

PARTNERSHIP TECHNICAL ADVISORY COMMITTEE MINUTES

September 17, 2007

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1. Introductions

Marcella Rensi (Chair) requested introductions.

2. Minutes of August 20, 2007 PTAC Meeting

The minutes for the August 20, 2007 PTAC meeting were accepted.

3. Partnership Reports

Partnership Board – The Partnership Board met on September 26, 2007.

Transit Finance Working Group (TFWG) – *Todd Morgan, Chair* – The TFWG met on September 5, 2007. A significant item of discussion was the FTA Section 5309 Bus Discretionary Program; the FTA announced that all the available 5309 Bus funds, \$438M, were directed to the Urban Partnership Program (UPP). Todd also reported that the region was one of five in the nation to receive a grant award under the Urban Partnership Program.

Local Streets & Roads (LS&R) Working Group – *Ben Tripousis, City of San Jose* - LS&R WG met on September 7, 2007. Highlights of the session included 1) legislative update, 2) development of a white paper for strategizing LS&R needs within the RTP, 3) the working group is looking to schedule a joint meeting with transit agencies and the LS&R WG to strategize on how to not only maintain but increase funding for both transit and local streets and roads maintenance needs within the RTP, and, 4) PTAP-9, 35 projects were selected.

Programming and Delivery Working Group (PDWG) – *Matt Todd, Chair* – PDWG met on September 17, 2007. The Group discussed 1) project-monitoring issues, the upcoming 2008 STIP process, 3) the impacts of the State Budget and how it may affect the 2008 STIP fund estimate and STIP projects in this upcoming year, and, 4) the NEPA delegation, Caltrans will be signing off on the NEPA delegation with few exceptions.

Standing Updates

4. Transportation Improvement Program (TIP) Update

Ross McKeown (MTC) provided an informational update on the Transportation Improvement Program (TIP). TIP Administrative Modification 07-15 is currently at Caltrans for approval. The deadline to submit requests for the next formal TIP Amendment is November 1. Requests for administrative modifications are due through the FMS – Universal Application the first of each month. Specific TIP Amendments can be viewed online at: <http://www.mtc.ca.gov/funding/tip>.

5. Legislative Update

Rebecca Long (MTC) provided highlights of the newly adopted State Budget. SB 717 (Perata) extends the section of code that provides for the Transportation Investment fund for Prop 42 funds, the statute is due to expire in 2008. SB717 extends the statute and makes a substantive change to the transit portion by changing the STA portion to 75%, which amounts to \$27M more in STA funding for the region based on FY 2008-09 factors. SB 717 is on the Governor's desk awaiting signature. SB 976 calls for the creation of the Water Emergency Transportation Authority (WETA), and consolidates all water transit authorities with the exception of Golden Gate.

Rebecca stated that both Houses have acted on the 2008 Federal Appropriations and added that there are a certain degree of earmarks included within each proposal.

6. Transportation 2035 Progress Report

MTC staff provided an informational progress report on the current Transportation 2035 planning activities for the Partnership's review. Comments and/or questions should be directed to Ashley Nguyen at anguyen@mtc.ca.gov.

7. CMIA Update

Kenneth Kao (MTC) provided an update on the Corridor Mobility Improvement Act (CMIA) and Proposition 1B. At the California Transportation Commission (CTC) meeting on July 25-26, the CTC adopted the Project Delivery Council Make-Up for the CMIA and the Local Streets and Roads portion of the Prop 1B funding. Caltrans has released a website containing bond program information, www.bondaccountability.ca.gov. The FY 2007-08 State Budget approved \$608M in apportionments for CMIA projects.

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Discussion Items

8. 2008 RTIP Draft Policies and Procedures

Kenneth Kao (MTC) provided highlights of the draft 2008 RTIP policies and procedures. Resolution 3825 will be presented to PAC in October. Major changes include: 1) future STIP prioritization states that first priority is San Francisco's Doyle Drive project for \$54M and outlines the payback requirements for the Marin/Sonoma Narrows county shares. 2) TE Reserves, currently, the region's TE Reserve funds are split 50/50 between the TLC program and to the CMAs for their discretionary use, the draft proposes that the MTC portion be held until such time as the RTP can decide on regional priorities for those funds. 3) Caltrans oversight language has been changed to reflect the dissolution of those oversight fees. 4) Routine Accommodations Checklist language has been revised to reflect that it is not a requirement but is encouraged for agencies to complete the draft upon its availability. 5) The State is proposing a new project fact and fund sheet to replace the current ones being used for the STIP. The new proposed sheet consolidates the different funding source forms into one. 6) The numbers for the county shares are expected to be released by the CTC at the September meeting along with a draft Fund Estimate. Once released, those numbers will be included in the draft policies and procedures.

9. Proposition 1B Follow-Up

Rebecca Long (MTC) reported that \$4.6B was appropriated for Prop 1B and 1C. Highlights included: 1) the CTC administers the majority of the funds; however, Caltrans administers SB88 transit funding for one year only. The Trade Corridors and the SLPP were not appropriated funds this year due to lack of resolutions on the bills. A change to the Local Streets and Roads funding, there was a final bill after the budget was adopted that allocates \$550M to cities and \$400M to counties. *Anne Richman (MTC)* reported that Caltrans is releasing guidelines for the Prop 1B Public Transportation Account funds; MTC staff will distribute those guidelines to the transit agencies. Timelines are strict for getting project information to the State and getting on lists to receive allocations this year. Caltrans is taking comments on the guidelines through October 8, 2007. MTC will be submitting comments and would like to include any comments of note from the transit agencies. Guidelines for the programs vary, some are outlined for the life of the bond and others are likely to be revisited next year. *Rebecca* noted a restriction for transit rolling stock which states that projects must have a useful life of 15 years or more but up to 10% of the bonds proceeds in any given issuance may have a useful of between 10-15 years. The understanding is that in any given bond issuance, whole program, as long as no more than 10% of the issuance is going to projects with a 10-15 year useful life is okay but further clarification is necessary. Committee members requested that the CTA guidance be circulated as soon as possible for review and comment. Committee members expressed concerns regarding the useful life guidelines, particularly that it may conflict with the definition of tangible assets vs. equipment.

Anne Richman (MTC) provided an overview of the proposed consolidated formula for the distribution of State Transit Assistance (STA) population-based funds beginning in FY2008-09. Staff is recommending converting the multiple existing STA base and Proposition 42 policies into one fixed percentage policy, resulting in a more streamlined consolidated program that would allow all programs to share in future revenue growth. Spillover funds were not included in the presented proposal. The earliest any action would be taken would be at the November Commission meeting.

The proposal was presented at the Transit Finance Working Group where members expressed concerns about combining Prop 42 and STA-based funds thus potentially introducing some risk to the Prop 42 program. Another concern was using fixed percentages for programs where the needs could diminish prior to the 10-year estimate the plan proposes. Staff responded to the concern stating that should the needs diminish prior to the 10-year snapshot, and if policy dictates, the percentages can be readjusted as needed. Working group members sought clarification on the definition of Lifeline and had general concerns about spillover funds, which were not addressed in the proposal. Comments should be submitted to MTC staff prior to October 15, 2007.

Information Items / Other Business

10. Recommended Future Agenda Items

The October session of PTAC will focus solely on RTP related items.

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Next Meeting

Monday, October 15, 2007

1:30 p.m. – 3:30 p.m.

MTC MetroCenter, Auditorium (1st Floor)

101 Eighth Street, Oakland, CA 94607