



Contra
Costa
County

To: Board of Supervisors

From: TRANSPORTATION, WATER & INFRASTRUCTURE COMMITTEE

Date: September 15, 2015

Subject: Report on the Development of a Transportation Expenditure Plan and potential sales tax ballot measure by the Contra Costa Transportation Authority

RECOMMENDATION(S):

ACCEPT a report on CCTA's development of a Transportation Expenditure Plan and potential sales tax ballot measure; DIRECT staff as appropriate, including potentially returning to the Board with a draft comment letter to CCTA, as recommended by the Transportation, Water, and Infrastructure Committee.

FISCAL IMPACT:

None. The recommendation addresses an outside agency's actions.

BACKGROUND:

Table of Contents/Summary of Recommendations:

1| INTRODUCTION

Recommendation: None, information only.

2| PROCESS: Relevant statutes, etc.

Recommendation: Initiate a dialog with the Contra Costa Transportation Authority

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **09/15/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 15, 2015

Contact: John
Cunningham, 674-7833

David Twa, County Administrator and Clerk of the Board of
Supervisors

By: , Deputy

cc: Steve Kowalewski, Julie Bueren, Rich Seithel, John Kopchik, Maureen Toms

(CCTA) on the proposed process to adopt and implement a Transportation Expenditure Plan (TEP).

BACKGROUND: (CONT'D)

3] CCTA UPDATE: Polling information

Recommendation: None, information only.

4] **COMMITTEE INPUT:** Regional Transportation Planning Committees and Expenditure Plan Advisory Committee

Recommendation: None, information only.

5] **MAINTENANCE AND THE “LOCAL STREETS MAINTENANCE AND IMPROVEMENTS PROGRAM”** : Discussion regarding level of funding needed and state transportation initiatives

Recommendation: Staff recommends that the Board of Supervisors adopt a position on the level of maintenance funding in a new TEP consistent with the recommendations provided by the Regional Transportation Planning Committees (RTPCs).

6] ACCESSIBLE SERVICES/MOBILITY MANAGEMENT ADMINISTRATIVE CHANGES

Recommendation: Staff recommends sending communication to CCTA and Contra Costa County transit districts that:

- 1) Re-asserts the position that implementation and funding of mobility management is a priority, highlighting the Santa Clara mobility management/brokerage model and cost information provided in this report,
- 2) Formally requests participation in the OUTREACH/Santa Clara County tour from CCTA and transit district leadership,
- 3) Recommends that eligibility for any transit operations program funding in the TEP is contingent on participation in the implementation of a mobility management program and other identified improvements, and
- 4) Asserts that it is the intent of the Board of Supervisors to insulate the existing paratransit client population from service degradation or interruptions as implementation efforts move ahead and requests that CCTA and the transit providers adopt the same position.

7] BETTER COORDINATION OF LAND USE: AN ALTERNATIVE FORM OF TRANSPORTATION PROGRAM

Recommendation: Staff recommends the Board provide initial feedback on these concepts.

8] BICYCLE TRANSPORTATION ISSUES

Recommendation: Staff recommends sending communication to CCTA proposing the development and funding of a bicycle project and program strategy that substantially increases the County’s trip-by-bike rate.

9] MAJOR PROJECTS

Recommendation: Staff recommends communicating BOS project priorities for a TEP to CCTA.

1] INTRODUCTION

The CCTA, on behalf of its member agencies, is currently developing both a Countywide Transportation Plan (CTP) and Transportation Expenditure Plan (TEP):

- CTP development is a requirement of our Growth Management Program (GMP). The GMP is a requirement of Measure J (2004), the current countywide ½ cent transportation sales tax.
- The TEP is being developed for inclusion in a possible 2016 ballot measure for a new transportation sales tax.
- The proposed sales tax would be for 25 years (expiring in 2042), for ½ cent, running concurrently with Measure J (expiring in 2034) and is forecasted to generate \$2.3 billion.

As established in the October 21, 2014 letter to CCTA regarding the CTP, the Board of Supervisors has not yet endorsed the proposed transportation sales tax.

The Board of Supervisor's October 2014 letter to CCTA (attached) established that, prior to supporting such a measure, the County 1) expects additional outreach to member jurisdictions, including members of the Board of Supervisors, 2) needs to consider conflicts with other public finance priorities, and 3) will consider if the need for additional funding justifies a new transportation sales tax.

The information and activities described in this report provide additional policy and technical information on CCTA's TEP relative to the priorities set by the Board of Supervisors in the October 2014 letter. Concepts that have not been previously discussed by the Board of Supervisors are identified as new where appropriate.

This report is being brought before the Board of Supervisors to:

- 1) Discuss the statutory process and authority under which a transportation sales tax measure would be developed and brought before the Board of Supervisors,
- 2) Provide additional information and analysis in support of Board of Supervisors refining its position and priorities for possible inclusion in a comment letter to CCTA (to be considered at a future Board of Supervisors meeting), and
- 3) Update members on recent activities that have taken place relative to TEP development.

The broad recommendation of this report is to *"DIRECT staff as appropriate, including potentially returning to the Board with a draft comment letter to CCTA ..."* Explicit recommendations in specific areas are found in the Table of Contents above and repeated at the end of each of the topical sections below in **bold, and underline**.

Statewide Context: In order to better understand the statewide context relative to transportation related taxes, the table ***Transportation Related Taxes in California*** is attached.

In summary, there are eight counties that have multiple, concurrent transportation and transit sales taxes. Seven counties are located in the San Francisco Bay Area, with the eighth being Los Angeles County.

The most recent example in the Bay Area is Alameda County's Measure BB which passed in November 2014 with 70% support. Measure BB, which is forecast to generate \$8 billion in revenue, renewed an existing ½ cent transportation sales tax and increased the sales tax by ½ cent for 30 years.

Three counties have transportation sales taxes that are more than 1% (Alameda, Los Angeles, and Santa Clara), and Santa Clara is considering an additional .5% for 2016.

Information Not Available For This Report

The following information was not available at the time this report was submitted. However, staff anticipates the information being available by the September 15th Board of Supervisors meeting:

- 1: CCTA's most recent polling results (CCTA and consultant staff have confirmed they will be present at the September 15th discussion.
- 2: The minutes and summary from the August 10th Expenditure Plan Advisory Committee.

History: Reports on this issue have been brought to previous Board of Supervisors meetings. Those reports included a substantial amount of background information and are available at the following links:

June 16, 2015

[http://64.166.146.245/docs/2015/Board of Supervisors/20150616_591/601_6-16-15%20Board of Supervisors%20Packet.pdf#page=1222](http://64.166.146.245/docs/2015/Board%20of%20Supervisors/20150616_591/601_6-16-15%20Board%20of%20Supervisors%20Packet.pdf#page=1222)

October 21, 2014

[http://64.166.146.245/docs/2014/Board of Supervisors/20141021_482/493_10-21-14_1410_AGENDApacket.pdf#page=453](http://64.166.146.245/docs/2014/Board%20of%20Supervisors/20141021_482/493_10-21-14_1410_AGENDApacket.pdf#page=453)

September 23, 2014

2] PROCESS: Proposed 0.5% Sales Tax Increase for the Support of Countywide Transportation Projects and Programs

In 1988, Contra Costa County voters approved Measure C, a transportation sales tax measure. In November 2004, the voters approved Measure J to continue the half-cent transportation sales tax for 25 more years beyond the original expiration date of 2009. According to the CCTA's website, Measure C was approved by 71% of the voters.

Statutory Setting: The Legislature has limited the maximum combined rate of sales, transactions and use taxes that can be imposed in California at 9.5% (the "cap"). Cities and counties may collectively impose up to 2% of this amount.

The cities of Richmond, Moraga and Pinole each have sales and use tax rates at the 9.5% cap.

Last year, El Cerrito obtained special legislation that allowed it to exceed the 2% cap by 0.5%. City voters approved the additional 0.5% sales tax effective January 1, 2015, increasing the sales tax rate in El Cerrito to 10%.

In 2013, the Legislature amended Sections 7291 and 7292 of the Revenue and Taxation Code, allowing Alameda County and Contra Costa County each to impose a one-half cent (0.5%) transactions and use tax for countywide transportation programs above the maximum sales tax rate cap of 9.5%.

Specifically, Revenue and Taxation Code section 7291 states:

Notwithstanding any other law, the County of Alameda and the County of Contra Costa may each impose a transactions and use tax for the support of countywide transportation programs at a rate of no more than 0.5 percent that would, in combination with all taxes imposed pursuant to Part 1.6 (commencing with Section 7251), exceed the limit established in Section 7251.1, if all of the following requirements are met:

- (a) The county adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.*
- (b) The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.*
- (c) The transactions and use tax conforms to the Transactions and Use Tax Law, Part 1.6 (commencing with Section 7251), other than Section 7251.1.*

Because this legislation authorizes a new one-half cent (0.5%) transactions and use tax, for countywide transportation programs “notwithstanding any other law,” a new half-cent sales tax increase could be proposed to the Contra Costa County voters in November 2016, even though the result would be that the sales and use tax rates in some cities in this County would exceed the 9.5% cap (i.e., the sales and use tax rate in Richmond, Moraga and Pinole would increase to 10% and the rate in El Cerrito would increase to 10.5%).

Under this authority, in November 2014, Alameda County voters approved Measure BB, which increased the local sales tax by 0.5% to support local transportation programs.

To implement a similar sales tax in Contra Costa County to support transportation programs, the ordinance proposing the special tax would need to be approved by four members of the Board of Supervisors and thereafter by two-thirds of qualified voters voting in the election, (R&T § 7287.5, Gov. Code § 53724(b), PUC § 180201). The authority to impose this tax expires if the voters have not approved the new tax by December 31, 2020.

Recommendation: Initiate a dialog with CCTA on the process to adopt and implement a TEP, in the event the effort receives the necessary support from the cities, County, and CCTA Board.

3] CCTA UPDATE

Polling: CCTA is conducting public opinion surveys of Contra Costa residents to assist in identifying CTP and TEP projects and programs most likely to accomplish public objectives and improve transportation and growth management, while sustaining the quality of life in Contra Costa.

The most recent poll was only just recently completed; results were not available at the time this report was published. This latest poll included 800 Contra Costa County voters likely to vote in November 2016. It was conducted between the dates of August 26 and September 3, 2015. The survey has a margin of error of +/- 3.5%. Respondents were split into four sample groups with each receiving one of four sample potential sales tax measures. The sample sales tax measures tested were a 1/2 cent county specific tax; a 1/4 cent county specific tax; a 1/2 cent CCTA specific tax and a 1/4 cent CCTA specific tax. The survey also studied the effect of a potential BART bond measure sharing the November 2016 ballot.

CCTA and consultant staff will be present at the September 15 Board of Supervisors

meeting to discuss the results of the poll and respond to questions.

Recommendation: None, information only.

4| COMMITTEE INPUT

Input on the TEP is being brought to CCTA through a number of forums which were listed in the June 16, 2015 report to the Board of Supervisors. Included below is input from the a) Expenditure Plan Advisory Committee, and b) Regional Transportation Planning Committees.

a) **Expenditure Plan Advisory Committee (EPAC) TEP Input:** CCTA formed this committee as a part of its comprehensive outreach program for TEP development. Membership on the committee reflects a broad range of issues and interests in the County including environmental, construction, bicycling, labor, elder issues, etc. The complete roster is attached. EPAC met on June 3, 2015; these meeting minutes are attached (EPAC 6-3-15 Meeting Minutes). CCTA provided the following summary of "common themes" expressed at the meeting:

- Interest in developing a balanced plan that voters will support.
- Using the Urban Limit Line to encourage density and development in the right places, expressed by both environmental and business advocates.
- Continuing to use funding from a potential ballot measure to leverage additional moneys, co-invest with other public agencies, and fill gaps resulting from State cutbacks.
- Identifying performance standards for the transportation system that facilitate comparison of options.

b) **Regional Transportation Planning Committees (RTPCs)**

The RTPCs were given the following targets to meet:

Funding Targets by Subregion

CONSTANT \$	2030 Percentages POPULATION	25-year Measure REVENUE (x 1,000)
TRANSPAN	28.25%	\$ 660,756
TRANSPAC	29.37%	\$ 686,929
WCCTAC	23.26%	\$ 544,032
SWAT	19.13%	\$ 447,366
TOTAL*	100.00%	\$ 2,339,083

* may not add up due to rounding

Below is a summary table the input provided to CCTA from the RTPCs (Also attached as RTPC TEP Input):

TRANSPAC		
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Programs	Cost (x1000)	% of Share
Local Streets Maintenance/Multi-Modal Improvements	\$206,100	30.0%
Bike/Pedestrian/Trail Enhancement and Maintenance	\$20,000	2.9%
Transportation for Seniors and Disabled	\$21,300	3.1%
Safe Routes to School	\$10,800	1.6%
Increased Bus to BART	\$57,900	8.4%
Commute Alternatives	\$10,000	1.5%
Transportation for Livable Communities	\$24,700	3.6%
Technology Upgrades	\$20,000	2.9%
<i>Subtotal Programs</i>	<i>\$370,800</i>	<i>54.0%</i>
RTPC TOTAL	\$687,000	100.0%
Capital Projects	Cost (x1000)	% of Share
New BART Cars	\$10,000	1.5%
I-680/SR-4 Interchange	\$60,000	8.7%
SR-242/Clayton Road On/Off Ramps	\$17,700	2.6%
I-680 Operational Improvements	\$15,000	2.2%
SR-4 Operational Improvement	\$30,000	4.4%
Pacheco Boulevard Widening	\$20,300	3.0%
Alhambra Avenue Widening	\$10,000	1.5%
Galindo Street Corridor Improvements	\$4,400	0.6%
Contra Costa Boulevard/Concord Avenue Interchange	\$24,000	3.5%
Clayton Road/Treat Boulevard Intersection	\$1,000	0.1%
Ygnacio Valley Road Complete Streets	\$20,000	2.9%
Concord Boulevard Complete Streets	\$8,000	1.2%
Willow Pass Road Capacity/Complete Streets	\$5,000	0.7%

Contra Costa Boulevard Complete Streets - Phase Five and Six	\$12,800	1.9%
Gregory Lane Complete Streets	\$17,700	2.6%
Pleasant Hill Road Complete Streets - Phase Two and Three	\$16,600	2.4%
West Downtown Public Improvements	\$24,000	3.5%
Olympic Corridor Bike/Trail Connector	\$11,700	1.7%
Ferry Service	\$8,000	1.2%
<i>Subtotal DRAFT Capital Projects</i>	<i>\$316,200</i>	<i>46.0%</i>
TRANSPLAN		
Programs	Cost (x1,000)	% of Share
Local Streets Maintenance and Improvements	\$198,227	30.0%
Pedestrian/Bike	\$9,911	1.5%
Transportation for Seniors and Disabled	\$46,914	7.1%
Safe Transportation for Children/"Street Smarts"	\$8,259	1.2%
Bus Service	\$33,038	5.0%
Express Bus	\$13,876	2.1%
Commute Alternatives	\$6,608	1.0%
TLC	\$16,519	2.5%
Ferry Service in East County	\$6,608	1.0%
Subregional Transportation Needs	\$10,110	1.5%
<i>Subtotal DRAFT Programs</i>	<i>\$350,070</i>	<i>53.0%</i>
Capital Projects	Cost (x1,000)	% of Share
Major Streets in East County	\$20,000	3.0%
BART Parking/Access/Other Improvements	\$10,000	1.5%
BART Safety and System Reliability	\$10,000	1.5%
eBART (Antioch to Brentwood)	\$80,000	12.1%
Tri-Link (SR-239 - Brentwood to Tracy Expressway)	\$120,000	18.2%

SR-4 Operational Improvements	\$30,000	4.5%
Vasco Road Improvements	\$40,000	6.1%
<i>Subtotal DRAFT Capital Projects</i>	<i>\$310,000</i>	<i>46.9%</i>
SWAT		
Programs	Cost (x1,000)	% of Share
Local Streets & Roads (Option A) ¹	\$134,000	30.0%
Local Streets & Roads (Option B) ²	\$112,000	25.0%
Pedestrian/Bike/TLC/Complete Streets	\$40,000	8.9%
Transportation for Seniors	\$10,000	2.2%
Safe Transportation for Children	\$25,000	5.6%
Expanded Transit Access to BART	\$60,000	13.4%
Commute Alternatives	\$5,000	1.1%
Technology Upgrades (Signal Coordination, etc.)	\$5,000	1.1%
<i>Option A Subtotal DRAFT Programs</i>	<i>\$279,000</i>	<i>62.4%</i>
<i>Option B Subtotal DRAFT Programs</i>	<i>\$257,000</i>	<i>57.4%</i>
Option A RTPC TOTAL	\$448,000	100.1%
Option B RTPC TOTAL	\$448,000	100.1%
Capital Projects		
	Cost (x1,000)	% of Share
Major Streets	\$16,000	3.6%
Expanded BART Service (Option A) ¹	\$28,000	6.3%
Expanded BART Service (Option B) ²	\$50,000	11.2%
I-680 Transit Congestion Relief	\$80,000	17.9%
SR-24 Interchange Operational Improvements	\$20,000	4.5%
PDA Bypass (Lafayette)	\$25,000	5.6%
<i>Option A Subtotal DRAFT Capital Projects</i>	<i>\$169,000</i>	<i>37.8%</i>
<i>Option B Subtotal DRAFT Capital Projects</i>	<i>\$191,000</i>	<i>42.7%</i>
WCCTAC		

Programs	Cost (x1,000)	% of Share
Local Streets/Sidewalk Maintenance	\$152,329	28.0%
Pedestrian, Bike, Trails	\$27,202	5.0%
Transportation for Seniors and Disabled	\$27,202	5.0%
Safe Routes to School	\$5,440	1.0%
Student Bus Pass Program	\$27,202	5.0%
Bus Service Improvements	\$54,403	10.0%
Commute Alternatives (TDM)	\$2,720	0.5%
Ferry Service in West County	\$27,202	5.0%
Subregional Transportation Needs	\$2,720	0.5%
Richmond Pkwy Maintenance	\$13,601	2.5%
Clean Transportation	\$10,881	2.0%
No Displacement from PDAs	\$10,881	2.0%
<i>Subtotal DRAFT Programs</i>	<i>\$361,783</i>	<i>66.5%</i>
RTPC Total	\$544,034	100.0%
Capital Projects	Cost (x1,000)	% of Share
Major Roads, Bridges, Grade Separations	\$13,600	2.5%
BART (Station, Safety, Other Improvements)	\$43,523	8.0%
I-80 Interchange Improvements	\$59,844	11.0%
High Capacity Transit Improvements	\$54,403	10.0%
Hercules Intermodal Transit Center	\$10,881	2.0%
<i>Subtotal DRAFT Capital Projects</i>	<i>\$182,251</i>	<i>33.5%</i>

*At the 8/3/2015 SWAT Committee meeting, the SWAT Committee was split on whether to allocate 30% to Local Streets and Roads or allocate only 25% to Local Streets and Roads and increase funding to expanded BART service. The SWAT Committee approved the Draft SWAT TEP with a split in vote on the amount to allocate to Local Streets and Roads and expanded BART service.

¹Option A based on Draft SWAT TEP proposal with 30% dedicated to Local Streets and Roads

²Option B based on Draft SWAT TEP proposal with 25% dedicated to Local Streets and Roads and increased funding to expanded BART service

5] MAINTENANCE AND THE “LOCAL STREETS MAINTENANCE AND IMPROVEMENTS PROGRAM”

Due to the well-documented need, the Board of Supervisors previously supported increases in maintenance funding in communication both to CCTA and the State. The information below is provided to establish a more explicit basis on which to request increases in maintenance funding and identify an amount. Ultimately, this information would be distributed to CCTA in support of the Board of Supervisors efforts to increase maintenance funding.

Maintenance funding in the TEP has generated substantial dialog in many forums, in particular the RTPCs and the Public Managers Association/City-County Engineering Advisory Committee.

Generally, the conversation is in these areas:

- a. What is the need for new maintenance funding and how much funding should be dedicated to maintenance in a new TEP?
- b. How much transportation funding will be available from the state in the future (may impact the amount in *a) above*)?

a) Level of Need for Funding for Maintenance in a New TEP: Currently, Measure J provides 18% for the maintenance program referred to as "Local Streets Maintenance and Improvements". Due to the well documented maintenance backlog (see the problem statement in the attached, "*Fix our Roads Fact Sheet*"), there is general consensus that maintenance funding needs to be substantially increased. The dialog at the RTPCs and various staff committees has focused on how much of an increase is appropriate. The following information is being submitted in support of the staff recommendation for a specified maintenance funding level in a new TEP.

Detailed information on the maintenance backlog is available in the attached documents. *State* level information can be seen in the aforementioned – attached *Fix our Roads Fact Sheet*, and *regional* data can be seen in the Pavement Condition Index* (PCI) from the Metropolitan Transportation Commission's (MTC) Pavement Management Program (MTC CC County PCI). This information is summarized below:

- MTC performed a 24-year analysis that establishes how much funding is necessary to

bring roads up to a state of good repair, assuming consistent revenues. The analysis shows a revenue shortfall in unincorporated Contra Costa County of approximately \$179 million in pavement needs. If related, non-pavement needs are included (\$263 million), that shortfall increases to **\$442 million**.

If the proposed new 30% TEP program for Local, Streets Maintenance funding is added to MTC's assumed revenue (approximately \$93 million in the 24- year analysis period for unincorporated Contra Costa), there would still be an **\$87 million shortfall** in pavement needs alone for unincorporated Contra Costa County (in the 24-year analysis period). The shortfall is **\$350 million** if the related, non-pavement needs are included.

In addition to the MTC projections, Contra Costa County Public Works Department (PWD) tracks PCI in the unincorporated area. **Their data indicates an even larger shortfall than the MTC data.**

Important Notes

- Maintaining roads in a "state of good repair" is not solely to provide a smooth driving experience for the driver, it is primarily a **critical, long-term cost saving measure**. If pavement condition is allowed to degrade, expensive rehabilitation and reconstruction is ultimately required. The cost of rehabilitation and reconstruction dwarfs the relatively small maintenance investment which greatly extends the original construction investment.
- While pavement condition data and costs are most frequently reported, the directly related, non-pavement needs exceed the pavement needs. These non-pavement needs are included in this discussion because they are inextricably linked to road maintenance costs and activities. Some of these costs include signage, traffic signal systems, shoulder maintenance, lighting, drainage/stormwater infrastructure (culverts, gutter, hydrauger, etc.), clean water infrastructure requirements, guardrail/crash cushion, sweeping, landscaping, street trees, curb/sidewalk, retaining walls, etc. This is an incomplete list.
- The establishment of additional maintenance funding could improve the County's competitiveness in grant applications. In particular, sustainable infrastructure grants often have a landscaping component. Currently, the County does not have adequate maintenance funding to maintain new landscaping. In this example, either we would not compete well with those applications or we would forego the grant opportunity.
- There are other assessments districts and revenue sources that can assist in funding some of the non-pavement costs mentioned above. However, those sources are not always available consistently throughout the unincorporated area and the available revenue stream is typically overwhelmed by costs. The Area of Benefit programs only fund capital costs, not maintenance.

*PCI is expressed by a number between 0 and 100 and is used to indicate the general condition of a pavement. Widely used in transportation civil engineering, it is a statistical

measure and requires a pavement survey.

b) **State Transportation Funding:** There has been substantial dialog regarding two emerging state level transportation funding initiatives that could impact the decision on how much maintenance funding to dedicate in the TEP:

- The recent convening of a special session of the legislature to address state transportation funding/budgeting, and
- The relatively new Cap & Trade Program.

These state initiatives are being discussed in the context of a new local transportation sales tax. If substantial new state transportation revenues are provided to local jurisdictions it could reduce the need for TEP dedications to maintenance. In considering the dynamic between local and state funding the following should be considered:

• **New State Transportation Funding Initiative**

State revenues are potentially less useful than revenue from a local measure because the control of the revenue stream is with the state and expenditure priorities may not be flexible or correspond with local priorities. However, the special session currently underway is considering a partial solution to this situation. Mark Watts, our state legislative advocate, is tracking these discussions closely continues to provide updates to staff. Discussions include placing funding formulas in statute with a follow-up constitutional amendment to prohibit reallocations. Without these fixes, the reliability of state revenues is somewhat speculative. This is distinct from local funds which are insulated from being used for other purposes. Local funds are relatively stable for the life of local transportation measures, subject only to the performance of the overall economy.

The outcome of the special session is currently unknown although it will be known prior to the adoption of the TEP. Mr. Watts and CCTA staff are closely monitoring the special session and CCTA staff will inform the CCTA Board of any actions that could impact our local TEP decision making.

Given the glaring maintenance shortfall that remains even after an assumed increase in local maintenance funds, staff does not consider the potential for increased state maintenance funding and funding reliability as substantially off-setting the need for increases in local maintenance funding. (The current proposal from the Governor's office (9/8/15), as we understand it at this time, does not come close to funding the gap discussed in the "Level of Need for Funding" section above.)

• **Cap-and-Trade Program*:** Currently, the only transportation programs in the Cap-and-Trade expenditure plan are high speed rail, intercity rail, and the transit-oriented development grant program. There have been discussions about using Cap-and-Trade funding for maintenance but this is unlikely. In theory, the transit-oriented grant program

could offset programs in either our existing Measure J or the proposed augmentation. However, Cap-and-Trade funds are granted through a statewide competitive grant, rather than the programmatic manner in which local sales taxes are often disbursed.

The Cap-and-Trade Program is relatively new and the expenditure plan is likely to evolve and expand over time. However, any evolution in funding eligibility is constrained in that projects must have a clear nexus between project character/activity and reduction of greenhouse gas emissions. This typically prevents the funds from being used for routine maintenance. Future Cap-and-Trade programs are more of an unknown and the revenue stream is more unprotected relative to our local funding.

Staff does not consider Cap-and-Trade revenues as substantially off-setting the need for increases in local maintenance funding.

In summary of the discussion above, even in the event that a substantial amount of maintenance funding is established in the proposed TEP, *and* the State increases funds to local jurisdictions for maintenance, the deferred maintenance demand will continue to greatly exceed revenues, at a minimum in the short term. If, in the long-term, we have achieved our target PCI, the TEP can be amended to redistribute funds to higher priority projects.

****Cap-and-Trade defined:** The California Cap-and-Trade Program is a market-based mechanism to lower greenhouse gas emissions. This mechanism is intended to reduce greenhouse gas emissions from regulated entities by more than 16 percent between 2013 and 2020. Under Cap-and-Trade, companies must hold enough emission allowances to cover their emissions, and are free to buy and sell allowances on the open market. Companies must purchase allowances at an auction. Auction revenues are spent according to a state adopted program. Program activities must have a direct nexus to greenhouse gas reduction.*

Other Considerations

Bay Area Rapid Transit (BART) Tax Increase: Similar to the deferred maintenance backlog faced by transportation agencies, BART has a substantial unfunded maintenance program. In BART's recent report on their 2015-2024 Capital Improvement program, BART has reported a \$4.8 billion shortfall in funding. BART has plans to seek authorization from the voters in 2016 for a tax increase.

Other Staff Input: The Contra Costa Public Managers Association (PMA) and City County Engineering Advisory Committee (CCEAC) are both discussing the matter. Final input is not yet available from these groups. However, at the time of the submission of this report, the majority of PMA and CCEAC members support 30% maintenance program.

Expansive Definition of Maintenance: The dialog regarding increases in maintenance funding has been somewhat confounded by the evolving definition of what activities are

included in "maintenance" projects.

The existing Measure J Expenditure Plan includes the following categories – Transportation for Livable Communities, and Pedestrian, Bicycle and Trail Facilities – which, directly or indirectly, support alternatives to auto-based travel. At the time these project categories were developed (early 2000's), the state of transportation planning and engineering was such that if there was a desire for funds to be dedicated to these types of activities, they needed to be called out separately. Over 10 years later, transportation planning and engineering has evolved, advocacy efforts related to safety, livability, and the expansion of alternatives to the automobile have changed the state-of-the-practice.

With this evolution, the current dialog on maintenance funding has struggled to keep up with the state-of-the-practice which is now that consideration/accommodation of pedestrians and cyclists in all transportation projects is typically obligatory in some manner. This is not to say these "alternative" programs should necessarily be reduced or subsumed in to the general maintenance category. Rather, decision makers should consider that there is overlap between the categories of maintenance, bicycle/pedestrian trails, transportation for livable communities, etc.

In addition to including alternative modes in transportation projects, our well-documented deferred maintenance costs are magnified by ever stricter water quality requirements. Transportation projects, new construction and maintenance, are required to have runoff and pollution controls installed with the project to meet requirements in our Municipal Regional Stormwater/National Pollutant Discharge Elimination System Permit.

Recommendation: Staff recommends that the Board of Supervisors adopt a position on the level of maintenance funding in a new TEP consistent with the recommendations provided by the RTPCs*.

* RTPC Local Streets Maintenance Recommendations: TRANSPAC = 30%, TRANSPAN = 30%, SWAT = 25-30%, WCCTAC = 28%.

6] ACCESSIBLE SERVICES/MOBILITY MANAGEMENT ADMINISTRATIVE CHANGES

Notes:

Accessible Services: The type of transit service discussed in this section is referred to in shorthand as “accessible services”. This includes many different types of service provided by different types of agencies including Americans with Disabilities Act (ADA) mandated paratransit service, senior/disabled service provided by private non-profit

providers, mobility management programs, volunteer based programs, cities, community based programs, etc.

Mobility Management Defined: *Mobility management is a strategic approach to service coordination and customer service, directing passengers to the most appropriate and cost-effective transportation service providers. A well-managed service area provides a full range of well synchronized mobility services in a cost effective manner.*

This issue was included as a priority in the October 2014 letter from the Board of Supervisors to CCTA. The letter emphasized the need for additional funding along with the need for "*fundamental administrative changes*". This issue is longstanding, and was a Board of Supervisors priority during the reauthorization of Measure C in 2004, (see attached letter: 2004 Board of SupervisorstoCCTA Comments Re Measure C Reauthorization).

Primary barriers to progress on this issue are 1) accessible transit responsibilities are diffused (geographically and organizationally) throughout the county resulting in no single agency or organization falling naturally into a leadership role, 2) understandable resistance to implementing a countywide service that is now provided sub-regionally, 3) similar understandable resistance to changes in the way service is provided to a sensitive population, and 4) the initial investment necessary in an agency or organization that will be necessary to develop adequate administrative, technical and operational capacities to implement necessary changes.

The information below is provided to address some of the barriers listed above and to establish a more explicit rationale and more specific proposal on how we can make progress. Ultimately, this information could be distributed to CCTA and the transit providers in the County to pursue a more coordinated approach to improve accessible services.

Accessible Services Topics:

- a. Issue Summary
- b. Increasing Costs
- c. Contra Costa County Mobility Management Plan
- d. 2014 Federal Transit Administration Study: Accessible Transit Services For All
- e. Contra Costa County Public Works/General Services Involvement
- f. Santa Clara County – OUTREACH Tour
- g. Coordination requirements
- h. Acknowledgment of Sensitivity

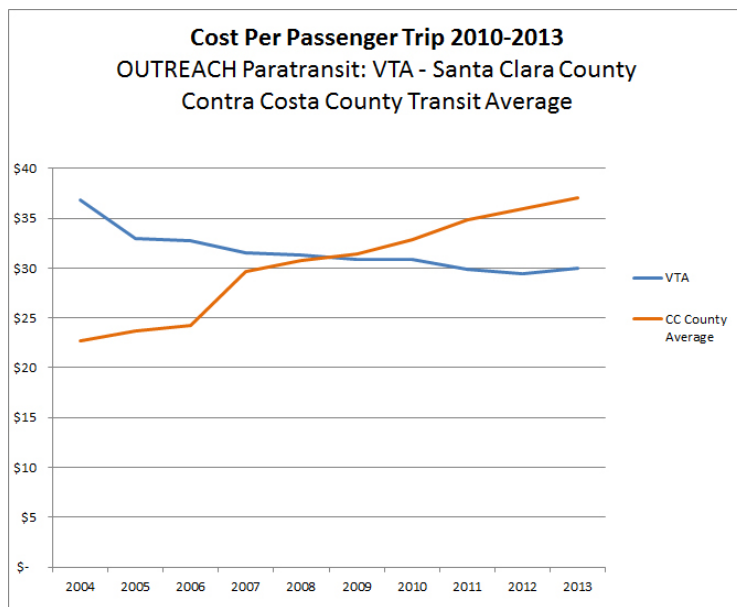
a) Issue Summary: In order to cost effectively manage a range of accessible services, an agency must be able to manage:

- Clients with a wide range of intellectual and physical capacities,

- Transportation service providers with different vehicles/drivers/costs/capacities,
- deployment of new technology and systems in an seamless and effective manner,
- An array of funding sources with different policy eligibility and geographic eligibility,
- Trips with an array of origins/destinations (as opposed to fixed route bus service with set routes/stops), The co-mingling of the aforementioned funds, clients, and trips.

An agency with the capabilities mentioned above is relatively sophisticated and will require an investment. Due to economies of scale with such an operation, such an investment is not likely to be efficient on a sub-regional level; the return on investment is only likely to be reasonable if it is made on a countywide scale.

b) Increasing Costs: Costs for the provision of specific, required ADA paratransit by transit operators have increased as has been predicted for some time. Cost figures for Contra Costa County transit operators are provided below. The cost figures for Santa Clara County paratransit provider OUTREACH is also provided for context given the discussion further below in this report.



Data source: [2004-2013 National Transit Database \(NTD\)](#)

ADA Paratransit is reported as “demand response” in the NTD reporting system “CC County Average” includes cost for AC Transit, County Connection, Tri Delta, and WestCAT demand response services. Note that “VTA” is the Santa Clara Valley Transportation Authority.

The cost control shown by VTA-OUTREACH in the chart above is a result of a maturing mobility management program combined with a brokerage model. A brokerage is a central operation which selects the most appropriate and cost-effective transportation service providers for varying clients and trips and is provided by contractors to the

broker. OUTREACH fulfills VTA's Americans with Disabilities service obligations in addition to providing other accessible services. OUTREACH is nationally recognized as a best-practice model for cost-effective procurement/contracting and operating practices (See 2014 FTA Accessible Transit Study section below).

In order to address the cost increases, and to improve service, a fundamental change in the way accessible services are administered is necessary. Mobility management was proposed in the Measure C reauthorization process and is suggested in the current Mobility Management Plan discussed further below. Currently, each transit district fulfills its ADA paratransit obligations independently, some cities provide additional accessible services to its citizens, and some specialized programs that serve elder clients or clients with disabilities provide their own transportation.

The recommendation in this report is for Contra Costa County and CCTA to examine the Santa Clara County brokerage model as a potential operation to replicate as an eventual evolution of the Mobility Management Plan mentioned above and discussed below. This approach would involve the countywide consolidation of *services* (as opposed to *agencies*).

The provision of lower-cost transportation providers such as volunteer programs, sedan services, Uber/Lyft, etc. alone will be inadequate to control costs. Efficient management of these resources, and the ability to quickly and accurately connect appropriate clients with the most appropriate lower-cost transportation provider is critical in reducing costs. Mobility Management and a brokerage model are not proposed in place of these lower-cost services, but rather to *enable* them.

c) Contra Costa County Mobility Management Plan:

A County Connection led effort in 2013 resulted in the "Contra Costa Mobility Management Plan" (MMP) being developed. The MMP provides recommendations for implementation of a program in the County:

Phase 1: Adoption of Plan

- *Obtain Transit Operator Support*
- *County Connection Board Adoption*
- *Forward MMP to CCTA for Implementation*

Phase 2: Form MMP Oversight Board

- *Members include executive staff from County Connection, Tri-Delta Transit, WestCAT, AC Transit, CCTA, BART, and three executives representing human service agencies*
- *CCTA Presentation*

Phase 3: Form a Consolidated Transportation Service Agency as the Mobility Management Agency

- *Oversight Board Hires Manager*
- *Oversight Board Conducts Performance Review*

Currently, the process is in Phase 2. A meeting of the MMP Oversight Board has been called. Staff will keep the Transportation, Water, and Infrastructure Committee and Board of Supervisors informed of progress on this issue.

d) 2014 FTA Study: Accessible Transit Services for All

As mentioned in the *Increasing Costs* section above, the Federal Transit Administration released a study in 2014 called “*Accessible Transit Services for All*” which examined the state of accessible transit service in the nationwide. The study is critical because of its comprehensive nature but also because it provides contemporary examples of successful service models. Examination of current programs are important given the evolving nature of the accessible transit services field.

An excerpt from the study is attached, "FTA Report: OUTREACH Excerpts", and information related to the mobility management program, brokerage operation and associated cost savings are bookmarked and highlighted.

e) Contra Costa County Public Works/General Services Involvement

The FTA study mentioned above investigates the various reasons for the success of the OUTREACH program. Of interest to the Board of Supervisors may be the involvement of Santa Clara County government in the operation.

As noted in the study, County government provides competitive pricing to OUTREACH and VTA for the following: vehicle parking, vehicle maintenance, and bulk fuel purchase.

Staff from Public Works and Conservation and Development are currently exploring if this arrangement could be replicated in Contra Costa County.

f) Santa Clara County – OUTREACH Tour

The Transportation, Water, Infrastructure Committee (TWIC) expressed support for a tour of the OUTREACH/Santa Clara County operation and directed staff to begin making arrangements. Originally projected to take place in September, the tour will take place later in the fall due to scheduling conflicts with OUTREACH.

g) Coordination Requirements: In order to compel and accelerate implementation of the recommendations of the MMP and any outcomes or findings from the OUTREACH/Santa Clara County Tour, the Board of Supervisors should consider

recommending to CCTA that eligibility for transit funding in a new TEP is contingent upon participation with mobility management and other identified efforts. **This type of requirement is not without precedent:**

- At the federal level, United States General Accounting Office produced a report in 2003, *"Disadvantaged Populations: Some Coordination Efforts Among Programs Providing Transportation Services, But Obstacles Persist"*. The report found that increased coordination improved service and reduced costs. Subsequent to this report, an Executive Order was issued directing increased coordination. With the next iteration of the federal transportation funding authorization (SAFETEA-LU), coordination was required pursuant to the Executive Order. To be eligible for certain federal transit funding for accessible type services coordination was required. Those requirements continued with each subsequent funding program and continuing resolution.
- At the regional level, the MTC passes along the federal coordination requirements mentioned above to local recipients of federal transit funding.
- At the local level, requirements currently exist in Measure J, albeit not relative to transit funding. Local jurisdictions are required to participate in, and demonstrate consistency with the Growth Management Program in order to be eligible for *"Local Streets Maintenance & Improvements"* program.

h) Acknowledgement of Sensitivity

Compounding the complexity of implementing a system is the sensitive nature of the client population being served. The existing client population should be insulated from any extreme or sudden changes in service provision. This issue is reflected in recommendation #4 immediately below.

Recommendation: Staff recommends sending communication to CCTA and Contra Costa County transit districts that:

1. Re-asserts the position that implementation and funding of mobility management is a priority highlighting the Santa Clara brokerage model and cost information provided in this report;
2. Formally requests participation in the OUTREACH/Santa Clara County tour from CCTA and transit district leadership;
3. Recommends that eligibility for any transit operations program funding in the TEP is contingent on participation in implementation of the countywide mobility management program, and other identified improvements;
4. Establishes that it is the intent of the Board of Supervisors to insulate the existing paratransit client population from service degradation or interruptions as implementation efforts move ahead and requests that CCTA and the transit providers adopt the same position.

7] BETTER COORDINATION OF LAND USE: AN ALTERNATIVE FORM OF TRANSPORTATION PROGRAM

The County's October 2014 letter included a funding request for economic development supportive activities under the heading of "Major Projects & Emerging Planning Initiatives". Further detail included a funding request for "transportation projects and programs, infrastructure improvements and other expenditures that facilitate needed economic development." This section is intended to expand on that idea, describe the connection to transportation and suggest for discussion purposes some alternative approaches that could be further evaluated and pursued for possible inclusion in the TEP.

The reverse-commute direction on regional routes is often under used. For example, State Route 4 in East Contra Costa County carries approximately 30,000 vehicles during the westbound AM and Eastbound PM commute direction. This is approximately 70% of the total corridor segment traffic volume during either of those peak commute periods. Again, this often leaves the off-peak direction operating with substantial remaining capacity. The top five cities in the Bay Area with the longest commute times are all in Contra Costa County*. That time that could be spent more productively with family, working, exercising, etc. Long and congested commute patterns contribute substantially to unhealthful and climate-altering emissions. A primary cause of this unbalanced, inefficient and resource-intensive transportation pattern is that it can be difficult to find jobs and housing in close proximity or to find jobs and housing connected by transit or other efficient transportation infrastructure. The potential sales tax measure now under consideration may present an opportunity to better address a root cause of the transportation challenges we face.

The interrelationship between transportation and land use has long been recognized and incorporated in policy. Measure C (1988) and Measure J (2004) included growth management programs for this reason. Both linked return to source funding for local jurisdictions to establishment of urban limit lines intended to curtail growth that would further impact the overburdened transportation network. California Senate Bill 375, adopted in October 2008, seeks to reduce greenhouse gas emissions through the development of sustainable community strategies that call for better coordination between transportation and land use planning. The Association of Bay Area Governments, charged with implementing SP 375, has coordinated designation of Priority Development Areas--infill development areas near transit--as well as Priority Conservation Areas (PCAs). ABAG's Regional Planning Committee voted unanimously on June 3, 2015, to embark on further study of Priority Industrial Areas (PIAs), recognizing that land needs to be allocated for high-growth industries that generate significant jobs and tax revenues, and when centrally located, decrease travel time. Expenditures from the State Greenhouse Gas Reduction Fund (Cap and Trade) are being directed to promote development within PDAs. A potential sales tax measure for Contra Costa County may be able to employ some of these types of policies and customize them to Contra Costa County needs and circumstances. In fact, WCCTAC has recommended allocating sales tax funding in its region for PDAs and for anti-displacement activities within those PDAs.

To illustrate the types of provisions that could be considered for the TEP staff has outlined some examples that could effect transportation benefits through land-use. These

examples belong to two categories: a) funding allocations to promote development that reduces congestion, and b) new policy incentives to promote development that reduces congestion.

* MTC's "Vital Signs": Oakley, Brentwood, Antioch, Hercules, Pittsburg.

Funding Allocations to Promote Development That Reduces Congestion.

The TEP could allocate a portion of the future funds to a transportation demand reduction program. Instead of focusing on building or expanding transportation infrastructure, funds for such a demand reduction program could be used to stimulate certain infill development. Such development would have to demonstrate reductions in transportation demand, such as reduced strain on the most congested freeways. This could take the form of development in PDAs near transit or other types of development that achieve the demand reduction goal. For Contra Costa County, jobs/housing balance is a key concern. A focus on developing employment centers that would offer well-paying jobs proximate to housing (i.e. priority employment areas) could have merit. Stimulating development that establishes well-paying jobs in East County, for example, could reduce strain on Highway 4, offer a far easier commute for East County residents and make better use of prior transportation investments by stimulating the counter commute.

Subject to establishment of a clear nexus to transportation needs, a broad range of activities designed to stimulate infill development and reduce demand on roads or other existing transportation facilities could be evaluated as part of this process. One example might be the improvement of roads in infill areas or transit access to those areas to stimulate development. However, some areas may need greater investment to reverse prior land-use trends and reduce transportation demand. In this case, broader investment options might be explored. Subject to legal analysis, ideas such as funding or partially-funding other public infrastructure (e.g., water, sewer, power, etc.), impact fees (including transportation fees) or possibly even the costs of land assembly or constructing a project such as a business park might be considered. Some approaches will work better than others or have broader support, and past experiences with investing in economic development could be a guide to more successful strategies.

Policy Incentives to Stimulate Infill Development. Alternatively or in addition, the Board might want to direct staff to evaluate whether the TEP might include policy incentives to promote infill development that reduces transportation demand. For example, staff could explore whether the TEP could include incentives for local agencies to adopt and implement certain land-use policies such as PDAs or priority employment areas, greater density along transit or employment targets similar to the housing targets local agencies are required to include in their General Plan Housing Elements. The Board might also want staff to evaluate whether infill development incentives could be linked to existing TEP funding. For instance, the Board might want staff to explore whether infill development or transportation demand reduction could be a criteria for allocating funding for complete streets projects or other categories of funds in the TEP, or whether the TEP

could include planning funds to help local jurisdictions address problems like the job/housing balance.

Local land-use agencies, including the County, are eager to maintain control of their land-use process and new policy in incentives embedded in the TEP could be controversial. Such incentives can also have unintended consequences and any new policy incentive would need to be carefully considered.

Recommendation: The material presented in this section is intended to promote conversation and elicit policy guidance from the Board. It was not intended to be a detailed proposal and has not been thoroughly discussed with CCTA or other jurisdictions. If the Board wishes to pursue these ideas further, additional research and engagement with partners would be required to further explore the feasibility of these concepts and craft a more definitive proposal. Staff recommends the Board provide initial feedback on these concepts.

8] BICYCLE TRANSPORTATION ISSUES

Contra Costa County currently has the lowest rate of trips-by-bike rate in the Bay Area according to the MTC*. A strategic approach to developing and prioritizing bicycle project and program activities to reverse this rate could improve the County's ranking.

* MTC: Regional Bicycle Plan for the San Francisco Bay Area – 2009 Update.

Recommendation: Staff recommends sending communication to CCTA proposing the development and funding of a bicycle project and program strategy that substantially increases the County's trip-by-bike rate.

9] MAJOR PROJECTS

Below is a list of “major projects” included as priorities in the Board's October 2014 letter. Staff understands that these priorities are still valid. Modifications to the County position, where necessary, are provided.

- **TriLink (SR239):** Recommend continuing as a priority. Emphasize the Vasco-Byron Connector phase as a near term priority.

- **North Richmond Truck Route:** Recommend continuing as a priority.

- **I-680 HOV Gap Closure:** Recommend continuing as a priority. (*Note: The CCTA Administration and Planning Committee recently approved an agreement with MTC to study alternatives to close the gap.*)

- **Iron Horse/Lafayette-Moraga Trail Connector:** Recommend continuing as a priority.
- **Vasco Road Safety Improvements:** Recommend continuing as a priority.
- **Northern Waterfront Goods Movement Infrastructure:** Recommend continuing as a priority.
- **Kirker Pass Road Truck Climbing Lane:** This particular project did not make it on the RTPC project priority list. Staff recommends continuing with this project as a priority and communicating the importance of the project to CCTA as follows: The Northbound Project, estimated to cost \$18 million, is scheduled for construction in 2018 and will provide a northbound truck climbing lane and paved shoulders for future Class II bike lanes between Clearbrook Drive in the City of Concord and the easternmost Hess Road intersection in the unincorporated area. The project is needed to improve safety for motorists and bicyclists along this stretch of road that experiences high truck traffic and is a major commute corridor between central and east county. With sustained grades steeper than eight percent, trucks are unable to match the speed of other vehicles on the roadway, causing significant congestion and creating a safety hazard.

The Southbound project will add a truck climbing lane in the opposite direction and is estimated to cost over \$20 million. There is no date yet for construction, but project development activities are expected to be started within the next few years.

- **Capitol Corridor Voucher Program: New Proposed Program:** Staff recommends requesting that WCCTAC and CCTA explore the concept. WCCTAC is currently involved in a high capacity transit study that would explicitly or effectively extend BART service in West Contra Costa County. Given that a service expansion of this type is typically a long-term process; a more immediate solution should be considered.

The CCJPA currently operates the Capitol Corridor service through Contra Costa County. In order to provide some service increase to West Contra Cost residents, a TEP-funded, Capitol Corridor voucher program for Contra Costa residents should be explored. The CCJPA is currently involved in a Capitol Corridor Vision Planning process that does call for coordination with WCCTAC and CCTA relative to the high capacity transit study.

Recommendation: Staff recommends communicating Board of Supervisors project priorities for a TEP to CCTA including the specific recommendations above.

CONSEQUENCE OF NEGATIVE ACTION:

If a comment letter is not transmitted, the Board will forgo an opportunity to provide input on the development of the Transportation Expenditure Plan.

CLERK'S ADDENDUM

Speakers: Debbie Toth, Rehabilitation Services of Northern California; Mary Bruns, Lamorinda Spirit; Vincent Wells, President Firefighters' Local 1230; Ella Jones, resident of San Pablo; Elaine L. Welch, Senior Helpline Services; Ralph Hoffmann, resident of Walnut Creek.

*Staff prepared a PowerPoint presentation regarding polling on a possible tax measure that was not yet available at the time of publication of the agenda. By unanimous vote of all Supervisors present, the Better Government Ordinance 96 hour time limit for material submission is **WAIVED**. (attached) In regard to recommendation 7, Better Coordination of Land Use: An Alternative Form of Transportation Program, the Board supported staff having further conversations with County Counsel and conducting further analysis about policies designed to reduce transportation needs and stimulate growth, with more focus on creating job opportunities where housing structure is already in place. The possible policy incentive(s) should include consideration of Priority Industrial Area's, and infrastructure needs such as power and water. The Board expressed a desire to have the matter of possibly pursuing a county-wide sales tax measure scheduled on an October 2015 agenda. **ADOPTED** the recommendations of staff as presented today.*

ATTACHMENTS

RTPC TEP Input

EPAC Roster (September 2015)

FTA Outreach Excerpts

10-21-14 BOSLettertoCCTAReCTP

Transportation Related Taxes in California

6-3-15 CCTA EPAC Mtg Minutes

Fix Our Roads Fact Sheet

MTC CC County PCI

2004 BOS to CCTA Comments Re Measure C Reauthorization