

AGENDA: June 4, 2020

TO: Regional Transportation Commission
FROM: Guy Preston, Executive Director
RE: Director's Report

THIS ITEM FOR INFORMATION ONLY

RTC's COVID-19 Update

RTC Staff met with the RTC's Budget / Administration & Personnel Committee last week to propose a FY20/21 budget amendment for anticipated decreases to Transportation Development Act (TDA) and Measure D revenue, which is estimated at a 20% decrease from the FY18-19 budget. Staff is adjusting the budget amendment, based on the recommendation of the Committee, which was centered around utilizing the TDA reserve and delaying any replenishment of the reserve until revenues stabilize. Staff will propose a revised FY20/21 budget at the RTC's June 29th meeting. Recipients are being kept informed of projections, so they can adjust their budgets accordingly.

RTC's office continues to stay open to essential staff but will remain closed to public foot traffic until it is determined appropriate to start transitioning back to on-site activities. RTC has had a relatively easy time with remote activities and I see no need in rushing increased activities at the office. Therefore, the majority of RTC staff will continue to work from remote locations until further notice. All RTC meetings will continue, as currently scheduled, using video conferencing.

State and Federal Transportation Funding

CA Budget: On May 14, 2020, Governor Newsom released the "May Revise". The May Revise predicts that COVID-19 will have a \$54 Billion impact on the State budget, including a 27% drop in FY20-21 sales tax statewide. The May Revise estimates a \$600 Million drop in gas tax revenues in FY19/20, another \$602 Million drop in FY20/21, with a total \$1.8 Billion drop in gas tax revenues over five years. The May Revise assumes that some state revenue losses will be backfilled by a future federal stimulus. The proposed state budget maintains existing Caltrans staffing levels in order to support delivery of currently programmed projects and to support project readiness if federal stimulus funds become available. However, gas tax funds to local jurisdictions will be lower than January projections. Caltrans is currently analyzing what the impact, if any, may be to previously programmed State

Transportation Improvement Program (STIP) and State Highway Operation and Protection Program (SHOPP) projects.

HEROES Act: On the federal side, the House approved the HEROES Act along party lines at the end of May. While Senate Republicans initially said they would not approve another COVID-19 relief bill in the near term, negotiations are underway. The House bill includes \$15 Billion in highway funds to states, with some funding sub-allocated to regions via the Surface Transportation Block Grant Program (STBG), \$15.75 Billion for public transit, and \$1 Trillion in state and local aid (including \$187.5 Billion each to cities and counties). We have requested revisions in the final act, since the House bill restricted most of the transit funding to urbanized areas with populations over 3 million.

INVEST Act: On June 3, 2020, the Chairman of the House Transportation and Infrastructure Committee, Peter DeFazio (D-OR) released a transportation reauthorization proposal called *Investing in a New Vision for the Environment and Surface Transportation in America Act (INVEST in America Act)*. Based on preliminary review of the 853-page bill, some highlights include:

- 5-year, \$494 Billion bill (\$319B for highways, \$105B for transit, \$60B for rail, \$10B for passenger and commercial vehicle safety). This is a modest increase over the existing federal transportation act (FAST Act).
- Surface Transportation Block Grant Program (STBGP) sub-allocation is not increased and remains at 55%.
- The bill includes two new grant programs, one focused on community transportation priorities and the other on carbon reduction grants. This is in addition to a carbon apportionment program that would be state-directed.
- Transportation Alternatives (TAP) – which currently flows through the Active Transportation Program in California - is increased significantly.
- Planning funding (PL) to MPOs is significantly increased.
- The existing INFRA program is restructured to include transit, passenger rail, and freight rail.
- Highway Safety Improvement Program (HSIP) funding also increases significantly and additional requirements are placed upon states that have higher rates of cyclist and pedestrian deaths and injuries.

Santa Cruz Branch Rail Line – Emergency Bridge Repair

Following the update provided at the May 7 RTC meeting regarding the emergency repair of the timber trestle at Milepost 4.87, the time and materials contract with Industrial Railways Company was amended to include the remaining scope of the repairs for a value of \$517,208. The contractor has mobilized and began construction of the repair, which is anticipated to be complete in July.

Highway 9 Update

Caltrans is participating in a virtual town hall style public meeting hosted by Supervisor Bruce McPherson on June 16, 2020 to discuss progress made towards the early development of a project to enhance pedestrian access between Kirby Street and the San Lorenzo Valley School Complex in Felton. Caltrans is currently developing the Project Initiation Document (PID) which entails preliminary design and environmental scoping required to secure State Highway Operation and Protection Program (SHOPP) funding. At this meeting, Caltrans will share with the San Lorenzo Valley community the project purpose, need, challenges, alternatives, and an estimated schedule of project delivery.

The meeting will begin at 5pm on Tuesday, June 16th. Details on how to participate in the virtual community meeting can be found on the RTC website: sccrtc.org

Commissioner Loe's Retirement from Caltrans

According with RTC's Rules and Regulations, the District Director of the State Department of Transportation District in which Santa Cruz County is located, or the director's designated alternate, shall serve as an ex-officio representative to the Commission. Since 2007, Caltrans Deputy Director Aileen Loe has served as Caltrans' ex-officio representative on the SCCRTC.

Commissioner Loe has recently announced that she will be retiring from Caltrans. On behalf of the RTC board and staff, I would like to appreciate her for her service on the RTC and her support of transportation projects in Santa Cruz County. Commissioner Loe began working for Caltrans in 1987 in the environmental planning department and has served as the Deputy District Director for the Divisions of Transportation Planning and Local Assistance for Caltrans District 5 for over 13-years.

Her dedication to long-range planning and engaging with partners has been instrumental in development of multimodal safety projects along Highway 9 through San Lorenzo Valley; multimodal projects on Highways 129 and 152 in Watsonville; the Highway 17 wildlife crossing project; and numerous planning efforts, including Highway 1 corridor plans, the Highway 17 Access Management Plan, the Highway

9/San Lorenzo Valley (SLV) Corridor Plan, the Unified Corridor Investment Study, advance mitigation planning, the Highway 1 Scotts Creek mitigation project, and the first Caltrans District Active Transportation Plan.

As District 5's Sustainability Representative and an avid bicyclist, Aileen has worked to integrate sustainability and complete street facilities into Caltrans projects. While some community priorities have been difficult to implement within Caltrans constraints, she has always emphasized partnerships as a key in overcoming the challenges. We appreciate her long-standing partnership with the RTC and wish her well in her future endeavors.



★ Appreciation

A W A R D

presented to

Aileen Loe

Caltrans District 5 Deputy Director

in recognition of

Your over 14 years of public service with the Santa Cruz County Regional Transportation Commission and your dedication to long-range planning and engaging with partners has been instrumental in development of multimodal safety projects along Highway 9 through San Lorenzo Valley and Highways 129 and 152 in Watsonville; the Highway 17 wildlife crossing project; and numerous planning efforts, including Highway 1 corridor plans, the Highway 17 Access Management Plan, the Highway 9/San Lorenzo Valley (SLV) Corridor Plan, the Unified Corridor Investment Study, the Highway 1 Scotts Creek mitigation project, Advance Mitigation Planning, and the first Caltrans District Active Transportation Plan. As District 5's Sustainability Representative and an avid bicyclist, you have worked to integrate sustainability and complete street facilities into Caltrans projects. You have always emphasized partnerships as key in overcoming the challenges. We appreciate your long standing partnership with the RTC and wish you well in your future endeavors.



SCCRTC
Santa Cruz County Regional Transportation Commission

Bruce McPherson, Commission Chair

Guy Preston, Executive Director

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