

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE DIRECTOR
P.O. BOX 942873, MS-49
SACRAMENTO, CA 94273-0001
PHONE (916) 654-6130
FAX (916) 653-5776
TTY 711
www.dot.ca.gov



*Making Conservation
a California Way of Life.*

September 4, 2018

Dear California Congressional Delegation Member:

Thank you for your leadership in enacting and overseeing the implementation of the Fixing America's Surface Transportation Act (FAST Act; P.L. 114-094), and more recently, for providing increased federal transportation investment through the Bipartisan Budget Act of 2018 (P.L. 115-123) and subsequent Transportation and Housing and Urban Development and Related Agencies appropriations bills.

The State of California has also significantly increased its investment in transportation infrastructure. Senate Bill 1 (SB 1) the Road Repair and Accountability Act of 2017, was signed into law last year and is putting people back to work rebuilding California. SB 1 will generate \$54 billion over the next ten years, to be split between the State and our local partners. SB 1 doubles funding available for state highways and local roads, including the National Highway System and federal-aid highways, and adds substantial new funding for transit and intercity passenger rail. It also prioritizes funding for easing congestion along state highways and supporting our freight economy by investing in key infrastructure improvements.

California is stepping up, we're making robust infrastructure investments, and we are eager to partner with the U.S. Department of Transportation (U.S. DOT) to advance several nationally and regionally significant projects. This summer, the California Department of Transportation (Caltrans) worked collaboratively with many of its key transportation stakeholder partners to develop strong applications for federal transportation grant programs Congress authorized in the FAST Act and funded through appropriations legislation. For example, we have submitted applications to support critical rural, multimodal and safety projects for the Better Utilizing Investments to Leverage Development (BUILD) formerly TIGER grant program in U.S. DOT's Office of the Secretary of Transportation (OST).

California is also a national leader in technology, intelligent transportation systems and the development of Road Charge alternative funding systems, and we have submitted applications to the Federal Highway Administration's (FHWA) Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) Initiative and Surface Transportation System Funding (STSFA) Alternatives Program to support these efforts.

I, therefore, respectfully request your support for the federal transportation grant applications Caltrans recently submitted to support these important efforts.

*"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability"*

I. U.S. DOT OST–Better Utilizing Investments to Leverage Development, or “BUILD” Transportation Discretionary Grants Program (formerly TIGER): This year’s NOFO solicits applications for up to \$1.5 billion in Federal Fiscal Year 2018–19 BUILD funds, and Caltrans is permitted to submit no more than three applications for projects statewide. Caltrans is utilizing the flexibility of the BUILD program to work with its partners to develop applications that support rural transportation and get people to jobs. Caltrans was the lead BUILD applicant for the following three projects:

- Transit Rural-Urban Monterey Project: Caltrans is seeking BUILD funding to renovate and expand the Monterey-Salinas Transit (MST) Clarence J. Wright (CJW) operating and maintenance facility for transit buses serving rural and urban areas of Monterey County, California.

MST currently operates and maintains all public transit service for Monterey County and its 12 cities out of three bus yards. The MST CJW facility in Salinas, California, was constructed in 1986 to accommodate a modest number of offices, a staff break room, three maintenance service bays and parking for 23 buses. Today, there are a total of 39 buses stored, inspected and serviced at this location, exceeding design capacity by 70 percent. In addition to buses, MST operates and maintains a total of 20 non-revenue vehicles and 100 employees work out of this facility, which operates seven days a week. The property is owned by MST, and the project would entail demolishing the existing one-story structure and constructing a new, multi-story building better positioned on the property. Expanded square footage would allow for at least five maintenance bays (compared to the three that are there today), updated bus wash, fueling system and fuel tanks, electrical infrastructure upgrades, a staff training room and supervisor offices, a communications/dispatch center, an expanded parts room, and improved mechanic and coach operator break rooms. The proposed renovation would modernize equipment, make the facility more energy efficient, and provide electrical upgrades to support future expansion of the zero-emission bus fleet.

In 2016, Monterey County voters approved a local sales tax measure to help fund transportation infrastructure; the proposed BUILD grant would supplement this local revenue stream to ensure the project’s success. This is a BUILD grant request of \$8.4 million with a total project cost of \$16.8 million.

Caltrans and MST are partnering on this project, which is supported by Association of Monterey Bay Area Governments.

- San Diego Coastal Multi-Modal Improvements: In partnership with San Diego Association of Governments and the city of San Diego, Caltrans is seeking a BUILD grant to construct critical operational and multimodal improvements near the State Route 56/Interstate 5 (SR-56/I-5) interchange that will relieve congestion and remove key

barriers at a regional chokepoint. The specific elements of this project include expanding ingress and egress to I-5 by constructing 3.6 miles of auxiliary lanes, reducing potential flooding on I-5 by replacing a downstream bridge, and removing I-5 as a barrier to bicycle and pedestrian traffic by constructing a new freeway undercrossing and a 2.5-mile trail connecting to the Sorrento Valley commuter rail station.

The proposed San Diego Coastal Multi-Modal Improvements are critical elements of the larger \$6 billion North Coast Corridor (NCC) program, which is an integrated set of freeway, rail, active transportation, community, and resource enhancement improvements along a 27-mile-long transportation corridor in northern San Diego County. This transportation corridor is the gateway to San Diego County, serving not only regional, national and international goods movement, but also connecting the region's residential and economic centers by providing direct access to 22 percent of the region's jobs. In addition, the NCC provides access to the region's extensive coastal resources, including world-renowned beaches, lagoons and upland recreation areas. In total, NCC serves approximately 700,000 users a day. Unfortunately, the existing infrastructure is heavily congested and provides limited mobility options to travelers. The proposed improvements must be made to alleviate mobility constraints that adversely impact the region's economic health, quality of life and public access to the coastal area. This is a BUILD grant request of \$20 million, with a total project cost of \$43.2 million.

This project is supported by several federal, state and local officials, the San Diego Chamber of Commerce and Coalition for America's Gateways and Trade Corridors.

- State Route 70 Safety Corridor Improvement Project: The State Route 70 (SR 70) Safety Corridor Improvement Project will make critical safety improvements on five segments of SR 70 from Ophir Road in Butte County to north of Laurellen Lane in Yuba County. The proposed improvements are expected to reduce the collision rate and fatalities at these locations, which exceed the statewide average—35 fatalities have occurred along the corridor since 2010, with 13 occurring in 2017 alone. Specifically, the project will expand SR 70 from two to four lanes with a continuous two-way left-turn lane and eight-foot shoulders to complete a 21-mile section of a rural two-lane highway. The two-way left-turn lane will create a median buffer to address safety concerns.

Securing federal grant funding for these projects is essential to completing almost three decades of work to improve these corridors and save lives. This is a \$20 million BUILD grant request, with a total estimated project cost of \$306 million.

This project is supported by several federal, state and local officials, Butte County Public Health Administration, Yuba-Sutter Transit, Butte Regional Transit, Butte County Fire Department, Chico Chamber of Commerce, City of Chico Public Works Department, Butte County Sheriff's Office, Sierra Nevada Brewing Company and others.

In addition to these three projects where Caltrans was the lead applicant, Caltrans provided letters of support for several other California projects. A list of these California BUILD projects, and Caltrans letters of support, can be found on the Caltrans Office of Federal Liaison webpage: <http://www.dot.ca.gov/fed-liaison/>

II. FHWA's Surface Transportation System Funding Alternatives Program (STSFA, a.k.a., "Road Charge"): California began exploring mileage-based road charges in 2013, and over the course of years, the California State Legislature enacted legislation and funded an in-depth pilot program to study and develop polices for this alternative transportation funding method. In 2016 and 2017, the FHWA also provided \$2.5 million total additional funding to California through the STSFA grant program to enhance and expand road charge research, including a trial of pay-at-the-pump technology, educational public outreach research, and organizational structure and compliance development. These efforts have yielded valuable data and information: In December 2017, the California State Transportation Agency released the California Road Charge Pilot Program Final Report, the conclusion of the largest mileage-based revenue collection pilot in the nation with more than 5,000 vehicles driving over 37 million miles.ⁱ

This year, Caltrans has applied for a \$2 million STSFA grant to further advance California's Road Charge Program by demonstrating the feasibility of using emerging technologies and services for measuring chargeable miles traveled to administer a potential road charge. Specifically, Caltrans is proposing to demonstrate three potential alternatives for mileage-based revenue collection:

1. Usage-Based Auto Insurance—usage-based insurance, whereby rates are determined through factors including the type of vehicle and time, distance, and places travelled, is becoming increasingly popular. The technologies, used to record driving distance and behavior, are well-suited to capture chargeable mileage data for a potential road charge. Insurance companies have established relationships with customers that could allow them to readily function as commercial account managers for collecting road charge revenues on behalf of the State.
2. Transportation Network Companies—a transportation network company is an organization that pairs passengers via websites and mobile apps with drivers who provide such services (e.g., Lyft). Their business models often include charging customers for miles driven within their fare structure. Levying a road charge in conjunction with existing passenger fare components can be a way to leverage existing technologies, policies, and processes for road charge purposes.

ⁱ The full California Road Charge Pilot Program Final Report can be accessed here: http://www.dot.ca.gov/road_charge/resources/final-report/docs/final.pdf

3. **Autonomous Vehicles**—California is fortunate to be a center of activity in testing autonomous vehicles (AVs, i.e., a vehicle that is capable of sensing its environment and navigating without human input). Built-in advanced technologies, such as location and distance awareness, make AVs prime candidates for testing a road charge at two FHWA-designated AV proving grounds within California.

These emerging technologies and services are growing and influencing significant changes in transportation. California can help inform the transportation sector through strategic research and timely demonstrations, which will allow decision-makers to better understand how the growing adoption and implementation of these technologies could advance the eventual move from per-gallon fuel taxes to per-mile road charges.

III. The FHWA’s Advanced Transportation and Congestion Management Technologies Deployment Initiative Program (ATCMTD, a.k.a., “Intelligent Transportation Systems”): This year’s ATCMTD Notice of Funding Opportunity (NOFO) solicits applications for up to \$60 million in ATCMTD grants to fund new technologies that improve transportation efficiency and safety. Caltrans worked with its partners to develop and submit applications for the following projects:

- **California—The Next Generation of Statewide Transportation Systems Management and Operations:** For this proposal, Caltrans brought together a diverse team of government partners, university researchers, and industry experts to develop a statewide Transportation Systems Operations & Management concept for deploying Integrated Corridor Management and Integrated Regional Management projects across the State in a coordinated and efficient manner. This proposal focuses on leveraging the existing investment on the I-210 Connected Corridors Pilot with the goal of expanding it both geographically and functionally to other connected corridors and regions across the state. By providing a method for sharing and evaluating valuable transportation data and information inter-regionally and statewide, this project will expand the benefits of intelligent transportation systems across California from discrete corridor-based solutions to regional and statewide solutions. This project will aid in improving the safety, operating performance, mobility, and reliability of California’s transportation network, and support emerging concepts, tools and technologies including Smart Communities, connected vehicles, and a statewide data warehouse. This is a \$10.5 million ATCMTD grant request, with a total project cost of \$22.5 million.

Caltrans’ partners for this project include: LA Metro; Los Angeles County; the cities of Pasadena, Arcadia, Monrovia and Duarte; Foothill Transit; San Gabriel Valley Council of Government; Southern California Association of Governments; California Partners for Advanced Transportation Technology and Leonard Transportation Center. Other project supporters include the city of Anaheim and the New York State Department of Transportation.

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- The Interstate-10 Corridor Coalition Truck Parking Availability System: This application was submitted by the *Interstate-10 (I-10) Corridor Coalition*, comprised of the California, Arizona, New Mexico, and Texas Departments of Transportation, to develop a truck parking availability detection and information dissemination system at 37 public truck parking locations along the I-10 Corridor from California to Texas. The I-10 Corridor is part of the National Primary Highway Freight System, and the segment from California to Texas connects four of the 10 largest U.S. sea ports by tonnage (Los Angeles, Long Beach, Houston, and Beaumont). Currently, truck drivers often waste significant time looking for a place to park and rest, and drivers who have not found parking before exceeding their Hours of Service are often forced to park in unauthorized, unsafe locations such as highway shoulders, on and off ramps, or on local streets. The proposed new system will make real-time truck parking information available to truck drivers and dispatchers to help them make informed parking decisions. This is a \$6.9 million ATCMTD grant request, with a total project cost of \$13.7 million.

This project is supported by the Alamo Area Metropolitan Planning Organization (MPO), the El Paso MPO, the New Mexico Trucking Association, the Arizona Trucking Association and the California Trucking Association.

I greatly appreciate your consideration and support of Caltrans federal transportation grant applications. Caltrans' is fully committed to these projects and looks forward to working with its partners to continue to sustain and improve California's, and the nation's, transportation system.

If you have any questions or concerns, please contact me at (916) 654-6130 or Giles Giovinazzi, Caltrans Chief of Staff & Federal Liaison by phone at (916) 214-6144 or by e-mail sent to giles.giovinazzi@dot.ca.gov.

Sincerely,



LAURIE BERMAN
Director