

Attachment A

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TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Memorandum

To: Board of Directors
From: Michael Zeller, Principal Transportation Planner
Meeting Date: August 22, 2018
Subject: Regional Project Funding Update

RECOMMENDED ACTION:

Regional Project Funding Update

1. **RECEIVE** update on funding for regional projects, including Measure X and Senate Bill 1 gas tax;
2. **APPROVE** programming \$724,000 of Fiscal Year 2019/20 Senate Bill 1 Local Partnership Formula funds to the Regional Wayfinding Project; and
3. **ADOPT** an "oppose" position on Proposition 6.

SUMMARY:

The Measure X Transportation Safety and Investment Plan was approved by over 2/3rds of the voters in November 2016. The 3/8% increase in sales tax devoted entirely to transportation in Monterey County was levied starting in April 2017. The first payments of funding were distributed in July 2017. This report looks back at the first year of Measure X regional projects, and also includes a scenario and project delivery impacts assuming that Senate Bill 1 is repealed by Proposition 6.

FINANCIAL IMPACT:

The Transportation Agency for Monterey County's target share per the 2018 State Transportation Improvement Program Fund Estimate is \$30.9 million. Including the carry-over from the 2016 State Transportation Improvement Program, which amounts to \$23.15 million, the Transportation Agency's total funding available for programming is \$54.05 million. The Agency is proposing an additional \$85 million of Measure X over this five-year period. The newly-approved SB 1 gas taxes and vehicle fees are anticipated to provide matching funds for most of the projects in the funding plan, however the planned construction schedule for the projects is at risk if a proposed repeal measure is approved by over 50% of the voters.

DISCUSSION:

The Transportation Agency Board of Director's approved strategic goals include delivering the Measure X regional program of projects by strategically utilizing debt financing to expedite delivery,

while leveraging as much matching funds as possible. With the passage of California Senate Bill 1 (Beall), several new transportation funding programs were created from which the Transportation Agency will potentially be able to leverage Measure X and other existing fund sources. To ensure coordination between the various fund sources, which all have different requirements and eligibility, the Transportation Agency initially prepared the 2017 Integrated Funding Plan to identify projects that will be strong candidates for specific matching fund programs, and to identify a funding pathway to bring projects to construction over the next five years.

The primary sources of funding included in the Integrated Funding Plan are the regional share of Measure X, Monterey County's regional share of the State Transportation Improvement Program, and the various Senate Bill 1 formula and grant funding programs. However, the potential repeal of Senate Bill 1 places these projects at risk. In February, TAMC adopted an "oppose" position on the proposed repeal of Senate Bill 1. That proposal is now Proposition 6 on the November ballot.

To prepare for the possible loss of funding that would result from the repeal of Senate Bill 1, Agency staff has prepared this regional project funding update by including information on the potential impacts to projects from the proposed repeal of the gas tax. The delivery of these regional Measure X projects could potentially be at risk of delay or down-scoping if the gas tax were to be repealed:

IMJIN PARKWAY SAFETY & TRAFFIC FLOW PROJECT has received \$19 million in SB 1 gas taxes from the competitive Local Partnership Program, in addition to \$16 million Measure X funds and \$3 million in local developer fees, allowing the City of Marina to start construction next spring, following design approval and the bidding process.

FORT ORD TRAIL AND GREENWAY (FORTAG) PROJECT received \$500,000 in SB 1 gas taxes from the formula Local Partnership Program, to be combined with the \$500,000 in state transportation development act bicycle/pedestrian funds, to execute the preliminary engineering and environmental review phase of the project. This environmental work will start within a couple of months; the consultant selection is nearly complete. The next project phase, final engineering, is fully funded with \$600,000 in Measure X funds and \$600,000 in SB 1 gas taxes from the Local Partnership Program. Future Measure X funding will be leveraged to capture grant funds from various sources to construct portions of the 26-mile trail in phases. The Transportation Agency is currently preparing an Active Transportation Program grant application (also part of the new SB 1 vehicle fees) to fund construction of a segment along Highway 218.

SCENIC STATE ROUTE (SR) 68 SAFETY & TRAFFIC FLOW PROJECT is moving into the preliminary engineering and environmental review phase with Caltrans District 5 as the lead agency. This phase is funded with \$3.4 million in State Transportation Improvement Program (STIP) funds, which are composed of state and federal gas taxes. The environmental review phase is expected to begin in August 2018 and extend through summer 2020. Twenty-five million in Measure X funds has been programmed towards construction, and a \$25 million match will be sought from the SB 1 gas tax-funded Solutions Congested Corridors program.

SR156 / CASTROVILLE BLVD INTERCHANGE PROJECT currently has \$2.15 million in

Measure X funds and \$19.8 million of State Transportation Improvement Program gas tax revenues programmed to it. The project will compete for a \$16 million SB 1 gas tax Trade Corridor grant, which, along with existing state funds, will cover the total cost of design, right-of-way, and construction, estimated at \$43 million. The environmental review for this project was already approved as part of the larger SR 156 widening/ US 101 interchange improvements project. A minor refreshing of the environmental documents and final engineering for this project has been initiated. The related extension of Blackie Road to the interchange is a separate County road project that needs its own environmental review, which will be started in fiscal year 2018/19.

HOLMAN HIGHWAY SR 68 - PACIFIC GROVE PROJECT is building on the recently-completed corridor study. The City of Pacific Grove will be submitting an Active Transportation Program application seeking SB 1 gas taxes to match a portion of the \$10 million in Measure X funding allocated to the entire Holman Highway SR 68 corridor.

HIGHWAY 1 RAPID BUS CORRIDOR PROJECT has received \$500,000 in SB 1 gas taxes from the Local Partnership Program to start preliminary engineering and environmental work in fiscal year 2018/19. This project will create a new rapid bus corridor along Highway 1 between Marina and Monterey partly using the Monterey Branch Line rail right-of-way.

REGIONAL WAYFINDING PROGRAM has received \$163,000 in SB 1 gas taxes from the Local Partnership Program to install directional wayfinding, distance and confirmation signs to promote the use of safe routes by bicyclists and pedestrians. In addition to signing existing paved paths and bicycle lanes, the project will add newly-identified Class III bike routes. The Agency is seeking to program an additional \$724,000 in fiscal year 2019/2020 SB 1 Local Partnership Program formula funds to install additional signage and add new bike routes.

In addition, local jurisdictions would see a reduction in funding for local road maintenance and rehabilitation with the repeal of Senate Bill 1. Attachment 2 includes the funding that is potentially at risk for each Monterey County jurisdiction.

ATTACHMENTS:

- ▢ Regional Project Funding Update
- ▢ Senate Bill 1 Local Road Funding

Impact of Senate Bill 1 Repeal

Projects	Measure X	SB 1	Delay	Down Scope	Delete
Marina-Salinas Multimodal Corridor	\$20	\$20			
State Route 156 Widening		\$75			●
State Route 156 - A: Castroville Boulevard	\$30	\$16	●		
State Route 156 - B: Blackie Road Extension					●
Holman Highway 68 - B: Pacific Grove	\$10	\$10	●	●	
State Route 68 Safety & Traffic Flow	\$50	\$50	●	●	
US 101 Safety Improvements - South County	\$30	\$30	●	●	
Fort Ord Regional Trail and Greenway	\$20	\$20	●	●	
Highway 1 Bus Rapid Corridor	\$15	\$0			
Salinas Rail Extension	\$0	\$10		●	
All dollars in millions					



Impact of Senate Bill 1 Repeal

Programs	Measure X	SB 1	Delay	Down Scope	Delete
Habitat Preservation / Advance Mitigation	\$5				
Safe Routes to Schools / Regional Wayfinding	\$20	\$5	●	●	
Senior and Disabled Transportation	\$15				
Commuter Bus, Salinas Valley Transit Centers	\$25				
All dollars in millions					



Road Maintenance and Rehabilitation Account (RMRA)

Local Streets and Roads - Projected FY2018-19

Revenues Based on State Department of Finance Statewide Revenue Projections as of May 11, 2018

Jurisdiction	Highway Users Tax Account	SB 1 Loan Repayment	SB 1 Road Maintenance and Rehabilitation Account	Total
Carmel	\$ 80,312	4368	64284	\$ 148,964
Del Rey Oaks	\$ 38,402	1911	28127	\$ 68,440
Gonzales	\$ 172,601	9719	143042	\$ 325,362
Greenfield	\$ 355,296	20311	298934	\$ 674,541
King City	\$ 288,627	16461	242280	\$ 547,368
Marina	\$ 427,317	24474	360207	\$ 811,998
Monterey	\$ 569,894	32772	482350	\$ 1,085,016
Pacific Grove	\$ 309,370	17619	259313	\$ 586,302
Salinas	\$ 3,165,765	184700	2718449	\$ 6,068,914
Sand City	\$ 13,247	437	6425	\$ 20,109
Seaside	\$ 673,401	38840	571649	\$ 1,283,890
Soledad	\$ 516,308	29631	436120	\$ 982,059
County of Monterey	\$ 9,033,978	498774	7340590	\$ 16,873,342

Source: <http://www.californiacityfinance.com/LSRico1819Summary1805.pdf>

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