California Road Charge Pilot Program Technical Advisory Committee (TAC)
Minutes
June 26, 2015

Department of Transportation (Caltrans)
Caltrans Board Room
1120 N Street
Sacramento, CA

www.CaliforniaRoadChargePilot.com

1. Roll Call

Jim Madaffer, Chair, convened the meeting of the Road Charge Technical Advisory Committee (TAC) at 9:00 AM. Anne Johnson, staff of the California Transportation Commission (CTC), conducted roll call.

Chair Jim Madaffer	Present	Richard Marcantonio	Present
Lisa Bartlett	Present	Pam O'Connor	Arrived at 9:04 am
Senator Jim Beall	Absent	Eshwar Pittampalli	Absent
Assembly Member David Chiu	Absent	Robert Poythress	Present
David Finigan	Present	Eric Sauer	Present
Stephen Finnegan	Absent	Lee Tien	Present
Gautam Hans	Absent	Martin Wachs	Present
Loren Kaye	Present		

Chair Madaffer introduced Kome Ajise, Chief Deputy Director of Caltrans. Mr. Ajise welcomed the TAC and expressed appreciation for their efforts.

Chair Madaffer provided a reminder that public comments are welcomed throughout the meeting.

2. Public Comment

No comments from the public were made for this agenda item.

3. Approval of Minutes for May 29, 2015

Motion: Wachs Second: Bartlett Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Kaye, Madaffer, Marcantonio, O'Connor, Poythress, Sauer, Tien, Wachs

Nays: None

Absent: Beall, Chiu, Finnegan, Hans, Pittampalli

4. TAC Member Reports

TAC members reported the following speaking/attendance engagements throughout the past month:

- Chair Madaffer spoke on the road charge pilot program at the California Trucking Association's Highway Policy Committee Meeting in the City of Industry; the Southern California Association of Governments' (SCAG) Board Meeting; League of California Cities (San Diego Division); and the California Taxpayers Association in San Diego.

5. TAC Meeting Schedule Revision

Carrie Pourvahidi, CTC staff, recommended that the September TAC Meeting date be revised to September 16, 2015 in the Northstate Area. Staff is in the process of seeking a meeting location in Eureka.

Motion: Sauer Second: O'Connor Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Kaye, Madaffer, Marcantonio, O'Connor, Poythress, Sauer, Tien, Wachs

Nays: None

Absent: Beall, Chiu, Finnegan, Hans, Pittampalli

6. Actions/Updates of On-Going Work

a. Focus Groups/Telephone Surveys Update

Gary Gutierrez, Caltrans, provided an informational progress update of the focus groups/ telephone surveys (click here for a link to the memorandum).

The first focus group will be held in Oakland on Sunday, June 28, 2015 from 2:00 pm – 4:00 pm. The second focus group planned to be held in Redding will be rescheduled to the latter part of July.

Telephone surveys will begin immediately after the August TAC meeting. Anticipated dates for the telephone surveys are August 31 through mid-September.

TAC members are welcomed to attend the focus groups as observers. TAC members will be informed of future focus group times and locations.

7. Workgroup Update

Anne Mayer, Executive Director of the Riverside County Transportation Commission and Chair of the Road Charge Workgroup, provided an update of the Workgroup's efforts (click here for a link to the memorandum and an updated Workgroup roster).

The Workgroup last met on June 16, 2015 to discuss policy matters that the TAC is considering at today's meeting. The following two members were added to the Workgroup:

- Bruce Blodgett, Executive Director of the San Joaquin Farm Bureau

- Annie Nam, Manager of Goods Movement and Transportation Finance of the Southern California Association of Governments (SCAG)

Letters/comments received from Workgroup organizations were as follows:
- California Taxpayers Association (CalTax)
- San Joaquin Farm Bureau Federation
- Southern California Association of Governments (SCAG)

Two Workgroup members were in attendance at the TAC meeting:
- Curt Augustine, Director of Policy & Government Affairs of the Alliance of Automobile Manufacturers
- Sharon Scherzinger, Executive Director of the El Dorado County Transportation Commission

8. Informational Reports

a. Public Input Update

Carrie Pourvahidi, CTC staff, provided an informational public input update (click here for a link to the memorandum, public comment summary matrix, and copies of comments received since the last TAC meeting).

b. Response to May TAC Questions

Gary Gutierrez, Caltrans, provided an informational memorandum to the TAC in response to the follow-up questions from the May TAC meeting (click here for a link to the memorandum).

9. TAC Communications

a. Web page statistics

Brady Tacdol, Caltrans, provided an update on the Web page statistics. Multiple states and countries have viewed the California Road Charge Pilot website this month. Positive comments were received pertaining to the website's look and ease of use. Some suggestions made by the TAC members were received recommending additional information on being a volunteer in the pilot and to follow up with the volunteers to keep them interested in the process.

10. Policy Overview

Shannon Crum, D'Artagnan Consulting, provided an overview of the policy decisions to be made for this meeting at Agenda Item 15 (click here for a link to the presentation).

11. Evaluation Criteria Discussion

Travis Dunn, D'Artagnan Consulting, provided an informational overview of the updated evaluation criteria highlighting amendments that were made based on TAC member feedback (click here for a link to the presentation). The amended evaluation criteria will be considered for adoption during Agenda Item 15.

During the presentation, there were brief discussions on:
- Fuel tax as it relates to privacy
- Credits for driving on express lanes and private roads
- Potential to use transponders that are already being utilized for express lanes

No comments from the public were made for this agenda item.

12. Pilot Program Matrix Parameters

Travis Dunn, D'Artagnan Consulting, provided an informational presentation on the Pilot Participant Matrix Parameters (click here for a link to the presentation).

Topics discussed during the presentation were:

- Engaging local/regional agencies and DMV to help recruit volunteers for the pilot.
- Inclusion of alternative fuel vehicles in the pilot.
- Setting minimum thresholds for each sub-group.

No comments from the public were made for this agenda item.

13. Pilot Program Design Considerations

a. Location of Participants
b. Distribution of Participants
c. Pilot Program Matrix Reprise

Shannon Crum, D'Artagnan Consulting, provided an informational presentation on the location and distribution of participants (click here for a link to the presentation).

During the presentation, there was dynamic discussion on urban/rural areas and north/central/south boundaries in California as depicted on the maps presented.

Chair Madaffer directed staff and consultants to get in touch with state and regional agencies to put together rural/urban breakdown and north/central/south boundaries. Consistency with what the state has already decided upon should be a key consideration.

Although only informational items, TAC members were in agreement on the following:

- To use option 2 (CA State Department of Housing and Community Development's (HCD) state income limits) as the definition for low/moderate/high income.
- The pilot should be conducted statewide.

Mr. Sauer would like to work with the consultants and the California Trucking Association in regard to the ranges of small/medium/large truck fleets and not make an immediate decision at today's meeting.

No comments from the public were made for this agenda item.

14. Policy Consideration: Non–Mileage Based Road Charge Accommodations

Jeff Doyle, D'Artagnan Consulting, provided an informational presentation on the non-mileage based road charge accommodations (click here for a link to the presentation).

Items discussed included, but were not limited to, the following:

- Keep it simple - should continue to charge driving on private roads since there is no credit given to those who drive on private roads now by paying the gas tax.
- Provide a lower cost time permit for households based on income.
- Agriculture does not pay sales tax on fuel now, and should accommodate this in pilot.
- Keep program as close to a user benefit as possible in order to keep money within the system.

Public Comments:

- Andrea Fox, California Farm Bureau Federation's Legislative Policy Analyst, made the following comments:
  - Appreciate the open discussion of the TAC meetings.
  - Farmers/ranchers drive long distances in large sized vehicles on private roads.
  - Encouraged consideration for farmers and ranchers as the TAC makes their recommendations on the pilot.

- Adrian Moore, Vice President of Policy at Reason Foundation and Mileage-Based User Fee Alliance's (MBUFA) Vice President for Education, made the following comments:
  - When looking at accommodations, easy to lose sight of the fact that the road charge is to replace the gas tax.
  - Do not have to make accommodations for the road charge if accommodations were not made for the gas tax.
  - Already an exemption for fuel for the agricultural industry so should have an accommodation for that industry in the road charge pilot.
  - When thinking about accommodations, think about it in the context of what system is in place now, which is the gas tax.

15. <u>Policy Decisions</u>

Carrie Pourvahidi, CTC staff, presented staff recommendations for each key policy decision and requested the TAC to take action on each.

Mr. Kempton commented that after the TAC makes their recommendations to CalSTA, the TAC will be kept informed throughout the pilot either by periodic meetings or through a written report.

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Policy Decision 1 – What evaluation criteria does the TAC recommend for the pilot?

Staff recommended adopting the proposed evaluation criteria, as amended in Agenda Item 11.

Motion: O'Connor Second: Wachs Action Taken: Approved

Vote Result: 9-0

Ayes: Bartlett, Finigan, Madaffer, Marcantonio, O'Connor, Poythress, Sauer, Tien, Wachs

Nays: None

Absent: Beall, Chiu, Finnegan, Hans, Kaye, Pittampalli

Policy Decision 2 – How many participants should be involved in the pilot?

Staff recommended adopting the pilot recruitment targets and definitions established by the TAC, as reflected in the worksheet completed by the committee on June 26, 2015. A copy of the worksheet will be recorded with the meeting minutes.

Chair Madaffer moved to adopt staff's recommendation with the condition that the TAC will further consider pilot recruitment targets and definitions at the July meeting after staff consultation with the project team and industry groups.

Motion: Wachs Second: O'Connor Action Taken: Approved

Vote Result: 8-0

Ayes: Bartlett, Finigan, Madaffer, O'Connor, Poythress, Sauer, Tien, Wachs

Nays: None

Absent: Beall, Chiu, Finnegan, Hans, Kaye, Marcantonio, Pittampalli

Policy Decision 3 –How should the participants be distributed throughout the state?

Staff recommended recruiting participants statewide and adopting the target minimums/maximums established by the TAC for urban/suburban-rural/agricultural recruitment and north/central/southern California recruitment, as reflected in the worksheet completed by the committee on June 26, 2015. A copy of the worksheet will be recorded with the meeting minutes.

Chair Madaffer moved to adopt staff's recommendation with the condition that the TAC will further consider pilot recruitment targets and definitions at the July meeting after staff consultation with the project team and industry groups.

Motion: Wachs Second: Poythress Action Taken: Approved

Vote Result: 8-0

Ayes: Bartlett, Finigan, Madaffer, O'Connor, Poythress, Sauer, Tien, Wachs

Nays: None

Absent: Beall, Chiu, Finnegan, Hans, Kaye, Marcantonio, Pittampalli

Policy Decision 4 – What non-mileage based road charge accommodation does the TAC recommend testing in the pilot?

Staff recommended that upon review of CalSTA's pilot program assessment, the TAC contemplate recommendations on potential non-mileage based road charge accommodations for Commission consideration.

The TAC members were in agreement.

No comments from the public were made for this agenda item.

16. <u>Review of Action Items, Parking Lot, Next Steps, and Other Matters</u>

Jeff Doyle, D'Artagnan Consulting, went through the list of action items to include before or at the July TAC meeting, the Parking Lot, and potential decisions for the July TAC meeting.

Action Items:

1. Consider requesting the Department of Motor Vehicles (DMV) to use their delivery channels to find volunteers for the pilot.
2. Consider alternative fuel vehicles when targeting participants.

3. CTC staff and consultants will research the various options for urban/rural distinctions and definitions and come back to the TAC with a unified staff recommendation for the next meeting.
4. Consultants will work with the California Trucking Association to define the relevant truck characteristics to test in the pilot. (Define small, medium, large size trucking companies.)
5. To make sure the data collected in the pilot is shared by CalSTA with the TAC for use by the TAC in considering equity related implications of a road charge system and developing recommendations for the Commission to consider in reporting to the Legislature.

Parking Lot:

1. How to allow volunteers to choose between reporting options in the course of the pilot.
2. Whether vehicles will be able to switch/share mileage reporting methods. (e.g. transferring annual mileage permit amongst the different vehicles)
3. Legal/practical definition and distinctions of vehicle owners and responsible party.

No comments from the public were made for this agenda item.

17. <u>Public Comment</u>

No comments from the public were made for this agenda item.

Mr. Finigan commented that in the simplest form, we are trying to figure out who is using the roads and based on that, how to pay for it. Does it have anything to do with ethnicity or gender? Or does it have more to do with traffic patterns because where a person lives? Consultant Travis Dunn explained that, for example, without defining a limited number of ethnic and gender groups the sample could end up, for example, a majority of white male volunteers. The same is true with income groups and other factors.

18. <u>Adjourn</u>

Next TAC meeting will be on Friday, July 24, 2015 at the Lake Tahoe Resort Hotel, South Lake Tahoe.

Meeting adjourned at 1:38 pm.

Pilot Participant Matrix (Agenda Item #15)

Commercial Vehicles (Businesses)	North	Central	South	North	Central	South	Small Fleet	Med. Fleet	Large Fleet
	100 --- 150	50 --- 100	100 --- 150	100 --- 150	50 --- 100	100 --- 150	50 --- 100	50 --- 150	100 --- 200

		Private Vehicles (Individuals & Households)			Out---of---state vehicles			Agency vehicles	Tribal
Urban and Suburban	$	300 --- 400	100 --- 150	300 --- 400	50 --- 100	50 --- 100	50 --- 100	100 --- 200	25 --- 100
	$$	300 --- 400	100 --- 150	300 --- 400					
	$$$	300 --- 400	100 --- 150	300 --- 400					
Rural and Agricultural	$	150 --- 200	50 --- 100	150 --- 200					
	$$	150 --- 200	50 --- 100	150 --- 200					
	$$$	150 --- 200	50 --- 100	150 --- 200					

NOTE: The target ranges reflected above are placeholders at this time. The Pilot Participant Matrix is subject to change upon further review and consideration by the TAC members.