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Making Conservation a California Way of Life.

May 10, 2017

Ms. Susan Branson Executive Director California Transportation Commission 1120 N Street, MS-52 Sacramento, CA 95814

Dear Ms. Branson

Thank you for the opportunity to comment on the draft 2017 California Freight Investment Program (CFIP) Guidelines. I would also like to thank the California Transportation Commission and its staff for their time and effort coordinating across the State to develop the CFIP Guidelines.

The freight transportation system is the foundation of California's economy. This network connects California's rural and urbanized industries to national and international gateways for trade and domestic commerce.

The National Highway Freight Program (NHFP) was established under the FAST Act to improve the condition and performance of the National Highway Freight Network (NFHN) and to ensure the network provides a foundation for the United States to compete in a global economy and achieve the NHFP goals identified under [23 U.S.C. 167(b)]. The State Highway System (SHS) is the backbone of the NHFN and, as the owner/operator, the California Department of Transportation (Caltrans) is responsible for the planning, design, construction, maintenance, and operation of the entire SHS regardless of county/city boundaries and political jurisdictions.

The determination of an appropriate programming split between Caltrans' nominated projects and regionally nominated projects has generated significant discussion during CFIP workshops and Commission hearings. In last May's Budget Revision, the Governor proposed a statutory program that would provide an equal 50/50 funding split between state nominated and locally nominated projects. No statutory provisions were enacted into law, and the budget directed the Commission to allocate NFHN funds to corridor-based projects selected by local agencies and the state. Caltrans is supportive of a 40 percent share for state nominated projects, which would allow the department the flexibility to utilize its share on the highest priority statewide projects. Geographic equity and targets are important, but with the current level of funding, geographic targets should apply to the overall program and not unduly restrict the state share. Ms. Branson May 10, 2017 Page 2

Caltrans looks forward to continuing collaboration with state, regional and local agencies, the freight industry (including, but not limited to sea ports, airports, and ports of entry), the California Freight Advisory Committee, stakeholders, and the public to identify the most effective package of projects for its share of the program funds.

Sincerely,

MALCOLM DOUGHERTY Director