

**California Road Charge Pilot Program Technical Advisory Committee (TAC)
Minutes
April 24, 2015**

**Hyatt Regency, Pebble Room
1 Old Golf Course Road
Monterey, CA**

<http://www.catc.ca.gov>

1. Roll Call

Jim Madaffer, Chair, convened the meeting of the Road Charge Technical Advisory Committee (TAC) at 10:00AM. He introduced the newest member of the TAC, Lisa Bartlett, Orange County 5th District Supervisor and Vice Chair of the Orange County Board of Supervisors. Anne Johnson, staff of the California Transportation Commission (CTC), conducted roll call.

Chair Jim Madaffer	Present	Richard Marcantonio	Arrived at 1:40 pm
Lisa Bartlett	Present	Pam O'Connor	Arrived at 2:30 pm
Senator Jim Beall	Absent	Eshwar Pittampalli	Present
Assembly Member David Chiu	Absent	Robert Poythress	Present
David Finigan	Present	Eric Sauer	Absent
Stephen Finnegan	Present	Lee Tien	Absent
Gautam Hans	Arrived at 10:06 am	Martin Wachs	Present
Loren Kaye	Present		

2. Approval of Minutes for March 27, 2015

Motion: Finnegan Second: Poythress Action Taken: Approved

Vote Result: 7-0

Ayes: Finigan, Finnegan, Kaye, Madaffer, Pittampalli, Poythress, Wachs

Nays: None

Abstained: Bartlett

Absent: Beall, Chiu, Hans, Marcantonio, O'Connor, Sauer, Tien

3. TAC Member Reports

Chair Madaffer suggested moving the TAC meeting on August 28, 2015 in San Diego to another date due to the Mobility 21 Summit being held the same day in Anaheim. CTC staff will get feedback from the TAC members and then decide on a more suitable date.

Several TAC members reported their speaking/attendance engagements throughout the past month and in the upcoming month. They are as follows:

- Chair Madaffer spoke at the GoMentum Station Summit in Concord in regards to technology, vehicle automation, road charge and how this fits into the California economy and affects our ability to deliver mobility options in the future; spoke on a road charge panel with Will Kempton, Executive Director of CTC, at the CALCOG Regional Leadership Forum in Monterey; spoke at Project Cornerstone in San Diego regarding the future of transportation funding in California; and will be speaking on April 26, 2015 on a panel at the IBTTA Transportation Finance and Road Usage Charge Conference in Portland, OR.
- Mr. Finnegan spoke at the National AAA meeting.
- Mr. Poythress also attended the CALCOG Regional Leadership Forum in Monterey.

4. Actions/Updates of On-Going Work

a. Web Site

Gary Gutierrez, Caltrans, provided an informational progress update of the California Road Charge Pilot Program website. This website will be up and running by next week. Professor Wachs suggested a monthly update to the TAC of the comments and the nature of the comments from the webpage.

b. Research Opportunities

Gary Gutierrez, Caltrans, provided a list of active road charge related research efforts that are currently underway, potential research items for the TAC to consider, and research projects underway through the Western Road Usage Charge Consortium (WRUCC).

During the TAC's discussion of research opportunities and topics, there was a reminder by Norma Ortega, Chief Financial Officer of Caltrans, that any additional research relevant to the work the TAC is doing should be submitted no later than June. Mr. Kempton announced that a formal action is not needed on this agenda item as all results of research upon completion should be provided to the TAC.

Professor Wachs mentioned that Asha Agrawal (of San Jose State University and Mineta Transportation Institute) is preparing a research project report on synthesizing attitudes for road user charge. This report will be completed soon and he would like her to be invited to the TAC's July or August meeting to speak on her findings. CTC staff will contact Professor Agrawal.

c. Working Group

Laura Pennebaker, CTC staff, provided an update of the Working Group. There are 16 confirmed members and staff is currently trying to secure the remaining four representatives. The Working Group had a kick-off teleconference meeting on April 20, 2015.

Public Comment:

Norm Groot, Executive Director of the Monterey County Farm Bureau, would like to see a representative from agriculture participate in the Working Group.

Ms. Pennebaker responded that CTC staff can explore the option of having an agricultural representative.

Mr. Poythress added that a list of agriculture contacts were provided to CTC staff and would also like to see a representative from agriculture in the Working Group.

5. TAC Communications

Norma Ortega, Chief Financial Officer of Caltrans, provided each TAC member with the Chart C (Caltrans prepared “Budgetary Flow of California State Fees and Taxes Designated for Transportation Purposes, Proposed for the 2015-16 Fiscal Year”).

- a. Update on Outreach Efforts**
- b. Briefing Packet**

Carrie Pourvahidi, CTC staff, provided an update of the outreach efforts and briefing packet which included the following:

- Letter sent to elected officials in the Legislature
- Email blast to be issued to stakeholders next week
- PowerPoint presentation, fact sheet, and talking points for the TAC members’ use for speaking engagements

The following public letters were received from:

- Gerald Cauthen, Independent Transportation Consultant
- Robert Gutierrez, California Taxpayers Association (CalTax)
- Ken Clarence, Democratic Club of Carlsbad-Oceanside (DEMCCO)
- Debbie Hale, Transportation Agency for Monterey County

6. Policy Overview

Shannon Crum, D’Artagnan Consulting, reviewed TAC decisions made last month and provided an overview of the policy decisions to be made for this meeting (click [here](#) for a link to the presentation). She mentioned that Engine Run Time (Concept 2) will be removed from consideration as there seemed to be a consensus by the TAC at the last meeting to not pursue this operational concept in the pilot program. This will be an action item to be incorporated later in agenda item 9 to have this concept removed.

7. Operational Concepts and Enabling Technologies & System Architecture

Matthew Dorfman, D’Artagnan Consulting, provided a continuation overview of Operational Concepts and Enabling Technologies & System Architecture (click [here](#) for a link to the presentation).

There was interactive discussion during the presentation. Topics discussed included but were not limited to:

- Manual option enforcement
- Creation of a reporting ranking system for each concept option in regards to privacy
- Odometer fraud

Public Comments:

Robert Naylor, representing the Los Angeles County Metropolitan Transportation Authority, made the following comments:

- Would like the TAC to consider other issues, such as congestion, when selecting technology options for the pilot program to allow policy makers to address issues that are being addressed by Regional Transportation Agencies.
- Possibility for regions, if with 2/3 votes from voters, to add a piggy back road usage charge for a Self-Help County mechanism. Such a charge would require location data.
- In terms of how revenue from the road charges get spent on a statewide basis, it would be nice to know the location, so one can judge whether in spending the money, that the money is coming back to where it actually was being paid.
- SB 375 - should there be a differential by vehicle type?

Chair Madaffer commented that all were outstanding ideas, but many are outside the scope of the TAC's charge. Whatever the TAC decides should include a structure that could encompass those ideas in the future.

Norm Groot, Executive Director of the Monterey County Farm Bureau, made the following comments:

- Would like to see some consideration for a fleet management concept.
- Questioned whether the pilot program would include all vehicles from state and federal agencies.
- Suggested that pre-paying in dollars would be better than pre-paying in miles.
- One big consideration in agriculture would be the use of private roads. Farmers and ranchers would not want to pay for driving on their own roads.
- Enforcement was mentioned several times and also mentioned was the bureaucracy for this will be fairly small, but does not see how this will be. If there are large differences of concepts that people are using and the complexities involved with it as well as the enforcement that is required; and also involving third parties such as mechanics be required to report odometer readings is going to be problematic in the long run. Hate to see turning the private sector into the enforcement agency.
- Would be nice to include toll road payments with the road charge and just have one fee to pay.
- Out-of-state drivers should also be considered.
- Commercial vehicle drivers that are delivering products to California or taking products from California, many are not based here in California. Commercial vehicle drivers spend the majority of their time in other states and it would be unfair to not have some sort of out-of-state management of those miles.
- A huge paradigm shift in the public thinking in how we are going to manage our gas tax and road fees. In regards to the education process, which I haven't heard anything about yet, how is the TAC going to reach the public and the 33 million people who are currently driving vehicles? The more choices you give people the harder it is going to be to manage it. You are going to spend more money supporting it than getting the benefit out of it.
- Look into a modification to the DMV registration process, like looking by vehicle type (electric, hybrid, or commercial vehicle).

8. Organizational Design Features in Pilot

Shannon Crum, D'Artagnan Consulting, provided an overview of two organizational design features in the pilot program: 1.) interoperability with other state road charge systems and 2.) multiple account managers model (click [here](#) for a link to the presentation).

During the presentation, there was discussion on whether or not there would be an exchange of funds during the pilot. According to SB 1077, there is no authorization for the state to collect

revenue during the pilot. From a Caltrans perspective, looking to simulate the process with statements created indicating a credit or charge of fees. In previous pilots in Oregon, only simulations were performed with no exchange of cash transactions.

Public Comment:

Norm Groot, Executive Director of the Monterey County Farm Bureau, thinks it will be beneficial to have multiple account managers in the pilot program. With interoperability, he feels that there is a great opportunity to look at what is happening in Oregon because many residents in Washington commute to Oregon every day. There has to be communication between those two states in how miles are being measured and managed. There is an opportunity to learn from Oregon and not have to reinvent the wheel.

9. Policy Decisions

- a) Technical Design and Enabling Technologies
- b) Operational Concepts

Shannon Crum, D'Artagnan Consulting, presented the [five key policy decisions](#) to be made by the TAC.

Carrie Pourvahidi, CTC staff, presented staff recommendations for each key policy decision and requested the TAC to take action on each. Live edits on any policy decision prior to taking action was offered.

Policy Decision 1 – What mileage measurement and reporting method(s) are most promising?

Staff recommended the TAC approve the following manual options be carried forward for further consideration as potential measurement and reporting methods for the pilot program:

- a. Time Permit
- b. Mileage Permit
- c. Odometer Charge
 - i. Post-pay
 - ii. Pre-pay

Motion: Poythress Second: Finigan Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Finnegan, Hans, Kaye, Marcantonio, Madaffer, Pittampalli, Poythress, Wachs

Nays: None

Absent: Beall, Chiu, O'Connor, Sauer, Tien

Policy Decision 2 – What technologies should be further studied to pursue those measurement and reporting methods?

Staff recommended the TAC approve the following technological options be carried forward for further consideration as potential measurement and reporting methods for the pilot program:

- a. Usage Based Insurance (UBI)
- b. Smart Phone
- c. Telematics

Mr. Finnegan would like different wording for UBI. Recommendation will be given to the TAC next meeting.

Motion: Finigan Second: Bartlett Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Finnegan, Hans, Kaye, Marcantonio, Madaffer, Pittampalli, Poythress, Wachs

Nays: None

Absent: Beall, Chiu, O'Connor, Sauer, Tien

Policy Decision 3 – Should the pilot assess road charges on out-of-state vehicle owners driving on California roads?

Staff recommended the TAC include out-of-state vehicle owners driving on California roads in the pilot program.

Motion: Finigan Second: Bartlett Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Finnegan, Hans, Kaye, Marcantonio, Madaffer, Pittampalli, Poythress, Wachs

Nays: None

Absent: Beall, Chiu, O'Connor, Sauer, Tien

Policy Decision 4 – Should the pilot test interoperability with other states considering road charges?

Staff recommended the TAC approve the testing of interoperability with other states considering road charging in the pilot program design.

Motion: Finigan Second: Finnegan Action Taken: Approved

Vote Result: 10-0

Ayes: Bartlett, Finigan, Finnegan, Hans, Kaye, Marcantonio, Madaffer, Pittampalli, Poythress, Wachs

Nays: None

Absent: Beall, Chiu, O'Connor, Sauer, Tien

Policy Decision 5 – Should the pilot test offer multiple account managers?

Staff recommended the TAC approve the testing of multiple account managers in the pilot program design.

Motion: Poythress Second: Hans Action Taken: Approved

Vote Result: 11-0

Ayes: Bartlett, Finigan, Finnegan, Hans, Kaye, Marcantonio, Madaffer, O'Connor, Pittampalli, Poythress, Wachs

Nays: None

Absent: Beall, Chiu, Sauer, Tien

10. Pilot Program Communications Baseline

Norma Ortega, Chief Financial Officer of Caltrans, informed the TAC that as part of the communications effort, a baseline needs to be established of the public's understanding and attitudes towards road charge. There will be a series of telephone surveys and focus groups conducted by DHM Research.

Su Midghall, DHM Research, provided an overview of the Pilot Program Communications Baseline (click [here](#) for a link to the presentation).

During the presentation, some items discussed were:

- Whether the survey questions will be shared with the TAC to gather input from the members.
- There may be consideration to have additional surveys after the pilot has been completed.
- The specifics of the focus groups and telephone surveys have not been worked out yet.
- Results of the telephone surveys and focus groups will be shared with the TAC.
- The different languages for the surveys and the translation of the technical questions for some of the languages may be difficult.
- Disadvantaged and lower social economic communities should be included in the surveys.
- Suggestion of conducting focus groups first before the telephone surveys. According to Caltrans, may be difficult due to the budget constraint and timeframe to work with.

Public Comment:

Norm Groot, Executive Director of Monterey County Farm Bureau, commented on:

- The policy decisions – his organization has policy opposing a per mile fee or road tax. He believes this pilot will become more complex than envisioned because there are so many issues.
- How to reach the public about the pilot program with educational material?

11. Review of Action Items, Parking Lot, Next Steps, and Other Matters

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

Action Items/Parking Lot:

1. Monthly summary of webpage views and comments
2. Invite Asha Agrawal to a future TAC meeting to present "Synthesis of Public Attitudes Toward Road Charge Study" (maybe July or August)
3. Bring back results of WRUCC projects completed in 2015
4. Staff to seek agriculture representative for Working Group
5. Discuss privacy in May
6. Find a new name for the UBI device
7. Progress on Oregon's Pilot, which begins July 1, 2015 (per Professor Wachs' request)

12. Public Comment

Debbie Hale, Executive Director of the Transportation Agency for Monterey County, expressed her appreciation for the time the TAC has taken on the issue of road charge. She made the following comments:

- The public works profession recognizes that transportation funding is an issue and sees the effort by the TAC as something with a lot of promise and can help address the issues in terms of making sure that the right amount of money is coming to address the need based on road usage.
- Funding Stability, Equity in Implementation, and System Flexibility (referring to a public letter submitted Ms. Hale), TAC has spent time in discussing these three issues in a technical way and is very much appreciated.
- Existing Formulas, Flexible Dollars, and Regional Coordination (referring to a public letter submitted Ms. Hale), seems like TAC will not get into these issues.
- Hope the TAC will keep in touch with the Regional Agencies when the need to have legislation changes to implement the pilot project.

13. Adjourn

Meeting adjourned at 3:04pm.