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

San Diego Association of Governments
401 B Street, 7th Floor Board Room
San Diego, 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	Arrived at 11:20 am	Pam O'Connor	Arrived at 11:30 am
Senator Jim Beall	Absent	Eshwar Pittampalli	Arrived at 9:10 am
Assemblymember David Chiu	Absent	Robert Poythress	Present
David Finigan	Present	Eric Sauer	Present
Stephen Finnegan	Present	Lee Tien	Present
Gautam Hans	Present	Martin Wachs	Present
Loren Kaye	Present		

Chair Madaffer welcomed Commissioner Ghielmetti who was in attendance at this meeting.

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

2. Public Comment

Mike Bullock, from Oceanside, provided the following comments:

- Climate stabilization – improvements to fleet efficiency and reduction in driving are needed
- Road charge pricing should cover all road use costs, including health costs caused by driving
- Road charge should be in addition to existing taxes and cap and trade fees for fuel
- Protect privacy
- Include congestion pricing
- Set a per-mile price that incentivizes energy efficient car use
- Mitigate impacts on low-income users
- Use earnings to cover financial losses due to driver subsidies

3. Approval of Minutes for July 24, 2015

Motion: Finnegan Second: Finigan Action Taken: Approved

Vote Result: 11-0

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

Nays: None

Absent: Bartlett, Beall, Chiu, O'Connor

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 Inland Action Council; met with Los Angeles Times and San Diego Union Tribunal Editorial Boards; radio interview with KNX 1070 Los Angeles.
- Chair Madaffer and Will Kempton, CTC Executive Director, spoke at the League of California Cities meeting in Fresno about the progress of the road charge TAC; visited the corporate headquarters of Tesla to discuss the possibility to include their telematics platform in the pilot; had a meeting with Smartcar to discuss the collection of telematics data.
- Will Kempton mentioned that the public forums sponsored by the Commission in conjunction with economic organizations and Regional Transportation Planning Agencies are held throughout the state. Five forums have been held already, with one held yesterday in San Diego. The public forums are an opportunity to discuss regional and statewide transportation issues, including the road charge pilot program.
- Mr. Finnegan announced the Annual Mobility 21 Summit is on Friday in Anaheim.

5. Australian Road Charge Presentation

Norma Ortega, Chief Financial Officer of Caltrans, introduced Pascal Felix, Executive Director of Heavy Vehicle Services at Main Roads Western Australia. Mr. Felix provided a brief overview of Australia's Heavy Vehicle Charge System (click here for a link to the presentation).

Kellie Houlahan, Project Manager of the Heavy Vehicle Charge System at Main Roads Western Australia, was also in attendance.

6. Actions/Updates of On-Going Work

a. Focus Groups and Survey Update

Gary Gutierrez, Caltrans, provided an informational progress update of the focus groups and telephone surveys (click here for a link to the memorandum, focus group results, and proposed telephone survey questions).

Mr. Marcantonio asked if there are demographics data of the participants in the focus groups to align with the participant matrix for the pilot. Mr. Gutierrez responded that this information would be provided.

TAC members provided suggestions on revising the proposed telephone survey questions.

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 August 19, 2015 to discuss policy matters that the TAC is considering at today's meeting.

Adam Geisler, Committee member of the Native American Advisory Council and Road Charge Workgroup member, would like the tribes to have special consideration and to continue to be involved in the process and partnership in the development of the road charge pilot.

Mr. Kempton commented that Mr. Geisler is a member of the Workgroup and staff have reached out to him in respect to having tribal representation in the efforts and involvement of the road charge pilot.

Public Comment:
Mike Bullock, from Oceanside, provided the following comments in regards to the survey questions:

- Include the percentage of maintenance costs which are covered by the road charge fee
- Fairness

8. Informational Reports

a. Response to July TAC Questions

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

b. Web Site Update

Brady Tacdol, Caltrans, provided an update on the Website statistics. The website is continuing to generate interest nationally and internationally. There is a social media effort underway and TAC members are encouraged to look for updates and share posts as they see fit through personal accounts or their organization's accounts. If TAC members would like a post to be crafted by the media team, they were encouraged to let CTC staff or Caltrans staff know.

Chair Madaffer encouraged the TAC members to participate in recruiting road charge pilot volunteers through their organizations.

9. Update on Road Charge Interagency Workgroup

Gary Gutierrez, Caltrans, provided a presentation to update the TAC members on the Road Charge Interagency Workgroup efforts to date (click here for a link to the memorandum and presentation).

10. Update on OReGO

Brady Tacdol, Caltrans, provided an informational status report of Oregon's road usage charge program (click here for a link to the presentation).

There was robust discussion during this presentation. Some topics included, but were not limited to:

- Options provided by Commercial Account Managers
- Consent of selling mileage data
- Privacy protection
- Volunteer participation target
- Documentation of differences between Oregon and California road charge pilot program

Public Comment:
Mike Bullock, from Oceanside, provided the following comments:

- Devices in cars only need to report the charge, no other data is needed
- Believes California's pilot program can protect privacy

Chair Madaffer welcomed Vince Mammano, California Division Administrator for the Federal Highway Administration, who was in attendance at this meeting.

11. Road Charge Pilot Development Progress to Date Discussion

Carrie Pourvahidi, CTC staff, provided a presentation on the road charge pilot development progress to date (click here for a link to the presentation).

Chair Madaffer led a discussion with the main focus on whether or not to use a revenue neutral approach for the pilot program.

Staff recommended that the TAC adopt a revenue neutral rate for purposes of evaluating the pilot program.

Motion: Poythress Second: Finnegan Action Taken: Approved

Vote Result: 12-0

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

Nays: None

Absent: Beall, Chiu, O'Connor

Motion approved with provision to have more detail of a revenue neutral rate provided at the next meeting.

12. August Policy Decisions for TAC Consideration

Carrie Pourvahidi, CTC staff, provided an overview of the key policy decision to be made for this meeting (click here for a link to the presentation).

13. Road Charge Pilot Enforcement

Matthew Dorfman, D'Artagnan Consulting, provided a presentation on the Road Charge Pilot Enforcement (click here for a link to the presentation).

What type of enforcement activities should be demonstrated in the pilot?

Staff recommended adoption of the following approaches to enforcement be demonstrated during the pilot:

1. Conducting Enforcement Activities: the Account Management Oversight (AMO) entity should be primarily responsible for conducting the enforcement activities.
2. Testing Enforcement: selected volunteers should be assigned the role of "violator" to better test enforcement mechanisms.
3. Administering Time Permits: use only electronic registration, with renewal reminders by email or text; and provide a 7-day grace period for renewals.
4. Administering Mileage Permits and Odometer Charges: Mileage Permit readings should be taken three times in the pilot, and four times for Odometer charges; each method should receive reminder notices 1-2 weeks prior to a reading due date; and each method should be entitled to a mileage "grace" of 300-miles. Neither of these methods should be provided for out-of-state vehicles.
5. Detecting Odometer Fraud: Odometer rollback will not be tested in the pilot.
6. Detecting Violations in Automated Distance Reporting: review electronic logs to detect possible violations.
7. Violations Investigation: Account managers assigned duty to resolve minor issues and report to Account Management Oversight entity.
8. Issuance of Infraction Notices: Motorists should receive a notice of infraction that explains the issue and directs them to call their account manager.
9. Receiving Responses to Infraction Notices: Direct account managers to field phone calls from those who receive infraction notices.

There was interactive discussion during the presentation and questions were raised in regards to the approaches of enforcement in the pilot.

Chair Madaffer moved to form an enforcement subcommittee to work with consultants and CTC staff for further research and refinement and to report back to the TAC at the next meeting. Subcommittee members are:

1. Marty Wachs will serve as Chair
2. Steve Finnegan
3. Lee Tien
4. Eric Sauer

Motion: Finigan Second: Poythress Action Taken: Approved

Vote Result: 13-0

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

Nays: None

Absent: Beall, Chiu

Public Comment:
Mike Bullock, from Oceanside, made the following comments:

- Automated and tamper proof GPS fee accumulation box in vehicles
- Treat road use as public utility (i.e. water, gas, electricity)

14. Road Charge Pilot Payment Simulation Options

Travis Dunn, D'Artagnan Consulting, provided an informational presentation on road charge pilot payment simulation options (click here for a link to the presentation).

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

- Simulation of the collection of fees
- Real money vs. "play" money
- California Department of Motor Vehicles and toll agencies collect money effectively with existing systems
- Data collection and payment methods to be simple

15. 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 September TAC meeting, the Parking Lot, and potential decisions for the September TAC meeting.

Action Items:

1. Compare and contrast how much a penny per gallon raises with how much a penny per mile raises based on California travel data.
2. Inquire with Oregon Department of Transportation on why Oregon drivers, who might be financially worse off by participating in the road usage charge project, have registered as participants (i.e. hybrid and/or electric vehicle owners).
3. Understand how the 852 registered Oregon participants in the pilot to date compared to their internal recruiting goals for sign-ups.
4. Document and report back to the TAC on the specific ways in which current road charge pilot designs are different from Oregon's pilot program.
5. Report back to the TAC with a description of how revenue neutral rate will be set and operationalized in the pilot.
6. Subcommittee of the TAC will examine the issues and concerns raised by the proposed enforcement simulation in the pilot and make recommendations to the TAC at the next meeting. Professor Wachs will chair the subcommittee with Mr. Finnegan, Mr. Tien, and Mr. Sauer as members.
7. No decision has been made to simulate payment in the pilot, but this issue will be revisited at the next meeting.
8. Share telephone survey questions with the TAC when finalized.

Parking Lot:

1. Provide information to the TAC about how tribal sovereignty issues might be taken into account in a road charge program.

16. Public Comment

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

17. Adjourn

Next TAC meeting will be on Wednesday, September 16, 2015 in Eureka, CA.

Meeting adjourned at 2:41 pm.