

THE BAY AREA PARTNERSHIP

Partnership Technical Advisory Committee

Tuesday, October 14, 2003, 1:30 p.m. – 3:30 p.m.

Auditorium, MTC
101 8th Street, Oakland, CA

AGENDA

1. Introductions
2. Minutes of September 15, 2003 PTAC Meeting *
3. Report of October Joint Finance Working Group (Kline/Watry)

Discussion Items

4. Legislative Update (Long/Bockelman)
 - a. Federal TEA-21 Reauthorization Bill *
Report on the latest developments regarding an extension bill.
 - b. SB 916: Toll Bridge Revenues – Perata
An update on the status of legislation to authorize a local vote on increasing Bay Area bridge tolls by \$1.
 - c. State and Federal Legislative Program for 2004
5. Transportation 2030: Regional Program Definition (Kimsey)
 - a. Local Streets and Roads and Transit Shortfalls Update*
 - b. Regional Programs Cost Estimates*
 - c. Investment Scenarios
 - d. Status of other T-2030 policy issues*
 - e. Next Steps
6. Transportation 2030: Project Performance Evaluation Update * (Klein)
Staff will provide an update on the project performance evaluation and be available to answer any questions.

Information Items

7. 2004 STIP: Fund Estimate Assumptions * (Zhang)
8. FTA Liaison Update * (Lang)
9. Other Business: Next meeting – Monday, November 17, 2003,
1:30 pm to 3:30 pm in the MetroCenter Auditorium

* Agenda Items attached

Contact Ross McKeown at 510.464.7842 if you have questions about this agenda.

Public Comment: The public is encouraged to comment on agenda items at committee meetings by completing a request-to-speak card (available from staff) and passing it to the committee secretary or chairperson. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

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Partnership Technical Advisory Committee Minutes

September 15, 2003

Page 1

1. Introductions
Dorothy Dugger (BART) (Chair) requested introductions.
2. Minutes of July 21, 2003 PTAC Meeting
The minutes were approved without comment.
3. Report of August Joint Finance Working Group
Geoff Kline said that he will give an update on the activities of the Project Delivery Task Force when he gives his report on agenda item #9.

DISCUSSION ITEMS

4. Legislative Update: Federal TEA-21 Reauthorization Bill
Alix Bockelman (MTC) reported on the status of the Federal Reauthorization efforts. The current authorization, TEA 21, expires on September 30. The only formal reauthorization proposal to date is the Administration's, SAFETEA bill which included roughly \$250 billion in funding over the six year period. The Senate (\$311 billion) and the House (\$375 billion) have established funding level targets for the next reauthorization legislation. The stumbling block is raising revenue without a gas tax increase to match the funding targets. The Republicans are against any new taxes.

Because of a revenue provision added into law with TEA-21, there will be no more reimbursements made after October 1st if an extension bill is not passed. A five or six month extension is being prepared. Alix referred to her memo in the packet stating that maintaining the current program structure flexibility is a major issue.

Rebecca Long (MTC) distributed tables on the Federal appropriation levels and what the numbers mean to the different programs and specifically what it means to the Bay Area. The House has adopted its version and is waiting for Senate to adopt their version. There is less than \$500 million difference between the two versions. The Senate plan has \$70 million more for transit projects and \$100 million more for New Starts. The House and Senate have big differences in the Earmarks projects for Transit, BART, JARC, MUNI and VTA. The Senate appropriations bill allows for the \$1.00 bridge increase. Currently, state bridges can't use Federal funding so new language will need to be introduced in the legislation.

5. SB 916: Toll Bridge Revenues - Perata
Rebecca reported that the legislation has been passed by both houses and is on the Governor's desk for signature. There were a few changes that were amended into the legislation before it was passed:
 - 4th bore to the Caldecot tunnel was added
 - Additional funds for BART to Warm Springs and the Greenbrae interchange improvements
 - Study of Altamont Pass alignment for high speed rail was taken out

The Governor now has until October 12th to sign bills.

Partnership Technical Advisory Committee Minutes

September 15, 2003

Page 2

Rebecca also informed the group that the Ninth Circuit Court had put a hold on the recall election. This recent decision will be appealed and may be reversed by the Supreme Court or by the full panel of the 9th Circuit Court.

6. Performance Measures Update

Lisa Klein (MTC) presented an overview of the status of the Performance Measures (PM) program. PM originated as part of SB 1492 (2002) which mandated that MTC evaluate new projects in the RTP using PM criteria. The schedule has calls for the identification of new potential RTP projects in the fall of 2003; projects are due to MTC by October 17, 2003; by February or March of 2004, MTC will have completed the evaluation and made the results available; in May, the CMA's are to submit financially constrained lists of projects to MTC.

Lisa was asked who would perform the preliminary evaluation? She said that MTC staff would make the first project review to determine which projects need to be evaluated using the PM criteria.

Lisa proceeded to show all of the steps to complete the PM process right up to the CMA's submitting their financially constrained project lists by May 2004.

Her presentation covered the five steps the project will require:

- Step 1: Contact information
- Step 2: Basic project information
- Step 3: RTP-specific information
- Step 4: Evaluation information
- Step 5: Definition for modeling

9. Regional Project Delivery Policy Proposal for TEA-21 Reauthorization

Geoff Kline presented the Project Delivery proposal as described in the revised memo. The proposed new policies for TEA-21 reauthorization project delivery include:

- Funds to be obligated in the same fiscal year as programmed in the TIP
- Field reviews required within six (6) months of approval in the TIP
- Complete environmental submittal to Caltrans 12 months prior to obligation deadline
- New annual obligation/submittal deadlines
- New expenditure/liquidation/project close-out deadlines

Geoff stressed the importance of getting projects submitted to Caltrans by April 1st to guarantee funding. Projects submitted after June 30th of the year programmed in the TIP will lose their funding. Projects submitted between the two dates cannot be guaranteed funding but Rich Monroe (Caltrans) said that they will try to process as many applications as they can. Rich said that with Caltrans reduced staffing, it is important for sponsors to adhere to the new deadlines to assure project funding and meet the deadlines.

Partnership Technical Advisory Committee Minutes

September 15, 2003

Page 3

7. TIP Financial Constraint

Raymond Odunlami (MTC) reported that because of the State budget crisis, the FHWA has requested that all MPOs provide proof that their TIPs are financially constrained. The FHWA had threatened not to approve any further TIP amendments until this was completed. They reversed themselves and allowed pending amendment 03-08 to be approved allowing transit operators to access PM funds programmed in the amendment. Caltrans asked the FHWA for an exemption until the STIP Fund Estimate was released but was turned down. Therefore, there will be no more Formal TIP amendments until the TIP is determined to be financially constrained.

8. CTC Update & Revised STIP Schedule

Ross McKeown (MTC) reported on the August CTC meeting in Sacramento. San Francisco CMA Director, Jose Luis Moscovich, presented the City's request for funds for the Doyle Drive project. The CTC adopted the TEA Reform proposal which places the TEA program back into the STIP. MTC opposed this action because TEA projects should be separate from the STIP process. The TEA Reform will guarantee the same level of funds to the regions but will allow less flexibility. The CTC will identify specific amounts for each county, similar to the County Minimums. There were no new allocations granted at the meeting and they did not release any Caltrans cash flow estimates. They delayed the release of the Draft Fund Estimate until October and December for the final estimate. There is still uncertainty about there being a negative STIP, which would complicate programming activities, if this happened. We will be lucky if it is a zero STIP.

Information Items

10. Transportation 2030 – Partnership Board Meeting Follow-up

Doug Kimsey (MTC) reviewed the Transportation 2030 presentation made to the Partnership Board at their recent meeting. A "Big Tent", one that assumes new revenues that goes beyond the 2001 RTP Track 1 concept, will be recommended as the T-2030 preferred alternative; the Big Tent will backfill unfunded and new projects. The Goals were reviewed, and a proposed definition of committed and uncommitted projects. Doug said that he would e-mail the white paper that was distributed to the Partnership Board.

Doug reported that there was still work to do developing the transit and road needs estimates, Land Use/transportation connection, Transportation for Livable Communities (TLC), Resolution 3434 and other regional programs. The next step is to continue the outreaching efforts with various groups. The plan will next be presented to the POC and then will be further discussed at the October 27th Commission workshop. A draft T-2030 regional program will be approved in December.

Partnership Technical Advisory Committee Minutes

September 15, 2003

Page 4

11. Caltrans Local Assistance Resource Reduction

Rich Monroe (Caltrans) reported on the current staff reduction at Caltrans. District 4 staff will be reduced 25% from 38 to 29 Person Years (PYs). The staff reduction will be noticed mainly in the Bridge and Environmental work activities. Rich said that all basic services will continue to be provided but some of the enhanced work will be either delayed or eliminated.

12. Obligation Authority Status

Ross McKeown (MTC) reviewed the list of projects in the committee packet, which will be affected by the lack of Obligation Authority (OA). The 93 projects requiring \$85 million, will have to wait for additional OA to be granted by Caltrans. The soonest additional OA will be available is January, 2004. MTC was able to secure an additional \$13 million from Caltrans in FY2002-03.

13. STP/CMAQ/TEA Update

Kenneth Folan (MTC) reported that the region was very near 100% delivery on the STP/CMAQ/TEA program.

14. STIP Update

Kenneth reported that no new allocations were granted. He said that even though there was no funding available for projects, all SB 45 rules still apply to projects so sponsors shouldn't stop processing project applications. He asked that sponsors report their intentions to let any projects lapse before the deadline so the funds can be reassigned to other projects in the region.

15. Other Business

Dianne Steinhauser (MTC) reported that the CTC is considering moving some TCRP project allocations to another TCRP project to allow projects needing the funds to move forward.

Next Meeting (Tentative)
Monday, October 20, 2003
MetroCenter, Auditorium
1:30 p.m. – 3:30 p.m.



**METROPOLITAN
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Agenda Item 3c

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Legislation Committee

DATE: October 2, 2003

FR: Deputy Director, Policy

RE: Federal Extension Bill Passes Congress (H.R. 3087 – Young)

With little time to spare, the House and Senate approved a bill to extend authorizations for federal highway, highway safety and transit programs until February 29, 2004. The bill, H.R. 3087, authorizes \$14.7 billion for highway programs and \$3.04 billion for transit. President Bush signed the bill on September 30th. The bill also includes funds for ISTEA demonstration projects not yet obligated and allows states to "reobligate" unused obligation authority that may become available at the completion of older projects.

Unlike prior instances when a reauthorization lapsed, TEA 21 specifically prohibited the Federal Highway Administration from approving any new projects, even using unobligated funds from prior years. Thus, the expiration of TEA 21 threatened a shutdown of the federal transportation agencies that are funded out of the Highway Trust Fund. In addition to authorizing legislation addressed by H.R. 3087, funds may not be obligated without an accompanying appropriations act. While the House has already approved an appropriations bill for FY 2004, the full Senate has not. Recognizing the urgency of the situation, Congress enacted an omnibus one-month continuing resolution that authorizes appropriations through October 31, 2003.

Two Significant Provisions Dropped From Measure

The House had proposed that the extension measure include a "dimmer switch" that would have allowed funds to be obligated several months beyond the February 29 deadline, in the event that no reauthorization is enacted by that date. The Senate objected however, on the grounds that such a mechanism would reduce pressure for a multi-year bill. In order to avoid the need for a House-Senate conference — and the delay that would have resulted — the "dimmer switch" provision was removed.

On another matter, the Senate had included provisions in its version of the extension bill that would have added over \$2 billion annually to the Highway Trust Fund through restructuring the ethanol tax exemption. The proposal, which the Senate Finance Committee has also attached to the comprehensive energy bill (H.R. 6), would require that ethanol be taxed at the same 18.4 cents-per-gallon rate that is applied to gasoline. Currently, ethanol is taxed at only 13.2 cents per gallon. In addition, the proposal included transferring to the Highway Trust Fund the 2.5 cent-per-gallon (of the ethanol tax) that currently goes to the General Fund. These provisions were removed from the extension bill, but are still under consideration as part of the comprehensive energy bill currently in conference committee.

House Debate on Preservation of TEA 21 Structure

The final extension bill included a transferability provision for states to shift funds among program categories — creating concern over the protection of the current TEA 21 program structure that directs funding to transportation enhancements, metropolitan congestion relief, and air quality programs. With the Legislation Committee's approval last month, MTC sent a letter to the Bay Area Congressional delegation urging reconsideration of the transfer authority or a limiting of the provision to the five-month extension period. Congresswoman Tauscher led a successful effort to bring this issue to the forefront and get assurances, through a colloquy on the House floor, that the wide latitude granted to the states was limited to the five-month period, intended for use only on a project-by-project basis and that funding would be restored soon after to the appropriate program categories. The concerns raised by Congresswoman Tauscher were shared by several other members and were an integral part of the House floor debate. Congressman Oberstar, the ranking Democrat on the Transportation and Infrastructure Committee, stated that he would not support an extension of the transfer authority beyond the expiration of the current extension bill on February 29, 2004.

Therese W. McMillan



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Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Partnership Technical Advisory Committee

DATE: October 8, 2003

FR: Alix Bockelman and Theresa Romell

RE: Update on Streets and Roads/Transit Shortfalls

This memorandum is a follow-up to the work completed by the Local Streets and Road and Transit Task Force. The Task Force performed an in-depth analysis of streets and road and transit capital replacement needs in the region. The major findings of the inventory assessment undertaken by the Task Force were that the following shortfalls existed:

- For local streets and roads, the unmet needs of \$4.4 billion for pavement and \$3.1 for non-pavement totaling \$7.5 billion;
- For transit, \$5.8 billion of capital needs plus BART seismic retrofit at \$1.3 billion for a total of \$7.1 billion.

Since the release of these findings at the Partnership Board meeting on September 11th, there have been some refinements of the data as a result of meetings with the each of the major transit operators to review the revenue and cost assumptions for capital projects and system operations, as well as review and revision of the local street and road need and revenue data with individual city and county jurisdictions. In addition, both the transit shortfalls and streets and road shortfalls have been revised to exclude some rollovers of sales tax revenue that had been inadvertently counted in previous estimates.

Transit Update

The following is the revised range of transit capital replacement shortfalls for several policy options discussed by the Task Force – from \$1.5 billion to \$5.8 billion depending on whether the region funds all of the transit capital or a portion and whether preventive maintenance major component is treated as a capital expense or an operating expense. The investment option numbers – with the exception of the total figure – do not reflect the \$1.3 billion seismic need for BART.

Potential Investment Options	Transit Shortfall Amount (in Thousands)	
	PM Major Component	No PM Major Component
Total Transit Shortfall Including BART Seismic	\$7,070,000	\$6,150,000
2001 RTP Policy: 100% Transit Capital Replacement	\$5,770,000	\$4,850,000
Expanded Policy: Score 12 and Above	\$5,010,000	\$4,180,000
Revised Definition of Regional Responsibility: Score 12 and Above	\$5,100,000	\$4,180,000
Functional Investment Option: Score 16 and Above	\$2,280,000	\$1,490,000

The capital shortfall is not uniform across the region and is, instead, concentrated among several of the large transit operators. Attachment A details capital costs and revenues as well as shortfalls by operator for the various policy investment options described above. Attachment A also includes operating costs and revenues, highlighting the operating shortfalls that also exist over the 25-year time horizon. With the uncertainty of the current economic climate and many transit boards' grappling with difficult choices, the transit operators have done the best job possible in estimating operating levels and revenues for the long-range plan with currently available information. Some minor changes to each operator's cost and revenue profile should be expected over the next month during final review.

Because of the inter-relationship of operating and capital revenues for many of the transit operators, future decisions made by operators to address operating costs and revenues could impact the transit capital shortfall. To illustrate this point, if an operator currently needs all non-Federal Transit Administration revenues to operate its system but later decides to make cost adjustments to reduce costs in order to free up capacity for funding some replacement capital, the capital shortfall could be reduced. Therefore, operating discussions that take place over the next budget cycle could result in either decreased or increased capital shortfalls.

Streets and Roads Update

The following are revised local street and road shortfall figures. The shortfall is shown in total as well as in the form of the different options as discussed by the Task Force.

The figures below reflect the "current" shortfall (based on unconstrained need – estimated total revenue) without the cost of deferred maintenance. *Actual* shortfalls could increase by up to \$3 billion, if the "current" shortfalls shown below are not met with additional funding. The \$3 billion is the cost of deferring maintenance, or the *consequence* of inadequately funding pavement needs. An analogous cost increase for deferred maintenance will exist on the transit side if adequate funding is not identified.

Potential Investment Options	Streets and Road Shortfall Amount (in Thousands)
Total Local Street & Road Shortfall	\$7,590,000
2001 RTP Policy: MTS Pavement	\$720,000
Expanded Policy: MTS Pavement & Non-Pavement	\$1,220,000
Revised Definition of Regional Responsibility: Arterials and Collectors	\$2,000,000
Functional Investment Option: All Pavement	\$4,450,000

As with the transit shortfalls, the size of the local street and road shortfall varies from county to county within the region. Attachment B details need, revenue, and shortfall amounts by county for policy investment option. Only minor changes in the shortfall figures are expected based on further review of data from individual jurisdictions.

Attachment A

Detail on Transit Operating and Capital Costs/Revenues

Thousands of Dollars, 2004

Operating	AC Transit	BART	Caltrain	CCCTA	Golden Gate	LAVTA	Muni	Samtrans	Vallejo	VTA	Small Operators	Total Shortfall
Revenues	6,410,466	13,355,334	2,153,585	634,109	1,709,925	282,373	13,006,130	2,518,126	453,885	9,223,900	1,817,564	
Costs	(6,456,721)	(13,169,309)	(2,124,153)	(612,475)	(1,732,256)	(281,846)	(12,949,244)	(2,435,825)	(428,773)	(9,706,613)	(1,768,612)	
Surplus/Deficit	(46,255)	186,025	29,432	21,634	(22,331)	527	56,886	82,301	25,112	(482,713)	(59,735)	(611,034)
Capital Replacement												
Revenues	765,761	3,493,997	1,055,674	229,276	577,519	111,011	1,923,626	866,049	94,913	1,076,546	835,186	
Costs - 100%	(1,308,887)	(5,971,922)	(1,644,754)	(218,403)	(775,749)	(95,841)	(3,461,054)	(553,541)	(161,208)	(1,347,837)	(596,279)	
Surplus/Deficit	(543,126)	(2,477,925)	(589,080)	10,873	(198,230)	15,170	(1,537,428)	312,508	(66,295)	(271,291)	(85,244)	(5,768,619)
Costs - Score 12+	(1,150,846)	(5,727,947)	(1,601,354)	(216,303)	(739,056)	(92,091)	(3,339,599)	(502,030)	(158,808)	(1,279,266)	(549,426)	
Surplus/Deficit	(385,085)	(2,233,950)	(545,680)	12,973	(161,537)	18,920	(1,415,973)	364,019	(63,895)	(202,720)	(85,244)	(5,094,084)
Costs - Score 16+	(1,003,245)	(4,616,831)	(990,704)	(195,486)	(672,822)	(92,091)	(2,660,891)	(477,047)	(138,308)	(960,282)	(402,202)	
Surplus/Deficit	(237,484)	(1,122,834)	64,970	33,790	(95,303)	18,920	(737,265)	389,002	(43,395)	116,264	(44,049)	(2,280,330)

Notes:

- 1) Assumes the Preventive Maintenance Major Component costs are treated as capital costs.
- 2) Does not include \$1.3 billion in BART seismic retrofit costs.
- 3) Any surpluses on the operating side are assumed to augment revenues for capital.

ATTACHMENT B

Detail of Local Streets and Roads Shortfalls By County

Thousands of Dollars, 2004

County	Alameda	Contra Costa	Marin	Napa	San Francisco	San Mateo	Santa Clara	Solano	Sonoma	TOTAL
Total Need*	\$ 2,939,906	\$ 2,189,418	\$ 648,232	\$ 683,018	\$ 2,455,598	\$ 1,561,541	\$ 3,548,236	\$ 962,504	\$ 1,765,301	\$ 16,753,753
Total Revenue	\$ 2,148,061	\$ 1,288,011	\$ 326,624	\$ 218,091	\$ 952,719	\$ 1,147,608	\$ 2,129,789	\$ 367,757	\$ 592,229	\$ 9,170,888
Shortfall	\$ 791,845	\$ 901,407	\$ 321,608	\$ 464,927	\$ 1,502,879	\$ 413,932	\$ 1,418,447	\$ 594,747	\$ 1,173,072	\$ 7,582,865

* Need figures do not include estimated \$3 billion of deferred maintenance cost

Shortfalls by Policy Option

County	Alameda	Contra Costa	Marin	Napa	San Francisco	San Mateo	Santa Clara	Solano	Sonoma	TOTAL
2001 RTP Policy	\$ 47,682	\$ 58,468	\$ 46,024	\$ 41,652	\$ 137,533	\$ 42,366	\$ 170,047	\$ 20,533	\$ 154,956	\$ 719,261
Expanded Policy: MTS Pavement & Non-Pavement	\$ 114,023	\$ 109,352	\$ 67,578	\$ 67,617	\$ 229,848	\$ 62,159	\$ 289,745	\$ 37,788	\$ 232,621	\$ 1,210,732
Revised Definition of Regional Responsibility: Arterials and Collectors	\$ 256,933	\$ 270,171	\$ 140,275	\$ 69,238	\$ 172,497	\$ 121,591	\$ 419,662	\$ 257,539	\$ 284,665	\$ 1,992,572
Functional Investment Option: All Pavement	\$ 319,916	\$ 533,498	\$ 208,626	\$ 283,592	\$ 887,444	\$ 287,873	\$ 816,781	\$ 348,878	\$ 758,602	\$ 4,445,209



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Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Partnership Technical Advisory Committee

DATE: October 2, 2003

FR: MTC Staff

RE: T-2030: Regional Program Cost Estimates

Attached for your information are descriptions and cost information for Regional Programs that will be considered for inclusion in T-2030. These programs, along with the transit and road shortfalls, will define the T-2030 “regional investment” priorities.

The regional programs in the attached table are essentially the same as those included in the 2001 RTP. The table compares the 2001 RTP cost with a cost estimated T-2030 cost; these costs are fairly similar because they mostly sustain the same base level services defined in the 2001 RTP.

As you know, MTC staff has proposed that funds for regional programs with existing executed contracts be “committed” to those programs through the contract term; this amount is identified in column D of the table. Remaining uncommitted needs and enhanced program needs are also identified, which will provide the basis for discussing regional program funding amounts considered for the financially constrained and “Big Tent” elements of the T-2030 Plan.

There are other regional programs not included in the table and descriptions that will also be considered. These would include:

- Regional bike/ped program
- Lifeline Transportation
- Freight

More detailed program definition and funding proposals for these new and existing programs will be discussed at your meeting.

Regional Operations Project Descriptions

TransLink[®]

TransLink[®] Capital: TransLink[®] is the Bay Area's universal transit fare payment system based on smart card technology. TransLink[®] has been procured by MTC as a multi-year design, build, operate and maintain contract. TransLink[®] will improve passenger convenience in making inter- and intra-agency trips; improve the efficiency and security of the region's fare collection system; improve transit data collection for service planning and development of fare policies; and allow participation in revenue-enhancing or cost-saving business partnerships with the private sector.

511 Traveler Information

The 511 Travel Information program is designed to improve the quality, currency, accuracy and accessibility of traffic, transit and alternative transportation information for the traveling public. The 511 family of services is provided over the phone and on the web. The intent of 511 is to integrate a series of projects together to provide a seamless set of services to the public. The projects include:

- The Rideshare Program promotes alternatives to driving alone by maintaining a ridematching database and online ridematching system, facilitating 'matches' between interested carpoolers and vanpoolers, and conducting marketing and outreach efforts to employers and the public.
- TravInfo[®] collects and disseminates information to the public about traffic congestion, estimated travel times, roadway incidents, construction activity, and special/emergency events. TravInfo[®] is administered through a design, build, operate and maintain contract.
- The Regional Transit Information System (RTIS) gathers, organizes and disseminates schedule, route and fare information for all public transit services in the region. It also offers a trip planner which travelers can use to generate transit itineraries for intra- and inter-agency trips.
- Transportation marketing supports the market research and marketing needs of MTC's regional operations projects. Market research is used to refine the services so they better meet customer needs and to measure project performance. Marketing is used to promote the services to the public.

Freeway/Arterials Operations

Incident Management (FSP/Callbox): MTC's Incident Management Program is made up of two individual project that work together to improve safety and reduce congestion on Bay Area roads: the Freeway Service Patrol (FSP) and the Call Box Program.

- The FSP is a fleet of roving tow trucks that clear vehicles and debris during peak period weekday and weekend (where justifiable) travel. Service is provided along 450 miles of freeways and expressways.
- The Call Box Program provides stranded motorists with roadside emergency telephones for requesting assistance and reporting problems along 1,100 miles of freeways and expressways.

Freeway Operations: Freeway Operations is made up of programs to monitor and manage flows on freeways, including the regional Transportation Management Center (TMC) and field equipment such as CCTV cameras, loop detectors, message signs and highway advisory radio.

Arterial Signal Timing: MTC's signal timing program improves traffic flow on local arterials by retiming up to 1,000 signals every year. The program improves travel time along arterials and fosters coordination across local boundaries.

Technical Assistance

Traffic Engineering: The Traffic Engineering Technical Assistance Program (TETAP) awards annual grant funding to local jurisdictions to solve traffic operations and safety problems along arterials by way of consulting services retained by MTC under the program. TETAP is specifically designed to assist smaller jurisdictions with limited financial and technical resources.

Pavement Management: The Pavement Management Technical Assistance Program (PTAP) awards annual grant funding for pavement consulting services provided by MTC under the program. PTAP is specifically designed to assist smaller jurisdictions with limited financial and technical resources.

Transportation-2030: Regional Operations Program

Comparison of STP/CMAQ funds between 2001 RTP and T-2030 (millions of 2004 \$)

	Total 2001 RTP 'Base Project' STP/CMAQ Commitment	T-2030 Need			Enhancements	Total Project Need ¹ (B+E)
		Total T-2030 'Base Project' STP/CMAQ Need (C+D)	STP/CMAQ Funds Committed by Contract	Uncommitted STP/CMAQ Funds		
	A	B	C	D	E	F
TransLink	\$151.7	\$151.7	\$103.9	\$47.8	\$59.7	\$211.4
TransLink Capital	\$151.7	\$151.7	\$103.9	\$47.8	\$59.7	\$211.4
511 Traveler Information	\$230.4	\$225.8	\$52.5	\$173.3	\$41.1	\$266.9
Rideshare Program ²	\$61.1	\$72.9	\$17.8	\$55.1	\$10.3	\$83.2
TravInfo ³	\$137.7	\$121.3	\$33.3	\$88.0	\$24.2	\$145.5
Regional Transit Information System (RTIS) ⁴	\$17.1	\$17.1	\$0.8	\$16.3	\$6.6	\$23.7
Transportation Marketing ⁵	\$14.5	\$14.5	\$0.6	\$13.9	\$0.0	\$14.5
Freeway/Arterials Operations	\$122.2	\$131.8	\$8.3	\$123.5	\$137.5	\$269.3
Incident Management (FSP/Call Box) ⁶	\$43.3	\$52.9	\$3.4	\$49.5	\$60.7	\$113.6
Freeway Operations	\$49.7	\$49.7	\$3.6	\$46.1	\$67.5	\$117.2
Arterial Signal Timing	\$29.2	\$29.2	\$1.3	\$27.9	\$9.3	\$38.5
Technical Assistance	\$22.5	\$22.5	\$1.7	\$20.8	\$12.4	\$34.9
Traffic Engineering (TETAP)	\$5.7	\$5.7	\$0.3	\$5.4	\$0.0	\$5.7
Pavement Management (PTAP)	\$16.8	\$16.8	\$1.4	\$15.4	\$12.4	\$29.2
Clean Air Program⁷	\$25.0	\$16.8				
TLC/HIP⁸	\$416.7	\$454.9		\$454.9		
Performance Monitoring	\$2.8	\$3.5		\$3.5		
CMA Planning⁹	\$50.1	\$106.7		\$106.7		
Total Regional Operations	\$1,021.4	\$1,113.7	\$166.4	\$930.5	\$250.7	\$782.5

¹Total Project Need' does not include STA pop-based, AB434 or 5307/5309 funds for regional operations projects which were considered 'committed' funds in the 2001 RTP but may be considered 'uncommitted' in T-2030, subject to further discussion.

²Rideshare STP/CMAQ need increased because Contra Costa decided not to use TFCA funds for its share of program costs.

³TravInfo STP/CMAQ need decreased because the Project Need projection in 2001 did not factor in local match.

⁴Total RTIS budget has decreased 43% due to loss of local match (STA pop) since 2001 RTP. RTIS has a remaining T-2030 shortfall of \$4.1m (currently in enhancements) if the revised basic project is to remain intact.

⁵Total transportation marketing budget has decreased 43% due to loss of local match (STA pop) since 2001 RTP.

⁶Incident Management need increased due to corrections to escalation of 2001 FSP costs and transfer of SAFE funds for local match to TravInfo.

⁷Fund amount is for sustaining Spare the Air program, however program could transition to other TCM programs

⁸Program tripled over entire 25-year period



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bont MetroCenter
101 Eighth Street
Oakland, CA 94607-1700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.461.7849

Memorandum

TO: Planning and Operations Committee

DATE: October 10, 2003

FR: Deputy Director, Policy

W.I.:

RE: Transportation 2030 Plan: Preliminary Strategies

Following the Transportation 2030 Plan “Summit” held in June 2003, MTC staff have been working with our transportation partners to refine proposals for addressing the major issues highlighted for the long range plan’s update: Goals and Objectives; Prior Commitments and New Investments, and Transportation and Land Use. These three challenges were discussed throughout the Summit, and form the major platform for Phase 1 of our Outreach Program. As well, our thoughts regarding the overall framework for the scope and direction of the plan were retooled to better address the need for a broader vision and advocacy platform.

Following this memorandum are individual issue papers for the four topics, containing findings suggested options; the summary below outlines key highlights from each. These preliminary strategies are the outgrowth of initial staff proposals that were discussed with the Bay Area Partnership and the Commission’s Advisory Councils in September, which were subsequently refined to present for this Committee’s information. They will then be “taken on the road” as part of an extensive outreach in October and early November, to solicit additional feedback and commentary from a variety of stakeholders and the general public. The Commission will consider this feedback and staff’s next level of recommendations at its workshop on October 29 and 30th, with further discussion and possible draft recommendations to occur at the November Planning and Operations Committee meeting.

Key Topic Highlights

1. “Big Tent”: There appears to be overall consensus that the Transportation 2030 Plan should reach beyond transportation planning issues and the financially constrained emphasis of past long range plans. On a policy basis, such an approach provides a more cohesive framework for recognizing the interrelationships of transportation with air quality, land use, the economy and other sectors. On financial grounds, a “big tent” would anticipate new revenues beyond those assumed in the financially constrained plan, and provide the opportunity to outline priority investments beyond the limits of existing funding sources.

The initial proposals for the public and Commission are:

- Adopt a “Big Tent” strategy that would serve as a “preferred alternative” for the long range plan.

- Identify “most likely” new revenue sources, and an attendant list of investment priorities based on the Transportation 2030 Plan’s overall goals and objectives, to provide a more flexible means to move projects into the financially constrained plan, if new revenues are approved by the voters.
 - Consider and discuss future technological, social, institutional conditions that don’t exist today, but that could alter our transportation decisions in the longer term.
2. Goals and Objectives. The six major goals adopted in the 2001 Regional Transportation Plan (RTP) attempt to capture the wide range of purposes that a regional transportation system serves, either directly or indirectly: mobility, safety, equity, environment, economic vitality, and community vitality. We propose alternative goals that we believe are more directed, measurable, and “outcome” oriented, and as such, should better guide transportation policy and investment decisions. They are:
- A Safe and Secure System
 - Keep it Working
 - Making Connections
 - Travel Options that Save Time
 - A Reliable Trip
 - Lifeline Mobility
 - Smart Growth Incentives
 - Clean Air
 - Deliver the Goods

The public and Commission should consider whether these goals improve upon those included in the last plan, and how the goals will inform project selection and program priorities, both for existing and future new funds.

3. New Investments and Prior Commitments. A key question staff has been asked to consider is how much of the funding traditionally assigned to “committed” projects and programs might be freed up for new investments. Under the 2001 RTP, fully 90% of current available Bay Area transportation funding is committed to maintenance and operation of our existing system, projects in the construction pipeline, and fully funded projects from voter approved local expenditure plans. For the Transportation 2030 Plan, the question is raised-- should we revisit this level of prior commitments, and if so, how? Our initial findings include the sobering fact that estimated costs of maintaining and sustaining the system have markedly increased, exerting even more pressure on limited funds. While the “Big Tent” of potential new revenues can be tapped as an overall strategy for addressing major shortfalls, there remains the key question of how we should distribute and spend those remaining resources—10% or otherwise— on new investments in the financially constrained plan: what should we finance, and who makes that decision? How can we expand the pie with new funding?

In tackling these fundamental questions, our initial proposals focus on two primary areas:

- Determine committed projects/programs, using new screening criteria.
- Determine how uncommitted funds should be distributed. There are major decision points in this regard:
 - How much of the local streets and roads and transit shortfalls should be covered—and

how much should be left “on the table” to finance with future new revenues?

-- How much of the regional programs like TransLink®, 511, system operations, TLC/HIP, and Resolution 3434 projects should be covered?

-- With the remaining uncommitted funds, what should be allocated for local investment choices?

-- Should any of these distributions be altered to allow for new program and project investments such as Lifeline Transportation, freight movement, bicycles, improved transit connectivity, etc.?

4. Transportation and Land Use. The approach to land use and transportation in the 2001 RTP was primarily addressed through the Commission’s Transportation for Livable Communities/Housing Incentive Programs, and corresponding community based planning objectives. However, the recent conclusion of the Smart Growth Project and growing concerns with the region’s jobs/housing imbalance challenge the *Transportation 2030 Plan* to take a new view of the transportation/land use connection.

Building on this expanded foundation, staff’s initial proposals for better linking transportation and land use include:

- Adoption of a specific policy that explicitly links transportation planning to Smart Growth objectives.
- Expansion of the TLC/HIP model to provide incentives to local governments to plan and implement more coordinated transportation /land use developments.
- Conditioning the programming and allocation of discretionary funding commitments in Resolution 3434 on local land use changes to support transit oriented development in and around 3434 corridors and station sites.

No actions are being requested of the Committee at this time; we seek your initial reactions and guidance to assist in preparing for the Commission’s October workshop, and as we proceed with Phase 1 outreach discussions on these topics.

Therese McMillan

DRAFT
“Big Tent” for the Long Range Plan

What should be in the Transportation 2030 Plan?

The new transportation plan should be a vehicle to construct a larger “vision” for Bay Area transportation, one that expands upon the financially constrained plan and addresses other relevant social and environmental factors that will influence long range transportation investments. This larger vision will serve in a practical way as well in supporting local and regional initiatives to increase the size of the revenue pie, a desire that has been expressed in many comments received at the recent Summit kickoff meeting. The larger, or “Big Tent” RTP would be coordinated with the EIR process, enabling the Commission to adopt a Plan that assumes more revenues than the previous financially constrained plans and would provide an administratively streamlined process for incorporating the results of county sales tax measures and the HSR votes into the RTP after the November 2004 elections.

New Approach. Following the example of the SANDAG long-range plan, Transportation 2030 would include a larger set of projects and programs, assuming new revenues. The Plan would need to clearly identify the financially constrained component for federal air quality conformity purposes and to enable FHWA/FTA to continue to approve environmental document’s records of decision (RODs are only issued for projects in the constrained Plan). The new revenues would be restricted to the most likely options, i.e., new/rollover of county sales taxes, a regional gas tax, High Speed Rail (HSR) bond, and increased vehicle registration fees. While the local sales tax revenues would be directed at projects identified in the accompanying expenditure plans on the ballot, the regional gas tax and vehicle registration fees could be more programmatic and focus on key funding shortfalls in the long range plan. The Transportation 2030 process would be used to define a desirable set of investments for these revenue sources, as an initial step towards legislation or voter action.

An important parallel to the pursuit of new revenues is the question “what are we buying with these new resources? How much better do we expect the system to perform with the investment of these additional funds?” This approach is not limited to creating a longer list of projects--desired outcomes should be linked to the goals and objectives that apply to the financially constrained element of the Transportation 2030 Plan, and subsequently extend to the “Big Tent” vision and funding strategy. This relationship strengthens the “Big Tent’s” role as an advocacy platform, and should assist in building community understanding and support up front so the region can move swiftly at the point that financial circumstances change.

The Transportation 2030 Plan would also include a new chapter, “Looking Ahead”, that would explore some of the unknown future conditions that could alter the way transportation decisions are viewed today. Rapidly changing transportation and information technologies, more fuel efficient cars, demographics, new environmental factors such as water quality and global warming, and new institutional arrangements—to name a few—are areas that could play a larger role in transportation decision making than we now understand.

Process for Adopting Transportation 2030 Plan

- The Commission would circulate the Draft Transportation 2030 Plan (September 2004), which would clearly identify the financially constrained subset of projects

- The Draft EIR for the Plan (also September 2004) would identify the Big Tent as the Proposed Project
- Results from the November 2004 elections would determine what parts of the Big Tent would move into the constrained Plan, prior to adoption in early 2005 (see attached chart).
- The air quality conformity analysis would be prepared and circulated (December 2004) based on the projects in the new constrained Plan; no additional environmental work would be needed since the election results would just change the projects in the constrained Plan, not the Proposed Project as a whole. The air quality conformity analysis would re-conform the TIP at the same time.
- The revised Plan (i.e, revised in terms of projects listed in the financially constrained portion) would be adopted in January/February 2005. No new public hearings would be required, since the larger Big Tent Plan would not change.
- FHWA/FTA would need to approve the conformity finding in March 2005 to avoid a conformity lapse.
- Any new projects that need to be added after the January/February 2005 plan adoption will need to go through the regular RTP amendment/conformity process.

Transportation 2030

BIG TENT: What Transportation Vision Does the Bay Area Want to Achieve?

BART Property Tax (Seismic)

AC Parcel Tax

Regional Gas Tax

Regional Vehicle Registration Fee

Federal, State
**FINANCIALLY
CONSTRAINED**
Regional, Local

*Vote May Happen
before the RTP
Adoption*

- *HSR Bond*
- *3rd Dollar Toll*
- *Sales tax option:
-CC, Marin, Napa,
SF, SM, Sol, Son*
- *SMART*
- *Proposition 53*
- *VTA Sales Tax Measure*

DRAFT
Revised Goals for Transportation 2030 Plan

A Safe and Secure System

Purpose: Ensuring the safety of travelers is a priority for all government agencies engaged in transportation, whether the trip is by car, transit, bike or walking. Safety programs range from basic driver education to more extensive efforts, such as retrofitting bridges and transit guideways to withstand a major earthquake. Protecting transportation facilities from terrorism is also a new safety area for federal, state, and local law enforcement officials and requires the cooperation of the Bay Area transportation agencies.

Objectives: Protect passengers from injury and theft, strengthen key transportation facilities to withstand earthquakes; help ensure transportation agencies can function effectively after an earthquake; raise awareness of bicycle and pedestrian safety issues; identify new or emerging safety and security issues and identify appropriate responses

Current Programs: coordinate annual emergency preparedness exercise and serve as the regional clearinghouse for dispensing information after an earthquake; roving tow trucks to assist motorists on freeways (Freeway Service Patrol- FSP, in partnership with Caltrans and CHP), freeway call boxes for motorist assistance, technical assistance to cities and counties to analyze safety issues (TETAP), Pedestrian Safety Task Force

New Initiatives: annual emergency exercise focusing on terrorism; safety and security programs coming out of SAFETEA

How are we doing? Look to the following:

- Reduce rate of fatal and injury collisions involving autos and reduce the number of fatal and injury collisions involving bicyclists and pedestrians.
- Increase the level of investment in safety programs/projects, including enforcement and education programs
- Progress in allocating funding to the worst 10% of freeway segments and intersections based on CHP collision data
- Percent completion of bridge and transit seismic safety programs
- Reduce FSP and emergency (CHP and local) response times

Keep it Working

Purpose: The public expects their transportation facilities to be kept in a good state of repair, which requires diligence in attending to ongoing maintenance and rehabilitation needs. Future investments to improve transportation will not perform as intended if the rest of the system is poorly maintained. Maintaining the condition of the Bay Area infrastructure will enhance the region's economic growth potential and will help ensure the future viability of existing neighborhoods and downtowns.

Objectives: Protect existing investments in roads and transit; lower long term infrastructure repair costs through timely replacement of assets; save motorists and bus operators repair money by fixing potholes and replacing track, reduce transit fleet downtime and improve system reliability through timely replacement of older equipment and support facilities, maintain a balance between regional and local financial responsibility for maintaining transit and roads.

Current Programs: Pavement Management System and Transit Finance Plan (these programs determine long term maintenance expenditure needs)

New Initiatives: Define portion of system maintenance that is regional in nature and appropriate maintenance standards.

How are we doing? Look to the following measures.

- Improve average local road Pavement Condition Index (PCI) on regionwide basis
- Reduce transit operator average fleet age
- Reduce transit service delays per revenue service miles (major Bay Area operators)
- Maintain/improve farebox recovery ratios for transit operators

Making Connections

Purpose: Many of the building blocks for an effective multi-modal regional transportation system are already in place. The public perceives the need to fine tune the system at key locations, where people connect between modes. Good connections require a range of strategies from removing physical barriers, to better information, to having more services to connect to. Connectivity also extends to closing critical gaps in the continuity of the system and its services, and to making institutions “connect” for the benefit of the customer.

Objectives: Enable people to move about the system easily by creating good connections and closing critical gaps. Customers will benefit by reduced waiting and travel time and by having convenient locations and means for making connections.

Current programs: Regional carpool lane, express bus and bike plans, Transit Coordination Plan, 511(traveler information), TransLink®

New Initiatives: Transit Connectivity Study, real time transit arrival information

How are we doing? Look to the following:

- Develop transit connectivity program of projects and funding plan for existing transit system and future transit expansion
- Percent completion of HOV Master Plan
- Percent completion of Regional Bicycle Plan
- Percent of Phase 1 Regional Express Bus Plan in operation

- Usage rates for regional customer service programs (e.g. TransLink® Phase 2, 511, Rides, etc.)
- Percent completion of Resolution 3434

Travel Options that Save Time

Purpose: Every day people make choices about the easiest way to make trips to their jobs, shopping, school, or recreation. As every traveler knows, certain corridors are heavily congested as too many vehicles try to get to too many places at the same time. A well developed regional transportation system is one that provides a range of travel options for any particular trip, based on the customer's requirements for time, cost, convenience, and reliability. Over the years, extensive new transit, carpool, and bike facilities have been created to provide new choices to travelers. These expanded choices are a key strategy in the continuing challenge to reduce the impact traffic congestion has on people's lives and business and can provide redundancy if a particular mode or segment of the transportation system experiences problems (tie ups, loss of service, etc.). For some travel markets, people may be willing to pay more for trips that get them to their destination in a faster or more reliable manner.

Objectives: Create options for travelers to get to their destination depending on their personal preferences for time, cost, convenience and trip reliability. Seek to maintain current mobility and control congestion levels in key corridors while accommodating future growth in travel.

Current programs: Resolution 3434, Regional Express Bus Program, HOV Master Plan, Regional Bike Plan, *New Initiatives:* Bay Bridge Congestion pricing proposal, I-680 Value Priced Lanes, bus pre-emption at signalized intersections

How are we doing? Look to the following:

- Completion of major capacity enhancement projects (Resolution 3434, HOV Master Plan, Regional Express Bus Plan, etc.) in most congested corridors
- Travel time savings by mode in these corridors

A Reliable Trip

Purpose: Whether people make trips by bike, transit, or car they desire a certain amount of predictability in terms of how long their trip will take. The manufacturing and freight shipping industry also depend heavily on the delivery of products within specified time windows. The major impediment to achieving reliable travel on roads is incidents which cause backups and delays and limited deployment of optimum traffic management strategies. For transit, road conditions can also affect adherence to published schedules. Traveler information systems are an emerging and highly effective tool for system users to learn about disruptions and make alternate plans.

Objective: Manage traffic flows better on freeways and local streets; develop advanced incident detection and response systems; expand the traveler alert system and provide real time information on travel options to avoid incidents.

Current Programs; Freeway Service Patrol, 511 traveler information number; arterial signal coordination and retiming

Future Programs: Expansion of FSP; Caltrans advanced incident detection and response program; real time transit information on 511

How are we doing? Look to the following:

- Progress in implementing freeway loop detectors and TMC (incident management)
- FSP response time
- Transit on time performance
- Number of local Smart Corridors completed

Lifeline Mobility

Purpose: MTC needs to ensure that mobility benefits are equitably distributed throughout the region considering the needs of all travelers. Certain segments of the population have fewer mobility options and therefore require special attention in transportation planning: households without a car, school children, older adults, and the disabled. Serving the transportation needs of these individuals is a shared responsibility among many organizations, including transportation and social service agencies. While not the only solution to the mobility needs of these individuals, transit will play a key role in many of the desired trips. The cost of transportation can also be a barrier to travel to work, school, medical services, or basic shopping.

The transportation decision making process must also factor in the needs of minority and low income communities and ensure that these are considered in the development of new transportation projects and services.

Objectives: Identify populations that may be at a disadvantage in terms of existing mobility options (low income, minority, disabled, older adults); identify effective responses to their transportation needs; protect existing services and implement new services as required; ensure an equitable distribution of benefits and burdens in making transportation investments in the region.

Current Programs: Lifeline Transportation Network definition; Low Income Flexible Transportation (LIFT) program; AC Transit student bus pass pilot program, community based transportation plans, Older Adults Transportation Study; social equity analysis of the Regional Transportation Plan

New Initiatives: Transportation Affordability Study

How are we doing? Look to the following:

- Number of new trips and hours of service provided by LIFT
- Implement recommendations of Older Adults Transportation Study
- Implement findings of Transportation Affordability Study
- Implement recommendations of community based transportation plans

Smart Growth Incentives

Purpose: Over the long term it is widely recognized that land use patterns will have a significant and measurable impact on the demand for transportation services, the locations where improvements in the transportation system will be needed, and the cost of providing these improvements. The regional agency Smart Growth initiative suggests where future development could occur--either around major transit lines or in other infill locations within the urban core. New development patterns will depend on cooperation from local governments who make the land use decisions. There appears to be consensus that the most effective approach for achieving these desired land use patterns is through incentives to local government. This type of development will have spinoff benefits for transportation such as: 1) reducing long distance commuting between jobs and housing, 2) encouraging more biking and walking, and 3) stimulating transit use through intensified development near transit centers. Another aspect of the Smart Growth effort is to maintain vibrant neighborhoods and preserve open space.

Objectives: Develop a menu of transportation incentives that would support infill development, create more housing near regional transit services, encourage mixed use developments in areas not served by transit, and make communities more bike and walk friendly

Current MTC Programs: Smart Growth initiative, expanded funding for TLC/HIP, Resolution 3434 focus on supportive land use policies

New Initiatives: T-PLUS-- partnering with CMAs to make local land use decisions relevant to the Smart Growth objectives; specific plans for Resolution 3434 transit expansions; working with neighboring regions to coordinate long-term land use planning assumptions.

How are we doing? Look to the following:

- Increase in residential housing in transit oriented development (TOD) sheds around Resolution 3434 transit facilities
- Increase mixed use zoning in other locations
- Number of projects funded with TLC/HIP and other sources that increase neighborhood mobility for bicyclists and pedestrians
- Number of new specific plans supporting TODs funded with TLC/HIP and other sources
- Implement Smart Growth legislative package

Clean Air

Purpose: Federal and state governments have set standards to maintain healthy air. State and regional air quality agencies have achieved major reductions in pollution over the last two decades. In addition to the continuing, decline in motor vehicle emissions (due to state controls on vehicle engines and fuels), MTC has adopted a set of transportation control measures that supplement the larger technology-based auto emission reductions. TCMs can mitigate the need for some types of vehicle trips and promote more efficient traffic flows on freeways and local streets.

Objectives: Focus on strategies to reduce emissions on particular days that could exceed federal ozone standards; anticipate future needs to control other pollutants, such as small particulate matter, that has been identified as a health concern; develop control strategies to reduce downwind pollution transport to the Central Valley.

Current programs: Ongoing implementation of Transportation Control Measures adopted in federal and state air quality plans

New Initiatives: Retrofit urban buses and other heavy duty vehicles with cleaner technologies to reduce ozone precursors and particulate matter; episodic controls for Spare the Air Days; possible new TCMs for inclusion in updated federal and state air quality plans

How are we doing? Look to the following:

- Air quality attainment status
- Progress in defining and implementing new episodic control strategies for Spare the Air Days
- Progress in reducing emissions from urban buses and other heavy duty vehicles

Deliver the Goods

Purpose: Expected increases in population and a resurgent economy will contribute to increased truck movement throughout the region, and into and out of the major airports and seaports. Innovation in intermodalism has transformed the movement of freight

starting in the 90's, creating efficient connections between carriers, but ultimately the region's major freight corridors will need further expansion. The increasing cost of moving freight in the region could contribute to a higher cost of living. Impediments in shipping freight could lead some industries to relocate.

Objectives: Identify key improvements in the surface transportation system where public investment can help the freight industry; work with local governments to protect freight-related industries from relocation; through the regional airport and seaport plans, identify long term capacity issues associated with cargo movement

Current Initiatives. Regional Freight Initiative

Future Initiatives: SAFETEA advocacy on freight issues; local government collaboration on freight land uses and zoning practices that support goods movement

How are we doing? Look to the following:

- Travel time on key freight routes
- SAFETEA advocacy results
- Prioritization and programming of key freight projects identified in Regional Freight Initiative
- Workshops with local governments on freight issues

DRAFT
Transportation 2030
Prior Commitments and New Investments

Issue

About 90 percent of available 2001 Regional Transportation Plan (RTP) funding is committed to:

- maintenance and operation of our existing road/transit system
- projects that have been in preparation for years and are nearly ready for construction
- projects that have been specifically approved by voters (e.g. local sale taxes) or legislative action (e.g. Transportation for Congestion Relief Program, or TCRP), federal demonstration grants)

The remaining 10 percent of the 2001 RTP funds were directed toward new investments.

Some stakeholders have suggested that MTC ought to reexamine some of these funding commitments as part of the Transportation 2030 Plan effort. MTC seeks feedback from the Advisory Council, Bay Area Partnership, and other stakeholders on the extent to which this re-examination should happen, and the overall approach to making investment decisions for prior commitments and new investments.

Background

Traditionally, the RTP “committed funding” investments are those committed by law, voter mandates, or recent MTC programming actions. In the 2001 RTP, close to \$79 billion of the \$87 billion (90 percent) in revenues projected to be available to the region over the next 25 years were deemed committed. Committed funding covers two main components:

1. **Transportation funding dedicated for specific uses.**
 - Local transit sales tax, local ½cent sales tax, or other local funds/subventions: MTC has no discretion in how these funds are spent as legislation or voter approved expenditure plans stipulate the permitted use(s) of the funds.
 - Federal, state, and regional funds that are for specific uses as mandated by statute: Although MTC has some discretion, federal, state or regional funds that are primarily used for transit rehabilitation and operations costs are also considered committed funding per Commission policy.
2. **Projects identified in the Transportation Improvement Program (TIP)¹.**
 - All funds are considered committed to projects included in the latest TIP; a “TIP project” can be a discrete project development phase such as an environmental phase, the construction of a usable segment of a larger project, or the construction of the entire project. Projects needing funding for any remaining phases would typically seek RTP new investment funding.

¹ Transportation Improvement Program (TIP): This is the primary spending plan for federal funding expected to flow to the region from all sources for transportation projects of all types. MTC prepares the TIP every two years with the assistance of local governments, transit operators and Caltrans. By law, the TIP must cover at least a three-year period.

After accounting for the \$79 billion in committed funding, the 2001 RTP had about \$8 billion in discretionary funding (10 percent) to undertake new projects and programs. In the past, MTC has referred to this uncommitted funding portion as “Track 1”. Examples of uncommitted fund sources include the federal funding for New Starts, Discretionary Bus Program, Surface Transportation Program (STP), and Congestion Mitigation Air Quality Improvement Program (CMAQ), as well as the State Transportation Improvement Program (STIP) funding. Attachment 1 outlines our initial assumptions of Transportation 2030 resources as they may be assigned to prior commitments, or be available for new investment.

In the 2001 Regional Transportation Plan, the Track 1 program was comprised of regional programs like the Transportation for Livable Communities/Housing Incentive Program (TLC/HIP) initiative, TransLink®, TravInfo®, Freeway Service Patrol, etc., and county projects such as HOV connectors, interchange improvements, highway widenings, bicycle/pedestrian projects, etc.

Policy Discussion

The key policy questions encompassing the issue of reexamining “prior funding commitments” and making new investment choices are listed below.

1. WHAT DOES IT MEAN TO BE COMMITTED? WHAT SCREENING CRITERIA SHOULD MTC USE TO DETERMINE WHETHER A TRANSPORTATION FUND SOURCE OR TRANSPORTATION PROJECT/PROGRAM IS COMMITTED?

MTC staff proposal:

A transportation fund or transportation project/program that meets any one of the following criteria would be deemed “committed”. A policy board would not be required to renew its commitment to the project, and the project would be automatically incorporated into the regional transportation plan unless there was a scope change or cost increase (30% or more) that would warrant further project evaluation. Further, Regional Transit Expansion Program project sponsors would need to demonstrate the ability to operate and maintain their current and expanded systems consistent with the provisions in MTC Resolution 3434.

1. Transportation funds primarily used to maintain and operate existing road and transit systems (e.g., federal formula funds, SHOPP, TDA, etc.)
2. 2003 TIP projects that maintain or sustain the existing road and transit systems (2001 Regional Transportation Plan Track 1 local roads and transit shortfalls would not be deemed committed projects)
3. 2003 TIP Projects with an approved environmental document by May 2004 and with some programmed construction funding
4. 2001 RTP Track 1 projects with an approved environmental document and/or greater than 67% funding from dedicated non-discretionary sources (e.g., $\frac{1}{2}$ cent transportation sales tax, federal earmarks/demo funds, Traffic Congestion Relief funds, etc.) for the entire project
5. Regional programs with existing executed contracts (e.g., TransLink®, TravInfo®, and RIDES). The funding commitments remain intact through the term of the contract, but after the contract expires, MTC would need to renew its commitment.

Potential Impact:

Attachment 2 illustrates a preliminary breakdown of the extent of “committed” investment categories under the proposed criteria. Attachment 3 highlights projects that may or may not pass the “committed” test. Regional priorities that may not pass the above screening criteria include TLC/HIP, regional customer service programs like TransLink® and TravInfo® (beyond contract limits), local streets and roads shortfall, transit capital shortfalls, and some Resolution 3434 projects. Should MTC give some consideration for renewing its commitment to these projects/programs through uncommitted funding?

2. HOW SHOULD THE UNCOMMITTED FUNDS BE DISTRIBUTED?

- ***How much of the local streets and road and transit shortfalls are to be covered?***

MTC staff comments:

The “fix-it first” policy has been a long-standing commitment of the Commission. MTC gives high priority to continuous and timely maintenance of the region’s streets and roads to protect past investments. The 2001 Regional Transportation Plan fully funds all Metropolitan Transportation System (MTS) pavement maintenance shortfalls and gives the counties the discretion to assign additional uncommitted funds to all other shortfalls estimated at the time of the plan, based on local priorities. In addition, the Commission is also committed to fully funding all transit capital replacement shortfalls, a policy that was instated with the 1998 Regional Transportation Plan and sustained with the 2001 Regional Transportation Plan.

The Local Streets and Roads and Transit Shortfall Task Force – a working group of the Bay Area Partnership – has spent over a year taking a hard look at local streets and roads and transit needs and available revenues in order to make more precise calculations of the shortfalls. Our preliminary estimates indicate that these needs and shortfalls are much greater than estimated in the 2001 Regional Transportation Plan, and that they likely will not be able to be fully addressed in the financially constrained Transportation 2030 Plan. As such, how much of the uncommitted funds should be used to cover these shortfalls? How much should be covered with new revenues?

- ***How much of the regional programs like regional customer service programs, TLC/HIP, and some Resolution 3434 projects are to be covered?***

MTC staff comments:

As demonstrated by the regional commitments in the 2001 Regional Transportation Plan, MTC promotes several regional programs. Regional customer service programs, such as TransLink®, TravInfo®, Rides and Freeway Service Patrol provide regional benefits. MTC sets investment levels for other regional programs, such as TLC/HIP, Resolution 3434 and transportation technical service programs, but direct funds back to local jurisdictions. Given MTC’s role in setting and implementing regional priorities, should we renew our commitment to these regional programs through discretionary funding? If so, how much? How do these existing commitments line up against new programs?

- ***After accounting for the above two investment categories, what's left for local investment choices and new regional investment choices (such as enhanced regional customer service programs, lifeline transportation, freight, bikes, etc.)?***

MTC staff comments:

When thinking about a relatively small margin of uncommitted funding, keep in mind that regional needs—particularly new projects like enhanced regional customer service programs, lifeline transportation, or bicycle projects – would compete for funding with local projects. In the 2001 Regional Transportation, about half of the discretionary funding was allocated to regional priorities, leaving the remaining half for local priorities. Is this 50-50 share an appropriate way to address regional and local needs? In addition, in determining what new regional and local projects would be added to the Transportation 2030 Plan, should we require that these projects be tied to regional goals?

Transportation 2030 Projects

2003 TIP Projects (over \$20 million in cost) That Do Not Meet “Committed Criteria”

County	Project	Criteria	
		Enviro. Doc. By 5/04?	% Committed Funds
Alameda	NB Sunol Grade I-680 HOV Lane:	No	24%
San Mateo	US 101 auxiliary lanes: SCI Co. line to Marsh Rd.	No	51%
Son	US 101 HOV lanes – Rohnert Park Expwy to Santa Rosa Ave.	No	0%

Resolution 3434 Projects

Project	Criteria		Meets “Committed Criteria”**?
	Enviro. Doc. By 5/04?	% Committed Funds	
BART to Warm Springs	Yes	72%	Yes
BART to San Jose	Yes	77%	Yes
Muni 3 rd St/Central Subway	Yes	>50%**	Yes
BART/OAK Connector	Yes	50%	Yes
Transbay Terminal	Yes	85%	Yes
Caltrain Electrification	Yes	>50%	Yes
Caltrain Express: Phase 1	Yes	100%	Yes
VTA East Valley LRT	Yes	100%	Yes
Capitol Corridor: Phase 1	Yes	22%	Yes
AC Transit BRT: Oak/San Leandro	No	15%	No
Dumbarton Rail	No	>50%	No
eBART	No	N/A	No
tBART	No	N/A	No
SMART	No	N/A	No
Caltrain Express: Phase 2	No	N/A	No
Capitol Corridor: Phase 2	No	N/A	No
AC Enhanced Bus: Hesperian/Foothill	No	N/A	No

* Assumes no significant cost increase or scope change; sponsors will need to demonstrate financial capacity to operated projects per provisions of Resolution 3434

** Includes local funding from Initial Operating Segment

Existing Regional Customer Service Programs

Program	Existing Contract?
Freeway Operations (TOS/MTOS)	No
FSP/Callbox	Yes, approx. through 2010
PTAP/TTAP	No
TransLink®	Yes, through 2016
Rides	Yes, through 2010
TravInfo®	Yes, through 2010
Air Quality Programs	No
Performance Monitoring	No
TLC/HIP	No

Local Streets/transit shortfalls	No
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Note: Potential new programs: Bike/ped, freight, Lifeline transit

**Major County 2001 RTP Track 1 Projects That Do Not Meet Proposed
T-2030 “Committed Criteria” (over \$20 million)**

Alameda County

Port of Oakland JIT
SR 238 Hyward Bypass – Stages 2 and 3
I-880 Broadway/Jackson interchange
Rail grade separations
ACE station/track improvements
Isabel Ave/SR 84/I-580 interchange
I-580 HOV lanes: Pleasanton to Livermore
New West Dublin BART station
I-580/205 truck ramps

Contra Costa

West SR 4 freeway upgrade
Widen SR 4 from Loveridge to SR 160
I-680/SR 4 interchange modifications
Caldecott 4th Bore
I-680 Bollinger Canyon auxiliary lanes
Richmond intermodal transfer station

Marin

Local Marin bus service enhancements
Novato Narrows (Marin portion)

Napa

SR 12 widening: Jameson Canyon (Napa portion)
SR 12/29 grade separation (Airport Rd.)

San Francisco

Doyle Drive
BRT program

San Mateo

US 101 interchange modifications: various locations
SR 92: add lanes from US 101 to I-280

Santa Clara County

Interchange reconstruction: various locations
Widen SR 237 from SR 85 to US 101
SR 25: upgrade to expressway
US 101 auxiliary lane from SR 87 to Montague
Caltrain 4th track in Santa Clara
Widen Montague/Central Expressways

Solano

I-80/680 interchange modification
Vallejo intermodal terminal
Jepson Parkway: Phase 1
I-80 HOV lane: Fairfield to Vacaville
SR 12 (east) safety improvements
SR 12 widening: Jameson Canyon (Solano portion)

Sonoma

US 101 HOV lanes: Steele Lane to Windsor
US 101 HOV lanes: Old Redwood Hwy to Rohnert Park Exwy
US 101 Novato Narrows (Sonoma portion)



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-0700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.461.7848

Memorandum

TO: Partnership Technical Advisory Committee

DATE: October 6, 2003

FR: Lisa Klein

W.I.:

RE: Transportation 2030 Project Performance Measures and Evaluation

Project submittals for the Transportation 2030 Project Performance Evaluation are due to MTC by October 17, 2003. Recall that all potential new projects (those not included in Track 1 of the 2001 RTP) and continuing projects with an increase greater than 30% in RTP discretionary funding must be submitted for evaluation. Refer to the September PTAC packet for more information about the evaluation.

An Excel-based project submittal form currently is available on the MTC website at <http://www.mtc.ca.gov/T2030/project-submittal.htm>. (Either click on the link or paste this address in your browser. You cannot navigate to the site from within the MTC website.) When you open the file, you will be prompted to either enable or disable macros; for easier navigation within the file, choose “enable macros”.

We are still working on an interactive web-based form and will make this available on the same website before the 17th if possible. However, please do not hesitate to submit your projects using the Excel form. We are committed to supporting the Excel form through the process and will not ask you to convert information entered in the Excel-form.

At the PTAC meeting, I will give a brief status report on the submittals and will be happy to answer any questions. If you have questions in the mean time, please feel free to contact me at klein@mtc.ca.gov or 510.464.7832.



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bore MetroCenter
101 Eighth Street
Oakland, CA 94607-0799
Tel: 510.464.7700
TELEFAX: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Partnership Technical Advisory Committee

DATE: October 14, 2003

FR: Li Zhang

RE: 2004 STIP Fund Estimate Assumptions

The California Transportation Commission (CTC) adopted the 2004 State Transportation Improvement Program (STIP) Fund Estimate assumptions on September 24, 2003. Based on the assumption discussions, this Fund Estimate is expected to be tight with little to no new programming capacity.

The upcoming 2004 STIP Fund Estimate includes 5-year estimates for the State Highway Account (SHA), the public Transportation Account (PTA), the Aeronautics Account, the Transportation Investment Fund (TIF), and the Transportation Deferred Investment Fund (TDIF). The draft 2004 STIP Fund Estimate will be presented to the CTC for approval at its October 29-30 meeting in Redding and the final version will be proposed for adoption at the CTC's December meeting in Sacramento.

Attached to this memo is Caltrans proposed 2004 Fund Estimate assumptions. Highlights from the proposed assumptions as well as the revisions that were recommended by CTC staff during the September 24th meeting are summarized in this memo.

Assumptions for the State Highway Account:

Revenue Assumptions

The SHA is the core of the STIP Fund Estimate. The three major fund sources for SHA are the fuel taxes transferred from the Highway Users Tax Account (HUTA), motor vehicle weight fees, and reimbursement from the Federal Highway Trust Fund. The most notable change to the account is the significant decrease in the cash balance from \$1.496 billion at the time the 2002 STIP Fund Estimate was prepared to the current \$293 million. A \$330 million prudent cash balance for this fund estimate period was recommended by Caltrans staff and adopted by the CTC. This cash balance is meant to meet monthly operating commitments and was developed to anticipate projected monthly fluctuations in the SHA cash balance.

Major Assumptions Proposed by Caltrans Staff for State Funds:

1. Fuel excise tax revenues annual growth rate of 2.3%
2. Weight fee revenues annual growth rate of 3.4%
3. The repayment of the \$477 million loaned from the SHA to the TCRF is scheduled to occur in FY 2006-07

The CTC adopted the proposed state funding assumptions of a 2.3% growth rate for excise tax, which is consistent with historical trends. Other less influential assumptions recommended by Caltrans staff, such as the interests on the SHA cash balance, known as the Surplus Money Investment Fund (SMIF), were adopted. The CTC adopted CTC staff's recommendation to lower the growth rate for weight fees to 1% per year. In reviewing the history of weight fee collection from the Department of Motor Vehicle (DMV), CTC staff believes a 3.4% growth rate for the weight fees would have a high risk of not being met. Figures from the DMV also suggest that a large number of truck registrations are leaving California and migrating to other states although the number of non-California based trucks operating on California's highway system continues to increase. Actual cash revenue for FY 2002-03 was \$132 million below the estimated weight fee revenue in the 2002 STIP Fund Estimate. This was due to the implementation of SB 2084 in December 2001. SB 1055, passed in September 2003, proposes to correct this by increasing weight fees on vehicles over 10,000 pounds by 20%. The amount of revenue that can be recovered is dependent on the enactment of SB 1055 and the timely implementation of the new weight fee schedule proposed by the bill.

Major Assumptions Proposed by Caltrans Staff for Federal Funds:

1. The Administration's current reauthorization proposal, which includes an annual Obligation Authority (OA) level of about \$2.3 billion for California during this fund estimate period
2. The existing ethanol tax discount will cause reductions ranging from \$300 million to \$700 million in FFY 2004-05 and beyond

The CTC didn't adopt Caltrans staff's conservative assumption for the federal funds. Instead, CTC staff recommended that the 2004 STIP Fund Estimate be based on the mid-point between the House and Senates' FY 2003-04 appropriations proposals, or \$2.6 billion, with a 2% annual growth rate during the 5-year time period. CTC staff also recommended that no loss of revenue due to ethanol should be assumed and suggested this assumption to be revisited at the CTC's October meeting to correct for any subsequent action taken in Congress.

Expenditure Assumptions

SHOPP

On the expenditure side, the CTC adopted all of the SHA expenditure assumptions with minor language fixes. Caltrans staff made an informative presentation to CTC Commissioners for the State Highway Operations Program Plan (SHOPP), and recommended the consideration of the 2002 10-Year SHOPP Plan as the preferred funding level for the SHOPP. The 10-year SHOPP Plan requires an annual funding level of \$2.25 billion. Because of the limitation of funding for this fund estimate cycle, CTC staff proposed and the CTC adopted that the SHOPP be given the

same level of funding that was included in the 2002 STIP Fund Estimate for FY 2004-05, 2005-06 and 2006-07 and then maintain the FY 2006-07 level for the last two years of the 2004 STIP Fund Estimate.

Advanced Construction

Advanced Construction (AC) is Caltrans' exercised provisions in federal law to authorize project expenditures against future federal funds. As of June 30, 2003, there were 3.2 billion worth of projects authorized under AC. The Department of Finance (DOF) has recommended Caltrans develop a plan to reduce the AC balance by applying some annual amount of federal OA against the AC balance to free up some state cash. Caltrans staff recommended dedicating \$200 million of OA per year to reduce the AC balance by a total of \$1 billion during this fund estimate period. Caltrans was asked to address the concern of whether the OA would be taken off the top of California's apportionment with the remainder split between local assistance and STIP or would all come from the STIP portion.

Caltrans was asked to address a similar concern regarding the August Redistribution of the nation's unused OA - whether the OA will be distributed between the locals and state. While Caltrans staff acknowledged that the redistributed OA usually doesn't get distributed to the locals, they were open to future policy clarifications on this issue.

No Advance Project Development Element (APDE) will be allowed during the 2004 STIP Fund Estimate period because of the lack of funding.

Assumption for the other Transportation Related Account

Caltrans staff's assumptions for the Public Transportation Account (PTA), Transportation Investment Fund (TIF), Transportation Deferred Investment Fund (TDIF) as well as the Aeronautics Account were adopted without any major revisions made by the CTC. The TDIF was created by the Legislature to facilitate the repayment of funds from the General Fund to the TDIF that is equivalent to the amount not transferred from the General Fund to the TIF in FY 2003-04.

Major Assumptions Approved for TCRF and Prop 42 Repayment:

1. The repayment of the deferred Prop 42 revenue totaling \$856 million from the General Fund to TIF is scheduled to occur in FY 2008-09.
2. The Prop 42 increment is scheduled to be back in FY 2004-05.

Major Assumptions Approved for PTA:

1. Eliminate spillover (AB 1751)
2. Loan to TCRF of \$ 275 million repaid in FY 2007-08