



SOUTHERN CALIFORNIA ASSOCIATION of GOVERNMENTS

TECHNICAL WORKING GROUP (TWG)

Thursday, March 20th 2013: 10:00 a.m.

SCAG Offices
818 West 7th Street, 12th Floor
Board Room
Los Angeles, CA 90017
(213) 236-1800

Teleconferencing Information:
Number: 1-888-808-6929

Silent Live Web PowerPoint Presentations: <https://www.connectmeeting.att.com>
Meeting #: 8888086929 | Participant Code: 2361866

AGENDA

Introductions

Discussion Items

1. Modeling Tools and Dataset Overview (Guoxiong Huang, Jacob Lieb and Frank Wen) 20 min.
2. Overview of Financial Plan and Assumptions (Annie Nam) 10 min.

Technical Update Items

3. MAP-21 Safety Performance Measures (Margaret Lin) 10 min.
4. Aviation Introduction (Ryan Hall) 10 min.
5. Comments/Around the Table Discussion 5 min.



TECHNICAL WORKING GROUP (TWG)

February 20, 2014

Meeting Summary

Following is a summary of discussions of the Technical Working Group meeting of February 20, 2014.

Discussion Items

1. SB 375 GHG Target and AB 32 Scoping Plan Update

Jonathan Nadler, SCAG staff, provided an update on SB 375 GHG Target and AB 32 Scoping Plan. Mr. Nadler noted this follows the state's long-term goal to have emission levels at 80% below 1990 levels by 2050. It was further noted the Air Resources Board by statute is to update the plan every 5 years and this is the first update. In 2014 ARB will review the advancements, data, models and analytical methodologies and technologies that have taken place since 2010, to inform the need for, and timing of, revised MPO targets. The technical review will provide the foundation for a future target revision consistent with each MPO's timeframe for updating its RTP under federal law. Future updates to SCS targets along with other new transportation strategies will help provide further emission reductions needed to achieve long range reductions in transportation related emissions. It was further noted the four (4) large MPOs participated in a January 23, 2014 ARB staff update to their Board. At that time the MPOs requested that the ARB Board not change the targets for the upcoming SCS cycle.

The working group discussed the AB 32 Scoping Plan update.

2. MAP-21 Performance Measure Update

Tarek Hatata, System Metrics Group, provided an update on MAP-21 Performance Measures. It was noted MAP-21 establishes seven national goals to focus Federal aid program investments. Those are safety, infrastructure condition, congestion reduction, system reliability, freight movement and economic vitality, environmental sustainability and reduction of project delays. Mr. Hatata further noted the 2012 RTP/SCS contains individual goals which align well with those outlined in MAP-21. Bill McCullough, System Metrics Group, reviewed the MAP-21 rulemaking schedule for 2014 and 2015. It was noted rulemaking is to be done in 3 steps. The first looks at safety measures followed by infrastructure and other performance measures. Mr. McCullough reviewed

regional infrastructure assets including total distressed lane miles and bridge conditions. Next, congestion reduction and safety and health data was reviewed.

The working group discussed MAP-21 performance measures.

Technical Update Items

3. Growth Forecast One-On-One Meeting Status Report Update

Kimberly Clark, SCAG staff, provided an update on one-on-one growth forecast meetings. Ms. Clark reported one-on-one meetings continue with local jurisdictions to seek input on base data in preparation for the 2016 RTP/SCS. This includes general plan land use, zoning information, population, household and employment estimates for 2012 and projections for 2020, 2035 and 2040. Ms. Clark reported meetings have been held with 77 jurisdictions and 5 additional meetings are anticipated by March 6, 2014. This represents 42% of all jurisdictions in the region.

The working group discussed the growth forecasts meetings and data collection.

4. Public Participation Plan Update

Jeff Liu, SCAG staff, provided an update on the draft 2014 Public Participation Plan. Mr. Liu noted the Public Participation Plan is currently available for public review and comment until March 7, 2014. It was noted the Public Participation Plan guides our public outreach and consultation activities and sets forth goals and strategies to help increase public engagement in the planning process. It also includes strategies for targeting underrepresented low-income and limited English proficient populations in the region. Mr. Liu noted communications include the use of social media and email.

5. OPR Workshop on Environmental Goals and Policy Report Announcement

Ping Chang, SCAG staff, stated the Governor's Environmental Goals and Policy Report (EGPR) is statutorily required and it serves as an overall guidance document. It provides a high level synthesis of the statewide planning requirements. It also provides a vision for the state and seeks to articulate a path moving forward toward long term sustainability. Mr. Chang noted a public workshop will take place at 1:30 p.m. today and videoconference and teleconference of the meeting is available in the SCAG Board room. Interested parties are encouraged to attend.

Announcements

Mark Butala, SCAG staff, announced that SCAG's General Assembly will be May 1 and 2, 2014 and early bird registration is now available up to April 1, 2014.

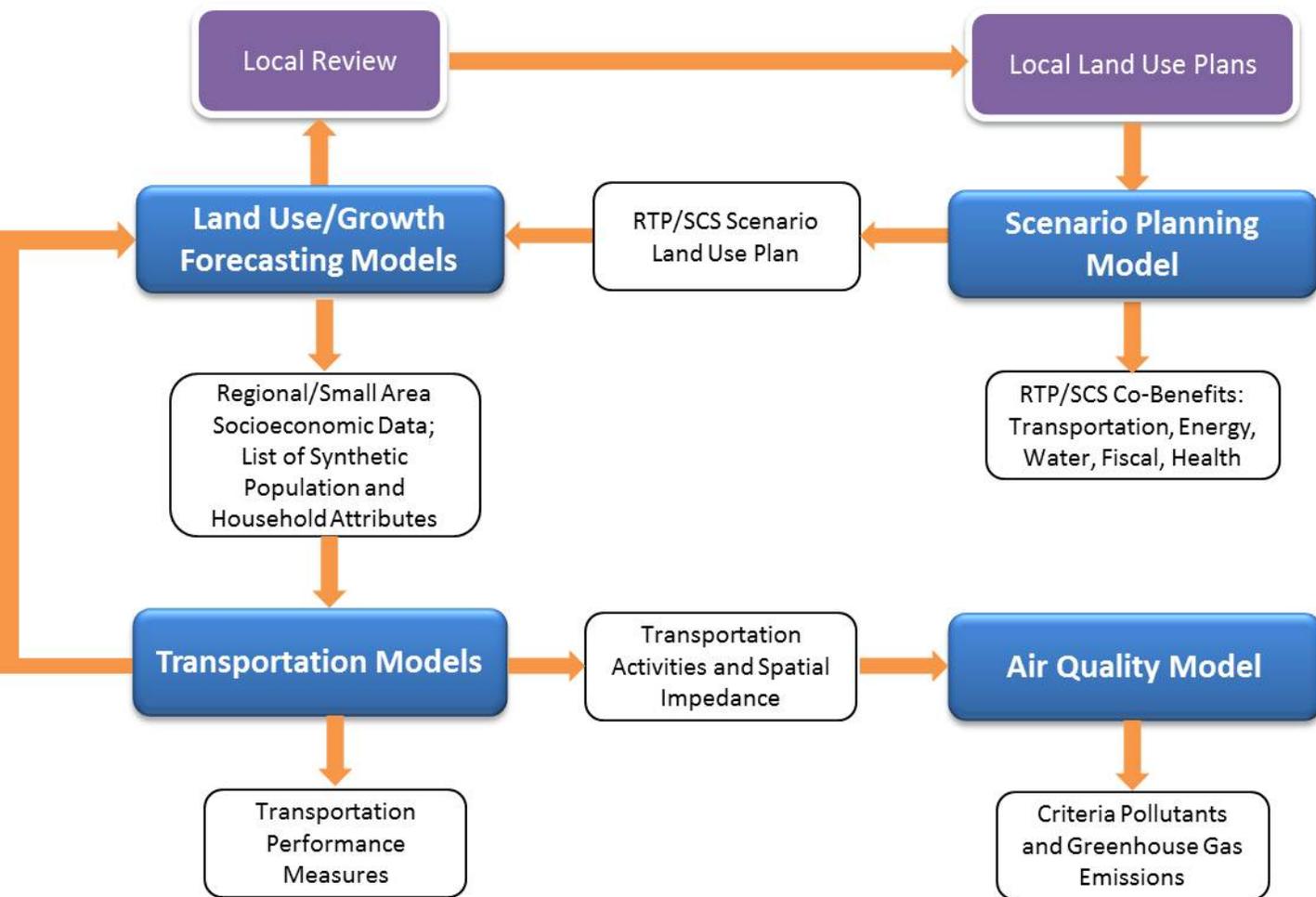
The next meeting of the TWG will be Thursday, March 20, 2014.



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Item 1 Attachment: Modeling Tools and Dataset Overview

SCAG Integrated Modeling and Forecasting Framework





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Item 2 Attachment: Overview of Financial Plan and Assumptions

Overview of 2012 RTP Financial Plan

Technical Work Group

March 20, 2014



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RTP Elements

- Policies, strategies, and projects for the future
- Systems-level planning approach for roadways, transit, active transportation, and intermodal connections
- Projected demand for transportation service for 20+ years
- Regional land use, development, housing, and employment goals and plans
- Cost estimates and reasonability available revenues for operation, maintenance, and capital investments
- Strategies to preserve existing roads and facilities and make efficient use of existing transportation system
- Conform to state's air quality plan (SIP) & SB 375

Financial Plan Concepts

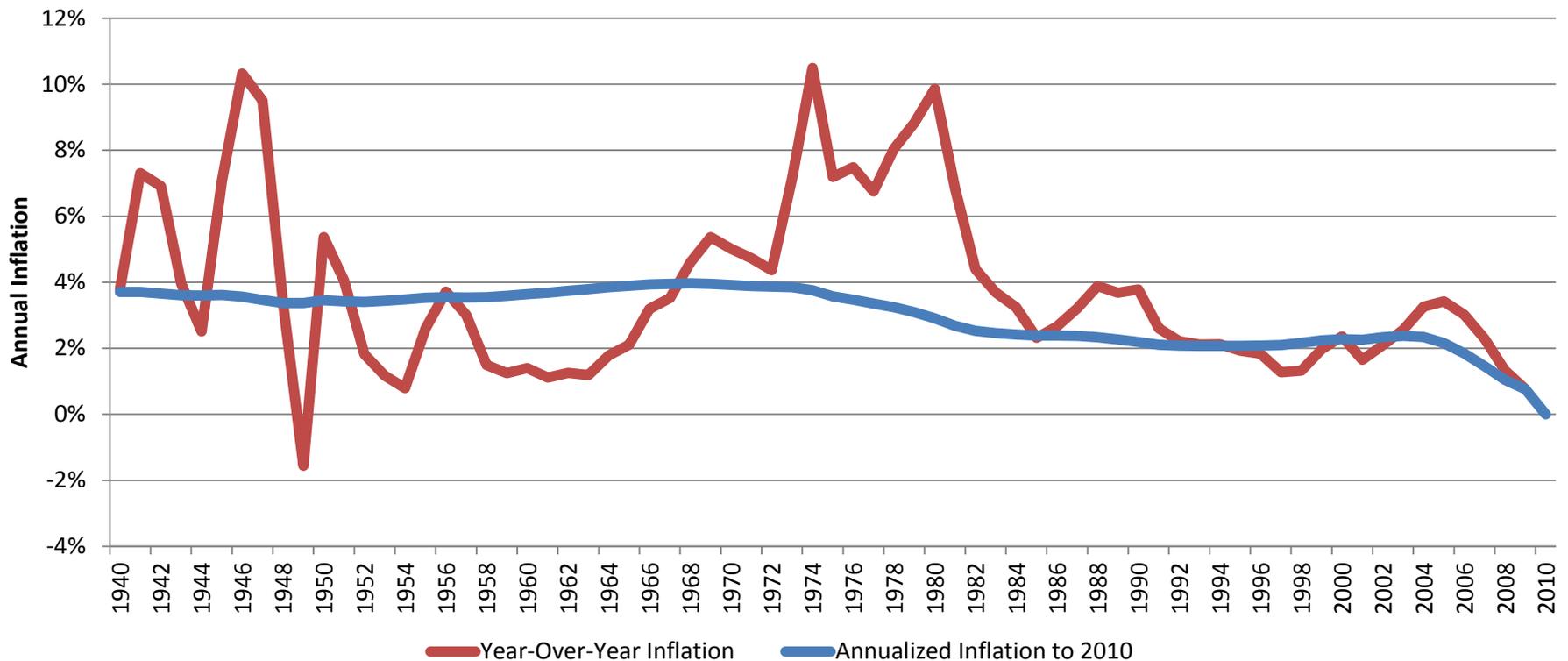
- Fiscal constraint
- Reasonably available revenues
 - Existing sources
 - New sources / innovative financing
- Year-of-expenditure (YOE) / nominal dollars
- Assumptions
 - Builds on county transportation commissions, state forecasts, federal apportionments, and others

Issues Impacting Financial Plan

- Great Recession and timing/pace of recovery
- Sales tax forecasts
- Inflation outlook
- Changes in construction costs
- Federal funding
- Erosion of gas tax

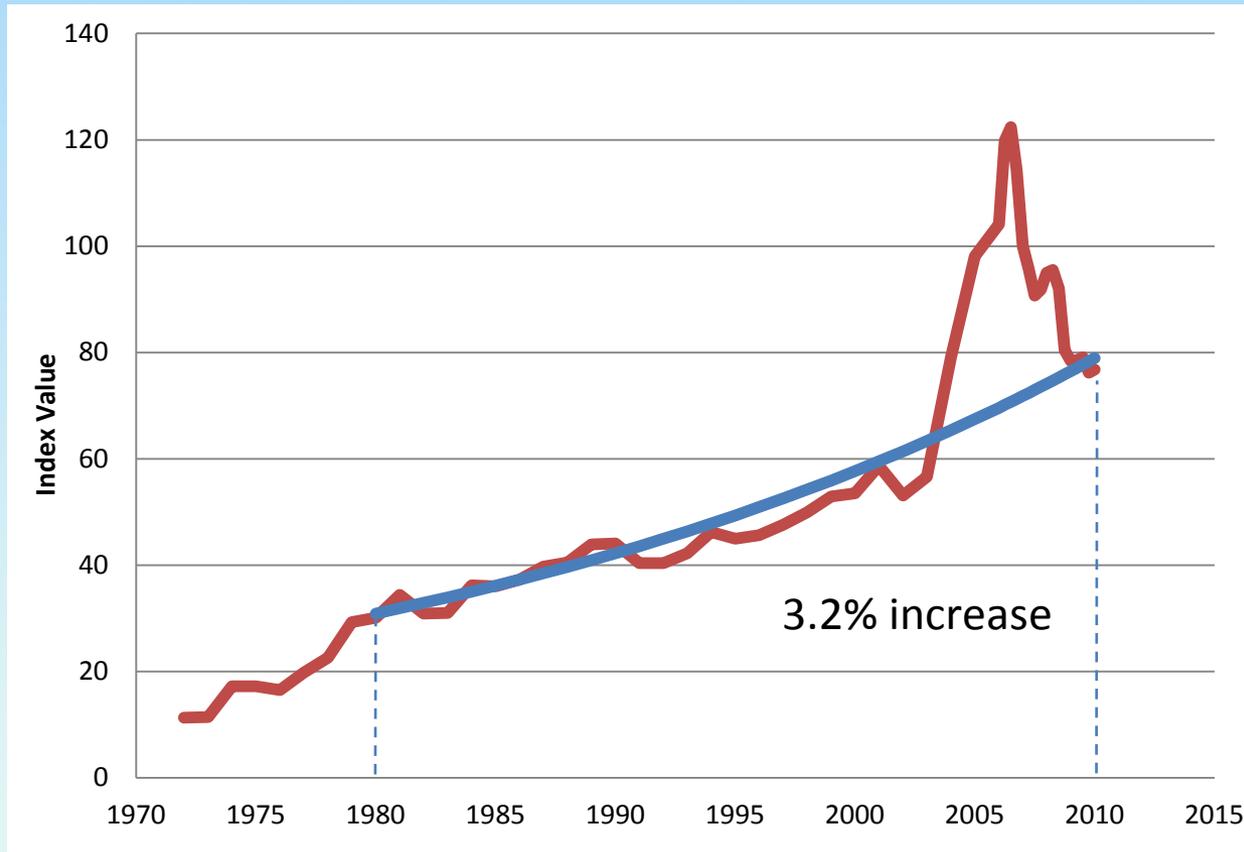
Inflation

- 2.9% inflation rate used to adjust constant dollars into nominal (or year of expenditure dollars)



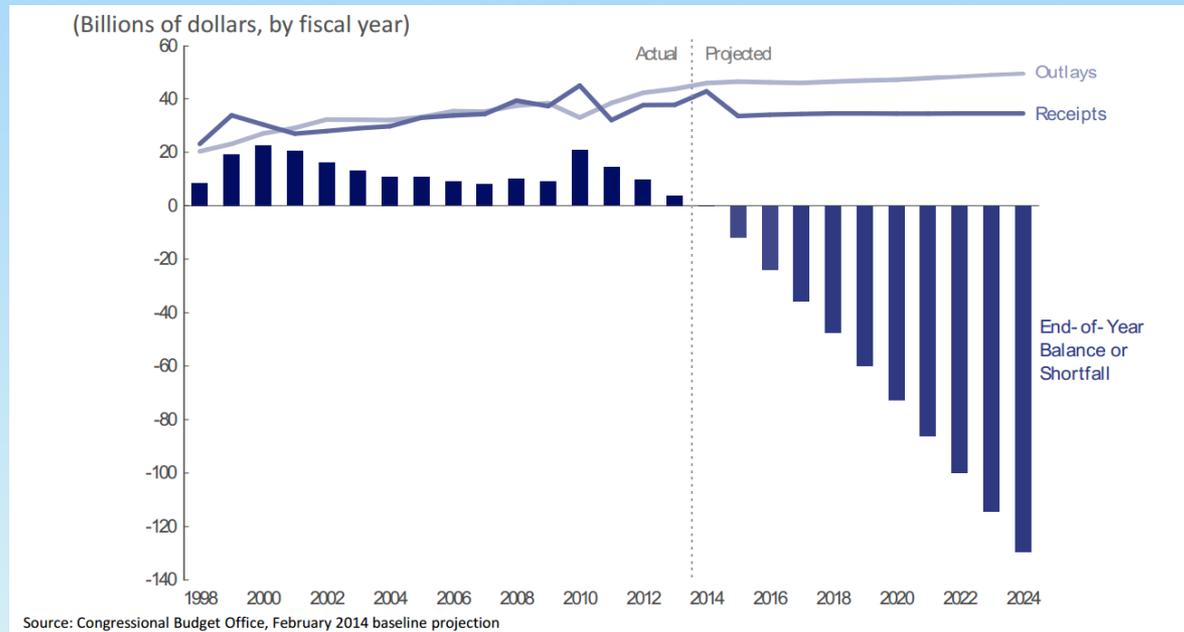
Construction Costs

- 3.2% annual inflation factor used to estimate future, nominal costs



Federal Funding

- Status of the Federal Highway Trust Fund

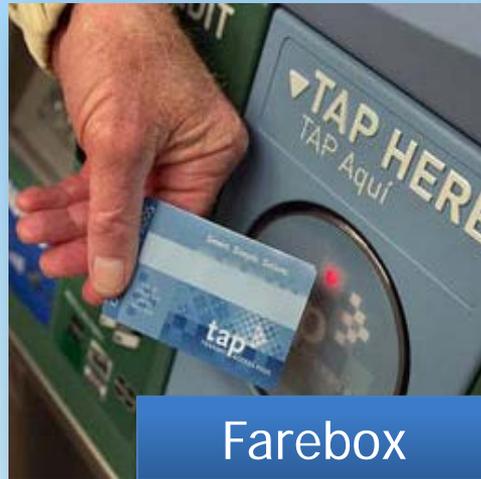


- Analysis by CBO indicates that highway account of the HTF may have difficulty meeting all obligations during latter half of FY14

Financial Plan – Forecasting Revenues

- Incorporate financial plans developed by county transportation commissions and transit operators
- Ensure consistency with both local and state planning documents
- Utilize published data sources to evaluate historical trends and augment local forecasts as needed
- Recommend new funding sources and innovative financing strategies

Current Transportation Funding Mechanisms



Guiding Principles for New Revenues

- User-based, reflecting true cost of transportation but ensuring an equitable distribution of costs and benefits
- Promote stabilization of national and state programs
- Promote strategies that strengthen federal commitment to goods movement
- Leverage locally available funding with innovative financing tools
 - Attract private capital and accelerate project delivery

Innovative Financing and New Revenue Sources

| Revenue Source | Description | Revenue (\$Billions) |
|---|---|-------------------------------|
| Bond Proceeds from Local Sales Tax Measures | Issuance of debt against existing sales tax revenues: Los Angeles, Orange, Riverside, and San Bernardino counties. | \$25.6 |
| State and Federal Gas Excise Tax Adjustment to Maintain Historical Purchasing Power | Additional \$0.15 per gallon gasoline tax imposed at the state and the federal levels starting in 2017 to 2024—to maintain purchasing power. | \$16.9 |
| Mileage-Based User Fee (or equivalent fuel tax adjustment) | Mileage-based user fees would be implemented to replace gas tax—estimated at about \$0.05 (2011\$) per mile and indexed to maintain purchasing power starting 2025. | \$110.3 (est. increment only) |
| Highway Tolls (includes toll revenue bond proceeds) | Toll revenues generated from SR-710 Tunnel, I-710 South Freight Corridor, East-West Freight Corridor, segment of the High Desert Corridor, and Regional Express/HOT Lane Network. | \$22.3 |
| Private Equity Participation | Private equity share as may be applicable for key initiatives: e.g., toll facilities; also, freight rail package assumes railroad share of costs for mainline capacity and intermodal facilities such as SCIG and ICTF modernization. | \$2.7 |

Innovative Financing and New Revenue Sources

| Revenue Source | Description | Revenue (\$Billions) |
|--------------------------------------|--|----------------------|
| Freight Fee/National Freight Program | A national freight program is anticipated with the next federal reauthorization of the surface transportation act. The National Freight Program described in Senate proposed transportation reauthorization bill (MAP-21) would establish federal formula funding for infrastructure improvements supporting the national freight network. Early estimates indicate roughly \$2 billion per year nationally. Regional estimate assumes a conservative percentage of national totals. | \$4.2 |
| E-Commerce Tax | E-commerce sales refer to the sale of goods and services where an order is placed, or price and terms of the sale are negotiated over the internet or other online system. Potentially, the revenue could be used for transportation purposes, given the relationship between e-commerce and the delivery of goods to California purchasers. | \$3.1 |
| Interest Earnings | Interest earnings from toll bond proceeds. | \$0.2 |

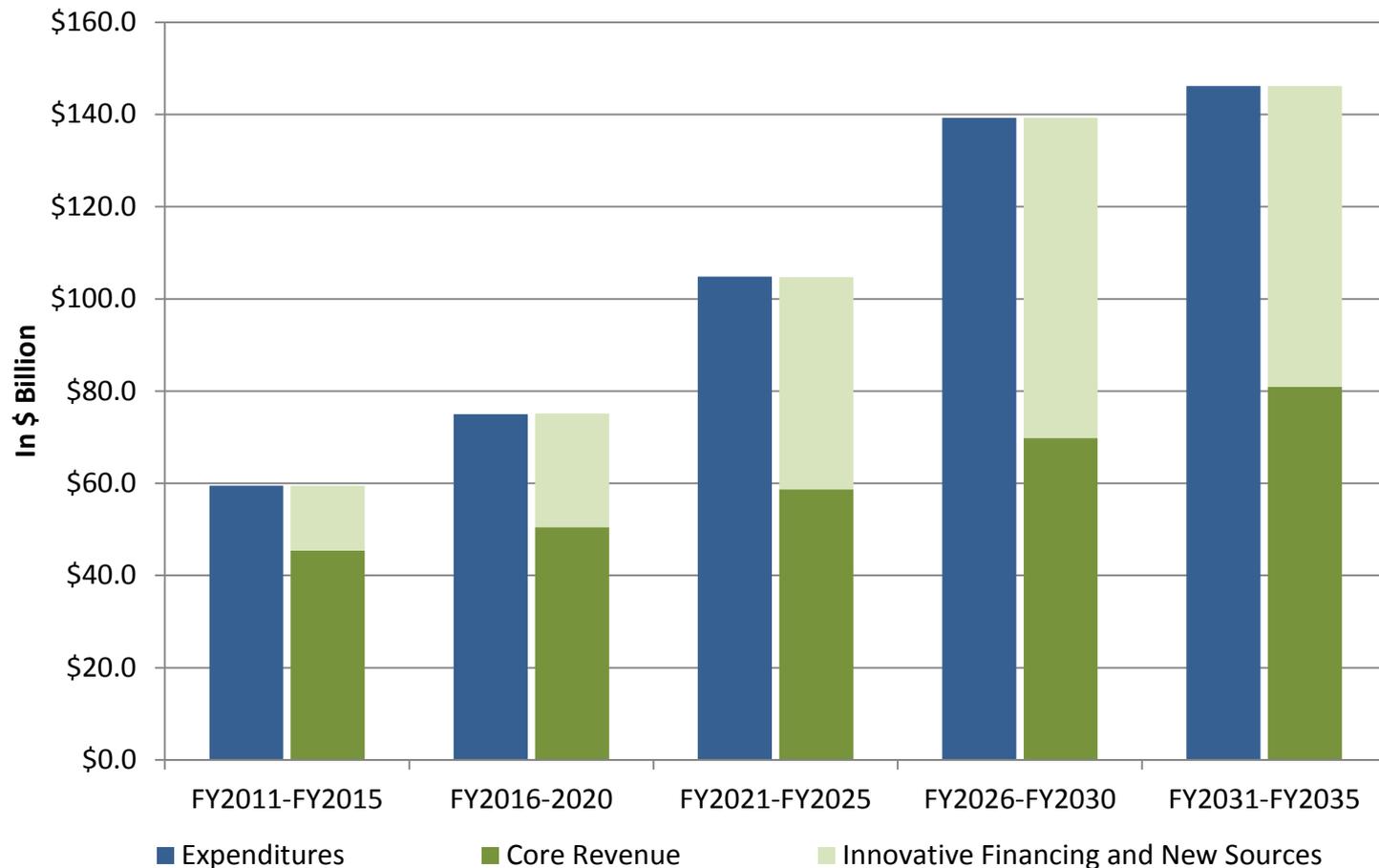
Innovative Financing and New Revenue Sources

| Revenue Source | Description | Revenue (\$Billions) |
|--|---|----------------------|
| State Bond Proceeds, Federal Grants & Other for California High Speed Rail Program | State general obligation bonds authorized under the Bond Act approved by California voters as Proposition 1A in 2008; federal grants authorized under American Recovery and Reinvestment Act and High-Speed Intercity Passenger Rail Program; potential use of qualified tax credit bonds; and private sources. | \$33.0 |
| Value Capture Strategies | Assumes formation of special districts (Infrastructure Financing Districts) including use of tax increment financing for specific initiatives: e.g., East-West Freight Corridor. | \$1.2 |

Financial Plan – Estimating Costs

- Expenditures fall into three main categories:
 - Capital costs, operations and maintenance, and debt service
- Each of the county transportation commissions (CTCs) provided detailed estimates for capital costs
- Operations and maintenance costs from CTCs, transit operators, Caltrans, and others
- Debt service payments for current and anticipated bond issuances consistent with CTCs' established policies

Financial Plan – Expenditures and Revenues



Questions?





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Item 3: NO ATTACHMENT



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Item 4 Attachment: Aviation Introduction

Southern California Association of Governments (SCAG) Regional Aviation Program Update for the

Transportation Working Group (TWG)

March 20, 2014

Mr. Ryan N. Hall, SCAG Aviation Specialist



Southern California's Aviation Assets





SOUTHERN CALIFORNIA ASSOCIATION of GOVERNMENTS



SCAG Region Airports Matter

Combined, the SCAG Region Airports:

- Served **83** million annual passengers (MAP) in 2012
- Serve **160** nonstop destinations daily in 31 countries
- Have **1,100** daily departures
- Have over **150,000** daily departing seats

U.S. and International Aviation Industry Trends from 2012- Today

- Airline mergers (less available seat miles [ASM])
- New aircraft types (B787 and A380)
- Surge of international low cost carriers
- Tarmac delay rules
- Higher load factors
- Fees



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Aviation Element Highlights from the 2012-2035 Regional Transportation Plan (RTP/SCS)

- **146** Million Annual Passengers (MAP)
- **5.61** Million tons of air cargo
- Decline of general aviation traffic by **32%**
- Policy considerations for ground access, airport finance and airport land use compatibility



Policy Considerations for the 2016- 2040 RTP/SCS Aviation Element

Development of Aviation Element will require policy considerations to be guided by the:

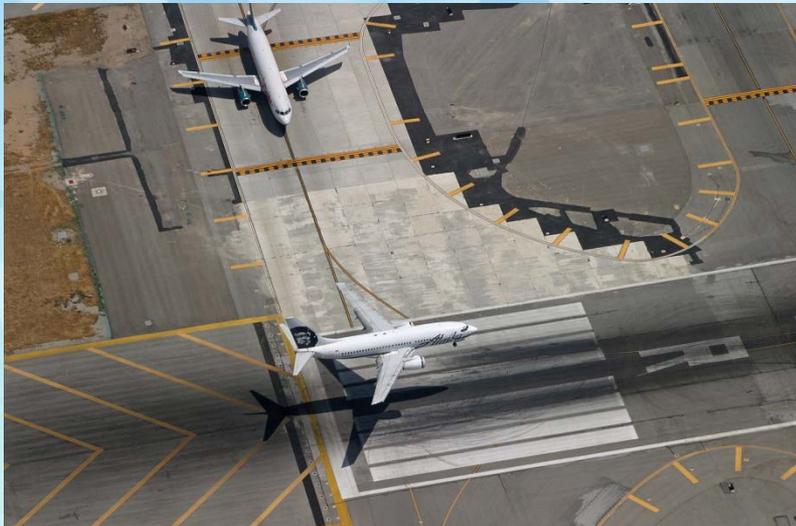
- Aviation Task Force
- Transportation Committee

Checks and balances provided by:

- SCAG staff
- Aviation Technical Advisory Committee (ATAC)

Development of the 2016-2040 RTP/SCS Aviation Element: Forecasts

- New or updated aviation demand forecasts for:



Aviation Technical Advisory Committee (ATAC)

- The Aviation Technical Advisory Committee (ATAC) consists of airport and aviation industry representatives.
- ATAC membership also includes:
 - Federal Aviation Administration (FAA)
 - Transportation Security Administration (TSA)
 - Caltrans Division of Aeronautics

Development of the 2016-2040 RTP/SCS Aviation Element: Ground Access

- SCAG has included airport ground access elements for the 2004, 2008 and 2012 RTP's.
- Many new airport ground access projects in planning/design and construction across the region
- Corridor studies
- Air cargo



Bob Hope Airport (BUR) RITC (rendering)

Questions? Comments?

Mr. Ryan N. Hall, Regional Aviation Planning Specialist
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THANK YOU!



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