amtrak and support a fair share allocation to California for capital improvements and vehicle acquisition.
- 6F. Support member agencies' requests for federal funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.

**DRAFT-FINAL 2017 Legislative Program: State Issues**

- 1S. Increase and preserve funding for transportation projects, support the constitutional protection of all transportation funding resources, and preserve regional discretion and priority-setting.
- 2S. Encourage the state to increase investments in passenger rail and bus transit projects and seek funding for Monterey County projects.
- 3S. Support legislation to transfer funding derived from the sale of excess rights-of-way purchased for the Prunedale Bypass project to priority projects in the region.
- 4S. Support legislation to expand the Capitol Corridor Joint Powers Authority to Salinas, and to expand the Los Angeles-San Diego Rail Corridor Agency (LOSSAN) to San Francisco.
- 5S. Support legislation that promotes transit-oriented development, complete streets, alternative commutes, and active transportation projects.
- 6S. Work with partner agencies to reach agreement on proposals for California Environmental Quality Act (CEQA) reform, while retaining environmental protections.
- 7S. Support efforts to extend and expand Public Private Partnership authority, public tolling authority, and design-build authority, expand mode eligibility, and allow for regional control of such projects.
- 8S. Support efforts to develop alternative funding sources to offset the reduction in gas tax revenues and ensure that any pay-by-the-mile funding is equitably assessed and distributed.
- 9S. Support redefinition of “disadvantaged communities” in the Greenhouse Gas Reduction Fund (i.e., “cap and trade”) grant program guidelines to better reflect economic and rural area considerations, and seek funding from the program for regional priority projects.
- 10S. Support measures to allow the California Department of Fish and Wildlife to allow Caltrans to adopt appropriate avoidance and mitigation measures to protect the Santa Cruz Long-Toed Salamander from potential impacts of the Highway 156 project.
- 11S. Support funding proposals to enable cities and counties to implement storm water runoff requirements for transportation projects.
- 12S. Support legislation that promotes transparency and access to information on rail transport of hazardous materials.
- 13S. Support efforts to remove the Transportation Development Act’s Unmet Transit Needs hearing requirement if 100% of the TDA funds are already allocated to transit.

~~12S.14S.~~ Support efforts to change the update timeline for the Regional Transportation Plan from the current four years to ten years.

~~13S.15S.~~ Support member agencies' requests for state funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.



DRAFT-FINAL 2017 Legislative Program: Federal Issues

- 1F. Support stabilizing and increasing transportation funding sources to avoid the bankruptcy of the federal highway and transit trust funds:
1. Increase and index the gas tax to inflation.
 2. Explore innovative funding mechanisms, such as a pay-by-the-mile user fee.
 3. Remove procedural obstacles that impede expenditure of authorized federal funding.
- 2F. [Support maintaining the Caltrans delegation authority under the National Environmental Policy Act and an expanded definition of Categorical Exclusions under NEPA for state highway projects, while retaining environmental protections.](#)
- 3F. [Support advance payments of Planning, Programming and Monitoring funds.](#)
- ~~2F.~~4F. Support streamlining of federal rail funding and removal of funding barriers between commuter and intercity rail programs, with the goal of increasing passenger rail service for the traveling public.
- ~~3F.~~5F. Support an adequate level of funding for Amtrak and support a fair share allocation to California for capital improvements and vehicle acquisition.
- ~~4F.~~6F. Support member agencies' requests for federal funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: January 4, 2017
Subject: State Legislative Update

RECOMMENDED ACTION:

RECEIVE update on state legislative activities.

SUMMARY:

Agency legislative analyst John Arriaga, JEA & Associates, will provide a verbal update on state legislative activities.

FINANCIAL IMPACT:

The lack of reliable and consistent transportation funding is a constant struggle for transportation agencies statewide.

DISCUSSION:

The state legislative transportation committee chairs, Senator Beall and Assembly Member Frazier, reintroduced a \$6 billion/year transportation funding package in December 2016 (see **attachments 1-3**). The package is a reformulation of a proposal that did not move during the regular session that ended on August 31, nor during the extraordinary session for transportation, that ended on November 30. There is a new balance of power in the state legislature that may change the efforts for negotiating a transportation funding package moving ahead, as any revenue-increasing measure requires a 2/3 vote of the legislature.

Both Beall and Frazier also introduced urgency legislation to permanently extend Caltrans authority as a federal environmental review (National Environmental Policy Act, NEPA) delegate. The legislation has support in both houses and should be fast-tracked through the legislative process. The current authority expires on December 31, 2016 and it threatens to delay projects funded in whole or in part with federal monies. (See **attached** letter to our delegation asking for their support for extending this authority.)

John Arriaga will attend the meeting and present the latest news.

ATTACHMENTS:

- ▣ California Transit Association memo
- ▣ SB 1 Beall fact sheet
- ▣ AB 1 Frazier fact sheet
- ▣ Letter to state reps - NEPA delegation support

Subject:

FW: Funding Update - December 6, 2016

CaliforniaTransit
Association

Funding
Update

December 6, 2016

Chairs of Transportation Committees Formally Introduce Transportation Funding Bills

Yesterday, the Chairs of each House's transportation policy committees – Senator Jim Beall and Assembly Member Jim Frazier – announced the introduction of two new transportation funding proposals designed to repair and maintain our state highways and local roads, improve our trade corridors, and support public transit & active transportation.

These proposals, which would each direct \$6 billion a year to transportation infrastructure, are now in print as [SB1 \(Beall\)](#) and [AB 1 \(Frazier\)](#) and include, as we reported yesterday, a combination of new revenues, additional investments of Cap and Trade auction proceeds, accelerated loan repayments, streamlined project delivery, accountability measures, and constitutional protections.

Details of each bill are as follows:

SB 1 (Beall) would:

- Eliminate the Board of Equalization's annual adjustment of the gas excise tax, increase the gas excise tax by 12 cents and index it to the Consumer Price Index (generating \$2.9 billion annually)

- Increase the diesel excise tax by 20 cents and index it to the Consumer Price Index (generating \$600 million annually)
- **Increase the incremental diesel sales tax to 5.75% and index the increment to the Consumer Price Index (generating approximately \$300 million annually)**
- Increase the vehicle registration fee by \$38 and index it to the Consumer Price Index (generating \$1.3 billion annually)
- Introduce an annual zero-emission vehicle fee of \$100 per vehicle and index it to the Consumer Price Index (generating \$13 million annually)
- Redirect vehicle weight fees that are currently allocated to transportation debt service to transportation purposes (repurposing \$500 million over five years)
- **Allocate additional Cap and Trade auction proceeds as follows:**
 - **+10% to the Transit and Intercity Rail Capital Program (netting \$200 million annually)**
 - **+5% to the Low Carbon Transit Operations Program (netting \$100 million annually)**
- Identify miscellaneous transportation revenues (netting \$70 million annually)
- Require repayment of outstanding transportation loans over two years (freeing \$706 million in one-time revenue)

SB 1 (Beall) is a component of a suite of bills introduced by Senate Democrats on Tuesday known as "[California Rebuild](#)." Please see a [detailed fact sheet](#) on the bill.

Meanwhile, AB 1 (Frazier) would:

- Eliminate the Board of Equalization's annual adjustment of the gas excise tax, increase the gas excise tax by 12 cents and index it to the Consumer Price Index (generating \$2.9 billion annually)
- Increase the diesel excise tax by 20 cents and index it to the Consumer Price Index (generating \$600 million annually)
- **Increase the incremental diesel sales tax to 5.25% and index the increment to the Consumer Price Index (generating \$263 million annually)**
- Increase the vehicle registration fee by \$38 and index it to the Consumer Price Index (generating \$1.3 billion annually)
- Introduce an annual zero-emission vehicle fee of \$165 per vehicle and index it to the Consumer Price Index (generating \$21 million annually)
- Redirect vehicle weight fees that are currently allocated to transportation debt service

to transportation purposes (repurposing \$500 million over five years)

- **Allocate additional Cap and Trade auction proceeds as follows:**
 - **+10% to the Transit and Intercity Rail Capital Program (netting \$200 million annually)**
 - **+5% to the Low Carbon Transit Operations Program (netting \$100 million annually)**
- Identify miscellaneous transportation revenues (netting \$185 million annually)
- Require repayment of outstanding transportation loans over two years (freeing \$706 million in one-time revenue)

Please see a [detailed fact sheet](#) on the bill.

Both bills would benefit public transit by doubling the Cap and Trade allocation to the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program; and, increasing the incremental diesel sales tax going to the State Transit Assistance program to be used for specific project types (e.g. capital maintenance and rehab, vehicle acquisition). **A key difference between the bills is that SB 1 (Beall) would increase the incremental diesel sales tax by 4%, whereas AB 1 (Frazier) would increase the increase the incremental diesel sales tax by just 3.5%. SB 1 would use the added .50% increment to fund intercity rail and commuter rail projects.**


Both bills would set aside \$200 million of annual revenues to counties that adopt local sales tax measures and \$80 million of annual revenues to the California Transportation Commission for the Active Transportation Program, and otherwise directs revenue on a 50-50 split between state and local agencies for transportation maintenance and rehabilitation needs.

Finally, both bills would: put into place constitutional protections that would prohibit the Legislature from borrowing or redirecting new revenues for purposes other than those specifically outlined in Article 19 of the State Constitution; create the Office of the Inspector General; and, put into place efficiency measures, such as CEQA streamlining and advance mitigation, designed to expedite project delivery and reduce overall project costs.

If you have any questions or comments about this Funding Update please contact Legislative Advocate Matt Robinson at 916-446-4656 ext. 1022 or matt@caltransit.org.

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Transportation Infrastructure and Economic Investment Act

A \$6 billion/yr. package to improve our roads and transportation infrastructure

Need for the bill

California's transportation revenues have not kept up with the need; California's gas tax hasn't been raised since 1994. As a result, California's freeway system faces a \$59 billion maintenance shortfall over the next 10 years, while local governments face a \$78 billion shortfall for local roads, highways and bridges.

Where will the money come from?

Revenues Adjustments and Enhancements: \$5 billion annually from a phased-in 12 cent gas tax increase, restoration of the price-based gas excise tax rate to 2010 levels, increase the diesel excise tax by 20 cents and diesel sales tax by 4%, increase the vehicle registration fee by \$38, and require zero-emission vehicles to pay an annual \$100 fee for road maintenance and repair.

Reallocate existing truck weight fees: \$500 million annually phased-in over five years that will go towards road maintenance and repair rather than to pay down transportation bond debt service.

Increase the Cap and Trade allocation for transit by increasing the share of C&T revenues to the Low Carbon Transit Operations Program and the Transit and Intercity Rail Capital Program

Caltrans Efficiency improvements: Estimated \$70 Million annually

Accelerate General Fund Loan Repayments: \$706 million in one-time revenue repaid to transportation programs from the General Fund

How will the money be spent?

50/50 funding split between state and local agencies for road and bridge maintenance and repair

Transit improvements, including passenger rail and bus lines.

Trade corridor improvements to facilitate goods movement from our ports and border

Additional transportation improvements:

Transportation program reforms to ensure accountability and effectiveness

CEQA streamlining and funding for an advanced mitigation program for transportation projects

Economic benefits

A 10-year, \$6 billion annual investment into repairing and upgrading California's transportation infrastructure would generate an estimated **\$111.9 billion** in economic activity including 570,000 jobs – nearly 200,000 of which would be in construction occupations earning prevailing wages, \$38.7 Billion in personal income and \$4.5 Billion in additional local and state tax revenues.

AB 1 (Frazier) Transportation Funding Package

- A \$6 billion annual funding package to repair and maintain our state and local roads, improve our trade corridors, and support public transit and active transportation.
- A \$706 million repayment of outstanding transportation loans for state and local roads.
- Eliminates the BOE “true up” that causes funding uncertainty and is responsible for drastic cuts to regional transportation projects.
- Indexes transportation taxes and fees to the California CPI to keep pace with inflation.
- Includes reforms and accountability for state and local governments to protect taxpayers.
- Streamlines transportation project delivery to help complete projects quicker and cheaper.
- Protects transportation revenue from being diverted for non-transportation purposes.*
- Helps local governments raise revenue at home to meet the needs of their communities.*

New Annual Funding

- **State** -- \$1.9 billion annually for maintenance and rehabilitation of the state highway system.
- **Locals** -- \$2.4 billion annually for maintenance and rehabilitation of local streets and roads.
- **Regions** -- \$577 million annually to help restore the cuts to the State Transportation Improvement Program (STIP).
- **Transit** -- \$563 million annually for transit capital projects and operations.
- **Freight** -- \$600 million annually for goods movement.
- **Active Transportation** -- \$80 million annually, with up to \$150 million possible through Caltrans efficiencies, for bicycle and pedestrian projects.
- Constitutional Amendment to help locals raise funding at home by lowering the voter threshold for transportation tax measures to 55 percent.*

Reforms and Accountability

- Restores the independence of the California Transportation Commission (CTC).
- Creates the Office of Transportation Inspector General to oversee all state spending on transportation.
- Increases CTC oversight and approval of the State Highway Operations and Protection (SHOPP) program.
- Requires local governments to report streets and roads projects to the CTC and continue their own funding commitments to the local system.

Streamlining Project Delivery

- Permanently extends existing CEQA exemption for improvements in the existing roadway.
- Permanently extends existing federal NEPA delegation for Caltrans.
- Creates an Advance Mitigation program for transportation projects to help plan ahead for needed environmental mitigation.

New Annual Funding Sources

- Gasoline Excise Tax -- \$1.8 billion (12 cents per gallon increase)
- End the BOE “true up” -- \$1.1 billion
- Diesel Excise Tax -- \$600 million (20 cents per gallon increase)
- Vehicle Registration Fee -- \$1.3 billion (\$38 per year increase)
- Zero Emission Vehicle Registration Fee -- \$21 million (\$165 per year starting in 2nd year)
- Truck Weight Fees -- \$500 million (return to transportation over five years)
- Diesel Sales Tax -- \$263 million (increase increment to 5.25%)
- Cap and Trade -- \$300 million (from unallocated C&T funds)
- Miscellaneous transportation revenues -- \$185 million

Keeping Promises and Protecting Revenues

- One-time repayment of outstanding loans from transportation programs over two years. (\$706 million)
- Return of half of the truck weight fees to transportation projects over five years. (\$500 million)
- Constitutional amendment to ensure new funding cannot be diverted for non-transportation uses.

**These provisions will be in companion bills.*

**Revenue estimates using 2016 LAO funding projections and \$500 million weight fee return in 2021*



October 25, 2016

The Honorable Bill Monning
State Senator
17th Senate District
State Capitol, Room 313
Sacramento, California 95814

Via email to: Nicole.Charles@sen.ca.gov

The Honorable Anthony Cannella
State Senator
12th Senate District
State Capitol, Room 5082
Sacramento, CA 95814

Via email to: Tyler.Munzing@sen.ca.gov

The Honorable Luis Alejo
Assembly Member
30th Assembly District
P.O. Box 942849
Sacramento, CA 94249-0030

Via email to: Paco.Torres@asm.ca.gov

The Honorable Mark Stone
Assembly Member
29th Assembly District
P.O. Box 942849
Sacramento, CA 94249-0029

Via email to: Craig.Scholer@asm.ca.gov

Re: Request to Extend Federal Environmental Review Delegation to Caltrans

Dear Senators Monning and Cannella and Assembly Members Alejo and Stone:

On behalf of the Transportation Agency for Monterey County (TAMC), I would like to ask you, our Monterey Bay Area delegation, to work with your colleagues to remove the January 1, 2017 sunset on the delegation of National Environmental Policy Act (NEPA) responsibilities to Caltrans, thereby extending the authority indefinitely. This is an urgent issue that must be resolved by the end of 2016 to avoid significant delays to federally funded projects.

Attached please find a letter that Caltrans Director Malcolm Dougherty sent to the California Transportation Commission (CTC) alerting the CTC of a pending lapse of California's waiver of sovereign immunity. Without this waiver of sovereign immunity, California will lose its ability to approve environmental documents on behalf of the Federal Highway Administration (FHWA). This lapse will result in millions of dollars in projects statewide being stalled.

Director Dougherty's letter outlines impacts of this lapse of the waiver on the State and actions Caltrans is taking to mitigate the impacts. Caltrans has looked into non-legislative means, but have not been able to find any; so at this time, a waiver by the legislature is the only remedy.

Unfortunately, this issue has gotten caught up in the larger conversations about a transportation funding package. As a result, two stand-alone bills that would have taken care of this issue – AB2034 (Salas) and SB902 (Cannella) – died. We thank Senator Cannella for authoring SB902 and both Assembly Members Alejo and Stone for voting in favor of AB2034 when it was up for a vote on the Assembly floor.

There are many federally funded projects currently in the environmental phase in Monterey County that would be delayed if this NEPA delegation authority is not extended:

Project	Jurisdiction
Imjin Road Widening	City of Marina
Alisal Street Turn Lanes	City of Salinas
Alvin Drive	City of Salinas
Bardin Road	City of Salinas
North Main Street Signal Improvements	City of Salinas
Bradley Road Bridge	Monterey County
Countywide Highway Safety Improvement Program (HSIP) Safety Audit	Monterey County
Gonzales River Road Bridge	Monterey County
Hartnell Road Bridge	Monterey County
Johnson Road Bridge	Monterey County
Robinson Canyon Bridge	Monterey County
State Route 156 and US 101/SR 156 interchange	TAMC

We would ask that our Monterey Bay delegation join together in supporting an extension of NEPA delegation authority. A NEPA delay will have a huge impact to the funding allocation schedule for these projects.

Thank you for all you do to improve transportation in the Monterey Bay Area. If you have any questions about this request, please feel free to contact Christina Watson of my staff at (831) 775-4406 or christina@tamcmonterey.org, or our Sacramento legislative analyst, John Arriaga, at (916) 669-1340 or jea@jeaandassociates.com.

Sincerely,



Debra L. Hale
Executive Director

Copy: Senator Jim Beall, Chair, Senate Transportation Committee
Assembly Member Jim Frazier, Chair, Assembly Transportation Committee

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE DIRECTOR

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October 3, 2016

Ms. Susan Bransen
Executive Director
California Transportation Commission
1120 N Street, Room 2233 (MS-52)
Sacramento, CA 95814

Dear Ms. Bransen:

This letter is to inform you that the legislation providing the limited waiver of sovereign immunity necessary for the California Department of Transportation (Caltrans) to continue carrying-out the federal government's responsibilities to review and approve projects pursuant to the National Environmental Policy Act (NEPA) will expire January 1, 2017. Without the limited waiver of sovereign immunity, the existing Memorandums of Understanding (MOUs) between Caltrans and the Federal Highway Administration (FHWA) will be nullified, and Caltrans will lose its ability to perform those reviews and approvals for the program known as NEPA Assignment.

The NEPA requires federal agencies to evaluate and to disclose the environmental impacts of proposed federal actions in comparison to reasonable alternatives, solicit input from potentially affected entities, and presents unbiased conclusions regarding the direct, indirect, and cumulative environmental impacts of proposed federal actions. Federal agencies must consider this information when making final decisions on proposed actions.

In 2005, as part of the Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users, Congress authorized a pilot for the U.S. Secretary of Transportation to enter into agreements with five state transportation departments to assume the NEPA Assignment which allows states to perform the federal government's responsibility for reviewing and approving projects pursuant to NEPA. Federal law made this assignment of authority conditional on a state assuming sole responsibility and sole liability for complying with, and carrying out federal law through the limited waiver of sovereign immunity. The program intended to streamline the federal environmental process by eliminating one layer of government review, while maintaining federal protection of environmental resources, only California participated in this pilot program.

*"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability"*

Based in part on California's success, this federal program was made permanent in 2012 with the passage of the Moving Ahead for Progress in the 21st Century Act (MAP-21).

As noted above, the limited waiver of sovereign immunity is required to accept liability and consent to federal court jurisdiction. As such, the following State legislation has been enacted for this authority:

AB 1039 (Núñez, Chapter 31, Statutes of 2006) Provides a limited waiver of the State's sovereign immunity under the Eleventh Amendment of the United States Constitution for suits filed in federal court on decisions made through January 1, 2009. The waiver applied to only those suits regarding Caltrans's program to carry out the federal government's responsibilities to review and approve projects pursuant to NEPA. The statute required Caltrans to submit a report to the Legislature by January 1, 2008, regarding the performance of the program.

AB 2650 (Carter, Chapter 248, Statutes of 2008) Extends the State's limited waiver of sovereign immunity provided in **AB 1039 (Núñez, Chapter 31, Statutes of 2006)** for decisions made through January 1, 2012. The statute required Caltrans to submit two reports to the Legislature by January 1, 2009, and January 1, 2011, regarding the performance of the program. The report requirements were expanded to include an assessment of time spent on all project delivery phases from the start of environmental studies to the time projects were ready for construction bids.

AB 892 (Carter, Chapter 482, Statutes of 2012) Extends the State's limited waiver of sovereign immunity provided in **AB 2650 (Carter, Chapter 248, Statutes of 2008)** for decisions made through January 1, 2017. The statute requires Caltrans to submit a report to the Legislature by January 1, 2016, regarding the performance of the program. The report requirements were expanded to include an assessment of time spent on local agency sponsored projects requiring federal environmental review and approval.

In February 2016, new legislation to make the State's limited waiver of sovereign immunity permanent was introduced the Assembly (AB 2034). On April 20, 2016, the bill received a unanimous "yes" vote, passed out of the Assembly, and was assigned to Senate Transportation on May 5, 2016. Around the same time, the waiver language was included in the special session transportation funding package, now SB 16. Since the language was in both bills, and to avoid potential conflict with the funding bill, AB 2034 was allowed to die in Senate Transportation. The idea was that funding bill would be voted on at the end of the legislative session which expired on August 31, 2016. In addition, there were attempts to add the language to bills at the end of the session, but they were unsuccessful.

Currently, we have two opportunities for legislation to continue the limited waiver of sovereign immunity prior to the expiration of AB 892 on January 1, 2017. One is the passage of the SB 16, and the second is an urgency bill passed on December 5, 2016, when the legislature returns for a one-day session.

Caltrans is also exploring non-legislative options for providing the necessary limited waiver of sovereign immunity.

If the waiver of sovereign immunity expires, Caltrans will be unable to sign any Categorical Exclusions (CEs), Draft Environmental Documents (DEDs) or Final Environmental Documents (FEDs) for all FHWA funded projects on or off the State Highway System. In addition, Caltrans will not be able to consult directly with the federal resource agencies on approvals and/or permits for State and local projects. The responsibility for signing NEPA approvals would shift back to the California Division of FHWA. Since Caltrans was assigned NEPA responsibilities in 2007, the FHWA has attrited and down sized their environmental division to three staff members who will not be able to take on the additional project level work and turn it around in a timely manner.

In order to mitigate this challenge, we are working on the following items:

- Developing a transition plan with the FHWA.
- Developing a strategy plan to have urgency legislation introduced in January.
- Developing a Programmatic Categorical Exclusion Agreement with FHWA that will allow Caltrans to approve "simple" projects with no impact to the environment.
- Advancing any environmental documents, if possible, that are scheduled for DED or FED in January through December, per the Environmental Deputy District Directors.
- Notifying additional local partners on October 26, 2016, at the quarterly teleconference with the Self-Help Counties.

In addition, the environmental team notified the Transportation Cooperative Committee at their meeting on September 22, 2016.

The impacts to the state will be significant if the limited waiver of sovereign immunity is not passed by the legislature by December 31, 2016. The following outlines the impacts:

- The FHWA is not staffed to take on the additional work to approve projects. This will have an enormous impact on FHWA in California and potentially other geographical locations that will be called in to assist with the workload.
- Few federal regulatory agencies have pre-NEPA Assignment experience working with the FHWA as federal lead, and only have experience working with Caltrans as federal lead. The time delays and fiscal impacts are difficult to quantify. However, with NEPA Assignment we have saved 5.2 months in the processing of Section 7 Biological Assessments/Biological Opinions. The delay to the processing of Section 404 permits with the U.S. Army Corps of Engineers during the plans, specifications and estimate phase will affect when projects will be ready to list and advertise.

Ms. Susan Bransen

October 3, 2016

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- There will be a transition period for the regulatory agencies to learn new review/approval procedures and will result in longer review and approval timeframes. In addition, a determination will need to be made on the action necessary for projects where Caltrans has initiated consultation as the federal lead and the responsibilities will be shifted to the FHWA.
- Additional staff time to revert NEPA guidance and job aids back to reflect pre-NEPA Assignment requirements, and to revise interagency MOUs that notify relevant federal agencies regarding new procedures.
- Loss of national leadership since Caltrans has led the nation on NEPA Assignment and provides guidance to states that have recently assumed or are thinking of assuming NEPA responsibilities.

Over the course of the NEPA Assignment program, Caltrans has provided four reports to the legislature as required by the enacted legislation. In January 2016, Caltrans submitted its report to the Legislature as required by AB 892. The report can be found at:
http://www.dot.ca.gov/hq/env/nepa/html/documents_reports.htm#legrpts.

Sincerely,



MALCOLM DOUGHERTY

Director

c: Brian P. Kelly, Secretary, California State Transportation Agency
Kristina Assouri, Chief Deputy Director, California Transportation Commission



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: January 4, 2017
Subject: **Federal Legislative Update**

RECOMMENDED ACTION:

RECEIVE update on federal legislative activities.

SUMMARY:

This report contains more questions than answers. Staff will endeavor to provide a verbal update on federal legislative activities at the meeting.

FINANCIAL IMPACT:

This report represents no financial impact.

DISCUSSION:

As everyone is aware, there have been many changes at the federal level, including a new President-Elect Donald J. Trump, a new California Senator Kamala Harris, and a new Congressman Jimmy Panetta.

Congressman Panetta will be keeping on some of Congressman Farr's staff, including his Legislative Director Debbie Merrill, and will also be hiring Kathleen Lee, longtime aide for Supervisor Potter. This continuity will help ease his transition into Congressman Farr's seat.

Agency staff will try to set up meetings with Senator Harris and Congressman Panetta in the early part of 2017 to brief them on the Agency's federal legislative priorities.

Meanwhile, the incoming administration is proposing a 10-year, \$1 trillion transportation funding package. The proposal includes federal tax credits to private investors who want to back transportation projects; supports Public-Private Partnerships and financing options;

and cuts red tape. The overwhelming sticking point, as always, is how to pay for it.

President-Elect Trump has selected former Labor Secretary and former Department of Transportation deputy secretary Elaine Chao as his choice for Secretary of Transportation. Chao became the first Asian-American woman to serve in a Cabinet-level position when she headed the Department of Labor during the George W. Bush administration, becoming the only Cabinet member to serve for the entire eight years.

As deputy secretary of transportation under then-Secretary Samuel Skinner in the President George H.W. Bush administration, Chao played a major role in developing a national transportation policy, an initiative that included assessing the national transportation system through 2050. During Skinner's tenure, the Intermodal Surface Transportation Efficiency Act (ISTEA) was enacted, raising the fuel tax by 5 cents.

Top Senate Democrats signaled that Chao may not face much of a fight to get confirmed, with incoming Senate Minority Leader Chuck Schumer congratulating her earlier on Tuesday for her expected nomination and praising her for her "long history of service to our country." Chao is married to Senate Majority Leader Mitch McConnell.

Meanwhile, Congress punted on its fiscal year 2017 appropriations bills, instead passing a Continuing Resolution omnibus bill for all appropriations, extending the deadline to April 28, 2017. Unfortunately, since the CR is at FY 2016 funding levels, the increases authorized by the Fixing America's Surface Transportation (FAST) Act for FY 2017 will not yet be realized.

And, finally, some good news: on September 9, 2016, the Federal Transit Administration (FTA) announced the winners in the Bus and Bus Facilities competitive grant program, which included the following Monterey County projects:

- Monterey-Salinas Transit will receive \$3,687,100 in federal funding for the replacement of buses which have met their useful life, and for a National Training Institute (NTI) workforce development training for workers to learn the new technology.
- The California Department of Transportation will receive \$4,280,512 in federal funding to construct a new maintenance facility in the Monterey-Salinas area, which does not currently have one.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Executive Committee
From: Theresa Wright, Community Outreach Coordinator
Meeting Date: January 4, 2017
Subject: **Transportation Excellence Awards**

RECOMMENDED ACTION:

RECEIVE and approve nominations for the Transportation Excellence Awards for 2016.

SUMMARY:

The Transportation Agency received nominations for the Transportation Excellence on Friday, December 2, 2016. The awards ceremony to recognize the honorees will be held during the January 25, 2017 Board meeting.

FINANCIAL IMPACT:

None.

DISCUSSION:

The Transportation Agency would like to show its appreciation to the local community for its outstanding efforts to improve transportation in Monterey County.

Staff received nominations in the Project, Program and Individuals/Groups categories. Staff will provide the list of nominees at the meeting and will ask that the Committee select the individuals/groups and projects, programs to be awarded Transportation Excellence Awards.

Any back up information such as pictures and supporting documentation is available upon request.