

Group Memory
Transportation Co-op Committee
May 27, 2021, 9:00am-12:30pm
Via WebEx

Next meeting

Thursday, July 29, 2021 by WebEx

Attendees

| | |
|-------------------|-------------------------|
| Girum Awoke | Brent Maue |
| Bob Baca | Ross McKeown |
| Nick Burton | Alicia Murillo |
| Patricia Chen | Robert Newman |
| David DeLuz | Peter Pangilinan |
| Boris Deunert | April Perez-Hollins |
| Arnold Dichosa | Jim Porter |
| Dan Duncan | Laura Quintana |
| Jaime Espinoza | Mary Reyes |
| Marina Espinoza | Bruce Roberts |
| Teresa Favila | Mario Rodriguez |
| Evelyn Glasgow | Kamal Sah |
| Felicia Haslem | Mark Samuelson |
| Daniel Hawk | Phil Stolarski |
| Jennifer Heichel | Rick Tippet |
| Kelly Hobbs | Maura Twomey |
| Sujaya Kalainesan | Paul Vo |
| Jeremy Ketchum | Jeanie Ward-Waller |
| Ei Mon Kyaw | Lamin Williams |
| Dee Lam | Najee Zarif |
| Chris Lee | Notetaker: Susan Herman |

Agenda Committee

Dee Lam
Patricia Chen
Robert Newman
Alicia Murillo
Rick Tippet
Mark Samuelson

Desired outcome:

Reports and orientation of new members. Review and assess effectiveness of the TCC; set direction and priorities for the future. Identify strategies to improve TCC effectiveness.

Charter/Purpose

California Transportation Coop Committee serves to:

- Address transportation funding, procedural and legislative issues related to project delivery from a local perspective. (reviewed January 2021).
- Enhance the working relationship between cities & counties, COGs and RTPAs, Caltrans, CTC and FHWA. This extends to improving communication with all stakeholders. Collaboration is a key method. (reviewed January 2021)

- Spread information and improve access to all stakeholders through the use of technology. (reviewed January 2021)
- Partner with Caltrans and FHWA to improve efficiency and enhance the ability to meet all stakeholder needs. (reviewed January 2021)

Ground Rules

Start on time. End on time or early.
 Identify if you have to leave early and have an agenda item.
 Consensus decisions. You must be able to live with it.
 Keep side conversations silent.
 Send alternate if you are not able to attend.

Upshot

These are the assignments made at the meeting. As new ones are added they will be appended to the list. As assignments are completed or closed, they will be marked as Complete or Closed but left on the list for one meeting. This will provide a running record of assignments made at these meetings.

| Item number | Status | Leads | Action | Date created | Target date |
|-------------|---------------------------|-------------------------|--|--------------|-------------|
| 166 | Closed—see Agenda item 12 | Mark, Bob, Miguel, Rick | <p>Convene a work group for cities and counties, Caltrans and FHWA regarding emergency relief program. Determine what is working and what is not working. Share best practices.</p> <p>On 5/28/20 this item was combined with item 175: Invite FEMA representation at TCC meetings to discuss design build allowability and other emergency relief-related issues.</p> <p>7/23/20: See discussion under Agenda Item 8</p> <p>9/24/20: This action now on hold</p> <p>11/19/20: See discussion 7.2; NACE white paper, contacts made and invites extended</p> <p>1/21/21: See discussion under Item 12. Subcommittee to be formed to align emergency relief with representation from FEMA, FHWA, CalOES, and Caltrans.</p> <p>5/27/21: This item has been delegated to Bob Baca & Robert Peterson—can be addressed now under 2021 Objectives. Tom Mattson is convening a subcommittee, which will report out periodically.</p> | 01/24/19 | 2021 |
| 177 | Open | Felicia, Sujaya | Database project. Working with IT to access project funding by locals. ADA remediation in progress; data warehouse being looked at and use of Tableau. | 05/30/19 | End of 2021 |

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|-----|------|--------------------------------|--|----------|------|
| | | | <p>On 5/28/20 Patricia clarified this item’s purpose: Find a way for local and regional agencies to access data (FADS, other sources) that would help them monitor progress toward critical project deadlines and prevent inactive obligations. Now that ADA updates are complete, Mark will identify an IT team to conduct demonstrations of Tableau and/or other tools & evaluate usability.</p> <p>On 7/23/20 Mark reported on progress and invited members of the TCC to be part of the subgroup to develop database access procedures.</p> <p>9/24/20: see discussion item 7.1</p> <p>11/19/20: Discussion 7.3; Dashboard template, data queries, and reports are being refined.</p> <p>1/21/21: Discussion 7.1; Districts will test in February, data to be used for quarterly status meetings beginning in March. Rollout to agencies anticipated in April</p> <p>5/27/21: Programming logic to get PED tab ready for use—goal by end of June. 4 tabs for Federal data are also targeted for completion at end of 2021.</p> | | |
| 179 | Open | Rick, Kelly, Tom, Najee, Boris | <p>Workgroup on Environmental Review process challenges; E4/E5 get a better picture of what the actual problems are</p> <p>Kelly’s team will follow up with Rick (input from counties) and Jason (input from cities) and lead a “forensic analysis” of environmental review-related project delays</p> <p>On 5/28/20 item 172 was folded into this item, shifting focus away from changing the NEPA assignment’s MOU language towards refining NEPA process and procedures based on outreach, “smart” PES forms, and other changes Kelly Hobbs is overseeing.</p> <p>181 and 182 were also folded into this item</p> <p>7/23/20: See discussion under Agenda Item 8</p> <p>9/24/20: see discussion item 7.2</p> <p>11/19/20: See discussion item 7.4; Value analysis and smart PES form are in progress</p> | 09/26/19 | 2021 |

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|-----|---------------------------|-------|---|----------|------|
| | | | <p>1/21/21: See discussion 7.2; main reasons for environmental delays identified, solutions include education on PES form and update of the form itself. Additional subcommittee members sought to continue analysis and create new proposals.</p> <p>5/27/21: CEQA for NEPA project still under discussion in the workgroup. PES form—draft model is being piloted with active projects. TCC members are requested to send names to Kelly so feedback from partners can be completed. Two process models: one where local agency does PES form; other where Caltrans staff starts the PES form. Continuing to look at other issues that affect environmental process. See Agenda Item 11 and meeting materials: crosswalk from old process to new, showing updated requirements and streamlining.</p> | | |
| 183 | Open | Kamal | <p>Clarify consultant selection process by comparing Public Contract Code and Government Code citations regarding procurement of architectural and engineering (A & E) services. Are the codes in conflict? Which code do local agencies follow when funds pass through Caltrans for low-cost transportation projects?</p> <p>Letter sent to Legal for opinion on May 19, 2020</p> <p>7/23/20: See discussion under Agenda Item 8</p> <p>9/24/20: Dee will advise on any further actions needed; see discussion item 7.6</p> <p>11/19/20: Further report to be provided at January meeting</p> <p>1/21/21: still undergoing legal review</p> <p>5/27/21: Legal review is complete; it has informed updates to Ch 10 LAPM. Maura Twomey will be part of stakeholder review committee for Ch 10, which will begin work in early summer.</p> | 01/23/20 | 2021 |
| 184 | Closed—see Agenda Item 12 | Mark | <p>Shorten allocation request process to fewer than 58 days—complete Lean 6 Sigma phases 2 and 3. See Discussion Item 9.</p> | 1/21/21 | 2021 |

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| | | | 5/27/21: Action item has been delegated to Jaime. It is part of 2021 Strategic Objectives and will move off the Action Item list. | | |
| 185 | Open | Dee | Toll credit policy. Dee will convene conversation on this with Keith Duncan in Budget Resources. See Agenda Item 3.5. | 5/27/21 | 2021 |
| 186 | Open | TCC Agenda committee | Re-authorization of federal transportation bill. Present summary of new proposals in federal reauthorization such as Safe Routes to School, climate, selling toll credits to other states—how would these impact State and Local programs? Invite Giles Giovinazzi or Nicole Longoria. | 5/27/21 | July 2021 |
| 187 | Open | Jeanie | Use of State budget surplus to move some funding for bridges into Local to allow the HBP program to meet its performance measures on NHS. Same for HSIP. Jeannie will take this back for discussion with Michael Johnson and peers on project delivery side. | 5/27/21 | July 2021 |

Agenda Item 1. Introductions

- 1.1. Dee invited participants to introduce themselves in the chat box: Name, affiliation, one fun fact

Agenda Item 2. Webex Ground Rules

- 2.1. Please delete all OLD Webex invites from Kristy Oneto; check for most recent invite links from Alicia

Agenda Item 3. DLA Update, Dee Lam

- 3.1. The OA balance as of May 16th was approximately \$595 Million (\$607M used, 50.5% used). This includes RSTP and Safety exchanges. At this time in the FFY the OA usage has varied from roughly 35% - 70%. Dee thanked Sujaya and others on the OA Delivery workgroup for working toward 100% utilization of OA.
- 3.2. OA Obligation Plans—9 regions still need to submit their plans. From those received, an estimated OA balance of \$55M is indicated. \$24M of OA was not used last year and was redistributed to Capital/State side. DLA solicits feedback on what challenges the regions are facing in submitting projects for obligation and/or in submitting obligation plans.
- 3.3. Ross noted his region usually over-delivers (120-150% OA) but this year they will deliver closer to 80%. Some Caltrans funds are being programmed in coming months but will fall after the deadline. In August redistribution his region will be looking for ~\$100M in CMAQ funds. Dee encouraged him and others to keep Sujaya's team abreast of the "pulse" of OA deliveries in their regions.
- 3.4. Guidance and Oversight Office: Audits Policy Update. Revised Chapter 20 LAPM eliminates list of deficiencies. Focuses instead on roles & responsibilities during an audit and recommended controls. For the Office Bulletin 21-01 announcement that provides a summary of the purposes and significant changes, please refer to <https://dot.ca.gov/-/media/dot-media/programs/localassistance/documents/ob/2021/ob21-01.pdf>

- 3.5. HBP: Revised Chapter 6 LAPM includes bridge programming reforms. Office Bulletin to be posted week of June 1 announcing the reforms, which include a new tiered approach to Federal reimbursement rates for high-cost bridges.
 - 3.5.1. \$53.9M is still available for On- and Off-Sytem, all will be utilized.
 - 3.5.2. Toll credits will run out in 2023—this information is new as of earlier in May.
 - 3.5.3. Ross asked whether the toll credit policy will be re-visited. His region generates toll dollars, which then go to other parts of the state. Dee will convene conversation on this with Keith Duncan in Budget Resources.
 - 3.5.4. Patricia also noted she would like to see toll credits continue: they allow for concentration of federal funding on fewer projects so they can be delivered efficiently. Better to have toll credits cover smaller projects that are not efficient to federalize.
 - 3.5.5. Patricia asked about communication timing, flow, and best contacts regarding toll credit change so she can anticipate or address questions with her jurisdictions. Dee said protocols are still being worked out.

Agenda Item 4. FHWA Update, Miguel Ramos & Dan Hawk

- 4.1. Dan reminded project sponsors to submit invoices to keep inactive rates down.
- 4.2. Prompt Payment Review is ongoing. 14-15 Local Public Agency and State projects have been selected. Make sure prime contractors are paying subcontractors within 30 days.
- 4.3. Local hiring preference is being brought back, aka FHWA's Enhancing Workforce Development Opportunities Contracting Initiative. Allows sub-recipient to use innovative contracting approaches. Webinar will be offered June 9, 10-11am Pacific. SEP-14 work plan examples will be up soon on the [FHWA website](#).
- 4.4. Electronic TIP amendment approval process has gone very well. Ross thanked Dan and FHWA for quick approval of TIP amendments (2 weeks vs. usual 2 months).

Agenda Item 5. RTPA Update, Patricia Chen

- 5.1. RTPA meeting on May 12 included discussion of various proposals for using the State budget surplus. There was support for the Transportation California proposal from various regions.
- 5.2. CTC had its own proposal for ATP. There was also support for this, with some tweaks: not funding too far down into low scores.
- 5.3. Meeting also included a debrief on the Equity Advisory Roundtable. 15 of the 19 in the group participated; they seemed very engaged, not passive.
- 5.4. Keith Duncan reported on fund estimate: looks similar to 2020.

Agenda Item 6. CTC Update, Teresa Favila

- 6.1. Next CTC meeting will be June 23-24; it's FY end so will be a full agenda. Hoping to conduct it hybrid online/in person.
- 6.2. Yesterday was 2nd equity roundtable. Livestream is [archived on website](#). Next one is July 21.
- 6.3. Tentative schedule for workshops on competitive programs has been posted. Planning to keep these virtual for now.

- 6.4. CTC's proposed budget ask for ATP was an additional \$2B; Governor's Office has proposed \$500M. Result will be known at end of June. More proposals from Transportation California were presented; CTC has yet to weigh in on all of them.
- 6.5. COVID funding/CRRSSA is now moving through the STIP; after June, funding will go through appropriate Caltrans Divisions. Working with Jaime on this.
- 6.6. Teresa has fielded questions on whether STIP PPM (Planning, Programming, and Monitoring) funds can be State-only. She is checking with Budgets on SB-184 approval (process of requesting approval to start incurring costs prior to authorization). Ross thanked Teresa for her work on this.
- 6.7. Fund estimate for 2022 STIP not yet available. Revenues have come down. Teresa is recommending advances be approved, so projects that are ready to go can stimulate the economy. She will issue share distribution and guidelines once they are approved at the June CTC meeting.
- 6.8. Teresa emphasized that the STIP programming process is separate from allocation process, and is not duplicative. Statute charges CTC to program projects and to allocate projects. At the time of programming, the project is not fully developed. Changes can occur between programming and allocation.
 - 6.8.1. Lean 6 Sigma regarding Local Assistance process has been completed, Part II of Lean 6 in other divisions is coming up.
 - 6.8.2. Legal opinion was sought some time back on relegation of allocation authority to another entity—answer was No. CTC will continue current practice of providing lump sum allocation to Local Assistance.
 - 6.8.3. Teresa noted she was willing to host a focused discussion on this question with Rick Tippett (who brought up the concern most recently) and any others who are interested. She can report out at a future TCC meeting. April Perez-Hollins also offered to host and provide input on this topic. (See Item 12, 2021 Objectives)

Agenda Item 7. Break

Agenda Item 8. Action Item Updates

- 8.1. See grid above—two items will roll up into 2021 objectives and their respective workgroups will report out periodically in future meetings.

Agenda Item 9. Office of Civil Rights, David DeLuz

- 9.1. Dee introduced David DeLuz, Deputy Director of Caltrans Office of Civil Rights to the TCC. david.deluz@dot.ca.gov, 916-205-1070 (cell)
- 9.2. David presented on the Vision for the Office of Civil Rights: for all to participate in rebuilding California
 - 9.2.1. Goals: Improve monitoring, assessment, enforcement. Increase CQC—certified, qualified, and competitive—firms as subcontractors. Increase DBE firm utilization.
 - 9.2.2. Strategies: People-centered experience. Encourage risk taking, ethics-based decision making, and servant leadership; challenge processes. Innovation—look around nation for models of programs that get firms successfully from bidding to executing projects. Getting to “yes.” Listen to staff.
 - 9.2.3. Focus: DBE Program Operations. Staff Development—interdependence, cross-training. New programming to assist firms at different stages, supports for new & micro-firms, those on a growth trajectory, and those that are ready to exit the program. Partnerships.

- 9.3. Najee asked whether the office had any initiatives to work with local agencies outside of Federal Aid funds, i.e., with local dollars—to help develop contractors that want to get their feet wet in working with government. David said their desire is to communicate from a centralized place about opportunities for local agencies and potential contractors. Staff are looking to develop pipelines to connect firms with local agencies.
- 9.4. Najee asked whether there were specific barriers for firms entering into government space, such as bonding capacity. David said this was a recognized barrier—having money and resources available to work on more than one job; being able to bond and get insurance on greater scale. His office will work on finding ways to increase that capacity and to ensure firms get paid on time (currently timeline stretches out 6-9 months for some—this needs to be policed better).
- 9.5. Regarding challenges with meeting the goal of 17.6% DBE, David noted that in 2019 the goal was met. In 2020 we were operating at 18.9% level through August 31. Then a \$400M CMGC project came on books at end of FY—this lowered percentage to 17.52%. As we move to utilizing design-build and CMGC where projects roll out in stages, we'll have to look at how to identify and quantify DBE commitment. Prime contractors are committed to the DBE program, and firms that want to do the work are out there. Disparity study underway now: will set new triennial goal and make any strategic adjustments needed to meet that goal.
- 9.6. David also reported that in the last 6-9 months, new policy has been developed that Minor B contracts (under \$330K) must be small business only. Removed bid-bond requirement for Minor B projects. Un-bundling many contracts. Emergency work also focusing on small business. Working with DGS to establish and set project-specific small business goals on all contracts: Construction, A & E, and Commodities.
- 9.7. Robert Newman asked How are you dealing with public contract code and lowest responsible bidder requirements to award to only small business? If you make changes to state law will you consider including Cities and Counties to be eligible? David responded his office is working with DGS and attorneys on addressing both of these.
- 9.8. Definitions: for the DGS small business certification, small businesses are those firms with annual gross receipts of less than \$15 million (\$36 million for public works). Microbusinesses are those small business firms that have gross annual receipts of less than \$5 million. Microbusiness is a sub-designation for the Small Business certification administered by DGS. It is NOT a separate certification.

Agenda Item 10. Agency Certification, Felicia Haslem

- 10.1. Felicia shared a presentation on Local Public Agency Certification Program. It is included in the meeting materials available for download. FHWA would like every agency to be certified.
 - 10.1.2. Her group has hired Paul Vo, retired annuitant, for consulting. He will solicit volunteers to be on subcommittee. Let him know if you want to volunteer for working group.
 - 10.1.3. FHWA-facilitated peer exchange with other states coming up next month.
- 10.2. Purpose of the certification program is to ensure effective use of funds as required by USC Title 23, Ch 1 § 106. Goal is to delegate project delivery responsibilities to Certified Local Public Agencies and have risk-based monitoring for quality and compliance.
- 10.3. Three tiered system: Obtain full certification, Obtain certification for part or phase of a project, Partner with certified LPA through Fund Exchange or Work Agreement
- 10.4. Elements of certification process. Application, quality program plan, training, IOAI—Independent office of audits and investigations, certification agreement laying out delegated authorities, monitoring/sanctioning/recertification.
- 10.5. Timeline for DLA: in 2022, Certify all LPAs (3-year) that have existing Master Agreements and/or meet Minimum Qualifications. 2023 and 2024, Monitor and conduct risk assessments, continue certifying LPAs. 2025, Recertify LPAs from 2022.

- 10.6. Risk-based Management tools include: Audit findings, tracking of key deadlines (project end date, inactive projects, PE > 20, ROW > 20 status), Non-conformance report, Quarterly report, Approval authority matrix, Project development team meetings, Potential Fatal Flaws checklist, participation in mandatory training
- 10.7. Sanctioning options include: hold future allocations/authorizations, withhold payments, request return of Federal funds, LPA may lose certification status and have its delegation of authority reduced to a project or phase of a project, certification not renewed at end of 3-year cycle, suspend current certification agreement.
 - 10.7.1. Examples of actions by a LPA that would prompt sanctions: declining to make any changes in a project in response to an audit finding, inactive for more than 24 months or failing to meet another key deadline. Under the certification program these would continue to be last resort; many checks and balances are being put into place to catch potential problems early.

Agenda Item 11. CEQA/NEPA Reciprocity Update, Kelly Hobbs and Phil Stolarski

- 11.1. TCC subcommittee on environmental process met on April 5 with DEA partners (Jeremy, Jennifer, Phil). Kelly reported on input from local partners on perceived benefits of a CEQA/NEPA reciprocity process. Also working with Kiana Valentine at Transportation California for future focus groups.
- 11.2. Caltrans has NEPA assignment; it's one of leading efficiency efforts over last 14 years. Creating a new program like CEQA for NEPA leads to new challenges. Process graphic will be forthcoming when proposal is complete.
- 11.3. Kelly shared several talking points regarding the establishment of an alternative environmental review quality assurance program (see meeting materials). The talking points doc shows a crosswalk of existing actions alongside possible new actions that would be required at each project phase and the timeline implications of each action.
- 11.4. Next steps and timeframe. Chris Lee is getting volunteers from RTPA groups and CSAC. TCC members are requested to send names to Kelly so feedback from partners can be completed.
- 11.5. Jennifer with DEA noted that FHWA would be re-visiting the NEPA Final Rule but no date was provided on when this would happen.

Agenda Item 12. Review of 2021 Objectives

2021 Objectives

- 1. Lean 6 – Allocation Process: **Lead** ____, Jaime Espinoza, **Team** Patricia Chen, Maura Twomey
 - a. A lead does need to be established
- 2. STIP Programming Process vs. Allocation Process, why are we doubling efforts?: **Lead** April Perez-Hollins. **Team** Patricia Chen, Maura Twomey, Rick Tippett, Ross McKeown, Mary Reyes
 - a. CTC feedback and clarification
 - b. How can we reduce efforts?
- 3. FEMA/ER/CalOES Processes: **Lead** Robert Peterson and Bob Baca; **Team** Peter Pangilian, Dan Hawk, Mark Samuelson, Jason Nutt, Rick Tippett, Mary Reyes
- 4. Access to LP2000 database by Locals (keep going): **Lead** Felicia Haslem and Robert Kroepfl, **Team** existing, Ross McKeown
- 5. Environmental: **Lead** Kelly Hobbs, **Team** Rick Tippett, Najee Zarif, Boris Deunert
- 6. Federal Reauthorization Process – multi perspective: Najee Zarif, Ross McKeown, Mary Reyes

- a. Expand funding for Local Bridge Program **Lead** Robert Peterson, **Team** HBP Advisory Committee, Najee Zarif, Ross McKeown, Mary Reyes
 - b. Safety (HSIP) **Lead** Robert Peterson, **Team** HSIP Committee, Najee Zarif, Ross McKeown, Mary Reyes
 - c. How does Federal money get distributed (60/40 split)? **Lead** Laura Quintana, **Team** Patricia Chen, Maura Twomey, Najee Zarif, Ross McKeown, Mary Reyes, Chris Lee
 - d. Advocacy role for local programs **Lead** TCC Member, **Team** Najee Zarif, Ross McKeown, Mary Reyes
7. HBP Reform, continue looking for other ways to make improvements: **Lead** Robert Peterson, **Team** HBP Advisory Committee
- a. HBP Advisory Group should be consulted—work through this group
8. Cap TI, N1919: Watch how this evolves. Maura Twomey
- 12.1. Ross said his group hasn't met on #6, item 6c depends on decision that hasn't been made yet.
- 12.1.1. Bridge program needs to be elevated in the overall Local Programs priorities for re-authorization of transportation bill. Chris noted that bridge funding is a major priority for CSAC in their advocacy at State level.
 - 12.1.2. There is currently no representative from Local Programs (HBP or HSIP) who has a voice in Federal distribution. Need a champion for local programs in the process. Patricia asked to be taken off the workgroup—it's outside of her role. Chris Lee asked to be included. He was involved in FAST Act implementation and would like to contribute again.
 - 12.1.3. Chris commented that CSAC has requested additional funding for bridges, HSIP and active transportation. Those are highest priorities for counties. This is included in the broader ask from Transportation CA. We are thankful for the allocation of HIP funds to the local bridge program from the May Revise.

Agenda Item 13. Caltrans Update, Jeanie Ward-Waller

- 13.1. State will be re-opening on June 15 and travel will be opening up. Jeanie acknowledged yesterday's mass shooting tragedy at the Santa Clara VTA.
- 13.2. State budget looks promising coming out of pandemic. Lots to be excited about for transportation, Clean California initiative, Local community grant program. ATP funds to increase.
- 13.3. Activity in Federal government is moving ahead for re-authorization and stimulus (American Jobs plan). Highways to boulevards investment reconnecting communities. Local Assistance should be prepared to grow.
- 12.4. CAPTI policy discussion in process now. Tony Deng and CalSTA team are reviewing all comments and making revisions to draft document to be released/adopted in July.
- 12.5. Jeannie acknowledged that HBP is one of the most urgent needs in Local Assistance. She agreed that current funding is not meeting the needs. Optimistic—this is a priority for federal funding. Regarding whether funds can be shifted from State to Local to allow the program to meet its performance measures on NHS, she will take this back for discussion with Michael Johnson and peers on project delivery side. Same regarding HSIP.