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Napa County and Cities

Dorene M. Giacomini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Scott Haggerty
Alameda County

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San Francisco Bay Conservation
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Steve Kinsey
Marin County and Cities

Sam Liccardo
San Jose Mayor's Appointee

Mark Luce
Association of Bay Area Governments

Jake Mackenzie
Sonoma County and Cities

Joe Pirzynski
Cities of Santa Clara County

Jean Quan
Oakland Mayor's Appointee

Bijan Sartipi
California State
Transportation Agency

James P. Spering
Solano County and Cities

Adrienne J. Tissier
San Mateo County

Scott Wiener
San Francisco Mayor's Appointee

Steve Heminger
Executive Director

Ann Flemer
Deputy Executive Director, Policy

Andrew B. Fremier
Deputy Executive Director, Operations

MTC PLANNING COMMITTEE
March 14, 2014
MINUTES

ATTENDANCE

Chair Spering called the MTC Planning/ABAG Administrative Committee meeting to order at 9:30 a.m. Planning Committee members in attendance were: Commissioners Giacomini, Haggerty, Halsted, Kinsey, and Liccardo. Commissioners present as ad hoc non-voting members of the Committee were Bates, Quan, Tissier, and Wiener. Commission Chair Rein-Worth was present in her ex-officio voting member capacity.

CONSENT CALENDAR: Minutes of February 14, 2014

Commissioner Kinsey moved approval of the Consent Calendar, Commissioner Rein-Worth seconded (deputized by Chair Spering as a voting member until Commissioner Liccardo's arrival). Motion passed unanimously.

BAY AREA COMMUTER BENEFITS PROGRAM, MTC RESOLUTION NO. 4134

Ms. Christine Maley-Grubl summarized the Commuter Benefits Program, which offers four options: 1) Pre-tax payroll deduction for transit or vanpool; 2) Direct subsidy for transit or vanpool; 3) Employer-provided transportation; and 4) Alternative commuter benefit. She described the key elements, key roles and responsibilities. She noted that the public outreach process involved a wide range of employers, congestion management agencies, transportation management agencies, and transit agencies. Public workshops were held in all nine Bay Area counties in October 2013.

She also stated that staff presented the draft Program to the Policy Advisory Council on March 12. The Council had clarifying questions about the program options, tax savings, and community outreach that had been conducted. The Council also expressed concern that air quality standards by the Air District conflict with the ability of local jurisdictions to efficiently advance infill development in PDAs. The Council would like to look into this in the future.

Ms. Maley-Grubl recommended that the Committee forward MTC Resolution No. 4134 to the full Commission for approval to support recommendation of the Bay Area Commuter Benefit Program pursuant to Senate Bill 1339.

Committee discussion:

- Commissioner Spering asked how staff measures progress or success. Ms. Maley-Grubl stated that they will confirm how many employees utilize the program and confirm the program evaluation and may be doing a phone survey.

- Commissioner Spering asked staff to expand on Option 4, Alternative Commuter Benefit. Mr. Dave Burch, Air District, stated that Option 4 is for an employer to submit an alternative commuter benefit proposal; however, in dialogue with the employers and other stakeholders, there has been desire expressed by employers to get some clarity about what kinds of things will the Air District be looking for under Option 4. The Air District created a working group to put together some ideas for what type of things an employer could propose that would be more or less preapproved by the Air District. He noted that this is an opportunity to promote alternative modes that are not addressed directly by Options 1 – 3, and would be most appropriate in some of the areas that are not well served by transit. The Air District is putting together, as part of the guidelines, specific guidance about things that employers can do under Option 4.
- Commissioner Spering asked how staff will monitor whether the employees are taking advantage of commuter benefits where we actually see a mode shift. Ms. Maley-Grubl stated that staff will be asking the employer to indicate how they are going to promote the new program to their employees. As far as the mode shift, staff is discussing the best way to do the program evaluation, and want to ask the employees what they did before this regulation was put into place, and what are they doing now as far as commuting to and from work.
- Commissioner Haggerty asked how this will benefit lower income people who work late at night and need transit. Ms. Maley-Grubl stated that staff can work with employer on Option 4 to come up with a different solution that works for the employees. Mr. Heminger noted that carpooling could be an option; however, the law requires the employers to offer something and that this is a pilot program that staff will learn what does and does not work.
- Commissioner Liccardo asked about enforcement – who enforces, how, and what is the penalty. Mr. Wayne Keno, Air District Director of Compliance and Enforcement, stated that they try to get these facilities to comply with the letter of the law through outreach. If they do not comply, they can apply various levels of enforcement, which begins with a Notice to Comply that is a formal notice that they are not in compliance and gives them a certain time period to come into compliance. If an employer refuses to comply, it can be issued a violation notice which has some penalties that is a per day violation that ranges from several hundred dollars to several thousand dollars depending on the circumstances.
- Commissioner Liccardo asked if fines can be assessed retroactively for failure to comply. Mr. Keno stated yes. He noted that the effective date of the program will be when the two Boards approve it in March 2014, but employers will be given 6 months to get into compliance, which will be September 2014.
- Commissioner Rein-Worth asked what technical assistance is available relative to helping employers that might want to develop Option 4. Ms. Maley-Grubl stated that staff will be offering technical assistance via in person, on the phone or online. She noted that in terms of incentives, she stated that there is a real opportunity throughout the year through the 511 Regional Rideshare Program that offer a number of promotions for employers and commuters directly.

- Commissioner Kinsey asked if the program is mandated or was the opportunity provided to the regional agencies. Mr. Burch stated that SB 1339 authorizes MTC and the Air District to work together to develop a program – it does not mandate.
- Commissioner Kinsey stated that there is nothing in the regulation that requires the employer to do a certain level of monitoring. He stated that compliance could be notification of the opportunity. He also stated that it would be helpful to see if VMT is being changed to move people toward transit or shared rides. Lastly, he commented on benefits to the employer and asked staff if they anticipate that employers will perceive that this is a cost neutral responsibility or even a cost beneficial one. Ms. Maley Grubl stated that if employees are utilizing Option 1 pre-tax benefit then employers will be saving on FICA tax depending on how much the employee is invested. Mr. Burch noted that with the other options the employer has more discretion about what they would do. Option 3 is one where the employer would provide transportation, which could be expensive. The expectation is that most employers will select the most cost-effective option, which is Option 1.
- Commissioner Bates asked if an employer can offer more than one plan. Ms. Maley-Grubl stated yes and that staff is encouraging it. He also asked what the tax benefit is for carpoolers. Ms. Maley-Grubl stated that there is no pre-tax benefit, but Option 4 gives an employer the opportunity to establish some sort of carpool program that is one of the pre-approved options. Mr. Heminger also stated that there are other ways the employer can give carpoolers a benefit, such as preferred parking spaces or a cash out parking program where the employer charges for parking and carpoolers pay the amount that is given to them by the employer. Commissioner Bates suggested that staff think of a way, possibly through legislation, to establish carpooling as a pre-tax benefit.

Commissioner Halsted moved approval of MTC Resolution No. 4134, Commissioner Kinsey seconded. Motion passed unanimously.

GOODS MOVEMENT PLANNING UPDATE

Ms. Carolyn Clevenger updated the committee on Goods Movements planning efforts that are underway within the region. She noted that the Alameda County Transportation Commission kicked off their countywide Goods Movement Plan, and in coordination MTC is going to update its Regional Goods Movement Plan.

The planning work includes two closely integrated efforts that will result in two distinct plans: a Regional Goods Movement Plan, and an Alameda Countywide Goods Movement Plan. She stated that the project approach has 4 phases. Phase 1 is outreach, which is underway and ongoing; Phase 2 is the Baseline and Needs Assessment scheduled for the Spring/Summer 2014; Phase 3 is the Strategy development and evaluation scheduled for the Fall 2014; and Phase 4 is development of the final Goods Movement Plans, to be completed in 2015.

Ms. Clevenger summarized the functional elements of the Bay Area Goods Movement System as well as the Northern California mega-region.

She commented on the outreach process, and noted that the stakeholder interviews are underway and they are developing technical teams. Staff is reviewing existing plans and studies and developing vision and goals concepts; preparing an inventory of infrastructure, services, and demographic trends; and, assembling data and analysis for advocacy white papers focused both on the region and the Northern California mega region. She noted that a kick off Roundtable event is scheduled for May 2014.

Lastly, she summarized the ongoing State freight activities, which include the California Freight Mobility Plan to be finalized in December 2014, the development of Caltrans' federal freight principles, and the California Air Resource Board Sustainable Freight Strategy to be released in Fall 2014. MTC is actively monitoring and participating in the statewide initiatives.

Committee discussion:

- Commissioner Haggerty commented on the Interregional map and stated that 238 should be also be acknowledged on the Intraregional map that shows I-880 and I-680.
- Commissioner Liccardo commented on the maps and stated that there is no reference to 128 to I-5, and asked if there are any quantitative measures to understand what the relative quantity is. Mr. Michael Fisher, the lead consultant from Cambridge Systematics, stated that in terms of the corridor definitions, they have been trying to start from the threshold definitions that were adopted by the California Freight Advisory Committee based on truck volumes on corridors, which defined major truck routes. They are also trying to acknowledge that other corridors do specific functions in the system and they continue to learn more about what the nature is of the types of goods that move in some of those corridors. He noted that they have compiled some information about commodity movements at the regional level and are trying to get down to a more refined geography to see what the commodity values and tonnages moving on specific roadways are. Commissioner Liccardo stated that knowing what the specific numbers for each corridor will be helpful.
- Commissioner Spring asked is there is any discussion about economic development or how this plan is integrated into the local jurisdictions and the types of things that they can do. Ms. Clevenger stated that staff will be looking at the economic development aspect both in terms of supporting businesses and jobs within the region. She noted that the stakeholder groups have been reaching out to local economic development agencies, chambers of commerce, and meeting with them to hear what initiatives they have underway as well.
- Commissioner Quan asked staff what they plan on doing with this plan. Mr. Heminger stated that moving goods is a very large part of the equation of the long range plan. He noted that once the work is done, it will position staff to address the issue much better in the next long range plan, and eventually lead to a platform and project ideas that staff may be able to bring to Sacramento or Washington.

- Commissioner Quan commented that the intermodal freight operations at the Oakland Airport and the Port of Oakland should have a regional emphasis and not just the local one. She also expressed interest with the arterials on I-880 and around the Port – that Oakland gets compensated for the damage from the trucks as well at I-880 getting more funding so they can maintain the industrial areas. Ms. Clevenger stated that staff will be looking at many of those issues.

Public comment:

- Mr. Rich Hedges stated that China is investing heavily in a deep water port in Mexico, where they are spending approximately \$13 billion on that port. It has been reported that this will be a major freight gateway to the Midwest. He stated that staff needs to know, as far as the international goods that travel through the Port of Oakland, what that will mean for cities and counties in California that have depended on the employment and who have spent money to try to build the infrastructure for these trucks

OTHER BUSINESS/PUBLIC COMMENT

Commissioner Kinsey inquired about the next round of federal TIGER Grants.

There being no other business, the meeting adjourned at 10:40 a.m. The Committee's next meeting is scheduled for Friday, February 14, 2014 at 9:30 a.m. in the Lawrence D. Dahms Auditorium, Joseph P. Bort MetroCenter, Oakland, CA.