

Metropolitan Transportation Commission Programming and Allocations Committee

June 12, 2019

Agenda Item 4a

California Transportation Commission Update

Subject: Updates on the May 15-16, 2019 California Transportation Commission meeting and Senate Bill 1 (SB 1) Programs.

Background: The California Transportation Commission (CTC) is responsible for programming and allocating certain state funds for the construction of highway, passenger rail, non-motorized facilities, and transit improvements throughout California. The CTC consists of eleven voting members and two non-voting ex-officio members. The San Francisco Bay Area has three (3) CTC members residing in its geographic area: Bob Alvarado (Executive Officer, Northern California Carpenters Regional Council), Jim Ghielmetti (Chief Executive Officer, Signature Homes, Inc.), and Carl Guardino (President and CEO, Silicon Valley Leadership Group). There are currently two CTC Commissioner vacancies from Jim Earp's retirement and Jim Madaffer's resignation.

May CTC Meeting (May 15-16, San Diego, CA)

The CTC discussed the following issues of significance to the region.

MTC's 2019 Active Transportation Program Adoption. The CTC approved the regional component of the 2019 Active Transportation Program, including \$36 million for projects in the Bay Area. MTC adopted the 2019 Regional ATP at its meeting in February 2019. The next cycle of ATP will be adopted in 2021, with applications due mid-2020.

Proposed Federal "SAFE" Rule. The federal government has proposed a new Safer Affordable Fuel Efficient (SAFE) Vehicles rule replacing the existing Corporate Average Fuel Economy (CAFE) standards. The new rule reduces long-term vehicle fuel economy standards, and eliminates a waiver allowing California and other states to set more aggressive fuel economy standards. If the new rule is approved, California faces multiple challenges, including an air quality conformity lapse affecting most transportation projects, and a halt to any Plan or TIP amendments requiring an air quality determination, until CalEPA updates the statewide air quality model, which could take up to a year or more. The CTC held a workshop with the California Air Resources Board following the CTC meeting to discuss the proposed rule. Both agencies agreed to work collaboratively to address the issue, and oppose or modify the proposed rule which would significantly impact important transportation projects throughout the state.

Senate Bill 1 Program Updates and Actions. The CTC approved the following items related to SB 1 implementation:

- **SB 1 Cycle 2 Update.** CTC has held two workshops to discuss the Local Partnership Program (\$200 million per year). Workshop topics included cycle timing and formula/competitive split. The next workshops are set for June 7 in San Jose. CTC will hold more workshops leading up to the

Guidelines adoption in the Fall (Winter for Trade Corridor Enhancement Program), with applications due in late Winter 2020. CTC plans to adopt the competitive programs in June 2020.

- SB 1 Project Allocation. The CTC approved \$12.5 million in Trade Corridor Enhancement Program (TCEP) funds for the Freight ITS project at the Port of Oakland, and \$236,000 in Local Partnership Formula Program funds to one project in San Francisco.

Project Delivery. The CTC approved allocation extensions for 48 Active Transportation Program (ATP) projects, a quarter of which were from the Bay Area. The CTC also discussed enhanced delivery requirements for the Local Bridge Seismic Retrofit Program (LBSRP). In June, CTC will consider a proposal that agencies not meeting the delivery milestones identified in their LBSRP project agreements will be ineligible to receive other Local Highway Bridge Program funding or to compete for funding in the CTC's competitive programs, such as SB1, until the milestones are met. This proposal has the potential to affect several Bay Area jurisdictions. Therefore, MTC staff will work with project sponsors of ATP and LBSRP projects to meet CTC delivery deadlines and requirements.

Other Actions. CTC approved other allocations and extensions, including funding allocations for three State Transportation Improvement Projects (STIP) projects in Santa Clara County. CTC also approved the final assumptions for the 2020 STIP Fund Estimate. MTC must submit its Regional Transportation Improvement Program (RTIP) – part of the 2020 STIP – to the CTC by December 2019. Staff expects the 2020 STIP will provide about \$200 million in new funding to the Bay Area.

The next CTC meeting is scheduled for June 26-27, 2019 in Sacramento, CA.

Issues: None.

Recommendation: Information. No action required.

Attachments: None.


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