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# MEETING NOTICE AND AGENDA

## MEMBER AGENCIES

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County of San Diego

## ADVISORY MEMBERS

California Department  
of Transportation  
  
Metropolitan Transit  
Development Board  
  
North San Diego County  
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United States  
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Unified Port District  
  
San Diego County  
Water Authority  
  
Baja California/Mexico

## SAN DIEGO CONFORMITY WORKING GROUP

The San Diego Conformity Working Group may take action on any item appearing on this agenda.

Wednesday, January 21, 2004

10:00 a.m. to 11:30 a.m.

SANDAG, Conference Room A  
401 B Street, Suite 800  
San Diego, CA 92101-4231

Staff Contact: Elisa Arias  
(619) 595-5336  
ear@sandag.org

***Please contact Sookyung Kim (ski@sandag.org) prior to the meeting if you wish to participate by conference call.***

*SANDAG offices are accessible by public transit. Phone 1-800-COMMUTE or see [www.sdcommute.com](http://www.sdcommute.com) for route information.*

# SAN DIEGO CONFORMITY WORKING GROUP (CWG)

Wednesday, January 21, 2004

ITEM #		ACTION
1.	<b>Introductions</b>	
+2.	<b>Summary of December 17, 2003 Meeting</b>	INFORMATION
3.	<b>Public Comments/Communications</b>	
4.	<b>8-Hour Ozone Standard Designations</b> Staff from the U.S. Environmental Protection Agency (EPA) will update the CWG on upcoming activities.	INFORMATION
5.	<b>Proposed Transportation Conformity Rule Amendments for the New 8-hour Ozone and PM2.5 standards</b> Staff from U.S. EPA will summarize comments received on the proposed rule.	INFORMATION
+6.	<b>2004 State Transportation Improvement Program (STIP) Development</b> On January 16, 2004, SANDAG's Transportation Committee is scheduled to discuss options for the preparation of the draft 2004 STIP, which is a key component of the 2004 Regional Transportation Improvement Program (RTIP). The attached report describes those options. Staff will update the CWG on the Transportation Committee's discussion.	INFORMATION
+7	<b>2004 RTIP Development</b> The 2004 RTIP covers the five-year period from FY 2005 to FY 2009. On January 9, 2004, SANDAG requested that local agencies and Caltrans submit requests for new projects funded with local funds only ( <i>TransNet</i> and other) and revisions for currently programmed projects through FY 2009. The deadline for project submittals is March 5, 2004.	INFORMATION

<b>ITEM #</b>	<b>ACTION</b>
<p><b>8. 2004 RTIP Conformity Criteria and Procedures</b></p> <p>The CWG will discuss several criteria and procedures to be followed to determine conformity of the 2004 RTIP and to redetermine conformity of the 2030 Regional Transportation Plan (RTP). SANDAG staff will make brief presentations on the topics outlined below. Additional criteria will be discussed at future meetings of the CWG.</p> <ul style="list-style-type: none"> <li>a) Use of Latest Planning Assumptions</li> <li>b) Transportation Control Measures</li> <li>c) Latest Emissions Model</li> <li>d) Emissions Budget</li> <li>e) Consultation and Public Involvement</li> </ul>	DISCUSSION
<p><b>9. Carbon Monoxide (CO) Maintenance Plan</b></p> <p>Staff from the California Air Resources Board (ARB) will provide a status report on the development of the CO Maintenance Plan.</p>	INFORMATION
<p><b>10. Other Business</b></p>	INFORMATION

+ next to agenda item indicates an attachment

The next meeting of the San Diego Region Conformity Working Group will be held on Wednesday, February 18, 2004 from 10:00 a.m. to 11:30 a.m. at SANDAG.

January 21, 2004

TO: San Diego Region Conformity Working Group  
FROM: SANDAG Staff  
SUBJECT: Summary of December 17, 2003 Meeting  
ACTION: INFORMATION

**Item #1: Introductions**

Self-introductions were made. See attached attendance list.

**Item #2: Summary of July 16, 2003 Meeting**

There were no comments or corrections.

**Item #3: Public Comments/Communications**

There were none.

Agenda order was changed to accommodate late arrivals.

**Item #5: 2004 Regional Transportation Improvement Program (RTIP) Development**

**Item #5a: Workshop on planning, programming, and air quality for the 2004 RTIP**

Ms. Sookyung Kim, SANDAG, reviewed new requirements by Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) to re-determine fiscal constraint with each formal amendment due to the state's budget impact on transportation funding. The delay in the Fund Estimate for the 2004 State Transportation Improvement Program (STIP) by the California Transportation Commission (CTC) and subsequent delay in STIP adoption have caused a schedule conflict with the 2004 RTIP submittal date - the STIP adoption occurring five days after the required submittal for the 2004 RTIP.

As a result, FHWA, FTA, and Caltrans sponsored a workshop to identify critical deadlines to ensure that the 2004 FSTIP is approved by October 4, 2004. Ms. Kim reported that the workshop pointed out that the interagency consultation process will be vital to ensure the 2004 RTIP timely approval by obtaining concurrence on assumptions and schedules. Ms. Karina O'Connor, EPA, stated that she was able to get the various perspectives for different areas, especially related to State Implementation Plans (SIP).

Mr. Mike Brady, Caltrans, stated that if project schedules cross emissions analysis years, then the long range plan may also need to be amended. Ms. Elisa Arias, SANDAG, explained that SANDAG plans to re-determine conformity of the 2030 RTP (approved April 2003) concurrently with the 2004 RTIP and all known changes to project schedules will be incorporated into the RTIP and RTP analyses.

**Item #5b: Schedule for the San Diego Region 2004 RTIP**

Ms. Kim reviewed the proposed schedule outlined in the agenda. Ms. Arias stated that the concept is to lock in the assumptions through interagency consultation and move on with the development of the RTIP and its conformity determinations. An RTIP amendment would be processed later if necessary. Mr. Brady stated that other regions will be in a similar situation.

**Item #4 & 6: Notice of Proposed Rule Making (NPRM): Transportation Conformity Rule Amendments/8-Hour Ozone Standard Designations**

Mr. John Kelly, EPA, noted that the 8-Hour Ozone implementation rule will be divided into two parts: transition from the 1-hour ozone standard and classification and implementation of the 8-hour standard will be published in mid-January 2004 while the remainder of the rule will be delayed with no deadline set at this time.

Mr. Kelly also informed the CWG about recent correspondence from EPA to each state's Governors with comments on the state's proposed designations. None of EPA's comments to Governor Schwarzenegger related to the San Diego region. Discussion ensued regarding future conformity determinations for those tribal areas classified as non-attainment. It was agreed to further discuss this item at a future CWG meeting.

Ms. Arias shared SANDAG's draft comments to EPA on the proposed amendments to the conformity rule. Carl Selnick, Air Pollution Control District, also mentioned proposed comments to that NPRM. Caltrans and ARB were also intending to submit comments to EPA. Mr. Kelly provided a summary of the testimony presented at the public hearing on December 4 in Washington, D.C. Ms. O'Connor stated that all comments and responses will be posted on the EPA web site. EPA would determine options with the final core proposal scheduled for March 2004, but the complete proposal not expected until Summer 2004.

Ms. Arias asked if either Caltrans or EPA planned to hold a workshop related to PM2.5, as this is a new issue for many MPOs. Ms. O'Connor and Mr. Brady were not aware of any workshop at this time.

Ms. Arias asked if EPA could notify the MPOs and Air Districts whenever there were changes to the 8-hour implementation and conformity rule making. Ms. O'Connor agreed to send e-mails with any updates.

**Item #7: Other Business**

Ms. O'Connor stated that EPA and FHWA are jointly organizing the statewide CWG meeting to be held at the FHWA office in Sacramento on January 29, 2004.

**San Diego Conformity Working Group**

Meeting Attendance

December 17, 2003

<b>Name</b>	<b>Agency</b>
Carl Selnick	San Diego Air Pollution Control District
Steve Luxenberg (phone)	U.S. Federal Highway Administration (FHWA)
Karina O'Connor (via phone)	U.S. Environmental Protection Agency (EPA)
Dennis Wade (via phone)	California Air Resources Board
Mike Brady (via phone)	Caltrans Headquarters
John Kelly* (via phone)	U.S. Environmental Protection Agency (EPA)
Sandy Johnson	Caltrans District 11
Elisa Arias	SANDAG
Sookyung Kim	SANDAG

\*joined the meeting at 10:30 am

# TRANSPORTATION COMMITTEE

January 16, 2004

## DRAFT 2004 STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)

### **Introduction**

The State Transportation Improvement Program (STIP) is a five year transportation funding program that is updated biennially. Each new STIP typically carries forward remaining commitments from the previous STIP and adds two new years of funding capacity. For the 2004 STIP, however, no new funding capacity will be available. Although no deprogramming is required, the 2004 STIP does require programming adjustments that will likely delay the schedule of projects. These programming adjustments are as a result of the lack of funds in the early years of the STIP. Three 2004 STIP draft programming options are presented in this report.

### **Recommendation**

This report is for review and discussion. Three programming options are presented that range from issuing Grant Anticipation Revenue Vehicle (GARVEE) bonds to rescheduling projects to match the delayed cash flow projections. All three options carry certain risks in terms of final approval by the California Transportation Commission (CTC). The options are as follows:

- Follows the “pay as you go” approach with no additional GARVEE bonds
- Issue some GARVEE bonds but still leave some projects with funding gaps
- Maximize the use of GARVEE bonds

Staff requests direction for preparation and presentation of final 2004 STIP draft in early February.

### **Discussion**

#### *2004 STIP Funding*

Table 1 shows the 2002 STIP as it is currently programmed, the 2004 STIP programming annual targets and how much needs to be shifted out of the early years of the funding cycle.

**Table 1. 2002 STIP Current Program and 2004 STIP Annual Targets (\$000's)**

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	Total
<b>2002 STIP Current Program</b>	\$113,280	\$16,876	\$73,693	\$0	\$0	\$203,849
<b>2004 STIP Annual Targets</b>	\$4,133	\$39,984	\$33,825	\$33,150	\$92,757	\$203,849
<b>Adjustments</b>	(\$109,147)	\$23,108	(\$39,868)	\$33,150	\$92,757	\$0
<b>Cumulative Adjustments</b>	(\$109,147)	(\$86,039)	(\$125,907)	(\$92,757)	\$0	

Note: FY 2003/04 unallocated funds have been rolled over and are shown under FY 2004/05.

As discussed at the December 12, 2003 meeting, the State Highway Account is facing a deficit totaling approximately \$2.8 billion over the next five years. Despite this deficit, the California Transportation Commission (CTC) approved STIP funding targets that allow projects that are currently programmed to remain programmed without the need to deprogram any projects to help balance the deficit. This is being accomplished in part by not allowing regions with unprogrammed STIP reserves to make use of these reserves. While this does not adversely affect the San Diego region directly, the CTC is asking that no new projects be added to the current list of programmed STIP projects. The San Diego region's 2004 STIP targets, therefore, are equal to the funds that remain programmed from the 2002 STIP, namely, \$203.8 million, as shown in Table 1. The list of projects that comprises the \$203.8 million in remaining programmed projects from the 2002 STIP is shown in Attachment 1. Also shown are the years in which those funds are programmed and the phase of work for which they are programmed.

As shown in Table 1, \$125.9 million worth of projects (out of the \$203.8 million currently programmed) will need to be delayed from FY 2004/05-2006/07 (this also includes unallocated, rolled-over FY 2003/04 projects) to FY's 2007/08 and 2008/09. The total amount available will not change from the current \$203.8 million that is programmed. The amount programmed in FY 2004/05, which includes unallocated FY 2003/04 projects, will need to be significantly reduced and spread over the next three to four years.

There are two financial cash management options available to the region for additional flexibility within the STIP. The first one, which can help minimize schedule delays, is the use of additional GARVEE bonds. GARVEE bonds have been approved for use to advance the construction of the I-15 Managed Lanes between SR 56 and Escondido. Backed by future federal revenues, GARVEE bonds are sold and the proceeds used for capital improvements. Debt service payments are subtracted from the region's annual STIP programming capacity over periods not to exceed twelve years. The region may propose to nominate additional GARVEE bonds for projects other than the I-15 Managed Lanes. Final approval of GARVEE bond nominations, however, will be up to the CTC, as it weighs the priority of San Diego's projects with other statewide projects as well as the economic benefit from assuming the debt. The CTC will select projects for GARVEE bonding that are major improvements to corridors and gateways for interregional travel and goods movement, especially projects that promote economic

development and projects that are too large to be programmed within current county shares. The CTC intends to consider GARVEE bonding up to an annual debt service limit of ten percent of Federal revenues (2/3 of its long-term policy limit).

The second option is the Transportation Enhancement (TE) program. This program, formerly known as the Transportation Enhancement Activities (TEA) program, was recently incorporated into the STIP. Although management of the TE program will now occur through the STIP, a separate accounting of the TE funds will be implemented by the CTC. Regions get an annual target of TE funds which they can choose to program for TE-eligible projects, or they can choose to program for non-TE-eligible projects. The San Diego region’s annual TE targets are shown in Table 2 and they total approximately \$22.3 million over the five-year STIP period. There is the risk, however, that if the statewide threshold for TE allocations is not met, those regions that program their TE funds for non-TE-eligible projects may not be able to get an allocation. At this time, the TE funds have not been proposed for any specific project.

**Table 2. Transportation Enhancement (TE) Annual Targets (\$000’s)**

	<b>FY 2004/05</b>	<b>FY 2005/06</b>	<b>FY 2006/07</b>	<b>FY 2007/08</b>	<b>FY 2008/09</b>	<b>Total</b>
<b>TE Program Target</b>	\$6,973	\$3,722	\$3,796	\$3,872	\$3,949	\$22,312

As the region continues to grapple with continued fiscal uncertainties, including the potential cancellation of the Traffic Congestion Relief Program (TCRP), other funding sources outside the STIP program within regional control may provide additional flexibility to fully fund on-going transportation projects. These funding sources include revenues from a re-authorized federal transportation bill as well as advancing expenditures on a voter-approved *TransNet Extension*. Both of these remain possibilities until later this year when Congress is expected to take action on the re-authorization and voters go to the polls in November to decide on the *TransNet Extension*.

In developing the programming options, the following priority criteria were used to help determine in which years the projects would receive their funds. The annual targets play a critical role as the demands on the program need to fit reasonably well within the established targets. An underlying factor is the CTC’s request that no new projects be added to the STIP over and above those that remain in the STIP. While this has not been stated as a hard policy, it may pose a challenge in successfully including projects that are not currently in the STIP, including the I-15 Bus Rapid Transit and SPRINTER projects.

1. *Program previous financial commitments.* This includes GARVEE bond debt service and AB 3090 reimbursements. The CTC has already subtracted the GARVEE bond debt service commitments from our STIP targets. The AB 3090 reimbursement for the Regional Automated Fare System needs to be programmed according to the guidelines that dictate reimbursements.

2. *Construction for major projects that are ready to go.* The major projects in this category are the I-15 Managed Lanes, SR 905 and the SPRINTER.
3. *Right of way acquisition for major projects.* This would include SR 52 and Mid-Coast.
4. *Project Development for major projects.* This would include the Mid-Coast Light Rail Transit line and the HOV lanes on SR 54/SR 125 from I-805 to SR 94.
5. *Operations projects.* These include changeable message signs, speed monitoring stations and ramp meters.
6. *Region-wide Programs.* This includes the Planning, Programming and Monitoring that contributes to SANDAG staffing, the Rideshare Program and the RSTP/CMAQ matching program that facilitates the use of other federal funds. These tend to be lower amount, multi-year programming

***Option A – No GARVEE or the “Houston, we have a problem” by Tom Hanks as Cmdr. Jim Lovell in Apollo XIII alternative***

This programming option assumes that due to the state’s financial constraints no additional GARVEE bonds will be approved by the CTC or the Department of Finance. The projects would need to be programmed on a “pay as you go” basis and stay within the annual targets. As mentioned earlier, the 2004 STIP shifts the programming capacity from the early to the last years of the STIP. Programming on a “pay as you go” basis would delay many construction projects, including SR 905 and SR 52, to FY 2007/08 and FY 2008/09, respectively.

In addition, Option A leaves three high priority regional projects with funding gaps: I-15 Managed Lanes/Bus Rapid Transit, SR 52 Construction (from SR 125 to SR 67) and the SPRINTER. The total need between these three projects is approximately \$198.9 million. In addition, \$3.4 million for SR 56 mitigation required by the permit agencies is needed, for a total of \$202.3 million, see Attachment 2. There are other potential regional sources of funds that could be tapped, which include the Regional Surface Transportation Program (RSTP) and the Congestion Mitigation and Air Quality (CMAQ) funds from a re-authorized federal transportation bill. The future estimated annual apportionments from these programs are also shown in Attachment 2. An additional potential source, if approved by the voters, would be bond proceeds backed by anticipated TransNet extension revenues.

If these potential sources are tapped, there are several risks that need to be considered. Firstly, the level of federal revenues from a re-authorized transportation bill will remain unknown until it is passed by Congress. The assumption of future revenues made in this proposal may not accurately represent the actual revenues. A conservative assumption of the average of the last three years was used as the forecast for future revenues. Secondly, the TransNet extension is subject to approval by a two thirds majority in November. If the voters do not pass the measure, we would have projects such as the I-15 Managed Lanes with short term needs that would likely need to be addressed by re-directing funds from other lower priority projects. The risk to the construction of SR 52 is lower given that construction of this facility is still a few years away and there would still be time to attempt approval of the TransNet extension measure at least one more time. Thirdly, both the CTC and the Federal Highway Administration may challenge the use of anticipated revenues, whether federal or

*TransNet Extension*, in assuming the financially constrained status of the STIP project or of the Regional Transportation Improvement Program (RTIP).

An impact from using future federal revenues on the projects with funding gaps would be that the regional flexibility to support programs such as the Regional Arterial System would be curtailed through at least FY 2006/07. The impact from advancing *TransNet Extension* funds would be the added financing costs as the revenues to pay for the financing would not be available until the extension of *TransNet* goes into effect in 2008.

Certain existing programmed projects, including the Oceanside Transit Center Parking Structure and the I-5/Del Mar Heights to Via de la Valle Auxiliary Lane were addressed at the October meeting that dealt with FY 2003/04 project budget shortfalls. Other regional funds were used to maintain the schedule of these projects. Therefore, the programmed funds for these projects are proposed to be used for other needs within the remaining programmed projects, including fully funding the right of way acquisition of Mid-Coast Light Rail Transit line through University City.

***Option B – Limited GARVEE or “I have always depended on the kindness of strangers” by Vivian Leigh as Blanche DuBois in A Streetcar Named Desire alternative***

This option would recommend GARVEE bonds on a limited basis only for the acquisition of right of way for the SR 52 freeway and to construction of SR 905, see Attachment 3. The likelihood that these projects would be selected by the CTC for GARVEE bonding may be higher than for the other projects as they meet the CTC’s criteria for GARVEE bonds. Allowing the acquisition of right of way is a critical path item required for completion of the SR 52 freeway project. SR 905, on the other hand, will be ready to go to construction within twelve months and is a gateway project of international goods movement significance. In addition to the \$22.5 million of regional STIP funds, SR 905 has approximately \$79 million in interregional STIP funds that Caltrans would need to support to be GARVEE bonded. Limiting GARVEE bonds to these two projects also keeps the level of debt service to about \$26.5 million. This is keeping in mind the 10% of future federal revenues CTC limit for debt service. Table 3 shows the impact of the debt service from these two additional GARVEE bonded projects on the annual STIP programming capacity.

**Table 3. Option B - GARVEE Debt Service and Impacts to Annual Targets (\$000’s)**

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	Total
Original Annual STIP Target	\$21,213	\$57,064	\$50,905	\$50,230	\$109,837	\$289,249
I-15 ML Approved GARVEE	\$17,080	\$17,080	\$17,080	\$17,080	\$17,080	\$85,400
2004 STIP Target	\$4,133	\$39,984	\$33,825	\$33,150	\$92,757	\$203,849
GARVEE SR52 RW Acquisition Debt Service	\$0	\$6,490	\$6,490	\$6,490	\$6,490	\$25,961
GARVEE “New” Projects	\$0	\$2,942	\$2,942	\$2,942	\$2,942	\$11,770
Remaining 2004 STIP Capacity	\$4,133	\$30,552	\$24,393	\$23,718	\$83,325	\$161,118

As with Option A, Option B leaves the same three high priority regional projects with funding gaps: I-15 Managed Lanes/Bus Rapid Transit, SR 52 Construction (from SR 125 to SR 67) and the SPRINTER. The total need between these three projects, however, would be less than with Option A, at approximately \$164.5 million, see Attachment 3. In addition, \$3.4 million for SR 56 mitigation required by the permit agencies is also needed, for a total of \$167.9 million. The other funding sources described under Option A, namely future federal RSTP and CMAQ funds, as well as revenues from a *TransNet Extension* would be potentially available. The same risks described in Option A apply under Option B.

*Option C – Maximize GARVEE or the “Life’s a box of chocolates, Forrest. You never know what you’re gonna get” by Sally Field as Mrs. Gump in Forrest Gump alternative*

In addition to the right of way acquisition for SR 52 and the construction of SR 905 as described in Option B, there are several other projects that will require funds in the next 18 months but that due to the near-term cash flow deficit in the STIP would not be addressed in the near term. These include the SPRINTER light rail transit line between Oceanside and Escondido and the I-15 Bus Rapid Transit system. The region could nominate these projects for GARVEE bonding in order to secure the funds in the near term. Additional GARVEE bonds could be nominated for construction of SR 52 later in the STIP cycle. Although nominating GARVEE bonds for the construction of SR 52 would prevent the schedule from being delayed by one to two years, the additional financing costs and long term debt burden may outweigh the benefits and not warrant this action. Attachment 4 shows the anticipated debt service payments, assuming a 5% interest rate over a period of ten years. Term durations to either shorten the duration or lower the annual debt service may be different than the ten year period, although the CTC has final approving authority.

This option has the benefit of securing the funds for the projects in the near term, allowing them to proceed with minimal schedule delays. However, it raises the annual amount that is used for debt service from the current \$17 million for the I-15 Managed Lanes to over \$55 million per year by FY 2008, significantly limiting the contribution from the STIP to the overall menu of transportation funding options over the next decade. Additionally, there is the risk that while the region may nominate these projects for GARVEE bonding, the CTC may not approve the nomination for all of them. This could be the case for projects such as the SPRINTER or the I-15 Managed Lanes/Bus Rapid Transit since they are not included in the list of remaining 2002 STIP projects, shown in Attachment 1. As stated earlier, the CTC has asked that no new projects be added to the STIP. Table 4 shows the programmatic impact of implementing GARVEE bonds aggressively on the annual 2004 STIP targets. The debt service load can significantly reduce the programming capacity, even to the point of eliminating the capacity in a fiscal year, as is the case of FY 2007/08.

**Table 4. Option C - GARVEE Debt Service and Impacts to Annual Targets (\$000's)**

	<b>FY 2004/05</b>	<b>FY 2005/06</b>	<b>FY 2006/07</b>	<b>FY 2007/08</b>	<b>FY 2008/09</b>	<b>Total</b>
Original Annual STIP Target	\$21,213	\$57,064	\$50,905	\$50,230	\$109,837	\$289,249
I-15 ML Approved GARVEE	\$17,080	\$17,080	\$17,080	\$17,080	\$17,080	\$85,400
2004 STIP Target	\$4,133	\$39,984	\$33,825	\$33,150	\$92,757	\$203,849
GARVEE "Existing" Projects	\$0	\$9,433	\$9,433	\$23,049	\$23,049	\$64,964
GARVEE "New" Projects	\$0	\$15,055	\$15,055	\$15,055	\$15,055	\$60,220
Remaining 2004 STIP Capacity	\$4,133	\$15,496	\$9,337	(\$4,954)	\$54,653	\$78,665

*Calendar*

Based on feedback elicited at this meeting, staff will produce a more refined draft of the 2004 STIP for your review and recommendation to the Board of Directors. This second draft of the 2004 STIP will be presented to the Transportation Committee at its February 6, 2004 meeting. Approval by the Board of Directors is required in March to meet the April 12, 2004 deadline to submit to the CTC.

RENEE WASMUND  
Director of Finance

Key Staff Contact: Jose Nuncio, (619) 595-5619; jnu@sandag.org



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January 9, 2004

TO: City Managers/County CAO  
 Cities/County Transportation Advisory Committee (CTAC)  
 Local Agency *TransNet* Program Contacts  
 Caltrans

FROM: Susan Brown, Administrator of Financial Planning and  
 Programming

SUBJECT: 2004 Regional Transportation Improvement Program (RTIP)

MEMBER AGENCIES

- Cities of
- Carlsbad
- Chula Vista
- Coronado
- Del Mar
- El Cajon
- Encinitas
- Escondido
- Imperial Beach
- La Mesa
- Lemon Grove
- National City
- Oceanside
- Poway
- San Diego
- San Marcos
- Santee
- Solana Beach
- Vista
- and
- County of San Diego

SANDAG is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP) every two years. The RTIP is a multi-year program of proposed major highway, arterial, transit, and bikeway projects including the *TransNet* Program of Projects. The current 2002 RTIP was adopted by the SANDAG Board on June 28, 2002 and covers the five-year period Fiscal Years 2002/03 through 2006/07.

This memo establishes the process and schedule to develop the new 2004 RTIP, which will cover the five-year period from FY 2004/05 through FY 2008/09. Due to the ongoing state budget issues and no new federal transportation authorization legislation, there is no new funding available during this biennial cycle. Local agencies can submit requests for new projects funded with their local *TransNet* only. For all other projects, submit revisions such as deletions, changes in project scope, funding or phasing for existing programmed projects through FY 2008/09. **Projects in the current 2002 RTIP will NOT automatically carryover into the 2004 RTIP.**

**\*\*\* THE DEADLINE FOR LOCAL AGENCY PROJECT SUBMITTALS FOR THE 2004 RTIP IS MARCH 5, 2004 \*\*\***

**BACKGROUND**

Federal Metropolitan Planning and Air Quality Conformity Regulations identify the required content of RTIPs and prescribe the process for air quality conformity analysis. The RTIP must include all major projects requesting certain categories of federal transportation funding or federal project approval. All regionally significant capacity increasing transportation projects regardless of funding sources must be included in the RTIP for informational purposes and incorporated into the RTIP air quality quantitative emissions analysis. The projects in the RTIP must be based on a reasonable expectation of fund availability and all projects in the first two years (FY 2004/05 and FY 2005/06) must have available or committed funding sources barring unforeseen circumstances. Agencies must ensure that all project submittals have a reasonable expectation of funding in the programmed years.

ADVISORY MEMBERS

- California Department of Transportation
- Metropolitan Transit System
- North San Diego County Transit Development Board
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Tijuana/Baja California/Mexico

A major component of the RTIP includes the state and federal transportation projects adopted by the California Transportation Commission (CTC) in the State Transportation Improvement Program (STIP) and the State Highway Operation and Protection Program (SHOPP). The state transportation projects included in the 2004 RTIP will include the draft 2004 STIP and SHOPP projects. By law, the CTC adopts the STIP in April (2004). However, due to the uncertainties in the state and federal budgets, the CTC has delayed the adoption to August 5, 2004 (four days past the federal requirement for SANDAG to submit its RTIP). As a result, the 2004 RTIP will include the draft 2004 STIP projects for the San Diego region. The draft 2004 RTIP schedule is included in Attachment A.

The 2004 RTIP will detail the major projects anticipated to be initiated between July 1, 2004 and June 30, 2006 (biennial element) and a priority listing of projects for the succeeding fiscal years 2006/07 to 2008/09. Projects using the following categories of federal, state, and local funding must be included in the RTIP:

#### ***Federal Transportation Funds***

- 1) Surface Transportation Program (STP)
- 2) Congestion Mitigation & Air Quality (CMAQ) Program
- 3) Transportation Enhancement Activities (TEA) Program - Lump Sum Listing by SANDAG
- 4) Highway Bridge Replacement & Rehabilitation (HBRR) - Lump Sum Listing provided by Caltrans
- 5) Hazard Elimination Safety (STP Safety/HES) - Lump Sum Listing provided by Caltrans
- 6) Railroad/Highway Grade Crossing Program (Sec. 130 Rail) - Lump Sum Listing provided by Caltrans
- 7) Federal Lands Highways/Indian Reservation Roads - Lump Sum Listing provided by FHWA
- 8) Federal Special/Demonstration/High Priority Projects
- 9) Federal Transit Administration Section 5307, 5309, 5310, and 5311 Programs
- 10) Federal Transit/Highway Discretionary Projects

#### ***State Transportation Funds***

- 1) 2004 STIP (Regional & Interregional Improvement Programs), FY 2004/05-2008/09 – regional share provided by SANDAG, interregional program provided by Caltrans
- 2) State Highway Operation & Protection Program (SHOPP), FY 2004/5-2008/09 –provided by Caltrans
- 3) Traffic Congestion Relief Program (TCRP): This program is currently in suspension.

#### ***Local Transportation Funds***

- *TransNet* - Sales Tax Measure, FY2004/05-2008/09

Use the attached Table 1 - Project Submittal form to submit revisions or to add new projects. Projects of a similar type of work (e.g., Minor Roadway Resurfacing) may be aggregated together as a single line item (lump sum) for that type of work with the total cost shown, as long as the type of work being proposed is consistent with the air quality exempt project classifications (see Table 5). Table 1 will be available to download from the 2004 RTIP web page – [www.sandag.org/2004RTIP](http://www.sandag.org/2004RTIP).

## FEDERAL PROGRAMS

The transportation authorization or TEA-21, expired September 30, 2003 without reauthorization. Until a new transportation authorization is enacted, no new federal funds are available for programming in this RTIP cycle. However, the resumption of various existing funding programs (e.g., RSTP, CMAQ, etc.) is expected to continue with the new bill. Amendments to existing projects are limited to project cost, scope, and schedule revisions.

Highway Bridge Replacement, Safety, and Grade Crossing Projects: Federally funded Highway Bridge Replacement and Rehabilitation (HBRR), Hazard Elimination Safety (HES), and Railroad/Highway Grade Crossing (Sec. 130 Rail) projects are funded from a Caltrans statewide priority list. In the last RTIP, Caltrans provided a specified "Lump Sum" funding amount (no individual project listing) for these programs. For the 2004 RTIP cycle, the District Local Assistance offices will provide the individual listings, which will be programmed as a lump sum line item. Local agencies should contact the Local Assistance office as needed to determine if any projects fall under any of these programs. No specific project submittals for these programs are required for the RTIP.

## CMP CAPITAL IMPROVEMENT PROGRAM

SANDAG, as the designated Congestion Management Agency (CMA), is required to prepare and update on a two-year schedule a Congestion Management Program (CMP) for the San Diego region. The initial CMP was adopted by the SANDAG Board in December 1991 and the 2002 CMP Update was adopted by the SANDAG Board in January 2003. One of the required elements of the CMP is a multi-year capital improvement program (CIP) that includes projects proposed to use certain categories of federal and state funding and are intended to address identified transportation system deficiencies. The 2004 RTIP will serve as the CIP for the CMP update.

## FEDERAL AIR QUALITY CONFORMITY REQUIREMENTS

Federal regulations require that SANDAG conduct an air quality conformity analysis of all regionally significant projects that increase the transportation system capacity. This includes major local and developer funded projects and any other state or federally funded projects that might not otherwise appear in the RTIP, as well as new projects or major changes in project scope for existing programmed projects. For the 2004 RTIP, this includes any capacity increasing projects located on SANDAG's Regionally Significant Arterial System as identified in the 2030 RTP. For regionally significant capacity increasing projects, agencies must fill out the RTIP Project Information Form (Table 2) which includes the required project level information to allow their inclusion in the regional transportation/emissions forecast model. In addition to providing written information, agencies are requested to provide before and after diagrams for the more complex improvements (realignments or intersection improvements, etc.).

As stated earlier, with the uncertainties of the federal transportation reauthorization bill and the significant reductions in state transportation funding, many regionally significant projects will experience schedule delays. Projections of pollutant emissions are conducted for several analysis years based on the estimated project opening dates. As a result, agencies are requested to fill out **Table 2 for all new and existing capacity increasing projects, with special attention to providing the project's estimated opening date.**

The U.S. Environmental Protection Agency's Air Quality Conformity Rule includes a list of project categories that are exempt from air quality conformity determinations or regional emissions analysis. Table 5 is a listing of the exempt project categories. These projects can be amended into the RTIP without a conformity finding or regional emissions analysis. Other project types – e.g. not exempt - cannot be amended into the RTIP without a conformity finding including, when needed, a quantitative emissions analysis. **In order to prevent any unnecessary project delays or costs to process RTIP amendments, local agencies must be sure to include all proposed non-exempt federally funded projects into the 2004 RTIP.**

### **TRANSNET – LOCAL STREET AND ROAD PROJECTS**

All *TransNet* funded local street and road programs must be included in the 2004 RTIP. Table 3 shows the estimated *TransNet* revenues for each jurisdiction for FY 2004/05 to 2007/08. The estimates are for use in developing the *TransNet* project lists that will be included in the RTIP. The actual fund allocations to each agency will be based on actual monthly sales tax receipts from the State Board of Equalization with the fund distribution updated annually using current population and maintained miles data. Note that the 2004 RTIP cycle covers to FY 2008/09, but with the current *TransNet* scheduled to expire in 2008, the revenue projection is to FY 2007/08 only. Also, this estimate is net of any debt service requirements (commercial paper and bonds) for jurisdictions with previously incurred debt.

Each local agency is required to hold a public hearing prior to adoption of the list of projects to be included in the 2004 RTIP. The submittals must include evidence of formal action by the legislative bodies of the cities and the County - i.e., governing body resolution. A sample resolution meeting this requirement is provided in Attachment B. SANDAG, acting as the San Diego County Regional Transportation Commission, every two years approves the project list as an element of the RTIP. In developing and approving the project lists, each agency and SANDAG must comply with all provisions of the *TransNet* Ordinance and Expenditure Plan and any other implementing ordinances and rules as appropriate.

Use the attached Table 1 -Project Submittal Form for additions or changes to the *TransNet* local street and road projects. Note that projects in the current 2002 RTIP will NOT automatically carryover into the 2004 RTIP. Include all projects in which the agency expects to receive *TransNet* funds in Fiscal Years 2004/05 and 2005/06. Agencies should also identify projects in which new debt financing is anticipated. As noted above, agencies are requested to fill out **Table 2 for all new and existing capacity increasing projects, with special attention to providing the project's estimated opening date.**

Attachment C includes selected street and road related provisions from the *TransNet* Ordinance and Expenditure Plan. Each agency should comply with these provisions as appropriate in the development of their *TransNet* funded program. Of particular note are Sections 8 and 9 related to "Maintenance of Effort" and "Private Sector Funding." The SANDAG Commission has subsequently adopted policies to implement certain provisions of the Ordinance. Selected policies are provided in Attachment D. Attachment D includes the adopted Maintenance of Effort requirements for each jurisdiction.

## **BIKEWAY PROJECTS**

This memo provides information regarding the submittal of local agency projects including street and road projects for the RTIP and *TransNet* programs. The Bicycle-Pedestrian Working Group develops the projects in a separate process.

## **2004 RTIP REVIEW, ADOPTION, AND UPDATE SCHEDULE**

The 2004 RTIP is due to State and federal reviewing agencies by August 1, 2004. The Transportation Committee is scheduled to hold a public hearing and distribute for review the draft RTIP at its May 2004 meeting with Board adoption scheduled for June 25, 2004 (see attached schedule).

### **\*\*\* THE DEADLINE FOR LOCAL AGENCY PROJECT SUBMITTALS FOR THE 2004 RTIP IS MARCH 5, 2004 \*\*\***

If problems are anticipated in meeting this deadline, please contact SANDAG staff as soon as possible.

## **2004 UPDATE SCHEDULE**

Due to air quality conformity considerations and to allow for an adequate interagency review, **amendments** to the 2004 RTIP will be **limited** to a **quarterly** basis only. Amendments will be considered **only** at the second Transportation Committee meetings held in the months of October, January, April, and July of each year (generally 3<sup>rd</sup> Friday of the month).

Requests for amendments to the 2004 RTIP must be submitted in writing to SANDAG at least **45** days prior to the Transportation Committee meeting when amendments will be considered. The Chief Administrative Officer of the requesting agency must sign amendment request, and for *TransNet* projects, must include a resolution signed by the governing body.

## **SUPPLEMENTAL INFORMATION**

This will be the only memo addressing the process to develop the 2004 RTIP. SANDAG staff is available to meet with local agencies concerning the 2004 RTIP. Also the RTIP process will be discussed with local agencies at the Cities/County Transportation Advisory Committee (CTAC) meeting. For your convenience, this memo along with the tables will be available on the SANDAG website – [www.sandag.org/2004RTIP](http://www.sandag.org/2004RTIP). Should you have any questions, please contact Sookyung Kim at (619)595-5350 or [ski@sandag.org](mailto:ski@sandag.org).

Attachment