REPORT TO SHASTA COUNTY RTPA

SUBJECT	MEETING DATE	ITEM NUMBER
Transportation Enhancement (TE) Program and Exchange Dollars	10/27/98	6

RECOMMENDATION

It is recommended that the Board direct the Executive Officer to:

1. Exchange Transportation Enhancement (TE) funds for State-only money; and
2. Administer a TE program with these funds with input from the TE Committee.

SUMMARY

The TE program funds non-motorized transportation projects such as bicycle and pedestrian paths. The California Transportation Commission (CTC) will finalize the TE program guidelines by October 28. This year, Shasta County will be eligible to exchange TE funds - expected to be about $2.1 million - for State-only "clean" money. This exchange would provide local control over how the program is administered and which projects are selected. It will also free the projects of most State and Federal requirements such as Caltrans Local Assistance Procedures and the National Environmental Policy Act (NEPA).

DISCUSSION

Every two to three years, TE funds are made available for non-motorized projects such as bike lanes, pedestrian facilities, and landscaping. Prior TE projects included $1.3 million for the new Turtle Bay Pedestrian Bridge, $160,000 for bike lanes in the City of Shasta Lake, and a Forest Service rest/interpretive area off State Route 44 near Old Station.

It is anticipated that $2.1 million will be available to the RTPA over the next six years. The California Transportation Commission (CTC) should make a final determination by October 28.

In the past, the RTPA would select projects, Caltrans would provide oversight, and the CTC would approve projects. This TE cycle will be different in that the RTPA could choose to exchange Federal TE funds for State-only money on a dollar-for-dollar basis. This would have the benefit of eliminating Federal and State oversight in the TE project selection process. It would also greatly reduce oversight during project development and construction. For example, projects would no longer be subject to NEPA review and Caltrans' oversight role would also be greatly reduced. This results in substantial savings in project costs and implementation time. It also means that smaller projects, such as those under $100,000, could still be cost-effective.

With respect to non-motorized needs, there would also be some disadvantages in pursuing exchange dollars. With State-only funds, projects would be subject to Article 19 of California Constitution which controls use of the State Highway Account. Without a commitment by the RTPA to fund non-motorized transportation needs, the money could be used for motorized needs such as streets and roads.

Article 19 also would preclude certain projects that could normally be eligible with Federal TE funds. A summary table showing project eligibility with and without exchange dollars is attached.

The staff recommendation is to exchange TE funds for State-only funds and administer a TE program. This will allow this program to continue and will eliminate most Federal and State oversight that has hindered the process in the past. Although this recommendation may preclude a few projects - such as train restoration - the benefits of local control, reduced project cost, and time savings represent benefits that were considered. It is expected that those groups sponsoring train-related projects will lobby the Agency.

A decision regarding how the TE funds will be administered will be determined at the December 15 RTPA meeting. This decision will be subject to a public hearing and further involvement from the TE Committee. By this time, the TE guidelines should be approved by the CTC. Key decisions at the December RTPA meeting will include whether the exchange funds should be passed through to each City and the County and what assurances, if any, should the RTPA require if these funds are passed through (i.e., a commitment to use the funds for non-motorized projects or public involvement commitments). The four jurisdictions have indicated they would like to see the funds apportioned to them to run their own TE program.

TE COMMITTEE RECOMMENDATION

At the July RTPA meeting, the Board directed staff to meet with stakeholders and establish a process to select qualifying TE projects for programing. This was put on hold since the exchange issue and the TE guidelines were not yet decided. With most issues now resolved at the State level, the TE committee was convened on October 19, and asked to develop a recommendation to the RTPA regarding the exchange dollar issue. Those members attending are listed on the attached sheet.

The TE Committee recommendation is to pursue the exchange process. An alternative was considered to only exchange a portion of the available funds and maintain the balance for a regional program which could consider projects such as rail preservation and museums. With the exception of the representatives from the Shasta Cascade Rail Preservation Society, this alternative was rejected.

The TE committee will meet again in late November to make recommendations regarding distribution of the exchange dollars and whether the TE program should by conducted at the RTPA level or the jurisdictional level.

If a TE process is conducted at the RTPA level, the TE committee would be retained to provide input throughout the process. If the TE process is conducted at the jurisdictional level, the TE Committee would not be reconvened; however, each City or the County may elect to develop their own ad-hoc advisory committee.

ALTERNATIVES

In addition to staff recommendation, the range of alternatives is discussed below:

- Decide not to exchange funds and participate in the Federalized TE program.

Advantage: The tentative proposal from Shasta Cascade Rail Preservation Society to restore a historic locomotive and establish a museum would remain eligible for funding.

Disadvantage: TE projects will be subject to Federal requirements such as NEPA and be subject to Caltrans oversight and FHWA approval. Smaller projects, such as those under $100,000 would be difficult to implement due to onerous application and project development requirements at State and Federal levels.

- Pursue the exchange dollars and do not administer a TE program. Apportion funds to the jurisdictions based on an agreed upon formula such as population.

  Advantage (for jurisdictions): Individual jurisdictions would have complete discretion on how to spend funds. Funds could be used on streets and roads.

  Disadvantage: Non-motorized transportation needs would likely not be met since TE is the primary funding source for most jurisdictions. "Outside" stakeholders, such those represented on the TE committee, could be disenfranchised from the process. Project needs would not be considered on a regional level.

OTHER AGENCY INVOLVEMENT

The Technical Advisory Committee has met regarding this issue. The City and County representatives support pursuing the exchange process. The representatives also supported a pass-through of the exchange funds to the jurisdictions for use on non-motorized projects.

The TE committee recommendation is discussed in the above section of this report.

FINANCING

The TE apportionment to the RTPA is fixed, meaning we are not competing with other projects in the State. Exchange terms are on a dollar-per-dollar basis. Pursuing the exchange process will result in broad flexibility on how the funds are used and will allow projects to be developed in a more cost-efficient manner.

D J Kovacich

Daniel J. Kovacich, Executive Officer

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Attachment: Eligibility on Non-Motorized Project List
TE Committee Sign-In Sheet

SHASTA COUNTY
REGIONAL TRANSPORTATION
PLANNING AGENCY

MINUTE ORDER

STATE OF CALIFORNIA, COUNTY OF SHASTA

The Governing Board of the Shasta County Regional Transportation Planning Agency met in regular session on the 27th day of October, 1998, at Redding, California, there being present Board Members Board Members Dickerson, Clarke, Fust, Jones, Kehoe, McGeorge, and Siner.

TRANSPORTATION ENHANCEMENT (TE) PROGRAM AND EXCHANGE DOLLARS

On recommendation of the Executive Officer Kovacich, and by motion made, seconded and carried, the Board unanimously voted to

1. Exchange Transportation Enhancement (TE) funds for State-only money; and
2. Administer a TE program with these funds with input from the TE Committee.

STATE OF CALIFORNIA, COUNTY OF SHASTA:

I, DANIEL J. KOVACICH, Executive Officer of the Shasta County Regional Transportation Planning Agency, do hereby certify the foregoing to be a full, true and correct copy of the minute order of said Transportation Planning Agency Governing Board on October 27, 19988.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 21st day of December, 1998.

Daniel J. Kovacich, Executive Officer
Shasta County Regional
Transportation Agency