

STAFF REPORT

SUBJECT: 2006 STIP Augmentation

MEETING DATE: March 7, 2007

AGENDA ITEM: 5

STAFF CONTACT: Steve VanDenburgh, Deputy Director

RECOMMENDATION:

Recommend adoption of the 2006 STIP augmentation.

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 has been largely dependent on the outcome of the CTC special meeting on February 28 where the Commission decided 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. On February 28, the CTC made the following decisions regarding our funding requests:

Did Not Fund

- \$58 million to construct a widening of the Santa Maria River Bridge.
- \$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 shortfall and displace \$22.4 million in currently programmed STIP funds, would have been reprogrammed to extend the 101 widening another mile north of Casitas Pass Road.

Funded

- \$131.6 million for construction to widen Highway 101 to 6 lanes from Mussel Shoals (Ventura County) to Casitas Pass Road.
- The CTC promised to provide \$19.9 million for project support for the Highway 101 widening from Mussel Shoals to Casitas Pass through the STIP augmentation using Caltrans' share of the STIP. No STIP augmentation funds from SBCAG or VCTC are required.

Programming Recommendation Development Factors

The very short time frame between when the CMIA funding decisions were 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. SBCAG staff's programming recommendations are based on the following factors:

1. This STIP augmentation is an unexpected funding opportunity. To the extent we can, we should 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 though our CMIA application for the 101 SB/Ventura widening was successful, a substantial shortfall will remain for the widening between Casitas Pass and Milpas St and the 2006 STIP augmentation provides an opportunity to help close this shortfall.
2. We did not have time to issue a call for new projects. With the shortfalls that existed for the 101 widening and other currently programmed STIP projects, it made little

sense to solicit nominations for new projects through the STIP augmentation. The only "new" project SBCAG staff supports funding through the augmentation would be preliminary engineering and environmental analysis for the 6 lane widening from Casitas Pass Road to Milpas Street. 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, SBCAG staff recommends resubmitting a project to fund environmental analysis of the corridor.

3. We must position the Santa Maria River Bridge project to be ready to receive funding for construction if one of the CMIA projects is dropped from the program. Because projects must be under construction by 2012, the CTC will be closely monitoring the projects and may have to remove some projects from the program. Having final design completed and right of way certified will continue to make it a strong competitor for funding. 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 and \$500,000 shortfall for ROW support and ROW capital as part of the STIP augmentation, so we must step up and program our \$380,000 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. The bridge is also the intersection of Highway 166 and Highway 135.

5. 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 is 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.

Recommended 2006 STIP Augmentation

The attached table #1 is SBCAG staff's recommendation for programming the 2006 STIP augmentation.

SBCAG can request that the CTC program Caltrans' share of the STIP augmentation of \$500 million statewide to projects in Santa Barbara County. These amounts are reflected in Table #2.

Finally, regional agencies can include STIP amendments as part of the augmentation submittal. SBCAG staff has included amendments in Table #3 consistent with requests submitted by the project sponsoring agencies.

SBCAG staff recommends TTAC approval of the 2006 STIP augmentation, consisting of tables 1, 2 and 3.

**2006 STIP Augmentation
Table 1
Augmentation Programming**

Project \ Scope	Programming	Comments
<p>Milpas\Cabrillo-Hot Springs Project. Close a \$7.5 million construction cost shortfall on the STIP and Measure D funded project. Project construction to begin Spring 2008.</p>	\$7.9 mil.	This is what is needed to get the project out to bid and under construction based on best available estimates.
<p>Widening of Highway 101 to 6 Lanes, Casitas Pass Road to Milpas Street Conduct preliminary engineering & environmental analysis.</p>	\$9.45 mil.	This is 75% of the \$12.6 million cost for preliminary engineering and environmental analysis. Caltrans would request \$3.15 million (25%) from Interregional STIP. This would be a new project added to the STIP.
<p>Highway 101 Santa Maria River Bridge Widening Funding for final design, right of way support and right of way capital. (PA\ED completed 12/06).</p>	\$386,000	This is SBCAG's share of the design shortfall and ROW costs for the project at a 60\20\20 ratio. There is a shortfall of \$1.43 million not covered by a \$2.7 million federal earmark and a \$500,000 shortfall for ROW support and capital. SBCAG and SLOCOG are pursuing a \$1.4 mil. federal earmark to close the shortfall which could replace the STIP augmentation funds or be used to cover potential construction shortfalls.
<p>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).</p>	\$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. Even after programming the amount at left, 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.
<p>Cathedral Oaks\Hollister Avenue Highway 101 Interchange Project Increase right of way funding for the project. This is a currently programmed STIP project that will reconstruct the Cathedral Oaks\Hollister Avenue and Ellwood bridges over Highway 101 and the UPRR in west Goleta to eliminate seismic deficiencies and align the bridges at a 90 degree angle with Highway 101.</p>	\$60,000	Caltrans has requested that \$60,000 in funding be programmed to right of way to allow them to negotiate with UPRR over the right of way needs for the project. Because these negotiations are on the critical path, funding must be programmed in the augmentation and cannot wait until the 2008 STIP cycle.
<p>Unprogrammed Reserve</p>	\$408,000	The funds would be left unprogrammed to cover cost increases on Highway 101 programmed STIP projects.
<p>TOTAL</p>	\$47.428 mil.	This is 100% of the new capacity and unprogrammed balance available for the 2006 STIP augmentation.

**2006 STIP Augmentation
Table 2
Requested Programming of Caltrans' STIP Funding**

Project	Funding Requested from Caltrans' Share of 2006 STIP Augmentation	Comments
Widening of Highway 101 to 6 lanes, Ventura County (Mussel Shoals) to Casitas Pass Road	\$19.9 million	Programming of this funding was promised to SBCAG and VCTC by the CTC on February 28 when CMIA funding was approved.
Widening of Highway 101 to 6 Lanes, Casitas Pass Road to Milpas Street Conduct preliminary engineering & environmental analysis	\$3.15 million	This is 25% of the \$12.6 million cost for preliminary engineering and environmental analysis. SBCAG would fund 75% from STIP augmentation shown in Table #1 above.
Highway 101 Santa Maria River Bridge Widening Funding for final design, right of way support and right of way capital.	\$1.158 million	This is Caltrans' share of the shortfall for final design and right of way support and capital costs (60% of \$1.9 million).
TOTAL	\$24.208 million	

**2006 STIP Augmentation
Table 3
Amendments to Currently Programmed STIP Projects**

Project	Lead Agency \ Requesting Agency	Reprogramming
Union Valley Parkway Interchange (CT12\ppno 4638).	Caltrans	Delay STIP construction funding from FY 7/08 to FY 10/11.
Rt. 101 Ellwood Overhead \ UPRR Replacement Bridges (Goleta09\ppno 1840)	Caltrans	Delay construction funding from FY 07/08 to FY 08/09.
Las Positas\Cliff Drive Intersection Improvements (SBCITY3\ppno 820).	City of Santa Barbara	Reprogram STIP funding in FYs 07/08 and 08/09 for environmental and design to construction phase in 09/10. Environmental and design to be funded from city sources.
Fowler and Ekwill Street Extensions (Goleta08\ppno 4611).	City of Goleta	Delay final design (PS&E) of \$980k and ROW of \$3,581k from FY 07/08 to FY 08/09.
San Jose Creek Bike Path - South Segment (Goleta06\ppno1204).	City of Goleta	Delay STIP PS&E funding (\$200k) from FY 07/08 to FY 08/09.