



CEAC Transportation Policy Committee

Thursday, August 31, 2017 | 9:30 am – 11:00 am
CEAC 12th Annual Policy Conference
Capitol Event Center
1020 11th Street, 2nd Floor
Sacramento, CA 95814



AGENDA

Chair, Pat Proano, Los Angeles County
Vice Chair, Steve Kowalewski, Contra Costa County
Vice Chair, David Fleisch, Ventura County
Vice Chair, Chris Sneddon, Santa Barbara County

- 9:30 am I. **Welcome, Self- Introductions, and Opening Remarks**
Pat Proano, Chair, Los Angeles County
- 9:35 am II. **SB 1 Update**
 - **Political Landscape**
 - **Project List & Other Implementation Issues**
 - **Local Outreach & Education Tool Kit***Kiana Valentine, CSAC Senior Legislative Representative*
Chris Lee, CSAC Senior Legislative Analyst
- 9:55 am III. **City and County Pavement Improvement Center – ACTION ITEM**
John Harvey, Director, University of California Pavement Research Center
Laura Podolsky, Policy Director, National Center for Sustainable Transportation, UC Davis
Attachment One: Memo: City and County Pavement Improvement Center (CCPIC) Proposal
Attachment Two: County-by-County RMRA Impacts to Fund CCPIC
- 10:25 am IV. **Caltrans Update**
Ray Zhang, Division Chief, Caltrans Division of Local Assistance
- 10:45 am V. **2017-18 CEAC Policy & Legislative Priorities – ACTION ITEM**
Chris Lee, CSAC Senior Legislative Analyst
Attachment Three: Draft Updated 2017-18 CEAC Policy and Legislative Priorities
- 10:55 am VI. **Federal Update**
Kiana Valentine, CSAC Senior Legislative Representative
Attachment Four: NACo Resolution in Support of Direct Federal Funding to Local Governments
Attachment Five: California Consensus Principles
- 11:00 am VII. **Adjournment**

ATTACHMENTS

City and County Pavement Improvement Center

Attachment OneCity and County Pavement Improvement Center
(CCPIC) Proposal

Attachment TwoCounty-by-County RMRA Impacts to Fund CCPIC

2017-18 CEAC Policy & Legislative Priorities

Attachment ThreeDraft Updated 2017-18 CEAC Policy and
Legislative Priorities

Federal Update

Attachment FourNACo Resolution in Support of Direct Federal
Funding to Local Governments

Attachment FiveCalifornia Consensus Principles

City and County Pavement Improvement Center
Attachment One
City and County Pavement Improvement Center (CCPIC) Proposal

PROPOSAL

CITY AND COUNTY PAVEMENT IMPROVEMENT CENTER

Prepared for: League of California Cities (LOCC), California State Association of Counties (CSAC), County Engineers Association of California (CEAC)

Prepared by: John Harvey, David Jones (UCPRC, Davis), Laura Podolsky (ITS Davis), Laura Melendy (ITS Tech Transfer, Berkeley), Shadi Saadeh (CSU Long Beach), Ashraf Rahim (Cal Poly SLO)

Date: August 9, 2017

I. Overview

Local governments bear responsibility for over 80% of the roadway pavement lane-miles in California and carry 45% of the vehicle miles traveled. The condition of California's pavements owned by cities and counties has worsened over the past 10 years, as documented in the California Statewide Local Streets and Roads Needs Assessment. The passage of SB 1 will bring much needed funding to local governments for preserving existing good pavements in good condition, and restoring structural capacity to those in need of maintenance and rehabilitation. To achieve maximum value from this new infusion of funding, it is imperative that cities and counties have training and access to the most advanced, cost-effective and sustainable pavement practices, science, tools, and resources.

Currently, there is not a well-organized systematic approach for delivering technical content to local governments in California. The University of California Pavement Research Center (UCPRC) proposes to fill this gap by creating, leading and operating a City and County Pavement Improvement Center (CCPIC) in partnership with the Institute of Transportation Studies at UC Davis and UC Berkeley (ITS-Davis, ITS-Berkeley), California State University campuses with pavement expertise and an ability to participate (Long Beach and San Luis Obispo as initial partners), the California League of Cities (LOCC), the California State Association of Counties (CSAC), and the County Engineers Association of California (CEAC). The program will also be coordinated with existing programs and organizations working for local government and/or producing pavement technical content, such as ITS-Berkeley Tech Transfer, Caltrans Local Assistance Program, Caltrans Division of Research and Innovation, FHWA and industry-developed technology transfer programs as needed.

II. Proposed Scope

The main activities of CCPIC are as follows in order of estimated immediate priority:

1. Provide technology transfer through on-line and in-person training, peer-to-peer exchanges, and dissemination of research results and best practices in a variety of formats for a variety of audiences (e.g., policy makers, engineers, planners, community members);

2. Develop technical briefs, guidance, sample specifications, tools, and other resources based on the latest scientific findings and tested engineering solutions for local government pavement engineers, managers, and the consultants who support them;
3. Establish a pavement engineering and management certificate program for working professionals through the UC Institute of Transportation Studies;
4. Serve as a resource center for up-to-date information, regional in-person training, pilot study documentation, and forensic investigations; and
5. Conduct research and development that produces technical solutions that respond to the pavement needs of both urban and rural local governments.

The work in each of these scope areas will be balanced to address urban, suburban, and rural needs and needs in different regions. The scope of “pavement” to be addressed in the work of CCPIC includes all types of roads, streets and highways, ranging from gravel and other unsurfaced types of low volume roads to major highways surfaced with asphalt or concrete, and all uses of pavement infrastructure including active transportation and complete streets. CCPIC staff have the expertise in other areas as well, including airfields, all types of urban hardscape besides the vehicle traveled way, including parking facilities, permeable pavement, climate change response, life cycle cost analysis and environmental life cycle assessment.

III. Proposed Governance and Organizational Structure

The first priority for establishing CCPIC is determining a governance and organizational structure that will work for all partners. The UCPRC has recently completed a white paper for the National Center for Sustainable Transportation with funding from Caltrans titled “Local Government Pavement Research, Development, and Implementation Organization in Several States”¹. The white paper summarizes the successes, challenges, funding methods and levels, and organizational structures of five state-wide centers and one regional center. Many of the centers studied include the following elements as part of their governance and organizational structure, which can serve as a starting point of discussion among CCPIC partners:

- **Governing Board:** The governance board should have approximately 10 to 15 members divided between city and county representatives with a range of technical expertise and representing different regions in California as well as urban and rural communities. The roles and responsibilities of the governing board will be providing overall oversight of the center operations and program, working with staff to solicit and develop research and educational needs and priorities, and approving prioritization and funding for training, technical guidance, forensic and pilot study documentation, and research projects. The governing board will meet quarterly.
- **Sub-Committees to Address Specific Tasks and Activities:** Nested under the governing board will be permanent sub-committees for each of the CCPIC’s main activity areas (i.e., training,

¹ White paper available at: https://ncst.ucdavis.edu/wp-content/uploads/2017/03/NCST-White-Paper_Local-Gov-Pavement-Ctrs_Final_May-2017.pdf

technical guidance, forensic and pilot study documentation, certificate program, research, annual meeting, etc.). Ad hoc committees within the sub-committees can also be developed for specific projects or activities. The sub-committees and ad hoc committees will have chairs from the governance board and will draw on additional members from LOCC and CSAC/CEAC. The intention is to create opportunities for leadership, learning and recognition of development of specialized pavement knowledge across the state, and a means of achieving orderly succession with replacement by experienced and knowledgeable technical staff.

- **Research and Training Activities Selection Process:** The governing board will solicit needs from LOCC and CSAC/CEAC members, potentially through the sub-committees for each scope area, work with CCPIC staff to turn ideas into programs and projects with plans, budgets and deliverables, prioritize the projects, and provide oversight of progress and delivery. All activities will have established processes for communication, including agendas, notices of meetings, and minutes. The governing board will report back to the full membership of LOCC and CSAC/CEAC at an annual meeting.
- **Partners Roles and Responsibilities:** The matrix below shows proposed roles and responsibilities for the total CCPIC team.

Organization	Roles and Responsibilities
LOCC and CSAC/CEAC	Governance, program oversight, outreach, prioritization of activities, technical oversight
UC Davis (UCPRC, ITS)	<p>Lead: Direction and quality control, technical guidance documents, technical tools, certificate program, regional question center (NorCal), website and publications, research, LOCC and CSAC/CEAC communication, administration</p> <p>Team member: web based training, in-person training, pilot study and forensic investigation documentation, annual meeting</p>
UC Berkeley (UCPRC, ITS)	<p>Lead: Web based training, in-person training, regional question center (Bay Area), certificate program, annual meeting</p> <p>Team member: Direction and quality control, technical guidance documents, technical tools, pilot study and forensic investigation documentation, website and publications, research, LOCC and CSAC/CEAC communication, administration</p>
CSU Long Beach	<p>Lead: Pilot study and forensic investigation documentation, regional question center (SoCal), LOCC and CSAC/CEAC communication,</p> <p>Team member: Direction and quality control, web based training, in-person training, technical guidance documents, technical tools, certificate program, website and publications, research, annual meeting, administration</p>
Cal Poly SLO	<p>Lead: Pilot study and forensic investigation documentation, regional question center (CenCal)</p> <p>Team member: Direction and quality control, web based training, in-person training, technical guidance documents, technical tools, certificate program, website and publications, research, annual meeting, administration</p>

The UCPRC (UC Davis and UC Berkeley) has eleven full-time engineers and programmers and four full-time technical staff and a publications manager working on implementation, development and research projects, as well as doctoral, master's and undergraduate students. The CSUs have professors and graduate and undergraduate students with pavement expertise. CSU Long Beach will hire a CCPIC Executive Administrator with local government experience to support outreach in Southern California. ITS Berkeley has technical and administrative staff who deliver technology transfer and publication programs, and ITS-Davis has a local government policy development specialist and editorial, technical and administrative staff. It is expected that in addition to delivering the CCPIC program, an additional outcome will be engagement of students in future careers in local government pavement programs.

IV. Funding

The goal for CCPIC's annual operating budget is \$1 million. For FY 2016-17, CCPIC received \$75,000 from UC ITS's Public Transportation Account allocation from the Legislature to prepare initial deliverables and to begin developing the CCPIC concept. The UC ITS Davis and Berkeley campuses have tentatively committed \$125,000 per year to CCPIC from the UC ITS annual SB 1 transportation research allocation. The CSU team members are working to secure funding for their participation in CCPIC with some of this hopefully coming from the CSU's SB 1 transportation research allocation.

Based on a full funded program with a \$1 million annual operating budget, CCPIC will be able to provide the following approximate levels of production of deliverables per year:

Deliverable	Quantity per year
Web training courses	4 to 6
Regional in-person training sessions	2 to 4
Technical guidance documents	4 to 6 sets (4 page tech brief, guidance documents, example specifications)
Technical tools	Varying depending on scope of required software, test methods, and other variables. Will be scaled with number of technical guidance sets.
UC Extension certificate program	Deliver at end of second year. Focus on developing course curriculum the first and second year.
Pilot and forensic documentation projects	1 to 3 pilot studies and 2 to 5 forensic investigations* per year
Regional question center	Ongoing availability
Website, publications management	Ongoing updating of technical content on website and publication of all documents
Research projects	1 to 2
Annual state-wide meeting and regional meeting in each region	1 each

*Forensic investigations will identify reasons for both exceptional and bad performance

In order to reach the \$1 million annual funding goal, there are at least three options for generating the remaining revenue needed (\$775,000) after any UC and CSU contributions from the SB transportation research allocation. The first is to seek a stand-alone state budget appropriation. While this is ideal in the sense it would be new money for the CCPIC and would not come from an existing source such as SB 1, the downside is the need for the Legislature and Governor to agree on an annual budget appropriation each year. Another option is to introduce legislation to take the funds off the top of the Road Maintenance and Rehabilitation Account (RMRA), similar to the take-downs for the Local Partnership Program (LPP) and Active Transportation Program. In order to pursue this strategy, UCPRC,

LOCC, and CSAC/CEAC would need to gain the support of Caltrans as it would have minor impacts on their overall SB 1 funding. Finally, should Caltrans oppose an off the top RMRA takedown, we could draft legislation to take the funding off the top of the \$1.5 billion in local streets and roads revenue from SB 1 before the funds are allocated 50% to cities and 50% to counties. This is an area we would like to get feedback from cities and counties.

V. Key Tasks and Timeline

The following are milestones for LOCC and CSAC/CEAC development of CCPIC:

1. August 15, 2017: LOCC and CSAC/CEAC provide UC Davis/Berkeley with letter of support for UC ITS SB 1 funding proposals, due on August 31.
2. August 31, 2017:
 - a. CEAC Transportation Policy Committee, CEAC Fall Policy Conference
Seek approval from CEAC Transportation Committee and secure recommendation to the CEAC Board for the creation of CCPIC and commitment to pursue on-going funding
 - b. CEAC Board Meeting, CEAC Fall Policy Conference
Seek approval from CEAC Board and secure recommendation to CSAC HLT Policy Committee/CSAC Board for the creation of CCPIC and commitment to pursue on-going funding
 - c. and CEAC recommend initial training priorities to CCPIC
3. September 2017:
 - a. review by LOCC Policy committee
 - b. LOCC recommend initial training priorities to CCPIC
4. September 2017: confirmation of UC ITS funding for CCPIC from Davis and Berkeley for 2017
5. November 29, 2017: CSAC Housing, Land Use, Transportation Policy Committee, CSAC Annual Meeting, seek approval from CSAC HLT Policy Committee and secure recommend to CSAC Board of Directors for the creation of CCPIC and commitment to pursue on-going funding
6. January 2018: Review by LOCC Transportation, Communication and Public Works committee
7. February X, 2018: CSAC Board Meeting, Approve creation of CCPIC and commitment to pursue on-going funding
8. March 2018: LOCC Board Meeting, Approve creation of CCPIC and commitment to pursue on-going funding
9. April 2018: Begin scaled back CCPIC operations with ITS funding if successful.
10. Early 2019: Begin full-scale CCPIC operation if full funding successful.

City and County Pavement Improvement Center
Attachment Two
County-by-County RMRA Impacts to Fund CCPIC

County	NO. OF REGISTERED VEHICLES (11/30/16)	MAINTAINED MILEAGE (11/30/16)	Apportionment
Alameda	1,282,071	470.63	\$ 12,020.36
Alpine	3,542	134.96	\$ 231.27
Amador	55,974	410.63	\$ 1,102.84
Butte	228,954	1,289.96	\$ 3,933.59
Calaveras	74,905	689.64	\$ 1,683.48
Colusa	29,884	713.24	\$ 1,320.84
Contra Costa	1,024,803	666.16	\$ 10,037.98
Del Norte	27,466	300.01	\$ 687.14
El Dorado	220,287	1,080.16	\$ 3,546.16
Fresno	776,103	3,506.55	\$ 12,050.53
Glenn	36,910	861.85	\$ 1,603.11
Humboldt	151,720	1,206.91	\$ 3,128.41
Imperial	185,727	2,567.99	\$ 5,445.66
Inyo	28,076	1,136.48	\$ 1,932.05
Kern	725,115	3,331.60	\$ 11,340.97
Kings	110,796	942.76	\$ 2,375.55
Lake	87,010	615.58	\$ 1,680.65
Lassen	37,193	881.04	\$ 1,634.05
Los Angeles	7,688,773	3,187.32	\$ 72,628.63
Madera	136,352	1,511.39	\$ 3,443.88
Marin	238,652	419.40	\$ 2,729.21
Mariposa	27,997	560.50	\$ 1,077.84
Mendocino	114,793	1,014.86	\$ 2,517.69
Merced	221,163	1,754.21	\$ 4,552.73
Modoc	13,805	982.87	\$ 1,578.38
Mono	17,517	684.42	\$ 1,168.91
Monterey	355,157	1,234.61	\$ 4,966.17
Napa	142,752	446.33	\$ 1,922.15
Nevada	128,558	562.19	\$ 1,968.47
Orange	2,754,332	320.12	\$ 24,800.01
Placer	403,256	1,046.11	\$ 5,111.64
Plumas	33,005	679.55	\$ 1,298.48
Riverside	1,886,324	2,210.63	\$ 19,935.40
Sacramento	1,309,539	2,200.01	\$ 14,825.63
San Benito	61,813	383.63	\$ 1,114.40
San Bernardino	1,757,409	2,550.34	\$ 19,300.25
San Diego	2,817,843	1,953.71	\$ 27,781.65
San Francisco*	483,670	930.75	\$ 5,650.89
San Joaquin	631,121	1,650.20	\$ 8,019.26
San Luis Obispo	298,208	1,338.61	\$ 4,617.32
San Mateo	711,251	316.10	\$ 6,750.02

Santa Barbara	386,740	873.29	\$	4,709.68
Santa Clara	1,604,498	628.05	\$	15,101.24
Santa Cruz	252,266	597.79	\$	3,113.79
Shasta	211,966	1,189.86	\$	3,635.23
Sierra	5,727	391.48	\$	630.69
Siskiyou	66,499	1,361.30	\$	2,604.54
Solano	397,571	576.61	\$	4,365.70
Sonoma	510,600	1,379.84	\$	6,554.21
Stanislaus	476,086	1,510.53	\$	6,443.06
Sutter	99,164	747.62	\$	1,983.65
Tehama	72,938	1,089.25	\$	2,258.27
Trinity	20,769	692.30	\$	1,209.31
Tulare	376,790	3,030.55	\$	7,818.53
Tuolumne	76,476	610.33	\$	1,579.83
Ventura	771,311	542.84	\$	7,616.45
Yolo	187,948	756.20	\$	2,780.49
Yuba	69,573	652.70	\$	1,581.65
TOTAL	32,906,748	65,374.55	\$	387,500.00

2017-18 CEAC Policy & Legislative Priorities
Attachment Three
Draft Updated 2017-18 CEAC Policy and Legislative Priorities



**** Proposed Updates for 2018 ****

2017-18 CEAC Policy and Legislative Priorities

The annual Policy and Legislative Priorities are best achieved through collaboration and shared responsibility. To achieve the following, CEAC, CSAC staff, and individual county staff must combine resources, including policy and technical knowledge and expertise to maximize our influence, efficacy, and successful outcomes.

State Priorities

Transportation

1. **SB 1 Implementation & Best Practices.** The Road Repair and Accountability Act of 2017 (SB 1) has a strong emphasis on maintenance, rehabilitation, and safety on the existing local street and road system with increased accountability and transparency provisions. CSAC will work with counties to implement SB 1 including, but not limited to, development of annual SB 1 revenue projections by counties, adoption of annual SB 1 project lists, development and submittal of project expenditure reports, achieve any necessary changes to the California Transportation Commission's reporting guidelines, and development and disseminating best practices to build capacity at the local level to meet the goals of SB 1.
1. ~~Pursue additional funding to address local transportation needs. Cities and counties currently have \$7.3 billion in unmet annual funding needs for the maintenance and preservation of local streets and roads and related facilities. CSAC will continue to advocate for at least \$3 billion in new ongoing funding for local streets and roads to be allocated to counties by formula with maximum flexibility for local transportation maintenance and improvements to roads and supporting infrastructure, including bridges and complete streets. Advocacy on new transportation funding also includes the return of the new HUTA revenues attributable to Off Highway Vehicles (OHV), watercraft, and agricultural vehicle fuel sales to counties, cities, and the State as intended under the transportation Tax Swap, the return of weight fee revenues back to transportation projects, and repayment of all existing transportation loans. This item may be resolved by November 30, 2106 as part of the Legislature's ongoing special session on transportation and infrastructure development.~~
2. **City and County Pavement Improvement Center.** CSAC staff will work with CEAC, the League of California Cities, and UC/CSU representatives on the creation of the City and County Pavement Improvement Center (CCPIC). Tasks for 2018 include potential legislation to provided on-going funding for the CCPIC, creation of a

governing board and other operational tasks, and surveying the membership to establish the scope and priorities for research and training.

3. Develop CSAC Policy on Autonomous Vehicles and Emerging Technology.

Technological advancements, including autonomous vehicles and associated infrastructure, are rapidly changing. Counties may already be responding to, and deploying, new technology. As technology continues to change, CSAC must be poised to respond and ensure, at minimum, any new mandates are funded. CSAC staff will work with the CEAC Transportation Policy Committee to develop and recommend to CSAC new policy.

2.4. Explore Road User Charge Policy Options. Work with CSAC to reexamine the association's position on mileage-based user charges as an eventual replacement for the gasoline excise tax. As improvements in the fuel efficiency of vehicles reduces gas tax revenue per mile travelled and inflation continues to erode the purchasing power of the excise tax revenues, alternatives to the gas tax are being seriously considered by transportation stakeholders. CEAC will study the policy implications of mileage based user fees and work with CSAC to develop positions on this method of taxation, which will be the focus of extensive study and a state pilot project over the next several years.

3.5. Local Streets and Roads Needs Assessment. Work with the Needs Assessment Oversight Committee and consultant to publicize the 2016 biennial report and engage in education and advocacy in support of new revenues from transportation infrastructure. Develop strategies to increase attention to all statewide efforts that highlight needs of the statewide transportation system. Continue to work with counties, cities, regional agencies, and Caltrans to secure funding for the needs assessment contract.

Land Use

1. CEQA Streamlining – Infill. Support CEQA streamlining for infill projects including the infrastructure necessary to support that development, especially as opportunities present themselves in transportation special session or in the continued discussion of proposals to streamline the development of housing for families of all income levels.
2. Fund Infill Infrastructure. Support funding sources for infrastructure related to infill projects that fall under applicable streamlining, including the Affordable Housing and Sustainable Communities grant program, as well as other proposals to fund infill infrastructure in tandem with affordable housing development, including proposals for a bond measure.

3. SB 743 Implementation. Work with the Governor's Office of Planning and Research (OPR) to ensure that the potential use of Vehicle Miles Travelled as a replacement metric for Level of Service for the purpose of CEQA transportation impacts analysis can be feasibly implemented by local governments. Support efforts to ensure that the new metric is applied in appropriate contexts and that funding and technical assistance are available to smooth the implementation process, including offering training opportunities in collaboration with OPR.

Resource Recovery and Waste Management

1. AB 1826 and SB 1383 Implementation. Engage in CalRecycle and the Air Resources Board's process for implementing AB 1826 and SB 1383 which creates an organic management program in California. Continue to advocate for resources for local governments to develop the necessary infrastructure to implement organics diversion programs.
2. Conversion Technology. Support legislative efforts to advance the development, design and implementation of conversion technologies.
3. Funding for solid waste recovery infrastructure. Alternative to AB 939 fees.

Flood Control

1. Stormwater Funding Outreach and Engagement Effort. Increase public awareness and countywide support for stormwater programs by providing education and information on the needs, challenges, and benefits of stormwater and flood control programs throughout the state.
2. Stormwater Funding. Continue to support the development of a funding mechanism that would allow cities and county to finance compliance with Clean Water Act permit requirements, stormwater capture and flood protection services.

Surveyor

1. Surveyor Monument Preservation. Support legislation that would simplify the collection of the Monument Preservation Fund Fee.

Federal Priorities

Transportation

1. FAST Act Implementation: Work to ensure that California counties are well-positioned to utilize environmental review streamlining opportunities available from the FAST Act.

Continue to educate Congress and the Administration about the need to further streamline the federal process to reduce costs and improve project delivery.

2. Federal Transportation Funding. Take advantage of opportunities to educate Congress and the incoming Administration about the need for new federal funding for transportation in advance of the next reauthorization effort.
3. Off Set Impacts from Federal Lands. Support continued federal funding to offset impacts to counties from federal lands, such as the Secure Rural Schools program.

Flood Control

1. Clean Water Act. Support legislation that would amend Section 404 of the Clean Water Act to provide a narrow exemption for maintenance activities involving the removal of sediment, debris and vegetation from flood control channels and basins.

Federal Update
Attachment Four
NACo Resolution in Support of Direct Federal Funding to Local Governments

Resolution in Support of Direct Funding to Local Governments for the Improvement and Maintenance of Local Roads in America within the Proposed Infrastructure Spending Bill - NACo Approved | July 24, 2017

Issue: Include direct funding for roads owned and operated by local governments to address America's rapidly deteriorating transportation network and create jobs.

Adopted Policy: The National Association of Counties (NACo) urges the president and Congress, through the proposed infrastructure spending bill, to create dedicated funding allocated directly to local governments for the improvement and maintenance of local road and bridge infrastructure in America.

Background: Every trip in this country begins and ends on a local road. Local roads are critical for moving people, providing services and delivering goods to market reliably and safely. Citizens do not distinguish between government agency ownership when it comes to their daily commutes. Counties play a critical role in the nation's transportation system: they own and operate 45 percent of all public roads. Coupled with the 33 percent of public roads owned and operated by cities and townships, local governments (counties and cities) own and operate 78 percent of this nation's road network.

NACo seeks to partner with our country's federal leadership to restore, improve and maintain our nation's local assets. Preserving our local roads today can cost ten times less than repairing failed local roads in the future. Specifically, NACo believes that new federal funding should include a component directly allocating funding to local governments to improve and maintain local infrastructure.

Goals of new federal revenues, allocated directly to local governments, for improvement, maintenance and preservation are to:

- Get federal transportation funding into the community as soon as possible to create and preserve jobs, both in the private sector and the public sector, in America; and
- Maximize purchasing power by eliminating the burdensome additional administrative process and cost associated with multiple layers of government between funding and construction of shovel ready improvement and maintenance projects; and
- Fund the critical first and last part of each journey of goods, people, and services - local roads of America - providing certainty for businesses and laying the foundation for lasting economic growth.

This nation must commit to finding ways to support the improvement and maintenance of the existing local infrastructure by prioritizing federal revenue to 78% of this country's road network now. NACo desires to be a major partner to the administration in restoring this country's local infrastructure and placing the nation back in a position of economic competitiveness in the global economy.

Fiscal/Urban/Rural Impact: Sustainable and dedicated federal funding to local road improvement and maintenance, allocated directly to local governments, will significantly transform transportation funding in America and create jobs.

Sponsors: National Association of County Engineers (NACE);
California State Association of Counties (CSAC);
Steve Lavagnino, Supervisor, County of Santa Barbara, California;
Scott Haggerty, Supervisor, County of Alameda, California;
Daniel Fedderly, Executive Director, Wisconsin Highway Association;
Richie Beyer, County Engineer, Elmore County, Alabama;
Scott McGolpin, Public Works Director, County of Santa Barbara, California

Federal Update
Attachment Five
California Consensus Principles

FINAL DRAFT – “California Federal Transportation Infrastructure Investment Principles”

As President Trump and the U.S. Congress consider an agenda for the 115th Congress, we, the undersigned California transportation stakeholders, urge the nation’s leaders to make federal surface transportation infrastructure investment a top priority.

California is Eager to Partner with the Federal Government on Infrastructure

Transportation is the lifeblood of California’s economy. The state’s multimodal surface transportation network transports the highest volume of freight in the nation and enables 18 million California workers to commute to major employment centers, supporting the state’s \$2.6 trillion annual contribution to the nation’s economy. Yet, California – like the rest of the country – faces significant transportation challenges that threaten to stifle economic growth and degrade the quality of life of our residents.

California has joined cities, counties, regions, and states across the country to increase infrastructure funding. In April, Governor Edmund G. Brown Jr. signed Senate Bill 1, the landmark “Road Repair and Accountability Act of 2017,” which was backed by a broad coalition of supporters and will invest \$52.4 billion over the next decade to fix roads, freeways, bridges, and put more dollars toward transit, safety programs and active transportation infrastructure in communities across California. Yet state, local and tribal governments across America continue to need a strong federal partner to make needed “fix it first” investments to preserve our existing assets and deliver transportation infrastructure improvements that will create jobs, increase safety, improve mobility and keep the economy growing in California and across the nation.

We recommend the following principles guide the development of an infrastructure package:

Restore Highway Trust Fund Solvency – Without an infusion of significant new funding to the Highway Trust Fund (HTF), Congress will be faced with nearly \$20 billion in annual revenue shortfalls when the Fixing America’s Surface Transportation (FAST Act) expires in federal fiscal year (FY) 2020. Thus, the Trump Administration’s FY 2018 Budget proposal to limit HTF outlays to anticipated revenues starting in FY 2021 would significantly reduce core federal support for highway and transit projects. Any new infrastructure funding package should include new sustainable revenues to ensure the long-term solvency of the HTF and provide for increased direct federal investment after FY 2020. It should also ensure that Federal Transit Administration (FTA) programs continue to receive their historical funding share from the HTF. Federal financing and targeted one-time funding proposals cannot replace increased and sustained federal investment.

Direct Federal Investment Should Be Major Part of Any Funding Package – California has taken the lead in utilizing innovative financing mechanisms to deliver major transportation investments. As such, California supports proposals to expand and provide additional flexibility for the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, including streamlining the approval process, and to expand and lift the cap on Private Activity Bonds. However, financing tools cannot replace direct federal investment. In fact, direct federal funding is often an important tool that enables further leveraging of public sector funds and can help bring private partners to the table. For example, across the country, FTA Capital Investment Grant project sponsors have employed innovative financing tools such as TIFIA to fund major

transit expansions combined with multi-year federal direct funding commitments through Full Funding Grant Agreements (FFGA), which enable these projects to put together innovative financing packages.

Build on the Bipartisan FAST Act Structure – California strongly supported the passage of the bipartisan FAST Act. Adopted in 2015, the FAST Act provides long-term certainty needed to advance multi-year highway, transit and passenger rail improvements. Any new infrastructure package should increase funding for the core highway, transit and passenger rail programs authorized by the FAST Act, which would empower state, local and tribal governments to expedite delivery of high-priority projects that are planned but not fully funded. Importantly, any transportation package should be in addition to, not in lieu of, maintaining existing FAST Act funding commitments to both highway and transit programs. As such, we oppose cuts to the FTA Capital Investment Grant program, as proposed in the FY 2018 Trump Administration budget request. Moreover, we reject the notion, included in the Administration’s budget, that “Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects,” as this approach ignores the regional and national mobility, economic and jobs benefits that transit projects provide.

Balance Investments with Formula and Discretionary Programs – California is a diverse state and as such we support the balanced approach Congress employed with the FAST Act of investing in both formula and discretionary funding programs. An infrastructure package could expand on this structure with increased investment. This approach ensures that not only will state, local and tribal governments have the flexibility to address pressing “fix it first” priorities, improve safety and mobility, and meet the needs of rural communities and tribal governments, but also invest in the many regionally and nationally-significant projects in California – examples of which are included an initial list of high-priority infrastructure projects that the State developed earlier this yearⁱ – that will relieve congestion in major jobs centers and improve goods movement in critical border and trade corridors. This approach could include supplementing the FAST Act formula apportionment programs, FAST Act freight-related discretionary grants, FTA Capital Investment Grants and the Transportation Improvements Generating Economic Recovery – programs with a track record of success – as well as funding a new major projects program.

Fund Multimodal Mobility Solutions – Regions across California are taking a holistic approach to improving their transportation systems by making investments in multimodal transportation infrastructure that relieve congestion, improve the movement of goods and people, spur economic growth and improve quality of life. Similarly, the State is seeking to triple bicycle and double pedestrian and transit travel between 2010 and 2020 as a strategic sustainability target.ⁱⁱ Any new infrastructure package should increase the flexibility to invest in a range of mobility solutions that best address the wide array of challenges that face our community.

- **Public Transportation:** California has made significant investments in public transportation to meet mobility, economic (e.g., access to employment), environmental and transportation equity objectives (e.g., providing mobility options to individuals who cannot drive or who cannot afford to drive, and breaking down barriers for disadvantaged

communities). In California, public transportation has helped support the growth of key industries and institutions that are an engine of growth for the national economy. We also recognize, and impress on Congress, that investment in public transportation creates good-paying construction jobs, spurs domestic manufacturing in states across the nation where transit buses, rail cars, parts and materials are produced, and thus, promotes economic growth. Over a 20-year period, \$1 billion in investment in public transportation yields approximately \$3.7 billion in increased economic activity. At current wage rates, this is equivalent to a ratio of approximately 50,731 jobs per \$1 billion invested in public transportation.

- **Active Transportation:** Investing in active transportation furthers the State’s sustainability and climate preparedness objectives and improves the quality of life and public health of Californians. Any new infrastructure package should ensure that walking and bicycling projects are eligible for funding. California has made a major commitment to walking and bicycling through investment in our Active Transportation Program, and we want to continue to increase that investment given the opportunity with new federal funding.
- **Passenger Rail:** As the state responsible for delivering the nation’s first high-speed rail system, California is making significant investments in intercity passenger rail, and therefore supports dedicated long-term federal investment in passenger rail programs. Modernizing the state’s passenger rail system will: reduce emissions by enabling more Californians to switch from driving and flying to traveling by clean, fast and efficient rail service; open freight capacity to enhance the flow of goods from our fields and ports; and sustain an innovative state economy that will help drive America’s economic competitiveness. Any new federal infrastructure investment package should provide significant funding for the High-Speed Intercity Passenger Rail program and fully fund FAST Act authorized Federal Railroad Administration intercity passenger rail grant programs. California opposes cuts to Amtrak service proposed by the FY 2018 Trump Administration budget.
- **Managed Lanes:** Throughout California, the construction of managed lanes has become a realistic and cost-effective way to deliver mobility choices to commuters. Managed lanes address multiple priorities including, but not limited to: enhanced transit service, ridesharing, travel time reliability, and congestion reduction. Tolloed managed lanes can also offer the benefit of paying for operations and maintenance costs and other system improvements along the corridor, as well as potentially attracting private investment. A new transportation infrastructure investment package should liberalize tolling policy and facilitate the implementation of tolloed managed express lanes.

Shorten Project Delivery Time – California strongly supports efforts to streamline Federal regulations to facilitate more expeditious project delivery without diminishing environmental standards and safeguards. We are also encouraged by President Trump’s focus on streamlining the environmental review and permitting processes, and the state has developed a list of high-priority projects for consideration under Executive Order 13766, *Expediting Environmental Review and Approvals for High Priority Infrastructure Projects*.ⁱⁱⁱ

Provide Relief for 2017 California Winter Storm Damage - In 2017, California suffered the most severe winter storm events it has seen in 20 years brought on by an “atmospheric river” weather phenomena. These storms ended California’s drought and also caused an estimated \$1.4 billion in damage to state and local roadways since January, ranking the 2017 winter as the most expensive in history.^{iv} As federal policymakers consider investment in new infrastructure improvements, we urge Congress to also set aside funding to help California repair the damage to its transportation infrastructure stemming from this historic 2017 California Winter Storm disaster event.

ⁱ Office of Governor Edmund G. Brown Jr. February 7, 2017 Letter to the National Governor’s Association providing and initial list of key infrastructure projects;

https://www.gov.ca.gov/docs/CA_Infrastructure_Letter_and_Projects_2.7.17.pdf

ⁱⁱ California Department of Transportation *Strategic Management Plan 2015-2020*;

http://www.dot.ca.gov/perf/library/pdf/Caltrans_Strategic_Mgmt_Plan_033015.pdf

ⁱⁱⁱ Governor Edmund G. Brown Jr. February 24, 2017 Letter to President Trump regarding California High-Priority Projects for consideration under Executive Order 13766;

https://www.gov.ca.gov/docs/2.24.17_Infrastructure_Letters.pdf

^{iv} Caltrans June 2017 *Mile Marker*, “Winter Storms Exact Historic Roads Toll”;

http://www.dot.ca.gov/milemarker/docs/2017/MM-2017-Q2.pdf#winter_storms