

M e m o r a n d u m

To: CHAIR AND COMMISSIONERS **CTC Meeting:** January 31–February 1, 2018

Reference No.: 4.5 – *Replacement Item*
Action

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Subject: **ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 - (SENATE BILL 1)**
IMPLEMENTATION UPDATE

SUMMARY:

At the December 2017 California Transportation Commission (Commission) meeting, the Commission adopted all the remaining program-specific guidelines necessary to implement the Road Repair and Accountability Act of 2017 (Senate Bill [SB] 1, Chapter 5, Statutes of 2017) programs under the Commission’s purview. The attached SB 1 Implementation Plan Overview reflects the current status of these programs.

At the January 31 – February 1, 2018 Commission meeting, the following action items will be considered:

- **Adoption of 2018 Local Partnership Program – Formulaic Program of Projects.** A total of 59 projects were submitted by 32 agencies.
- **Adoption of the Fiscal Year 2017-18 Road Maintenance and Rehabilitation Account Local Streets and Roads Funding Subsequent Report of Eligible Cities and Counties.** An additional 20 cities submitted project lists to the Commission and are eligible for Road Maintenance and Rehabilitation funds in fiscal year 2017-18.
- **Adoption of the 2017 ATP Augmentation Metropolitan Planning Organization Component – 3 of 10 Large MPOs.** Three remaining Metropolitan Planning Organizations are requesting to program projects in the 2017 Augmented Active Transportation Program.

Applications are due for the following programs on January 30, 2018:

- **Local Partnership Program - Competitive Program**
- **Trade Corridor Enhancement Program**

Applications for the Solutions for Congested Corridors Program are due February 16, 2018.

A presentation of the Draft SB 1 Accountability and Transparency Guidelines will be made during the January 2018 meeting.

The State Transportation Improvement Program (STIP) Hearings are scheduled for January 25 and February 1, 2018.

The State Highway Operation and Protection Program (SHOPP) Hearings are scheduled for February 28th and March 21st.

BACKGROUND:

On April 28, 2017, the Governor signed SB 1. On May 17, 2017 the California Transportation Commission (Commission) approved the SB 1 implementation plan and in June 2017 the Commission began holding workshops to develop guidelines for the various SB 1 programs under its purview.

Below is a list of the guidelines or significant SB 1 related activities adopted by the Commission:

- **2017 Active Transportation Program Augmentation Guidelines** - Adopted June 28, 2017
- **Interim State Highway Operation and Protection Program (SHOPP) Guidelines** - Adopted June 28, 2017 and amended October 18, 2017
- **Transportation Asset Management Plan Guidelines** which inform SHOPP investments - Adopted June 28, 2017
- **2018 State Transportation Improvement Program Guidelines** - Adopted August 16, 2017
- **2017 Local Streets and Roads Funding Reporting Guidelines** - Adopted August 16, 2017 and amended October 18, 2017
- **2018 Local Partnership Program Guidelines** – Adopted October 18, 2017
- **2018 Trade Corridor Enhancement Program Guidelines** – Adopted October 18, 2017
- **2017 Active Transportation Program Augmentation Guidelines** – Statewide and Small Urban & Rural Components – Adopted October 18, 2017
- **2018 Solutions for Congested Corridors Program Guidelines** - Adopted December 6, 2017
- **Local Streets and Roads Funding List of Eligible Cities and Counties** – Adopted December 6, 2017
- **Local Partnership Program Formulaic Shares** - Adopted December 6, 2017
- **Sustainable Communities and Adaptation Planning Grants Project Allocations**- Adopted December 6, 2017
- **2017 Active Transportation Program Augmentation** – Metropolitan Planning Organization Component- Adopted December 6, 2017

As compared with the SB 1 Implementation Plan adopted in May, the Commission has met the initial timelines and is ahead of schedule in the following programs:

- The Local Partnership Program
- The Local Streets and Roads Program
- The Trade Corridor Enhancement Program

Attachment: SB 1 Implementation Plan Overview



ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SENATE BILL 1)

IMPLEMENTATION PLAN OVERVIEW

Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), The Road Repair and Accountability Act of 2017, provides the first significant, stable, and ongoing increase in state transportation funding in more than two decades. In providing this funding, the Legislature has provided additional funding for transportation infrastructure, increased the role of the California Transportation Commission (Commission) in a number of existing programs, and created new transportation funding programs for the Commission to oversee. The development of guidelines included workshops open to all interested parties. The timelines below are intended to be a guide and will be updated as necessary during the programming process.

EXISTING PROGRAMS UNDER COMMISSION OVERSIGHT	
Active Transportation Program Augmentation (\$100M per year)	State Highway Operation And Protection Program (SHOPP) (Approximately \$1.9B per year for the SHOPP and Caltrans maintenance efforts)
<p>The Commission made this funding available to already programmed projects that could be delivered earlier than currently programmed or for projects that applied for funding in the 2017 Active Transportation Program but that were not selected for funding.</p> <ul style="list-style-type: none"> • June 9, 2017 – Workshop to develop guidelines • June 28, 2017 – Adoption of guidelines • August 1, 2017 – Applications due • October 18-19, 2017 – Program adoption: statewide & small urban and rural components • December 6-7, 2017 – Program adoption: MPO component • January 31, 2018 – Program adoption: MPO component 	<p>Along with a significant expansion of the Commission’s oversight responsibilities, SB 1 requires additional Commission oversight of the development and management of the SHOPP, including allocating support staff, project review and approval, and convening public hearings prior to adopting the SHOPP. The Commission is also responsible for monitoring Caltrans’ performance and progress toward accomplishing the specific goals set out in SB 1 and other targets or performance measures adopted by the Commission.</p> <ul style="list-style-type: none"> • May 17, 2017 - Presentation of draft interim guidelines • June 28-29, 2017 - Adoption of interim SHOPP guidelines and Transportation Asset Management Plan Guidelines • February 28 & March 21, 2018 – SHOPP Hearings • March 21-22, 2018 – Program adoption
State Transportation Improvement Program (STIP)	Traffic Congestion Relief Program (TCRP)
<p>SB 1 stabilizes funding for the STIP. The impact of the stabilization of STIP funding was included in the 2018 STIP Fund Estimate and will be incorporated in the 2018 STIP.</p> <ul style="list-style-type: none"> • August 16-17, 2017 – Adoption of guidelines and Fund Estimate • October 13, 2017 - Submittal of draft Interregional Transportation Improvement Program • October 19 & 24, 2017 - Interregional Transportation Improvement Program Hearings • December 15, 2017 - Submittal of Regional Transportation Improvement Programs and final Interregional Transportation Improvement Program • January 25 & February 1, 2018 - STIP Hearings • March 21-22, 2018 - Program adoption 	<p>SB 1 states “as of June 30, 2017, projects in...the Traffic Congestion Relief Program shall be deemed complete and final...” SB 1 directs the repayments due of all outstanding TCRP loans to other programs. Therefore, the only funding available to fund TCRP projects was approximately \$90 million of savings attributable to specific projects. The Commission approved final programming amendments and allocations at the Commission’s June 28-29, 2017 meeting.</p>

NEW SB 1 PROGRAMS	
<p>Local Partnership Program (\$200M per year)</p> <p>To recognize the benefits of a competitive program while still providing incentives to counties to enact taxes and fees to fund transportation needs, the Commission approved implementation of the Local Partnership Program as a 50% competitive program, 50% formulaic program.</p> <ul style="list-style-type: none"> • June through September 2017 – Workshops to develop guidelines • August 16, 2017 – Presentation of draft guidelines • October 18-19, 2017 – Adoption of guidelines <p>Formulaic Program:</p> <ul style="list-style-type: none"> • October 27, 2017 – Voter approval information due • December 6-7, 2017 – Adoption of formula shares • December 15, 2017 – Applications due • January 31, 2018 – Program adoption <p>Competitive Program:</p> <ul style="list-style-type: none"> • January 30, 2018 – Applications due • May 16-17, 2018 – Program adoption 	<p>Trade Corridor Enhancement Account (Approximately \$300M per year)</p> <p>SB 1 established the Trade Corridor Enhancement Account to fund corridor-based freight projects nominated by local agencies and the state. Implementing legislation was enacted with the approval of SB 103 on July 21, 2017 which directed the Commission to allocate the Trade Corridor Enhancement Account funds and the federal National Highway Freight Program funds to infrastructure improvements along corridors that have a high volume of freight movement.</p> <ul style="list-style-type: none"> • June through October 2017 - Workshops to develop guidelines • October 18-19, 2017 – Adoption of guidelines • January 30, 2018 – Applications due • May 16-17, 2018 – Program adoption
<p>Solutions for Congested Corridors Program (\$250M per year)</p> <p>The primary objective of the Congested Corridors Program is to fund projects that make specific improvements and are part of a comprehensive corridor plan designed to reduce congestion in highly traveled corridors by providing more transportation choices while preserving the character of the local community and creating opportunities for neighborhood enhancement projects.</p> <ul style="list-style-type: none"> • June through October 2017 – Workshops to develop guidelines • October 18, 2017 – North hearing on guidelines • November 6, 2017 – Draft guidelines to Legislature • December 6-7, 2017 – South hearing and adoption of guidelines • February 16, 2018 – Applications due • May 16-17, 2018 – Program adoption 	<p>Local Streets & Roads (Approximately \$1.5B per year)</p> <p>SB 1 creates new responsibilities for the Commission relative to this funding, including development of guidelines, review of project lists submitted by cities and counties, reporting to the State Controller, and receiving reports on completed projects.</p> <ul style="list-style-type: none"> • June and July 2017 – Workshops to develop guidelines • August 16-17, 2017 – Adoption of guidelines • October 16, 2017 – Project lists due • December 6-7, 2017 – Adoption of list of eligible cities and counties • January 31, 2018 – Adoption of supplementary list of eligible cities
<p>Inspector General (Effective July 1, 2017)</p> <p>No Action Required.</p>	

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