



CITY OF MANTECA

MANTECA CITY COUNCIL
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RICHARD SILVERMAN, COUNCILMAN

May 17, 2016

The Honorable Bob Alvarado
 Chair
 California Transportation Commission
 1120 N Street, MS-52
 Sacramento, CA 95814

Re: Reduction/Delay of STIP-Funded Project PPNO#: 3046
 McKinley Avenue/State Route 120 Interchange

Dear Chairperson Alvarado:

On January 20, 2016, I wrote to you on behalf of the Manteca City Council, seeking the support of the California Transportation Commission (CTC) to consider continuing the proposed State Transportation Improvement Program (STIP) funding amount and schedule for the McKinley Avenue/State Route 120 Interchange project. A copy of the Project Programming Request is attached for your reference.

I am re-sending this letter to you, recognizing the CTC will again be discussing the issue of limited STIP funding when you meet in Stockton this week. We appreciate the staff recommendation that funding for Manteca's project be retained, even if it is delayed one year.

The City of Manteca recognizes the difficult dilemma facing the Commission, and the need to rethink and rebalance funding and projects throughout the State. Reductions in revenues at the state and local levels have forced all of us to make similar difficult decisions. However, I would like to once again provide some additional information about one of the projects proposed for delay and/or reduction.

Project No. PPNO #3046 is a regional project that has been in process for many years. Former Congressman Richard Pombo was able to secure a \$3 million earmark toward this project when he was serving in the House of Representatives. The \$46 million project was included in the Federal SAFETEA-LU bill as a High-Priority Program Project No. 1775, and received

this Federal earmark to help fund the planning and design. Right-of-way acquisition and construction will be funded by a combination of local, regional and State funds.

The addition of the McKinley/120 interchange is of regional significance to the cities of Manteca and Lathrop, San Joaquin County, and the San Joaquin Rail Commission. This interchange would provide improved access to the busiest and largest ACE Rail station in the system, which provides much-needed commuter rail service to the San Francisco Bay Area and, more specifically, the Silicon Valley, thereby reducing increasing congestion along several Northern California State and Federal highways.

In addition to improving this regional service, the interchange will provide a critical expansion of jobs, in an area that already has the highest unemployment rate in California. San Joaquin County's unemployment rate is among the highest in the State at 8.6%, and this additional interchange will directly result in an influx of both construction and permanent full-time jobs. In October 2015, the Manteca City Council certified an Environmental Impact Report (EIR) for the proposed Family Entertainment Zone (FEZ) project that abuts this important interchange. That project covers 210 acres of City-owned land, which is proposed to be developed as a convention/hotel/waterpark as Phase 1, and another 175 acres of recreational, commercial and retail space.

Phase 1 alone would generate 600 full-time jobs, not including some 1,400 jobs that would be needed to construct the McKinley/120 interchange. However, in order to complete the development of Phase 1 of the project, as desired by the proposed operator, as well as additional development of the remainder of the FEZ, the EIR requires the completion of the McKinley/120 interchange as a mitigation measure. San Joaquin County also included support for the Manteca Conference Center/Hotel project as one of the primary recommendations of the recently adopted 2014 Countywide Hotel and Conference Center Study.

The City has already spent more than \$1 million on this project, and is scheduled this week to award a contract for more than \$10 million for the construction of utility improvements to the site, utilizing proceeds from a former Redevelopment bond issue in 2004 – proceeds that must be spent on certain qualified projects. These bond proceeds have been approved for expenditure by the California Department of Finance, to be used specifically for this interchange and related improvements. As these are older bond proceeds, we are required to expend them in a timely manner. These funds were earmarked for infrastructure improvements, including shared funding in the McKinley/120 interchange. They have been used as leverage with the

STIP funds, as well as local Measure K sales tax funds, to stimulate economic development opportunities in a region of the State desperate for such development.

Funding for the McKinley/120 interchange is critical to the development of this project, and the generation of jobs and revenues to the local economy, as well as the State's.

I appreciate your attention, and respectfully request you not delay or reduce in funding the McKinley/120 Interchange (Project No. PPNO #3046) project.

Sincerely,



Stephen F. DeBrum
Mayor

Enclosures

c: Ms. Susan Bransen, Executive Director, CTC
Manteca City Council
San Joaquin Council of Government Board of Directors



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TTY/TDD 510.817.5769
FAX 510.817.5848
EMAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

May 13, 2016

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U.S. Department of Transportation

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Transportation Agency

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San Francisco Mayor's Appointee

Amy Rein Worth
Cities of Contra Costa County

Steve Heminger
Executive Director

Alix Bochelman
Deputy Executive Director, Policy

Andrew B. Fremier
Deputy Executive Director, Operations

Mr. Bob Alvarado
Chair
California Transportation Commission
1120 N Street, MS-52
Sacramento, CA 95814

RE: 2016 STIP Staff Recommendations – Additional Cuts

Dear Chair Alvarado,

The Metropolitan Transportation Commission (MTC) is writing in response to the California Transportation Commission's (CTC's) staff recommendations for the 2016 State Transportation Improvement Program (STIP). In January, CTC adopted a revised STIP Fund Estimate that called for a reduction in programming due to a projected \$754 million revenue shortfall.

Following the adoption of the revised Fund Estimate, CTC requested regions to "volunteer" project cuts in proportion to their share of the STIP. MTC responded to this request in good faith, identifying over \$71 million in potential project deferrals amounting to a 30% reduction of our region's proposed 2016 Regional Transportation Improvement Plan (RTIP). Despite MTC's good faith efforts, CTC's staff recommendations call for an additional cut of \$44 million in the Bay Area, which amounts to a total of \$115 million in project deferrals (or 48% of our RTIP).

CTC staff's current recommendations dictate that the nine counties of the Bay Area shoulder the most deletions above its target of any region – more than even Caltrans's Interregional Transportation Improvement Program (ITIP). The MTC region's new deletion amount of \$115 million exceeds our original target for deletion by \$19 million. By comparison, the ITIP – which represents 25% of the STIP – will exceed its deletion target by \$11 million.

Among the large MPOs, the Southern California Association of Governments (SCAG) region, led by Los Angeles, fell short of its target by almost \$33 million. Similarly, smaller counties outside of the large MPOs as a whole missed their target by \$14 million.

We firmly believe that no region of the state should be asked to shoulder more than its fair share of the STIP shortfall. No project sponsor ever wants to see its most important projects cut or delayed for any reason, but in the face of this present revenue crisis the burden must be shared equitably.

To preserve fairness in the process and honor regional choice, MTC recommends that 2016 RTIP projects submitted by the regional agencies to the CTC but not accepted in the 2016 STIP due to reduced STIP capacity be prioritized for future STIP funding. In the Bay Area's case, MTC submitted new RTIP projects replacing existing STIP projects, yet they were rejected by CTC for inclusion in the 2016. This resulted in MTC's deleted STIP share far exceeding the deletion target for the region. These projects should have priority for future STIP funding capacity if they are proposed in the next RTIP.

We continue to stand ready to work with you to adjust the proposal in a fair and reasonable manner. Furthermore, we reiterate our previous point that the STIP revenue crisis could be averted entirely with prompt legislative action.

If you have any questions on this matter, please contact Anne Richman, Director of Programming and Allocations at 510-817-5722.

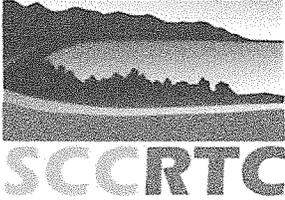
Sincerely,



Steve Heminger
Executive Director

cc: Bay Area Legislative Delegation
The Honorable Brian Kelly, Secretary, California State Transportation Agency
CTC Commissioners

SH:makk



SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

1523 Pacific Ave., Santa Cruz, CA 95060-3911 • (831) 460-3200 FAX (831) 460-3215 EMAIL info@sccrtc.org

May 12, 2016

Bob Alvarado, Chair
California Transportation Commission
1120 N Street, Mail Station 52
Sacramento, CA 95814

RE: 2016 State Transportation Improvement Program (STIP)

Honorable California Transportation Commissioners:

At its May 5, 2016 meeting the Santa Cruz County Regional Transportation Commission (RTC) reviewed the California Transportation Commission (CTC) staff recommendations for the *2016 State Transportation Improvement Program (STIP)* and is **extremely concerned about the CTC's proposal for Santa Cruz County projects. The RTC board requests that the CTC not delete all the funds programmed for construction of the Highway 1/Harkins Slough Road Interchange project** and is very concerned about pushing projects in our region far into the future. In recognition that the California Transportation Commission (CTC) is facing unprecedented challenges during this fiscal crisis the RTC's *2016 Regional Transportation Improvement Program* (approved December 2015 and revised February 2016) proposed to delay over 80% of the STIP funds programmed in Santa Cruz County to later years – and shifted more than half of the region's projects (*\$12.4 million*) to the outer years of the STIP.

The RTC board is concerned additional delays and the deletion proposed by CTC staff is disproportionately falling on projects in Santa Cruz County, especially the economically disadvantaged farm community of Watsonville. The CTC staff recommendations would bring Santa Cruz County's total unprogrammed balance to \$9.4 million; more than double what might be our reasonable (as defined by your staff) share of 2016 STIP programming capacity (negative \$4 million).

As you finalize the 2016 STIP, we urge the CTC to ensure that there is county-level equity in the programming process by considering County Share balances and advances. State law establishes regional and interregional shares for STIP funds and we urge the CTC to consider shares when deciding which projects to delete or delay in the STIP. Santa Cruz County's SB45 county share is only 0.53% of the statewide total. However, the CTC staff recommendations would bring Santa Cruz County's total unprogrammed balance to \$9.4 million; more than double what might be our reasonable share of programming capacity (-\$4 million). The City of Watsonville has offered to increase its local share of the Highway 1/Harkins Slough Road projects cost by \$1.5 million, so that the region's total unprogrammed balance would be \$4 million.

The Highway 1/Harkins Slough Road overcrossing provides access to Pajaro Valley High School, Santa Cruz Land Trust property, several farms, the Westridge Business Park (where both

Driscoll Berries and West Marine have their headquarters), and South Green Valley commercial area. The existing bridge over Highway 1 is grossly inadequate, especially for bike and pedestrian safety. While resources are always short and needs are many, losing any allocation that supports Watsonville's economic health should be avoided. We spend a lot of time, effort, and resources identifying and planning projects, getting shovel ready, waiting in line, and then the funding gets reallocated, disappears, or delayed indefinitely. While hopes and dreams do come and go, many real needs of the community remain unmet and public faith in the process becomes eroded and compromised.

The RTC board recognizes that the drop in revenues is painful for everyone and is committed to work with the California Transportation Commission (CTC), its staff, our state legislators and our local community to raise the funds needed to operate and maintain our transportation system. RTC board members and our staff have met several times with Assemblymember Alejo, Assemblymember Stone, Senator Monning, and other state leaders to communicate our disappointment with shifting state priorities, insufficient gas taxes, and lack of action to resolve gas tax reductions. We also recognize that state revenues are unpredictable and unreliable and are working diligently with the community to place a local half-cent sales tax measure on the November 2016 ballot so that we are less dependent on state revenues to address our diverse transportation needs.

On behalf of the entire RTC board, thank you for your consideration.

Sincerely,



Don Lane
RTC Chair
City of Santa Cruz Councilmember



Jimmy Dutra
RTC Board Member
City of Watsonville Councilmember

cc: City of Watsonville
Senator Monning, Assemblymember Alejo, Assemblymember Stone

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0022
(916) 319-2022
FAX (916) 319-2122

DISTRICT OFFICE
1528 S. EL CAMINO REAL, SUITE 302
SAN MATEO, CA 94402
(650) 349-2200
FAX (650) 341-4676

Assembly California Legislature



KEVIN MULLIN
SPEAKER PRO TEMPORE
ASSEMBLYMEMBER, TWENTY-SECOND DISTRICT

COMMITTEES
BUDGET
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ELECTIONS AND REDISTRICTING
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SUBCOMMITTEES
BUDGET SUBCOMMITTEE NO. 4 ON
STATE ADMINISTRATION

SELECT COMMITTEES
CHAIR: BIOTECHNOLOGY
WORKFORCE DEVELOPMENT BOARD

May 10, 2016

Chair Bob Alvarado
California Transportation Commission
1120 N Street, MS-52
Sacramento, CA 95814

RE: Request for \$9.399 million in 2016 STIP funds for US 101 HOV/Express Lanes Project

Dear Chair Alvarado:

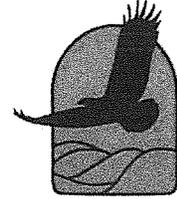
We are writing today to strongly urge the California Transportation Commission (CTC), at its upcoming May meeting, to program \$9.399 million in STIP funding for the next phase of the "US 101 HOV/Express Lanes" project in San Mateo County. In response to the CTC's direction to reduce \$754 in programming statewide, San Mateo's Congestion Management Agency - the City/County Association of Governments (C/CAG) - worked with the Metropolitan Transportation Commission (MTC) and the San Mateo County Transportation Authority in proposing a \$71 million postponement package from the Bay Area. MTC's recommended \$71 million package includes \$18 million in projects from San Mateo County, which is much larger than San Mateo County's fair share of the statewide reduction. San Mateo County delayed \$18 million in projects with the hope of seeing the next phase of the "US 101 HOV/Express Lanes" project programmed in the 2016 STIP.

The "US 101 HOV/Express Lanes" project is the highest priority project in San Mateo County in that it has substantial countywide and regional impacts. This segment of the US 101 corridor connects the Silicon Valley and San Francisco, with SFO and the East Bay (via connecting bridges). Arguably, this corridor serves as the backbone for the most economically productive area in the State. In recent years, this corridor has experienced a drastic increase in congestion due to an influx of jobs to the region. If congestion on the corridor is not addressed in a timely manner, it will result in further negative impacts to the residents of San Mateo County, as well as increase the potential for adverse regional and statewide economic impacts.

While this project may be considered a new project from a STIP standpoint, C/CAG, the San Mateo County Transportation Authority, MTC, and the California Department of Transportation (Caltrans) have been collaborating on this project for several years. Moreover, San Mateo County spent local funds to pay for the Project Initiation Document and the environmental review phase of this project. Thus far, a total of \$14 million has been

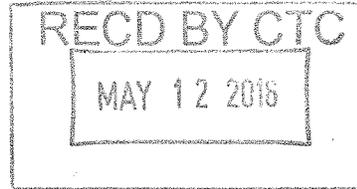
CITY OF WATSONVILLE

"Opportunity through diversity; unity through cooperation"



May 6, 2016

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



RE: 2016 STIP CTC Staff Recommendations

Dear Ms. Bransen,

The Watsonville City Council formally requests that the California Transportation Commission reconsider and amend its recommendation to delay or revoke State Transportation Improvement Program (STIP) funding for three City projects. These projects and current CTC recommendations include the following:

Airport Blvd Improvements (PPNO 2555)

– Delay \$1,195,000 in construction funds from FY16/17 to FY17/18

Monterey Bay Sanctuary Scenic Trail Segment 18 (PPNO 2552)

– Delay \$950,000 in construction from FY16/17 to FY17/18

Route 1 Harkins Slough Road Improvements (PPNO 413)

– Delete \$6,878,000 in construction funds from the 2016 STIP.

Of particular concern to the City is the deletion of all construction funding for the Route 1 Harkins Slough Road Improvements (PPNO 413). This project has involved significant collaboration between Caltrans District 5, the City and the community and would provide long awaited safety and operational benefits to many users nearby including a high school, a commercial area and a highway interchange. *If construction funding cannot be restored to the 2016 STIP, the City requests that the project be included in and given priority in the 2018 STIP.*

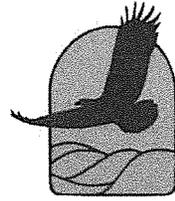
Watsonville is classified by the State as an Economically Disadvantaged Community, and has a per capital income of less than half of the State average. As such, Watsonville relies even more heavily than most communities upon STIP funds to construct major projects such as these. Delaying project funding has significant consequences to poor communities, as other funding sources are extremely limited. We hope you will take this into consideration in making your funding decisions.

Further, delaying projects is disruptive the City's capital improvement program as it requires shifting projects, reallocating funds and other resources and places them at risk. These projects address very real and immediate needs of our community and as they get pushed out, the public faith in the process becomes compromised.

Thank you for your consideration to not delay or delete these important community projects.

CITY OF WATSONVILLE

"Opportunity through diversity; unity through cooperation"



Sincerely,

Mayor Felipe Hernandez and the Watsonville City Council

Kasnia Cervantes Alejo
Vice-Mayor

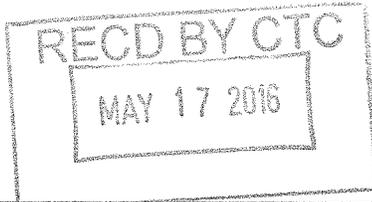
Nancy Bilicich
DISTRICT 7

Trini Coffman-Gomez
District 6

Jimmy Dentre
District 4, RTC Commissioner for City of Watsonville

Rebecca G. Garcia
District 5

David ... - Councilmember Dist 7
RTC Alternate from Watsonville
Former Mayor.



55-B Plaza Circle, Salinas, CA 93901-2902 • Tel: (831) 775-0903 • Website: www.tamcmonterey.org

May 10, 2016

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

SUBJECT: 2016 State Transportation Improvement Program

Susan
Dear Ms. Bransen:

The Transportation Agency for Monterey County is alarmed by the \$16.1 million in proposed cuts to Monterey County's 2016 Regional Transportation Improvement Program. This amount, \$9.1 million less than the revised funding target for our county, is in addition to three projects that are also being proposed for extended delays – two of which that will be ready for construction next fiscal year. This additional round of cuts to our program comes after our Board of Directors voluntarily deleted \$7 million from our program based on the revised fund estimate approved by the California Transportation Commission in January 2016.

Our Agency understands the difficult decisions before the Commission due to the ongoing transportation funding crisis and shortfall in revenues. However, these additional cuts are deeply troubling considering our Agency's efforts to work collaboratively with the Commission on this issue. These efforts include the aforementioned willingness to make up our share of the \$754 million shortfall, while other agencies made no cuts at all or kept unprogrammed balances, as well as meetings and letters to our State legislative delegation urging them to pass a funding solution.

In light of the unequitable nature of these cuts, our Agency would appreciate the Commission's consideration of the following:

- **Approval of Monterey County's AB 3090 Request:** The Transportation Agency will submit an AB 3090 reimbursement request in the amount of \$3.0 million for the Highway 1 Operational Improvements project. Our Agency will advance this project using our own Regional Surface Transportation Program funds, and will seek to be reimbursed with future STIP funding. Considering that this action will help the Commission by freeing up funding in 2017/18, our Agency requests that the reimbursement be programmed as early as possible in this STIP cycle.

- **Restoration of funding to Monterey County in the 2018 STIP:** Our Agency strongly recommends that a process be formalized with the adoption of the 2016 STIP that restores funding cuts with the next STIP cycle for agencies that made voluntary cuts to their Regional Transportation Improvement Program. For Monterey County, that would be \$11.1 million to the Highway 156 Improvement project and \$5.0 million to the US-101 South County Freeway Conversion project.
- **Provide funding for delay-related construction cost increases:** The Highway 68 Corral de Tierra project was programmed for construction at \$1.7 million in 2016/17, and has now been proposed for delay to 2017/18. The extended delay will likely result in additional construction costs to the project. Our Agency requests that any delay-related construction cost increases be funded by the Commission.

The Transportation Agency values our partnership with the Commission to deliver needed safety and congestion relief projects to Monterey County, and looks forward to continuing to work with the Commission to address issues from the ongoing transportation funding crisis. Thank you for consideration of the points put forward in this letter, and please contact Michael Zeller of my staff at (831) 775-4416 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'DLH', written over the word 'Sincerely,'.

Debra L. Hale
Executive Director



INYO COUNTY LOCAL TRANSPORTATION COMMISSION

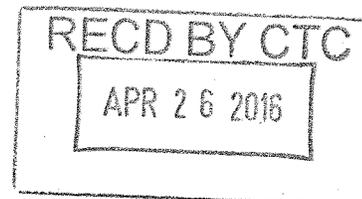
P.O. DRAWER Q
INDEPENDENCE, CA 93526
PHONE: (760) 878-0201
FAX: (760) 878-2001



Clint Quilter
Executive Director

April 22, 2016

Attention: Susan Bransen, Executive Director
California Transportation Commission
1120 N Street, Mail Station 52
Sacramento, CA 95814



Subject: Inyo County Local Transportation Commission (LTC) Comments on 2016 State Transportation Improvement Program (STIP)

Dear Ms. Bransen:

This comment letter is in response to the draft staff recommendations for the 2016 STIP. Please distribute this letter to the California Transportation Commission at their meeting on May 18 and 19, 2016. It is understood that some projects need to be pushed out and we accept how two MOU projects programmed in the Inyo County Regional Transportation Improvement Program have been pushed out. We understand that share deletion targets were set forth for each agency. The Inyo County LTC far exceeded its deletion targets. The deletion of the MOU project the Inyo LTC is involved with further freed up \$50.9 million in IIP funds or 26% of the total amount reduced statewide. We understand that this is a difficult time statewide and we are willing to do our part.

What we do not understand is the deletion of our \$1.5 million Federal Lands Access Program project – South Lake Road. If the Inyo County LTC meets and exceeds its STIP share deletion targets, how is it relevant that this is a new project and therefore can't be programmed?

Our understanding of SB 45 is that the local agencies have some discretion as to the projects programmed in their area. Is this true? Those agencies that meet or exceed their deletion targets should be able to program new projects if that is their will.

Please keep the \$1.5 million programmed for the South Lake Road project. The total match cost of \$1.5 million will leverage almost \$11 million in federal funding that is not part of the STIP. Inyo County will not be able to proceed with this project if it did not receive the matching funds through the STIP.

If you have any questions or concerns regarding this request, please don't hesitate to contact Inyo County LTC Executive Director Clint Quilter at (760) 878-0201.

Sincerely,


Doug Thompson
Vice Chairperson