

Background Information:

Consent Calendar:

- 2. **Approval of the August 10, 2016 Meeting Minutes.**
- 3. **Adopt Resolutions 548-16, 549-16 and 550-16 allocating Fiscal Year 2016/17 Local Transportation Funds to Various Purposes.**

The purpose of this agenda item is to request the TCTC allocate Fiscal Year 2016/17 Local Transportation Funds (LTF) to specific purposes. Staff recommends the TCTC adopt Resolutions 548-16, 549-16 and 550-16 allocating the LTF as follows:

<u>Purpose</u>	<u>Agency</u>	<u>Amount</u>
Administration of TDA Program	TCTC	113,736
Pedestrian/Bicycle Facilities Reserves	TCTC	33,935
Public Transportation Services	City of Sonora	111,379
Public Transportation Services	County of Tuolumne	1,263,675
Streets and Roads Maintenance	City of Sonora	17,296
Streets and Roads Maintenance	County of Tuolumne	196,236
	<i>Total Allocations</i>	<i>\$1,736,257</i>

Background

Local Transportation Funds (LTF) are one of the funding sources governed by the TDA. Administration of the TDA Program includes considering claims against and making allocations from the Local Transportation Fund.

Local Transportation Funds are derived from ¼ of one cent of the retail sales tax collected statewide. The State Board of Equalization returns those funds to each county according to the amount of tax collected in that region. Within each region, Local Transportation Funds are apportioned to incorporated cities and counties (remaining unincorporated area) based on their share of the region’s population. Claims requesting LTF allocations are submitted for approval to the designated regional transportation planning agency (RTPA), such as the TCTC for the Tuolumne County Region. Claims for LTF must be consistent with the goals of the Regional Transportation Plan. Payments from the Local Transportation Fund are performed by the County Auditor in accordance with written allocation instructions issued by the RTPA.

Pursuant to the TDA, LTF may be allocated for administration, pedestrian and bicycle projects, public transportation purposes, and road maintenance, in that priority order. It should be noted that, before making any allocations of LTF not directly related to public transportation services, specialized transportation services or facilities provided for the exclusive use of pedestrians and bicycles, the TCTC must adopt a finding that there are no unmet transit needs, there are unmet transit needs that are not reasonable to meet or there are unmet transit needs that are reasonable to meet. The unmet transit needs that are reasonable to meet must be funded before any allocation is made for streets and roads purposes.

As you may recall, on October 14, 2015, the TCTC conducted an Unmet Transit Needs Hearing to receive public input regarding unmet transit needs that may exist in Tuolumne County and should be considered for funding in Fiscal Year 2016/17. After considering the public comments received and input from the Social Services Transportation Advisory Council (SSTAC), the TCTC found that there were no unmet transit needs that were reasonable to meet pursuant to the adopted criteria. Resolution 539-16 was adopted making this formal finding.

LTF Estimate

The attached chart illustrates the historical trends of LTF receipts versus Transit Operating revenue. As shown, Fiscal Year 2006/07 marked the highest year for both revenue streams, with LTF at nearly \$2 million. As you may recall, the main purpose for Local Transportation Funds is to fund transit operations. However, in rural counties, any funds not needed for transit, administration or bicycle/pedestrian projects may be passed through to streets and roads maintenance. Many counties use 100% of their LTF for transit. In Tuolumne County, we have always strived to pass through as much LTF to road maintenance as possible while still meeting the transit needs of the community. As transit revenues decline and operating costs increase, the budget becomes more dependent upon LTF revenue to fund transit services. Pursuant to the trend illustrated on the funding chart included in this agenda, a significant decline happened in 2008/09 and 2009/10, and a very gradual increase has been seen since that time. Reduced LTF revenue continues to impact pass through funds for road maintenance. This year, \$213,532 in pass through funds should be available.

The Auditor/Controller is estimating a four and a half percent (4.5%) increase for Fiscal Year 2016/17 from the prior year, which would total \$1,696,731. Staff estimates that there could be unallocated fund balance of \$39,526 from Fiscal Year 2015/16 after all allocations have been accomplished. This would provide a total of \$1,736,257 available for allocation in FY16/17. The following proposed allocations are based on these estimates.

The TDA requires LTF funds are allocated in the following priority order:

Administration

Through the development of the 2016/17 Overall Work Program, the TCTC determined \$113,736 in Local Transportation Funds will be needed for administration to accomplish the various work activities required of the TCTC by the Transportation Development Act. Resolution 548-16 has been prepared to accomplish this allocation to the TCTC's Administration Budget.

Pedestrian and Bicycle Projects

Historically, the TCTC has allocated 2% of the anticipated LTF each year to the Pedestrian/Bicycle Facilities LTF Reserves Fund for future allocation to specific projects. Two percent of this year's available LTF would total \$33,935.

The LTF Ped/Bike Reserves Fund has a current unobligated balance of \$72,792. The above allocation will increase the current fund balance to \$106,727.

Allocations from the Bicycle/Pedestrian LTF Reserves Fund are accomplished much the same as the general LTF allocations described in this agenda item. Agencies requesting funds from the reserves account for a specific bicycle or pedestrian project will submit a LTF Claim and project study report (PSR) to the TCTC for consideration. The PSR will contain a scope, schedule and cost estimate for the proposed project. If the TCTC approves the project, a funding agreement and/or allocating resolution, as appropriate, will be executed.

In Fiscal Year 2010/11, the TCTC began allocating funds from the LTF Pedestrian/Bicycle Facilities Fund toward the implementation of the Regional Trails/Non-Motorized Transportation Program. The TCTC's Senior Planner performs the majority of the work, with some funds going toward goods and services. The progress and accomplishments of the program are included each year in the Overall Work Program. The OWP identifies a total of \$92,777 in planned expenditures for Fiscal Year 2016/17. These costs will be covered with unexpended carryover funds from the previous year; therefore, no additional allocation is included. This past year, it was determined that \$25,000 previously allocated to non-motorized projects will not be needed to fund this year's program. Resolution 548-16 de-obligates those funds and allocates them back to Reserves to be available for other projects.

Public Transit Services

The City of Sonora and County of Tuolumne contribute their share of LTF, based on their share of the Region's population, to fund the Regional Public Transportation System, Tuolumne County Transit. The City's current share of the population is 8.1% and the County's share is 91.9%.

The LTF required for the 2016/17 Public Transportation System Budget is \$1,375,054 which includes a \$111,379 contribution from the City and a \$1,263,675 contribution from the County. Claims have been received from the City of Sonora (LTF-FY17-City-2) and County of Tuolumne (LTF-FY17-CO-1) which include their proportionate share of funding the cost of Tuolumne County Transit for FY16/17. Adopting Resolutions 549-16 and 550-16 will provide these allocations to the operations of the Regional Public Transportation System, Tuolumne County Transit.

Staff has determined that the above allocations are consistent with the Regional Transportation Plan and comply with the requirements of the Transportation Development Act and, therefore, recommends their approval.

Streets and Roads Maintenance

The TCTC may allocate the remaining \$213,532 estimated balance of available Local Transportation Funds to the City and County for streets and roads purposes. As with the above described Transit Service allocations, these funds should be allocated to the City and County based upon their proportionate share of the population.

The LTF Claim from the City of Sonora (LTF-FY17-City-2) requests \$17,296 (8.1%) of the remaining LTF funds for streets and roads maintenance. The County's Claim (LTF-FY17-CO-1) requests \$196,236 (91.9%) of the funds for the same purpose. These requests total \$213,532. Adopting Resolutions 549-16 and 550-16 will provide these allocations to the City and County.

Staff has determined that these allocations are consistent with the Regional Transportation Plan and comply with the requirements of the Transportation Development Act and, therefore, recommends their approval.

Attachments:

*LTF Claims from City and County
Resolutions 548-16, 549-16 & 550-16*

Recommended Action:

Adopt Resolutions 548-16, 549-16 and 550-16 allocating FY16/17 LTF as proposed.

4. Adopt Resolution 551-16 allocating \$240,223 in State Transit Assistance Funds to the Regional Public Transportation System.

The purpose of this agenda item is to request the TCTC allocate the available State Transit Assistance Funds (STAF) to the Region's Public Transportation System. Staff recommends the TCTC adopt Resolution 551-16 allocating \$240,223 to the Public Transportation System for general operating expenses.

Background

The Transportation Development Act (TDA) governs two major transportation funding sources, the Local Transportation Funds and State Transit Assistance Funds. As the Regional Transportation Planning Agency, the TCTC is responsible to administer the TDA Program for the Tuolumne County Region. Administration of the TDA Program includes considering claims against and making allocations from the State Transit Assistance Fund.

State Transit Assistance Funds are derived from the statewide sales tax on fuel. The funds are appropriated through the State Budget to the State Controller for appropriation by formula, based upon population, to each designated regional transportation planning agency. Claims requesting STAF allocations are submitted for approval to the Regional Transportation Planning Agency (RTPA) and must be consistent with the goals of the Regional Transportation Plan. State Transit Assistance Funds may be used for public transportation purposes only.

The State Controller's Office has provided an STAF estimate of \$240,223 for FY16/17 for the Tuolumne County Region. Based on their proportionate share of the total population, the City's share of the STAF apportionment is \$19,458 (8.1%), and the County's share is \$220,765 (91.9%). As you may recall, STAF may be allocated to public transportation purposes only. Claims from the City (STAF-FY17-City-1) and County (STAF-FY17-CO-1) have been received by the TCTC requesting the STAF be allocated to the general operating expenses of the Regional Public Transportation System, Tuolumne County Transit.

Staff has found that the STAF claims are consistent with the goals of the Regional Transportation Plan and the purpose and regulations pertaining to STAF. Adoption of Resolution 551-16 will allocate the funds as requested.

Attachments:

*STAF Claims from the City and County
Resolution 551-16*

Recommended Action:

Adopt Resolution 551-16 allocating the STAF funds as proposed.

5. Scope of Work for the Request for Proposals (RFP) to conduct Performance Audits of the TCTC and Public Transit System, approval of the RFP for distribution, and authorization for the Executive Director to negotiate an agreement with the most qualified firm

The Tuolumne County Transportation Council is statutorily required by Section 99246 of the California Public Utilities Code to designate an independent entity to conduct performance audits of the TCTC and Public Transit System on a triennial basis. As you may recall, this year's Overall Work Program includes conducting Performance Audits that will cover the past three years, Fiscal Years 2013/14, 2014/15 and 2015/16.

These performance audits must be conducted in compliance with the Transportation Development Act (TDA) and consistent with the "Performance Audit Guidebook for Transit Operations and Regional Transportation Planning Entities," as issued and amended by the California Department of Transportation. The objectives of the audit are to provide a means for evaluating an organization's performance and to enhance the performance by making recommendations for improvements. In addition, the audit evaluates the adequacy of an organization's systems and the degree of compliance with established policies and procedures.

While meeting the legal requirements for conducting a performance audit is important, the performance audit also provides an opportunity for an independent, objective and comprehensive review of the effectiveness, efficiency and economy of the TCTC and the operator of the Public Transit System. Other benefits include:

- Providing management with useful information to assess past activities and insight for future planning activities;
- Providing management with a review and evaluation of the organization and operations;
- Provides an opportunity to utilize auditor expertise which can supplement staff work; and
- Assures accountability for the use of public funds.

The attached Request for Proposals (RFP) has been prepared to solicit proposals from qualified firms to conduct performance audits of the TCTC and Public Transportation System. The RFP includes a draft version of the agreement that is intended to be executed with the most qualified firm. The Scope of Work is included as Exhibit B of the Draft Agreement (Attachment A). The purpose of this agenda item is to provide an opportunity for the TCTC to discuss the scope of work and make any revisions or additions, if desired.

Upon completion of the consultant selection process and agreement negotiations, staff will bring back a proposed agreement with the most qualified firm for approval and execution by the TCTC.

Attachment:

Request for Proposals and Draft Agreement for Performance Audits

Recommended Action:

Discuss the Scope of Work, approve the Request for Proposals document for distribution, including any changes proposed by the TCTC, and authorize the Executive Director to negotiate an agreement with the most qualified firm.

The TAC and CAC recommended approval of all items on the Consent Calendar (1-5) as presented.

*NOTE: ** At the time of the TAC/CAC Meeting, Item 6 was not on the Consent Calendar.*

6. Schedule a Public Hearing for the 2016 Draft Regional Transportation Plan's Environmental Impact Report on October 12, 2016 at 3 p.m.

The Public Hearing will be an agenda item at the TCTC Meeting on Wednesday October 12th, 2016 at 3pm. The TCTC Meeting is located at 2 South Green Street at the Tuolumne County Administration Building on the 4th floor in the Board of Supervisors Chambers.

The Tuolumne County Transportation Council (TCTC), is the State-designated regional transportation planning agency (RTPA) for Tuolumne County, is required by both federal and State law to prepare a long-range (at least 20-year) transportation planning document known as a Regional Transportation Plan (RTP). The RTP is an action-oriented document used to achieve a coordinated and balanced regional transportation system. California Government

Code §65080 et seq. and Title 23 United States Code (USC) §134 require Regional Transportation Planning Agencies (RTPA) to prepare long-range transportation plans to: 1) establish regional goals, 2) identify present and future needs, deficiencies and constraints, 3) analyze potential solutions, 4) estimate available funding, and 5) propose investments. State Statutes require that the RTP serve as the foundation for the short-range transportation planning documents: the Regional and Federal Transportation Improvement Programs (RTIP and FTIP).

The Draft EIR will be a Program EIR and per the CEQA Guidelines, a Program EIR is an EIR that may be prepared on a series of actions that can be characterized as one large project. The purpose of a Program EIR is to allow the lead agency to consider broad policy alternatives and program-wide mitigation measures at an early time when the agency has greater flexibility to deal with basic problems or cumulative impacts.

The impact categories listed below have been preliminarily identified for analysis in the 2016 RTP.

- Aesthetics
- Agriculture & Forestry
- Air Quality
- Biological Resources
- Cultural Resources
- Geology, Soils, & Mineral Resources
- Climate Change
- Hazards & Hazardous Materials

- Hydrology & Water Resources
- Land Use & Planning
- Noise
- Population & Housing
- Public Services
- Recreation
- Transportation & Circulation
- Utilities & Service Systems

Attachments:

There are no attachments for this item.

Recommended Actions:

Schedule a Public Hearing for the 2016 Draft Regional Transportation Plan's Environmental Impact Report on October 12, 2016 at 3 p.m.

The TAC and CAC recommended conducting a Public Hearing for the Draft RTP/EIR on October 12, 2016 at 3 p.m.

Regular Agenda:

7. Public Hearing to receive input on Potential Transit Needs that May Exist within the Tuolumne County Region and that may be reasonable to meet in Fiscal Year 2017/2018.

The Transportation Development Act (TDA) requires the TCTC to conduct a public hearing each year to solicit comments on any unmet transit needs that may exist in the Tuolumne County Region, and to determine if those unmet transit needs are reasonable to meet. The TCTC has the sole authority for the Tuolumne County Region in defining unmet transit needs and those that can be reasonably met. These determinations are based on specific unmet transit needs definitions and reasonable to meet criteria adopted by the TCTC.

The purpose of this agenda item is to conduct the 2016 Unmet Transit Needs Public Hearing. A public notice regarding this hearing was published in the Sonora Union Democrat August 9, 2016 which meets the 30-day advance notice requirement. The public notice includes the TCTC's offer to provide transportation (through Tuolumne County Transit) to the hearing to those persons with no other way to attend. Written comments are also accepted from those unable to attend the hearing.

The California Transportation Development Act (TDA) requires an annual assessment of regional transit needs prior to making any allocation of TDA funds for projects not directly benefiting public transportation. The assessment requires the Tuolumne County Transportation Council, as the regional transportation planning agency to:

- Consult with the Social Services Transportation Advisory Council (SSTAC).
- Identify the transit needs of the jurisdiction which have been considered as part of the transportation planning process such as the Human Services Transportation Coordination Plan or Transit Development Plan.

- Identify the unmet transit needs of the jurisdiction and those needs that are reasonable to meet.
- Conduct at least one public hearing for the purpose of soliciting comments on the unmet transit needs that may exist within the jurisdiction and that might be reasonable to meet by establishing or contracting for new public transportation or specialized transportation services or by expanding existing services.
- Adopt by resolution a finding for the jurisdiction, after consideration of all available information that:
 - A) There are no unmet transit needs; or
 - B) There are no unmet transit needs that are reasonable to meet; or
 - C) There are unmet transit needs, including needs that are reasonable to meet.

The comments received through the unmet transit needs process will be analyzed based upon the TCTC's adopted definitions and criteria for unmet transit needs. If unmet transit needs are identified, those will be evaluated based on the TCTC's adopted criteria to determine if they are reasonable to meet in the upcoming fiscal year. The criteria for unmet transit needs are included in the attached Resolution No. 515-15.

The Unmet Transit Needs Form was developed by staff as an additional resource to capture comments on the efficiency and performance of the existing transit system. The forms can be downloaded from the TCTC website and submitted by e-mail. Staff received assistance in distribution and receipt of these forms by working with the Social Services Transportation Advisory Council as well as making the forms available on Transit vehicles and the Tuolumne County Transit website. Staff anticipates this report will be scheduled for the December 2016 meeting. Discussion of the public comment and proposed findings of this year's process will be presented to the TCTC for consideration of approval in the Unmet Transit Needs Findings Report.

Attachments:

Request for Public Comments form; Proof of Publication and Resolution No. 515-15 (adopted definitions and criteria).

Recommended Action:

Conduct a Public Hearing for potential Transit Needs that may exist in Tuolumne County.

The TAC and CAC recommended conducting the annual Unmet Transit Needs Hearing at the September 14, 2016 TCTC/TCTA Meeting.

8. Public Hearing to consider adoption of the Final Fiscal Year 2016/17 Budget for the Tuolumne County Transportation Council and adoption of Resolution 552-16.

The Tuolumne County Transportation Council is required to conduct a public hearing each year to consider adoption of their final budget. As required, a notice of this year's hearing was published at least 10 days in advance in the Union Democrat. The budget materials were available for public review for the 10-day period as well.

As you may recall, the Recommended Budget for Fiscal Year 2016/17 for the TCTC was adopted at the May meeting. The purpose of this agenda item is to adopt the Final Budget.

The TCTC's Overall Work Program (OWP) for Fiscal Year 2016/17, adopted at the June meeting, programs the various revenue resources and project/program expenditures planned by the TCTC for the upcoming year. The TCTC's line item budget is based upon the projects/programs in the OWP.

The Recommended Budget adopted by the TCTC in May provided a working budget beginning July 1st, the beginning of the current fiscal year. The Final Budget presented here includes the following changes from the Recommended Budget, as identified in detail in the attached Line Item Budget:

- Adjustments to several revenue and expense accounts to reflect the final OWP Budget and carryover for projects.
- Revisions to various revenue accounts to recognize changes in carryover after the close of the fiscal year, which occurred after adoption of the Recommended Budget.
- Minor adjustments to salaries and benefits accounts to reflect County mandated costs and the replacement of the Senior Administrative Analyst.
- An adjustment to the revenue and expenditure line items for the Active Transportation Program to reflect final expenditures in the prior year.

The Final Proposed Budget for Fiscal Year 2016/17 has been prepared based upon the priorities included in the Recommended Budget and the final FY16/17 Overall Work Program. The attached worksheet includes a line by line comparison of this FY16/17 Final Proposed Budget to the Recommended Budget adopted in May. The worksheet also shows the Fiscal Year 2015/16 final revenue and expenditure numbers.

Staff recommends the TCTC adopt the Final Budget as presented.

Attachments:

Resolution 552-16, TCTC Final Budget for FY16/17

Recommended Actions:

1. *Conduct a public hearing to consider adoption of the FY 2016/17 Budget for the TCTC.*
2. *Adopt Resolution 552-16 approving the TCTC Final Budget for Fiscal Year 2016/17 as presented.*

The TAC and CAC recommended conducting a Public Hearing to adopt the Final Budget for FY 2016/17 and to adopt Resolution 552-16 as presented.

9. Adopt Resolution 553-16 authorizing the Auditor-Controller to execute and administer an internal borrowing program and establishing policy guidelines for the program.

The purpose of this agenda item is to authorize the Auditor-Controller to execute and administer an internal borrowing program in the event that cash flow becomes an issue in a fund administered by the Tuolumne County Transportation Council. These would be short-term internal cash loans between Tuolumne County Transportation Council (TCTC) and Tuolumne County Transit Agency (TCTA) administered funds to cover necessary expenditures until the revenue to cover these expenditures is received.

As you may know, many funding sources are reimbursement based. This means the expenditures must occur before an invoice for the funds can be submitted. Depending upon how quickly the State or Federal government pays those invoices, it can be quite some time before the revenue is received. This could potentially create a cash flow issue, especially during tight budget years. The responsible use of internal borrowing between various TCTC and TCTA funds can help resolve this issue.

The County Board of Supervisors previously authorized the Auditor-Controller to execute and administer an internal borrowing program to cover periods where revenue is not available in a fund to cover a necessary expenditure. The Auditor-Controller is authorized to borrow between various County funds to maintain the appropriate cash flow.

Staff recommends the TCTC provide a similar authorization to allow the Auditor-Controller to borrow between TCTC funds to maintain cash flow. Resolution 553-16 has been prepared to provide this authorization.

It should be noted that, the TCTA is considering adoption of Resolution 35-16 to provide this same authorization for the funds they administer.

Attachment:

Resolution 553-16

Recommended Actions:

Adopt Resolution 553-16 authorizing the Auditor-Controller to execute and administer an internal borrowing program and establishing policy guidelines for the program.

The TAC and CAC recommended adopting Resolution 553-16 as presented.

10. Public Hearing on the 2016 Draft Regional Transportation Plan

This public hearing allows the public to discuss questions or comments on the 2016 Draft Regional Transportation Plan (RTP). The 2016 Draft RTP will be accepting comments until October 3rd 2016.

The Tuolumne County Transportation Council (TCTC) has released the 2016 Draft Regional Transportation Plan (RTP) for review and comment for the public. The 2016 Regional Transportation Plan (RTP) is a vision, policy, action, and financial plan that is focused on the future transportation needs of the Tuolumne County region for the next 25 years.

RTP Public Participation and Community Workshops

The 2016 Draft RTP follows State and Federal laws, regulations, and guidelines on the public participation process. The Public Participation Plan (PPP) is a local adopted participation plan that provides an outline for public involvement and interagency consultation in the regional planning process for the 2016 RTP. One important part of the public participation process is gathering input from the community workshops on the Draft RTP.

The community workshops focused on listening and receiving input from the public in a formal interactive presentation which provided active dialog about regional transportation. The community workshops targeted specific communities in Tuolumne County and the City of Sonora. The community workshops helped identify the needs of the community and the where the highest priorities are in terms of transportation projects. Appendix J – Public Participation Results will include a summary of the comments received during the Draft RTP comments period which ends on October 3rd and will be included in the Final RTP. The TCTC hosted six community workshops:

- Jamestown – 8.16.16
- Groveland – 8.18.16
- Twain Harte – 8.23.16
- Tuolumne – 8.25.16
- Sonora – 8.30.16
- Columbia – 8.31.16

As part of public participation process, the TCTC presented the Draft RTP at the BOS Transportation Committee on August 15th 2016. TCTC is planning on presenting the Draft RTP at the City of Sonora Council Meeting on Sept 19th and the BOS Meeting on Sept 20. TCTC is also available to present or discuss the Draft RTP at other local groups or meetings if requested. The 2016 Draft RTP will be accepting comments until October 3rd 2016.

Outlined below are some of the key actions presented in the 2016 Draft RTP and some of the changes from the 2006-2007 Tuolumne County Regional Transportation Plan:

New Rural Sustainable Strategies (RSS) Chapter

The new Rural Sustainable Strategies (RSS) is a new optional chapter that discusses rural sustainable strategies that will achieve TCTC's RTP goals as well as goals in SB 375, AB 32, and Governor Brown's Executive Order B-30-15. As a rural regional transportation planning agency (RTPA), TCTC is not required to comply with SB 375, as it only applies to Metropolitan Planning Organizations (MPOs), but this chapter provides an opportunity to discuss past, present, and future sustainable transportation efforts that can help achieve RTP and State goals. Implementing AB 32 and SB 375 presents major challenges to rural RTPA's. The staff resource requirements can be financial burdensome to small agencies. An important part of this chapter is defining: what is sustainable to rural communities? Addressing a reduction in greenhouse gas (GHG) emissions is only a piece of the overall sustainable transportation strategy for Tuolumne County. A focus on all three economic, environmental, and livability indicators can help achieve a well-balanced multi-modal regional transportation system. A full of list Rural Sustainable Strategies are located in Chapter 3.

New Regional Transportation Chapter

The Regional Transportation Element discusses the State, interregional, and regional transportation issues, goals, and policies that affect multiple modes of transportation in Tuolumne County. The 2016 Tuolumne County Regional Transportation Plan has ten regional performance measures that track progress toward attaining the ten regional goals. These measures provide a baseline to measure existing conditions with desired future outcomes of the Regional Transportation Plan over the next 25 years.

Six New Individual Modes of Transportation Chapters

The six new Chapters include: State Highways - Chapter 5; Local Streets and Roads - Chapter 6; Aviation - Chapter 7; Non-Motorized Transportation - Chapter 8; Railroads -Chapter 9; and Public Transportation - Chapter 10. The RTP balances transportation needs and priorities with anticipated funding as the RTP is a financially constrained document. Each mode of transportation element identifies and describes:

- Goals, policies and objectives
- Existing conditions
- Transportation issues and potential solutions
- An Expenditure Plan with a list of constrained and unconstrained capital improvement projects
- Funding sources to complete the constrained project list
- Potential alternative funding sources

Financial Plan Chapter - Transportation Funding Shortfall

A major challenge for transportation funding has been revenues generated at the gas pumps have not kept up with inflation and the Federal gas taxes and fees have not increased since 1993. Automobile drivers are spending less in fuel costs because of increased vehicle fuel efficiency combined with the growing use and popularity of plug-in electric vehicles, which do use gasoline fuels, is resulting in a deep decline in gasoline tax revenues. The problem is compounded when gas prices are low, resulting in less gasoline tax revenues.

The transportation funding shortfall has recently reached a critical moment. The California Transportation Commission (CTC) in January 2016 approved a reduction in the projected funds available by \$754 million dollars over the next 5 years for the State Transportation Improvement Program (STIP). This means the CTC will have to remove 754 million dollars in programmed projects in the 2016 STIP. The Transportation Council adopted a revised 2016 Regional Transportation Improvement Program (RTIP) Plan in February 2016. The Tuolumne County region could see a cut of at least \$1.995 million dollars in RTIP funds.

The transportation funding shortfall has impacted rural areas much more because of the recent changes to State laws such as the Active Transportation Program (ATP). The previous formula based Transportation Enhancement (TE) funds that Tuolumne County received for pedestrian and bicycle projects was combined into one new program as a result of new Federal legislation creating the Transportation Alternatives Program (TAP). As a result of the TAP, the State created a competitive based, Caltrans administered program called the Active Transportation Program (ATP). The ATP scoring criteria prioritizes non-motorized transportation projects that improve safety by reviewing project site accident data to support the justification. Tuolumne County and the City of Sonora have had a lack of success in the ATP program, because of the lack of accident data. Urbanized areas can make a stronger case for the safety need based upon having larger populations and more accident data. The ATP program is just one example, where the Tuolumne County region is losing transportation funds.

It is important to note that transportation funding can be unpredictable, when State and Federal actions can result in the elimination of certain funding programs or the diversion of transportation funds to non-transportation uses. Some of the funding sources assumed within the financial projections for this plan will not actually be realized, depending on a number of factors. Even if all of the revenues assumed in this document are realized, projected funds are insufficient to keep up with the maintenance, operational, safety, and major improvement needs of the region. The Financial Plan identifies additional alternative new funds that could potentially become available. The TCTC collaborates with local, State, and Federal agencies to seek new transportation revenue sources.

Financial Alternatives B and C - New Potential Revenue Sources

It is important to note, that some of the potential new revenue sources in the alternatives require changes in State law, passing of local ordinances or voter initiatives. These financial alternatives present a discussion on what new transportation revenue sources are available and what priorities or actions the TCTC should pursue in the future to help reduce the transportation funding shortfall.

Financial Alternatives B and C list potential new revenue sources that could become available in the future. These alternatives include a list of future- planned capital improvement projects that would be constructed with these new funds.

Financial Alternative B focuses on funding non-motorized transportation, transit, and road maintenance projects and this alternative anticipates three new revenue sources: Congestion Mitigation and Air Quality (CMAQ), Active Transportation Program (ATP), and Cap and Trade Funds. In this alternative, all new funding is designated for specific transportation modes such as non-motorized transportation, transit, and road maintenance projects.

Financial Alternative C focuses on improving road network deficiencies on the State Highways and on local roads, and maintenance of local roads. This alternative anticipates three new revenue sources: a quarter-cent sales tax, redirecting some of the existing Cap & Trade funds to Tuolumne County, and an increase in the Regional Traffic Impact Mitigation Fee Program's (TIMF) fees.

Expenditure Plan – Constrained Capital Improvement Projects

The 2016 Expenditure Plan utilizes future transportation funding estimates and plans capital improvement projects with those limited constrained funds. Some of the key projects that the Expenditure Plan would fund include:

- Maintenance of the existing transportation network including: local roads, State Highways, bicycle lanes, sidewalks, bridges, and transit.
- Safety and operational improvements to State Routes 49, 108, and 120.
- Widening of State Route 108/49 to five lanes with Complete Streets Improvements from South Main St. to Fifth Ave.
- North-South Connector - Phase I - Greenley Road Extension from Lyons Rd to State Route 49
- Expanded transit services and transit facilities
- Improvements to the sidewalk network along State Routes 49, 108, 120 in downtown Sonora, Jamestown, and Groveland and American with Disabilities Act (ADA) compliant enhancements
- Completion of the SR 108 and Peaceful Oak Road Interchange
- Greenley Road and Mono Way Intersection Improvement Project

Attachments:

1. *Draft 2016 Regional Transportation Plan - Appendices*

Recommended Action:

Public Hearing on the 2016 Draft Regional Transportation Plan

The TAC and CAC approved conducting a Public Hearing for the Draft Regional Transportation Plan at the September 14, 2016 TCTC/TCTA meeting.

11. Consideration of Transportation Funding Bills by Senator Jim Beall and Assembly Member Frazier.

Sen. Jim Beall (D – San Jose), and Assembly Member Jim Frazier (D-Oakley), have introduced two bills that would dedicate \$7.4 billion annually for transportation projects. Approximately \$2.5 billion will go to local streets and roads and another significant portion to freight, transit, active transportation, maintenance and rehabilitation of state highway and local roads. The plan would also

stabilize the variable gas tax to help generate more revenues by adding a 17 cent per gallon increase. The bills also require local reporting and cities and counties to maintain existing general fund levels for transportation projects. Other parts of the plan include moving “complete streets” design to highways, creating an Office of Transportation Inspector General, and creating an advanced mitigation program for transportation projects. The two bills have been introduced in a special session, which allows negotiations to continue past the regular session’s deadlines.

In response to the Special Session on transportation, the TCTC has stated its position on Transportation funding. The following bullet points list the TCTC policy position and staff’s understanding of how the proposed legislation aligns or not (in bold).

- Previous loans from transportation funding sources to other State Program need to be paid back; **The legislation appears to meet this requirement.**
- \$1 billion annually from Cap n Trade proceeds must be made available to Transportation Programs including \$500 million directly apportioned to local agencies for greenhouse gas emission reducing projects inclusive of road rehabilitation and congestion relief projects: **The legislation only allocates \$300 million in Cap and Trade funds apparently split between the Transit Capital Improvement Program and the Low Carbon Transit program. We generally are not competitive in this state administered Transit Capital Improvement Program and are not likely to receive any of these funds in the future. The Low Carbon Transit program allocated only \$55,000 a year to Tuolumne County, the legislation doubles this amount. The proposed legislation fails to return to Tuolumne County anywhere close to the millions of dollars estimated of Cap and Trade fees paid by local motorists at the pump (11 cents per gallon gas; 13 cents per gallon diesel).**
- Exempt rural counties under 100,000 population from Vehicle Miles Travelled based CEQA reform pursuant to SB743; **The proposed legislation does not address SB 743 requirements for rural counties.**
- Require at least one appointed member of the California Transportation Commission be from a rural county of less than 100,000 population; **The CTC will continue to conduct business without a dedicated voice to represent rural interests.**
- Establish the California Transportation commission as an independent entity not under the control of the Secretary of the California State Transportation Agency; **The legislation accomplishes this objective.**
- Restore the price based excise tax on fuel at 17.3 cents per gallon (consistent with historical averages) to stabilize road funding; **The proposed legislation accomplishes this objective.**
- Consider new tax and fee increases only after re-payment of previous loans from transportation funding; **Technically, the legislation accomplishes this objective after a two year re-payment. However, the TCTC was clear that re-payment of loans and protection of transportation funds should stand the test of time before new taxes and fees are enacted.**
- All new revenues should be split 50/50 between state and local agencies. **Generally, this split occurred with road maintenance funds, but transit funds from Cap and Trade are not 50/50.** Rural County shares should be directly apportioned to local agencies on a fair share basis; **The legislation fails to accomplish this goal in areas of Cap and Trade funds as well as the Active Transportation Program. These are major funding areas that we must receive a fair share of funding or we will not be able to fulfill our obligations to reduce Greenhouse Gas Emissions pursuant to and the Governors Executive Orders. A**

fair share apportionment would provide much needed funding for walkways providing safe routes to school, bike lanes, regional trails and paths, transit improvement and congestion relief road improvements. Furthermore, all of these facilities will be needed to reduce VMT pursuant to the draft CEQA guidelines from the Governor's Office of Planning and Research (SB743)

- **Transportation funding should be further protected from diversion to other non-transportation programs. Transportation funding protections appear to be strengthened, but I am not an expert in identifying legal loop holes. However, it should be noted large portions of Cap and Trade revenues are expended on non-transportation programs that reduce carbon emissions.**

Even though the transportation funding package provides much needed funding to the local road maintenance program, it simply does not go far enough for rural counties. Our communities need their fair share of Cap and Trade as well as Active Transportation Funds. They pay into these programs; they need to get a better return on their investment. When it comes to a lack of funding for safe routes to school, safe bike lanes and safe pedestrian facilities connecting neighborhoods with jobs, shopping and recreation, we should not accept fatal accidents as a trade-off for decent road maintenance funding and high speed rail. Staff does not support any funding package that allows millions in locally generated tax/fee revenues to be annually disseminated to other areas for projects and programs that state deems a higher priority. Additionally, the lack of Cap and Trade funding will hinder our ability to comply with SB743 required CEQA reforms, further damaging our local economy. Staff is recommending a letter be sent to Senator Berryhill and Assemblyman Frazier expressing our concerns regarding the lack of fair share funding from the Can and Trade program.

Attachments:

Frazier-Beall Transportation Funding Package; Detailed Bill Summary of the Beall/Frazier Transportation Proposal; a letter to Senator Berryhill and Assemblyman Bigelow will be presented at the meeting.

Recommended Action:

Send a letter to Senator Berryhill and Assemblyman Bigelow expressing concerns regarding the lack of fair share funding from the Cap and Trade program.

The TAC and CAC recommended sending a letter to Senator Berryhill and Assemblyman Bigelow regarding the lack of fair share funding from the Cap and Trade program.

12. Reports

- *Review of Membership Terms of the Citizen's Advisory Committee*