

STAFF REPORT

SUBJECT: 2006 STIP Augmentation

MEETING DATE: February 1, 2007

AGENDA ITEM: 7

STAFF CONTACT: Steve VanDenburgh, Deputy Director

RECOMMENDATION: Discuss the schedule and programming options for a 2006 STIP augmentation made possible by the passage of Proposition 1B in November 2006.

DISCUSSION:

Proposition 1B-- the Highway Safety, Traffic Reduction, Air Quality and Port Security Fund of 2006—was passed in November 2006 with 61.4% support statewide. This \$19.9 billion bond program is the largest of the four bond propositions that comprised the Governor's \$37 billion infrastructure package.

Prop.1B authorized \$2.0 billion in general obligation bond proceeds to be available for projects in the State Transportation Improvement Program (STIP), to augment funds otherwise available for the STIP from other sources. The California Transportation Commission has inaugurated a special STIP development cycle to augment the 2006 STIP in advance of the development of the 2008 STIP.

When the CTC adopted the 2006 STIP, funding constraints meant that many projects proposed in regional transportation improvement programs (RTIP's) and in the interregional transportation improvement program (ITIP) were either not programmed or were programmed for years later than the years the projects could be delivered. SBCAG, for example, had programmed \$29.2 million to the Linden Avenue\Casitas Pass Road Highway 101 interchange project which the CTC rejected and left as an unprogrammed balance for SBCAG. For the 2006 STIP Augmentation, the CTC expects to give first priority to the reprogramming of projects from the original 2006 STIP and to projects to fulfill the current unprogrammed share balances identified through December 2006.

STIP Formula

The bond funds will be distributed as regular STIP funds are. Regional agencies will share 75% of the augmentation funds, divided by a county share formula. Projects selected by regional agencies for funding will be submitted in a board-adopted RTIP. The interregional program will receive 25% of the funds for projects nominated by Caltrans and submitted to the CTC as part of the Interregional Transportation Improvement Program (ITIP). The CTC may accept or reject an augmentation RTIP. Accepted RTIP's, and the ITIP, will be amended into the 2006 STIP.

Member Agencies

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County

STIP Augmentation Capacity

The 2006 STIP covers fiscal years 2006/07 through 2010/11. The funds that can be programmed in the augmentation over this period include the unprogrammed county share balance and new capacity to be created by the issuance of bonds under Proposition 1B.

The current unprogrammed share balance for Santa Barbara County has increased from \$29 million when the 2006 STIP was adopted in June 2006, to \$31.26 million. The increase is due, among other things, to changes in actual revenues for 2005-06 versus estimated revenues provided to SBCAG at the time the 2006 RTIP was prepared. The CTC expects to give priority to programming the county share balances in the 2006 STIP Augmentation. As stated earlier in the staff report, SBCAG was left with a county share balance when the CTC rejected SBCAG's programming of funds to the Highway 101 Linden Avenue\Casitas Pass Road interchange project. This was the largest allocation of new STIP funds made by the SBCAG board to a single project as part of the 2006 STIP. Programming was rejected due to highway funding constraints that the CTC realized after the 2006 STIP process was well under way. Many other funding proposals made by regional agencies around the state were also rejected or delayed by the CTC when it adopted the 2006 STIP.

SBCAG's programming target for new highway and non-transit capacity is \$16.168 million in STIP augmentation funds. It is not a minimum, guarantee, or limit on project nominations or project selection for the 2006 STIP Augmentation. SBCAG could program up to an additional \$7.17 million above the target, but the only funds available, assuming that every regional agency programs 100% of their target for highway funds, would be for transit projects eligible for Public Transportation Account funds. Since the SBCAG's board's STIP priorities have been highway oriented, the new capacity target that SBCAG staff will use to make a STIP augmentation recommendation is \$16.168 million.

The total programming capacity for SBCAG, including the unprogrammed balance and the new capacity, is \$47.428 million.

Transportation Enhancements (TE).

The 2006 STIP augmentation includes no new TE capacity. However, Caltrans and regions may propose TE amendments within existing capacity. All of SBCAG's TE capacity is currently programmed to projects (i.e., there isn't an unprogrammed balance of TE).

Schedule

The CTC's STIP augmentation guidelines include the following schedule:

*	Caltrans presents draft fund estimate	November 8, 2006.
*	CTC adopts fund estimate.	December 14, 2006.
*	Regions submit RTIP's.	April 2, 2007.
*	Caltrans submits ITIP.	April 2, 2007.
*	CTC STIP hearing, South	April 25, 2007.
*	CTC STIP hearing, North	May 2, 2007.
*	CTC publishes staff recommendations	May 17, 2007.
*	CTC adopts STIP.	June 7, 2007.

The challenge of this schedule is that development of our RTIP is largely dependent on the outcome of the CTC special meeting on February 28 where the Commission will decide how to program \$4.5 billion in Prop. 1B Corridor Mobility Improvement Account (CMIA) funding.

Consequently, there won't be a draft RTIP circulated, and then a final RTIP adopted one or two months later. The SBCAG board will have one opportunity after the CTC approves projects funded with CMIA—its March 15 meeting—to adopt a STIP augmentation RTIP.

Prop 1B CMIA Projects.

In December TTAC supported applications (in concept) for almost \$250 million from the Prop. 1B CMIA program. The current pending requests are:

- \$58 million to construct a widening of the Santa Maria River Bridge
- \$151.5 million request to widen Highway 101 to 6 lanes from Mussel Shoals (Ventura County) to Linden Avenue (includes PA\ED, PS&E, ROW, construction, construction support)
- \$12.6 million to prepare environmental analysis and preliminary engineering of the 6 lane widening from Linden Avenue to Milpas Street,
- \$28.6 million for the Milpas\Cabrillo-Hot Springs, to close a \$6.2 million shortfall and displace \$22.4 million in currently programmed STIP funds, which will be reprogrammed to extend the 101 widening another mile north of Casitas Pass.

RTIP Development Factors

The very short time frame between when the CMIA funding decisions are announced (Feb. 28) and when the RTIP is due to the CTC (April 2) means that we are limited in what we can accomplish through the augmentation. Here are SBCAG staff's thoughts going into the augmentation.

1. Like with the CMIA program, this is an unexpected funding opportunity. To the extent we can, we want to focus this "found money" on delivering overdue improvements to Highway 101, especially on the South Coast. Feedback SBCAG staff has received post-election indicates there is significant concern around the county about the limited progress that has been made on widening 101 south of Santa Barbara. The perception that SBCAG had failed to deliver the widening promised in the original Measure D contributed significantly to the failure of Measure D 2006. Assuming that another attempt will be made to renew Measure D in the November 2008 election, we must demonstrate that there is a commitment by SBCAG, local elected officials and Caltrans to deliver the widening project. To give Measure D 2008 the best chance for success, we must make the 101 widening our top priority for programming the augmentation and make significant progress in funding and constructing the first phase of widening from Milpas to Cabrillo/Hot Springs project (currently scheduled to start in Spring 2008). Even if our CMIA application is successful, a substantial shortfall will remain for the widening and the 2006 STIP augmentation provides an opportunity to help close this shortfall.
2. We won't be able to issue a call for new projects. There isn't enough time. The only "new" project SBCAG staff would support funding through the augmentation would be preliminary engineering and environmental analysis for the 6 lane widening from the Ventura County Line to Milpas Street. With the shortfalls that exist for the 101 widening and other currently programmed STIP projects, it makes little sense to be soliciting nominations for new projects through the STIP augmentation. In the 2006 STIP, the SBCAG board programmed \$7 million (to be matched with \$7 million in Interregional STIP funds from Caltrans) to start environmental work on the South Coast corridor. As with the Linden\Casitas Pass interchange project, programming

requests were rejected by the CTC due to funding constraints. So through the augmentation, the board may resubmit the request to fund environmental on the corridor.

3. Little is known about how the CTC will approach programming of CMIA funds. While we are hopeful that our applications for the Santa Maria River Bridge and 101 widening are successful, we will have to be prepared to respond if they are not. The commission may not program the full \$4.5 billion immediately and may elect to partially fund CMIA requests or focus funding on projects ready to go to construction. This may require that we step in with STIP augmentation funds to complete project development work on the 101 widening so that we are in a position to compete for CMIA funding for construction in subsequent programming cycles.
4. Our partners on the Santa Maria River Bridge project (SLOCOG and Caltrans) are committed to funding their share of the \$1.4 million shortfall for PS&E as part of the STIP augmentation, so we must step up and program our \$286,000 share. This is particularly important because the completion of the Santa Maria 6 lane widening project will create a bottleneck at the four lane bridge connecting San Luis and Santa Barbara counties.
5. We may be forced to leave some of the augmentation funds in the unprogrammed balance, which is not desirable. But given the short amount of time and the need to demonstrate that we can and will pay for cost increases on CMIA projects, we may have no choice.
6. SBCAG will initiate the 2008 RTIP process in September. 2008 RTIP's are due to the CTC on December 15. Local agencies with project shortfalls that go wanting through the augmentation will not have long to wait until they know if their shortfall can be erased through the 2008 STIP. SBCAG staff will be counseling patience to those eager to compete for funding. We expect the 2008 STIP cycle to be a "normal" programming process and we will look to balance the local needs around the county, those on Highway 101, and those on other important highways. Again, we will likely need to give priority to programming 2008 STIP funds for closing shortfalls on existing funding commitments.

Potential Programming of the Augmentation

On the attached table, SCBAG staff has listed how the augmentation could be programmed. All of this is very speculative awaiting the CTC's CMIA funding decisions.

We are simply floating this issue to TTAC to familiarize local agency staffs with the opportunities and challenges we face with the augmentation. We would like TTAC's comments and feedback on the potential programming of the funds.

STIP Amendments

Lastly, regional agencies can include STIP amendments as part of the RTIP augmentation submittal. SBCAG staff intends to include the following amendments consistent with requests by the project sponsoring agencies:

- A. Union Valley Parkway Interchange (ppno 4638). Delay STIP construction funding from FY 07/08 to FY 10/11.

- B. Rt. 101 Ellwood Overhead \ UPRR Replacement Bridges (ppno 1840) Delay construction funding from FY 07/08 to FY 08/09.
- C. Las Positas\Cliff Drive Intersection Improvements (ppno 820). Reprogram STIP funding in FYs 07/08 and 08/09 for environmental and design to construction phase in 09/10.
- D. Alan Hancock Bike Path (ppno 1906). Advance construction funding from FY 10/11 to FY 08/09.
- E. Fowler and Ekwill Street extensions (ppno 4611). Delay STIP PS&E and R/W funding from FY 07/08 to FY 08/09. Possible delay of construction funding from FY 08/09 to FY 10/11.
- F. San Jose Creek bikeway (ppno1204). Delay STIP PS&E funding from FY 07/08 to FY 08/09.

If there are other amendments that local agencies want included in the STIP augmentation, please e-mail them to Steve VanDenburgh or Brittany Odermann as soon as possible.

2006 STIP Augmentation – Potential Programming

Project \ Scope	Potential STIP Programming	Comments
Milpas\Cabrillo-Hot Springs Project. Close a \$6.2 million shortfall. Project construction to begin Spring 2008.	\$6.2 mil.	This assumes Prop. 1B CMIA funding request of \$28.6 for this project to close a \$6.2 million shortfall and displace \$22.4 million in STIP is unsuccessful.
Widening of Highway 101 in Santa Barbara County to 6 Lanes. Conduct preliminary engineering & environmental analysis in Santa Barbara County. Coordinate with VCTC and Dist. 7 to get STIP Augmentation programming for the 3 mile Ventura County segment.	\$8.82 mil.	This assumes Prop. 1B CMIA funding request of \$12.6 million for preliminary engineering and environmental is unsuccessful. This is 70% of the \$12.6 million cost. Caltrans would request \$3.78 million (30%) from Interregional STIP. The board programmed \$7 million in the 2006 STIP cycle to start this work, and requested a \$7 million match from Interregional STIP. Both were rejected.
Highway 101 Santa Maria River Bridge Widening Funding for PS&E. (PA\ED completed 12/06).	\$286,000	No funding for PS&E was requested in the Prop 1B CMIA application. Caltrans, SBCAG and SLOCOG staffs agreed to recommend funding the shortfall from STIP augmentation at a 60\20\20 ratio. There is a shortfall of \$1.410 million not covered by a \$2.7 million federal earmark. This is SBCAG's 20% share. SBCAG and SLOCOG are pursuing a \$1.41 mil. federal earmark to close the shortfall which could replace the STIP augmentation funds or be used to cover potential construction shortfalls.
Linden Avenue\Casitas Pass Road Interchange Project. This project would widen the Linden Avenue and Casitas Pass Road bridges over Highway 101 to allow 6 lanes to be built on 101 to Caltrans' standards. It would also close a gap in the frontage road along the north side of the highway (Via Real).	\$29.224 mil.	The SBCAG board programmed \$29.224 million to the Linden\Casitas project in the 2006 RTIP, but the CTC rejected the programming due to statewide funding constraints. The funds are currently reflected as "unprogrammed balance" for SBCAG in the STIP. A shortfall would remain on the project of approximately \$30 million, requiring the project to be phased. \$19.223 million is currently programmed for support, right of way and construction.
Unprogrammed Reserve	\$2.898 mil.	In order to get the CTC's support for our CMIA project applications, we may need agree to leave funds unprogrammed to cover cost increases on the \$58 million Santa Maria River Bridge project and \$151.5 mil. Ventura\Santa Barbara 6 lane widening project. \$2.9 mil. is too low to for projects of this size, but is a start. If the CTC programs our entire CMIA application, the \$6.2 million and \$8.82 million shown for the Milpas- Hot Springs and 101 widening projects on this table could be added to the unprogrammed reserve
TOTAL	\$47.428 mil. 6	This is 100% of the unprogrammed balance and new capacity available for the 2006 STIP augmentation.

