

STAFF REPORT

SUBJECT: Measure A Strategic Plan

MEETING DATE: July 8, 2008

AGENDA ITEM: 7

STAFF CONTACT: Steve VanDenburgh

RECOMMENDATION:

Receive a report from staff on progress in preparing the Measure A Strategic Plan.

SUMMARY: The first set of technical memos developed by the PB strategic plan team were presented to TTAC at a special meeting in Solvang on June 25. The memos start to define the project cost, revenue and project scheduling assumptions, project prioritization criteria, and prioritization protocols that will be used to develop the plan. TTAC members agreed to review the materials further after the meeting and provide the PB team with comments. A second meeting with TTAC will be held in Solvang on July 23 to review comments received and to receive new work products from PB including draft prioritization scenarios that could be used in the plan.

DISCUSSION:

The passage of Measure A will provide over \$1.0 billion for transportation needs over 30 years within the county, from 2010-2040, and help leverage and match an estimated \$ 0.5 billion in state and federal funds. Measure A goes into effect and revenues begin to be collected on April 1, 2010. Funds will be spent according to the Investment Plan approved by voters. But not all \$1.5 billion in projects can be delivered in the first year of the program. A schedule of when funding will be available must be developed. Funding from other sources required to complete the projects included in the Investment Plan must be identified. The agencies that will be responsible for delivering the projects in the plan must also be identified. The Measure A ordinance requires that SBCAG adopt a Strategic Plan no later than November 1, 2010 to address these and other issues.

The Parsons Brinckerhoff team, hired by SBCAG to prepare the plan, has met one-on-one with staff from each city and the County, MTD and Caltrans to gather information required for the preparation of the Strategic Plan.

The PB team has also prepared draft technical memorandum, which were discussed with TTAC at a special Measure A meeting on June 25 in Solvang. TTAC members reviewed with the PB team:

- The Strategic Plan background and scope of work. The PowerPoint that was shown to the North and South subregional committees at their May 6 meetings was reviewed with TTAC.

Member Agencies

- Draft project fact sheets. The fact sheets provide cost estimates for projects, the potential lead agency, scoping-related assumptions, and a draft estimate of revenue sources and amounts needed to close project shortfalls.
- A financially unconstrained project schedule. The PB team shared with TTAC a schedule showing the financially unconstrained delivery of Measure A projects and programs. The schedule assumes each project or program would receive funding whenever needed in order to maintain its current or optimal delivery schedule. The schedule shows that many of the major highway projects are already under development and will be ready for delivery in the first 10 years of the program. SBCAG has the ability to issue bonds to raise Measure A revenues to deliver a front-loaded program. But important sources of matching and leveraged funding are typically available on a formula basis over 30 years, not as-needed, so an unconstrained scenario is unrealistic. Consequently, matching and leveraged funds will be an important constraint on the delivery of the Measure A program and the Strategic Plan will have to prioritize projects and programs and spread them out to match cash flow of Measure A *and* matching and leveraged funds.
- Draft Strategic Plan Framework. The PB team prepared guiding principles, overarching goals, and prioritization criteria that are intended to provide an overall framework for development of the strategic plan and subsequent implementation of Measure A. The prioritization criteria include such things as congestion reduction, safety benefits, project readiness status, matching funds and leveraging opportunities. They also proposed a prioritization “protocol” to define which projects or programs in the measure would receive funding “off the top” annually and be excluded from prioritization in the plan and which would be prioritized for delivery.
- Draft critical issues and risks memo. The PB team introduced risk factors and approaches to addressing these risks to TTAC, that will be critical to the development of the Measure A strategic plan. Key among these are issues related to project cost and schedule and project revenues and allocations.

TTAC members were asked to review the project sheets for accuracy and completeness, as well as all other materials distributed, and provide the PB team with comments. A second meeting with TTAC will be held in Solvang on July 23 to review the comments received and to receive new work products from PB including draft prioritization scenarios that could be used in the plan. SBCAG staff expects that these scenarios should also be ready for review by the subregional committees in August.

The next TTAC meeting is scheduled for July 23 at 9:00 a.m. at the Solvang Council Chambers.

RECOMMENDATION:

Receive a report from staff on progress in preparing the Measure A Strategic Plan.