



Grass Valley • Nevada City

Nevada County • Truckee

COMMISSION

## MEMORANDUM

TO: The Nevada County Transportation Commission

FROM: Daniel B. Landon, Executive Director 

SUBJECT: Executive Director's Report for the January 20, 2016 Meeting

DATE: January 7, 2016

### 1. WESTERN NEVADA COUNTY TRANSIT DEVELOPMENT PLAN UPDATE

A public workshop was held on December 7, 2015 to present the study findings to date and give the public an opportunity to provide input on the potential service alternatives. The consultant is currently preparing the Draft Report, which will include a recommended implementation plan and financial plan. The Draft Report will then be presented to the Transit Services Commission (TSC) at their March 16, 2016 meeting for review and comment. Comments received will be incorporated into the Final Report, which will be presented to the NCTC for adoption at their May 18, 2016 meeting.

The remaining schedule for the project is shown below:

ACTIVITIES	DATE
Develop Draft Report	January 2016
Present Draft Report to TSC	March 16, 2016
Final Report Accepted by NCTC	May 18, 2016
Project Complete	May 18, 2016

### 2. GOLD FLAT ROAD CORRIDOR TRAFFIC ANALYSIS

The consultant, Omni Means, is currently completing the Draft Report, which will document the traffic analysis and recommended improvement plan for the Gold Flat Road Corridor. The Draft Report will be presented to the Project Advisory Committee (PAC) for review and comment in January. The Final Report will then be prepared and presented to the NCTC at their March 16, 2016 meeting for acceptance as complete per terms of the contract.

### 3. TRUCKEE "MINI-MOUSEHOLE" PROJECT STATUS

The "Mini" Mousehole is open! While construction of the final plan is not complete, cooperation from the Town of Truckee and the contractor, Gordon N. Ball, enabled Truckee to open the tunnel to the public for the winter. Temporary asphalt paths were installed to provide access to the tunnel and the Town's maintenance department will provide snow removal.



January 7, 2016, 1:25 p.m.

#### Report from Truckee Staff on Construction Activities:

The contractor made excellent progress this summer in getting the majority of the Mousehole construction complete before the snow fell. While there is still some work to be completed next spring, the contractor is well ahead of schedule. The contract calls for a completion date of late July 2016, but the contractor is planning to be finished in June. Their start next spring will depend a lot on how much snow we get this winter and how late the weather stays cold. Once the snow melts, the completion of the project will include the construction of the pathway that will connect Deerfield Drive through the tunnel to West River Road, minor finishing touches to the inside of the tunnel, and installation of some landscaping around the mobile home park entrance.

The pedestrian tunnel will remain open throughout the winter (weather permitting). However, when construction resumes in the spring, there will be periods when the tunnel will have to be closed to the public in order to finish work inside and connect the pathways. Again, this schedule will depend on the weather.

#### 4. FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

American Association of State Highway and Transportation Officials (AASHTO) - Summary of the New Surface Transportation Bill:

OVERVIEW: On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation (FAST) Act that authorizes Federal highway, highway safety, transit, and rail programs for five years from Federal Fiscal Years (FFY) 2016 through 2020. The FAST Act represents the first long-term comprehensive surface transportation legislation since the Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Act in 2005. This legislation is based on the House-Senate conference committee report on H.R. 22, which reconciled the Surface Transportation Reauthorization and Reform (STRR) Act of 2015, passed in the House of Representatives in October, with the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act, passed in the Senate in July.

The FAST Act authorizes \$305 billion from both the Highway Trust Fund and the General Fund (GF) of the United States Treasury. It provides \$225 billion in Highway Trust Fund (HTF) contract authority over five years for the Federal-aid Highway Program, increasing funding from \$41 billion in 2015 to \$47 billion in 2020. The bill continues to distribute nearly 93% of all Federal-aid Highway program contract authority to state departments of transportation (DOTs) through formula programs.

The bill places major emphasis on freight investments to be supported by the HTF by creating a new National Highway Freight Program (NHFP) funded at an average of \$1.2 billion per year and distributed to the states by formula. In addition, a new discretionary program entitled the Nationally Significant Freight and Highway Projects, is established and funded at an average of \$900 million per year. Under the renamed Surface Transportation Block Grant Program (STBGP), the FAST Act gradually increases the percentage of STBGP funds that are suballocated by population from 51% in 2016 to 55% by 2020. The bill also includes a \$7.6 billion rescission of unobligated Federal-aid Highway contract authority in FY 2020.

The FAST Act provides \$61 billion over five years for Federal transit programs, including \$49 billion in HTF contract authority and \$12 billion in authorizations from the GF. For highway safety, the bill provides a total of \$4.7 billion for the National Highway Traffic Safety Administration (NHTSA) and \$3.2 billion for the Federal Motor Carrier Safety Administration (FMCSA). Unlike past highway and transit bills, the FAST Act also authorizes \$10 billion of the GF over five years for the Federal Railroad Administration and Amtrak.

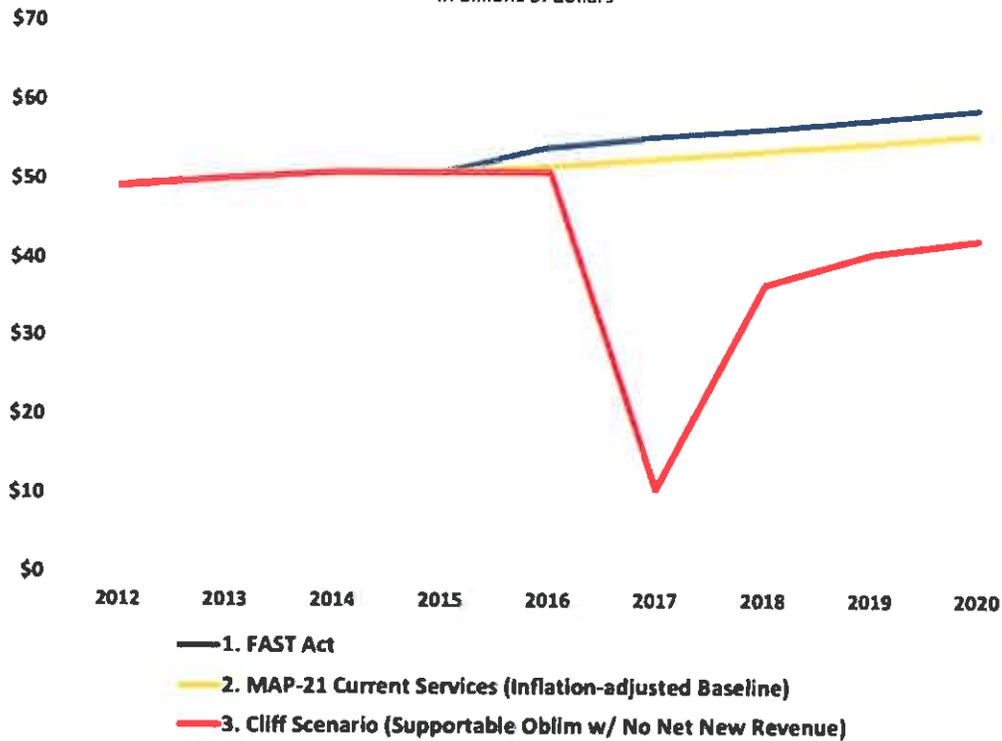
To place the FAST Act funding level in context, the chart below shows three possible highway and transit funding scenarios between 2016 and 2020.

1. Obligation levels authorized under the FAST Act.
2. Moving Ahead for Progress in the 21st Century (MAP-21) obligation levels, adjusted for inflation.
3. Supportable obligations if no net new revenues were provided to the HTF after 2014 (the "cliff" scenario.)

The FAST Act provides a moderate increase in funding compared to MAP-21 due to \$70 billion in GF transfers to the HTF. A total of \$140 billion of GF dollars have been transferred to HTF since 2008.

### COMPARISON OF ESTIMATED ANNUAL HIGHWAY AND TRANSIT OBLIGATIONS

In billions of dollars



#### 5. AB 1591-TRANSPORTATION FUNDING PACKAGE

On January 6, 2016, California Assemblymember Jim Frazier (D-Oakley), Chair of the Assembly Committee on Transportation, unveiled legislation to provide much-needed transportation funding for California. AB 1591 will raise over \$7 billion annually and fund two major initiatives: trade corridor improvements and road maintenance and rehabilitation. An overview of AB 1591 is attached.

attachment

# ASSEMBLY BILL 1591: TRANSPORTATION FUNDING

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Assemblymember Jim Frazier

## THE PROBLEM IN BRIEF:

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California's transportation infrastructure is extremely underfunded, which has led to significant deferred maintenance and a lost opportunity on economic growth. The current resources are not sufficient to cover the most basic and crucial maintenance and repair of our core transportation infrastructure: state highways, local streets, roads, and bridges. Without increased funding today, the deferred maintenance will soon be too much for our state to catch up.

## BACKGROUND:

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2015 was supposed to be the year to fix transportation funding in the Capitol. The Governor declared a \$6 billion a year need for basic maintenance and repairs to state highways alone and challenged the Legislature to deliver a funding plan to meet that need. A special session was called, hearings were held, and proposals and counter-proposals were floated. Nonetheless, the call for more transportation funding went unanswered.

## THE BILL:

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AB 1591 answers the call for a long-term sustainable funding solution for transportation focused on relieving congestion, maintaining highways, and improving trade corridors. This bill provides nearly \$8 billion a year in additional transportation funding. It also provides clear direction as to how those funds will be used.

AB 1591 takes a broad portfolio approach to investing in our state's transportation infrastructure by:

- Increasing the excise tax on gasoline by 22.5 cents per gallon and indexing it against the Consumer Price Index every three years thereafter. Almost half of this amount (9.5 cents) will restore funding lost from declining tax revenues in just the last two years due to rate adjustments by the Board of Equalization.

Revenue raised from the gas tax increase (over \$3.3 billion annually) will be split 50/50 between the state and local transportation authorities for highway maintenance and rehabilitation, after setting a nominal portion aside to encourage state-local partnerships.

- Increasing the diesel fuel tax by 30 cents a gallon and indexing it, too. Revenue raised (\$840 million annually) will be directed right to where trucks need it most—the state's trade corridors.
- Increasing the vehicle registration fee by \$38 annually (just over 10 cents a day) and directing those funds (\$1.254 billion) to road maintenance and rehabilitation.

- Imposing an electric vehicle surcharge of \$165. Consideration will be given to delaying this fee until the second year of ownership and thereafter. Delaying this fee to the second year of ownership allows financial incentives offered at the purchase of such zero-emission vehicles to remain in full effect while ensuring they do their part to help pay for the system they travel on. The \$16 million raised will be directed to road maintenance and rehabilitation.
- Requiring repayment of outstanding transportation loans. Now that the General Fund is stable, it's time to pay these loans (\$879 million) back. Repayments will be sent directly to cities and counties to boost their road improvement efforts.
- Allocating cap and trade revenue auctions, as follows:
  - 20% (approximately \$400 million annually) for major freight corridors. Communities near our major freight corridors have borne the brunt of the nation's goods movement system. Improving congestion in these corridors will inherently improve air quality.
  - 10% (\$200 million) more for intercity rail and transit, for a total of 20% of the auction proceeds.
- Restoring the truck weight fees. Again, the General Fund is now stable. It's time for transportation dollars to go back to transportation. This restores \$1 billion to the State Highway Account where it belongs.

AB 1591 also includes greater oversight responsibilities for the California Transportation Commission over the state's roadway operation and rehabilitation efforts and imposes maintenance of effort requirements on cities and counties.

Finally, AB 1591 supports local communities and regional planning efforts to reduce greenhouse gas emissions. It provides the critical funding needed to implement sustainable communities' strategies.

## FOR MORE INFORMATION

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