



SAN JOAQUIN COUNCIL OF GOVERNMENTS

Citizens Advisory Committee
San Joaquin Council of Governments
555 East Weber Avenue, Stockton, California

Wednesday, June 18, 2014
6:00 p.m.

Citizens Advisory Committee Members

Katrina Jaggars (Chair)
LEAGUE OF WOMEN
VOTERS

Michael Carouba (Vice-Chair)
BUSINESS INDUSTRY

Vacant
CITY OF MANTECA

Kurt Danziger
CITY OF ESCALON

Matthew Doss
CITY OF TRACY

Bobby Bivens
SAN JOAQUIN COUNTY

Harry Hodge
NAACP

Stephanie Hobbs
CITY OF RIPON

Richard Blackston
CITY OF LODI

Brian Young
TRANSIT ADVOCATE

Dr. Shanna Eller
UNIVERSITY OF THE
PACIFIC

Karl "Nate" Knodt
CITY OF STOCKTON

Jim Hilson
CITY OF LATHROP

Vacant
AGRICULTURAL INDUSTRY

Michael Ballot
SIERRA CLUB

Vacant
TRUCKING INDUSTRY

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Note: All items are available for action by the committee. The right hand column identifies staff recommendations.

AGENDA

- 1. Call to Order
2. Minutes: Approve Minutes of May 21, 2014 Action
3. Public Comments
At this time the public may address the CAC on any non-agendized item that is within the subject matter of this agency. A five minute maximum time limit will apply to all public comments.
4. 2014 Measure K Renewal Ordinance and Expenditure Plan Amendment (Chesley) Action
5. Election of Fiscal Year 2014-15 Chair and Vice Chair (verbal report - Anderson) Action
6. State Active Transportation Program Update & Regional Call for Projects (Anderson) Information
7. Scheduled Adoption of 2014 RTP/SCS and Associated Documents - (Anderson) Information
8. SJCOG Monthly Report of Major Activities (no staff report)
9. Member's Report/Future Agenda Items (no staff report)
10. Meeting Adjourned to Wednesday, July 16, 2014.

PARKING: For your convenience, parking is available in the COG Regional Center parking lot. There is additional parking available at Public Parking Lot K, located on American Street, just south of Weber Avenue.

SJCOG

Andrew T. Chesley
EXECUTIVE DIRECTOR

SAN JOAQUIN COUNCIL OF GOVERNMENTS

**Citizens Advisory Committee**

San Joaquin Council of Governments  
555 East Weber Avenue, Stockton, California

**Wednesday, May 21, 2014**

**ACTION MINUTES**

**1) Call to Order**

Chair Katrina Jaggears called the meeting to order at 6:01pm.

Members Present

**Katrina Jaggears**, League of Women Voters; **Richard Blackston**, City of Lodi; **Nate Knodt**, City of Stockton; **Jim Hilson**, City of Lathrop; **Bobby Bivens**, San Joaquin County; **Stephanie Hobbs**, City of Ripon; **Shanna Eller**, University of the Pacific; **Michael Ballot**, Sierra Club; **Matthew Doss**, City of Tracy.

SJCOG Staff present:

Kim Anderson, Associate Regional Planner; Diane Nguyen, Deputy Director, Planning, Programming and Project Delivery.

**2) Minutes: Approve Minutes of March 19, 2014**

A motion was made and seconded (Blackston/Hilson) to approve the minutes of March 19, 2014. The motion passed unanimously.

**3) Public Comments**

No members of the public were present.

**4) 2014 Measure K Renewal Ordinance and Expenditure Plan Amendment**

Diane Nguyen, SJCOG staff presented the staff report to the committee. Ms. Nguyen summarized the proposal to add Stockton Metropolitan Airport improvements within the regional arterial program of Measure K. She also explained the difference between the expenditure plan and the strategic plan and noted this would be the first amendment to the Measure K Renewal. In addition, staff made available e-mail communication from Michael Carouba on the agenda item as he was unable to attend the meeting.

Committee discussion included:

- A discussion of the Stockton Metro Airport project being added to the One Voice regional priorities and what funding opportunities might be available outside of Measure K. Several members noted that the airport had many other funding opportunities
- Substantial discussion of the appropriateness of including the project within the regional arterial category – noting that funding availability should not dictate the category of funding made available.
- Discussion of whether the county share of the regional arterial category should bear the full burden of the airport projects or whether it should be equally distributed given the regional nature of the airport

The committee voiced concern that Michael Carouba was not at the meeting for the discussion and agreed with the Technical Advisory Committee recommendation to table the item in favor of additional information. A motion was made and seconded (Hilson/Bivens) to table the item until the June 2014 CAC meeting. The motion passed with seven yes votes, one no vote (Ballot), and one abstention (Blackston).

#### **5) State Active Transportation Program Update**

Kim Anderson introduced this item to the CAC. Ms. Anderson summarized the staff report and reminded the committee that grant applications were due to Caltrans no later than May 21. She noted that grant assistance had been provided to the jurisdictions that chose to submit applications. Ms. Anderson indicated that SJCOG anticipated a total of 23 application submittals – and noted that those not funded at the state level would automatically be considered in the supplemental regional call for projects to follow. The committee discussed the need to reach out to the school districts in the county to help coordinate grant submissions.

#### **6) SJCOG Monthly Report of Major Activities (no staff report)**

Kim Anderson of SJCOG staff updated the CAC on the current status of the Regional Transportation Plan (RTP) / Sustainable Communities Strategy (SCS). Ms. Anderson briefly reviewed the schedule, noting that staff anticipated consideration of the adoption of the 2014 RTP / SCS by the SJCOG Board in June 2014. It was reported that the public review and comment period had ended – with staff currently responding to the comments received on both the RTP and its associated environmental document.

#### **7) Member's Report/Future Agenda Items (no staff report)**

Committee chairperson Katrina Jaggears reminded staff and the committee that election of officers should occur at the June meeting and should be added to the agenda.

#### **8) Meeting Adjournment**

The meeting was adjourned at 7:02 pm.

## STAFF REPORT

**SUBJECT:** 2014 Measure K Renewal Ordinance and Expenditure Plan Amendment

**RECOMMENDED ACTION:**

- 1) Amend the Measure K Expenditure Plan to Add Stockton Metropolitan Airport Improvements into the Measure K Regional Arterial Category.
- 2) Amend the Measure K Expenditure Plan to Codify Constraining Debt Service on Bond Issuances to 35% of Net Sales Tax

### DISCUSSION:

#### SUMMARY:

On January 29, 2014, SJCOG staff sent out a letter to interested parties soliciting proposals for the amendment to the Measure K Renewal Ordinance and Expenditure Plan. SJCOG staff received an amendment request from San Joaquin County's Stockton Metropolitan Airport for terminal capital improvements in the amount of \$9.7 million. A copy of the amendment request is attached to this staff report.

Further, SJCOG staff requests amending the Ordinance and Expenditure Plan to codify the SJCOG Board policy limiting bond debt service to 35% of net sales tax revenue.

#### RECOMMENDATION:

SJCOG staff is recommending an amendment to the Measure K Expenditure Plan which adds San Joaquin County's Stockton Metropolitan Airport improvements within the regional arterial program of Measure K. Exhibit A identifies the precise language amendment to the Measure K Expenditure Plan. And, SJCOG staff is recommending amending the Measure K Ordinance and Expenditure Plan to codify the SJCOG Board policy limiting bond debt service to 35% of net sales tax revenue.

#### FISCAL IMPACT:

There is no funding commitment with adding projects to the Measure K Expenditure Plan. The programming of Measure K funds is subject to future SJCOG Board action as part of the Measure K Strategic Plan process, based upon a review of financial capabilities.

Codifying the limitation regarding the percentage of Measure K sales tax available for bond debt service may have a positive impact on the San Joaquin County Transportation Authority's credit ratings lowering borrowing costs.

## **BACKGROUND:**

In 2006, San Joaquin voters renewed the previous Measure K half-cent sales tax program to another 30-year period up to year 2041. The Measure K Expenditure Plan calls for street repairs, safety and operational improvements on local streets and roads, projects to reduce congestion on streets and highways, passenger rail and bus service to provide alternatives to the car and improve air quality of the San Joaquin Valley, as well as separation of streets from railroads at designated crossings to improve safety.

Because the Measure K program covers a period of 30 years, there is a provision in both the Ordinance and Expenditure Plan that allows for the continued consideration of amendments to the Ordinance and Expenditure Plan every fiscal year. Amendments to the Ordinance included changes in program administration policy and procedures. Amendments to the Expenditure Plan include changes in project scope, funding category percentages, funding category distribution methodology, and the addition of new projects to the Measure K program. This process enables more flexibility in the Measure K program to respond to unforeseen circumstances since the first Measure K program in 1990.

This process does not address changes specific to cost, schedule, and funding of existing Measure K projects. Those are dealt with through a separate process and are considered amendments to the Measure K Strategic Plan. The Strategic Plan is the capital improvement program that identifies the specific funding allocations of Measure K projects. Strategic Plan amendments can be done at any time during the life of the program.

## **Measure K Ordinance and Expenditure Plan Amendment Proposal Evaluation**

San Joaquin County Request:

On January 29, 2014, SJCOG staff sent out a letter to interested parties soliciting proposals for the amendment to the Measure K Renewal Ordinance and Expenditure Plan for the 2014/15 fiscal year. SJCOG staff received only one response--an amendment request from San Joaquin County's Stockton Metropolitan Airport (the letter is attached to this staff report).

The amendment request is to add San Joaquin County's Stockton Metropolitan Airport terminal capital improvements for terminal expansion and modernization project for about \$9.7 million into the Measure K Renewal Ordinance and Expenditure Plan. The proposal indicated the planned improvements would *“advance ‘Regional Coordination’ by providing needed air service to improve the mobility of San Joaquin County residents by giving them a serious and viable option to the automobile as a way to travel within and outside of the region.”*

In 2001, San Joaquin County's Stockton Metropolitan Airport received Measure K Flexible Congestion Relief funding in the amount of \$600,000 for funding of the engineering and

installation of various aircraft terminal facilities including ground handling equipment, passenger ticket counters, cargo service systems, communications, and security equipment. Those original Measure K funds came out of the San Joaquin County unincorporated area's jurisdictional share of Flexible Congestion Relief funds at the time. The total Flexible Congestion Relief funding to San Joaquin County's unincorporated area was over \$12 million of the \$24 million available in the Flexible Congestion Relief Category.

It should also be mentioned that the question of inclusion of airport projects was discussed extensively when the Measure K Renewal was being developed. A question was included in the survey about support for airport expenditures which produced a response of 46% support and 47% opposition. With such a high public opposition to airport expenditures it was not included in the Measure K Renewal Expenditure Plan. Instead a phrase was added to the Measure K Congestion Relief Program to deal with the possibility that an amendment to the plan would be requested in the thirty years of the Measure K program.

SJCOG staff has evaluated the amendment proposal and is recommending adding San Joaquin County's Stockton Metropolitan Airport capital terminal improvements to the Measure K Renewal Ordinance and Expenditure Plan. This recommendation is based upon the economic benefit of the Airport which warrants inclusion in Measure K. However, it should be noted that this does not constitute funding approval for the \$9.7 million requested by the County nor is the Expenditure Plan amendment a commitment of any Measure K funds. The Measure K program is at least \$2 billion short of forecasted revenues in its 30-year period.

It is because there is precedent in the previous measure to fund terminal improvements that SJCOG staff recommends this Expenditure Plan amendment. SJCOG staff recommends that should any funding become available, it would be from the proportionate share of the unincorporated area in the Regional Arterial Program.

If approved by the SJCOG Board, there are no immediate fiscal impacts of the Expenditure Plan amendment. Funding is only possible through an amendment to the Measure K Strategic Plan to allocate Measure K dollars to the project. Should there be a future action approving Measure K funding to the Stockton Metropolitan Airport Capital Improvement Project, the funding source will be from the unincorporated area's Measure K Regional Arterial Program.

The County of San Joaquin staff has not been supportive of the SJCOG staff recommendation to place the airport project in the regional arterial category. The County Administrator, the Director of Aviation and the San Joaquin County Public Works Director are all concerned that the recommendation potentially forces the County to make a choice between funding a county roadway project or the airport improvements. This is a position they believe is not in the best interest of the County of San Joaquin. They have pointed out that the airport is a regional facility that serves all jurisdictions in San Joaquin County and even beyond.

In amending the Measure K Expenditure Plan the practice of the SJCOG Board has been to amend the plan to the minimum extent necessary. This recognizes that the Expenditure Plan was approved by the voters and that any amendment should respect the vote to the greatest extent. As a result, the amendments to the Expenditure Plan have been minor over time or have been to

add projects to the plan when additional resources have presented themselves (an increase in revenue projections) or to substitute projects. For instance, in 2000 the Board added numerous projects in response to a change in the revenue estimate of over \$100 million.

The staff of the County of San Joaquin would likely be more comfortable with SJCOG staff recommending the airport projects be added to the State Highway category in the Congestion Relief Program. They would argue that airports are more similar to state highways in that they carry traveler's longer distances than regional arterials. Staff has not recommended this category because it is not consistent with the previous actions of the SJCOG Board, is less consistent with the language already existing in the Plan, and the State Highway category is already oversubscribed through the life of the program. Adding a project to a category with no available funding would be an unusual move.

Another option discussed by the County staff has been to add the project to the Public Transit category. The argument being that planes are a form of mass transportation and that airport terminals are similar to multi-modal stations which have been funded with Measure K. SJCOG staff does not recommend an option along these lines for the following reasons. The Public Transit category did not envision a potential airport project like the Congestion Relief Category did. The comparison between airport terminals and multi-modal stations is arguably not applicable. This is a category where we are keeping allocations under 80% of the programmed funding because of the financial hit to the entire program. This is also a category that is going to be called upon to help meet Sustainable Communities Strategies in the Regional Transportation Plan. Lastly, while this category may eliminate the county airport versus the county roadway choice, it would instead create that same dilemma, but this time between the county airport and the Regional Rail Commission or the Regional Transit District.

SJCOG Staff Request:

#### CODIFYING DEBT SERVICE LIMITATION

SJCOG, acting as the San Joaquin County Transportation Authority (Authority) has maintained a policy of not bonding for more than 35% of the net sales tax dollars available. The 35% is comprised of the 32.5% Congestion Relief category plus the 2.5% Railroad Crossing Safety category, the two categories taking advantage of bond financing. This was instituted in 2008 for the Bond Anticipation Notes (BANs) transaction, retained in 2011 for the bonds taking out the BANs, a guiding consideration for the Bank of America Line of Credit and is being used in the Series 2014 transaction.

Not exceeding the 35% constraint assures that the other programs in Measure K have funds for those categories. Bonding above that constraint would mean Passenger Rail and Bus and/or Local Street Repair/Safety would not be able to be fully funded.

The ratings agencies look very favorably on this constraint because the Authorities "coverage" can be maintained above 2 times maximum annual debt service (MADS). It also supports the additional bonds test of 1.5 times MADS measured against revenues for any consecutive 12-month period in the prior 18 months.

While this policy is looked upon favorably, the ratings agencies recognize there is a difference between a policy and the force of the legal documents, the Ordinance and Expenditure. Policy can be changed relatively easily, the Ordinance and Expenditure plan with greater difficulty.

The Authority will be making credit presentations again for a future transaction as early as 2016. There are also opportunities to have the ratings agencies review the Authority's credit for an upgrade. Moving the existing ratings to the next highest category could result in significant savings on borrowing.

The following amendment is proposed:

#### SECTION 12.BONDING AUTHORITY.

12.01. The Authority shall have the power to sell or issue, at anytime, and from time to time, including on or before the collection of the taxes authorized by this Ordinance, bonds, notes or other evidences of indebtedness, including capital appreciation bonds, payable from and secured by the proceeds from the sales taxes authorized by this Ordinance and from the proceeds of the existing Measure K sales taxes, in order to finance and refinance the transportation projects identified in the Transportation Expenditure Plan. Bonding indebtedness shall be limited to 35% of net sales with an additional bonds test (ABT) no lower than 1.5x Maximum Annual Debt Service measured against revenues for any consecutive 12-month period in the prior 18 months.

#### RECOMMENDATION:

After consideration of all of the above issues, SJCOG staff is recommending an amendment to the Measure K Expenditure Plan which adds San Joaquin County's Stockton Metropolitan Airport improvements within the regional arterial program of the Measure K Congestion Relief Program. Exhibit A identifies the precise language amendment to the Measure K Expenditure Plan. Staff also recommends the amendment to the Ordinance codifying a constraint to debt service on bond issuances to 35% of net sales tax

The effect of this recommendation on the Measure K Strategic Plan is to place the full burden for the cost of these airport improvements on the San Joaquin County share of Regional Arterial funding. (See Exhibit B, Option A) Staff has no policy guidance other than to follow the previous actions of the COG Board which was to place airport improvements among the County of San Joaquin's fund allocation. It is possible for the Board to change the policy direction either through this amendment process or in the Measure K Strategic Plan update scheduled for this fall. The Board may choose to add the Stockton Metropolitan Airport Improvement Project to the Regional Arterial Program but specify the cost be shared based on Option B in Exhibit B. Or the Board may choose Option C in Exhibit B though SJCOG staff would discourage this based upon the direction of our Regional Transportation Plan.

#### COMMITTEE DISCUSSIONS:

At the Technical Advisory Committee a motion to add the Stockton Metropolitan Airport into the Measure K Expenditure Plan failed (with four "yes" votes and seven "no" votes.) A second



motion was to table the item until June with a request that SJCOG staff come back with financial implications of various alternatives of adding the Stockton Metropolitan Airport in the Plan. The various alternatives were specifically identified as “what if” the airport projects were in the regional arterial program, or the state highway program, or even a stand-alone category. The TAC expressed this financial data was needed in June to make an informed decision. This motion passed (with seven “yes” votes and four “no” votes).

The Management and Finance Committee and the Citizens Advisory Committee took no action on the item but did discuss it extensively. At both committees there was general agreement that improvements to the Airport were good for all jurisdictions and that economic development in the region was enhanced with these improvements.

The SJCOG Board discussed the item extensively. Once again there was a strong consensus on the value of the airport in promoting economic development and strong support for inclusion in the Measure K Expenditure Plan. There were several comments made specifically supporting a strategy that would spread the cost of the improvements across jurisdictions. However, it would be difficult to define this approach as a consensus of the Board.

## **EXHIBIT A: SJCOG STAFF PROPOSED AMENDMENT TO MEASURE K EXPENDITURE PLAN**

(Note: gray highlighted areas are proposed new text).

CONGESTION RELIEF IMPROVEMENTS Thirty-two and one-half percent (32.5%) of the net revenue generated under this measure will be allocated to regional capacity improvement projects and **various capital improvement projects at the Stockton Metropolitan Airport.** For the purposes of this Plan, "capacity improvement projects" are those capital projects which add lanes to roadways, improve traffic operations, ~~or~~ expand transit capabilities, **and/or add facility improvements.** The cost of these congestion relief projects can include such items as traffic signals, channelization, curbs and gutters, shoulders, bus rapid transit infrastructure, capital improvements at the Stockton Metropolitan Airport, project development, etc. as long as these costs are directly related to the project.

REGIONAL ARTERIAL PROGRAM:

Stockton Planning Area:

**Stockton Metropolitan Airport Improvements**

**EXHIBIT B**  
**Potential Financial Implications for Three Alternative Scenarios**

**Option A: **SJCOG Staff Recommendation**, add the Stockton Metropolitan Airport Improvement Project to the Regional Arterial Program:**

<b>San Joaquin County:</b>	<b>\$9.7 Million</b>
<b>City of Stockton:</b>	<b>\$ 0</b>
<b>City of Tracy:</b>	<b>\$ 0</b>
<b>City of Manteca:</b>	<b>\$ 0</b>
<b>City of Lodi</b>	<b>\$ 0</b>
<b>City of Lathrop</b>	<b>\$ 0</b>
<b>City of Ripon</b>	<b>\$ 0</b>
<b>City of Escalon</b>	<b>\$ 0</b>
<b>SJRTD</b>	<b>\$ 0</b>
<b>SJRRC</b>	<b>\$ 0</b>

**Option B: Add the Stockton Metropolitan Airport Improvement Project to the Regional Arterial Program Spreading Financial Burden Among Jurisdictions:**

<b>San Joaquin County:</b>	<b>\$1,994,320</b>
<b>City of Stockton:</b>	<b>\$4,106,980</b>
<b>City of Tracy:</b>	<b>\$1,162,060</b>
<b>City of Manteca:</b>	<b>\$ 994,250</b>
<b>City of Lodi</b>	<b>\$ 869,120</b>
<b>City of Lathrop</b>	<b>\$ 270,630</b>
<b>City of Ripon</b>	<b>\$ 202,730</b>
<b>City of Escalon</b>	<b>\$ 99,910</b>
<b>SJRTD</b>	<b>\$ 0</b>
<b>SJRRC</b>	<b>\$ 0</b>

**Option C: Add the Stockton Metropolitan Airport Improvement Project to the Public Transit Category:**

<b>San Joaquin County:</b>	<b>\$ 139,602</b>
<b>City of Stockton:</b>	<b>\$ 287,489</b>
<b>City of Tracy:</b>	<b>\$ 81,344</b>
<b>City of Manteca:</b>	<b>\$ 69,598</b>
<b>City of Lodi</b>	<b>\$ 60,838</b>
<b>City of Lathrop</b>	<b>\$ 18,944</b>
<b>City of Ripon</b>	<b>\$ 14,191</b>
<b>City of Escalon</b>	<b>\$ 6,994</b>
<b>SJRTD</b>	<b>\$5,238,000</b>
<b>SJRRC</b>	<b>\$3,783,000</b>

(The assumptions for this are very general. 39% will come from the Regional Rail Commission. 54% will come from the San Joaquin Regional Transit District though it is likely that some small percentage of this will actually come from the jurisdictions though it is difficult to quantify at this time. 7% will be spread among member agencies. These percentages are outlined in the Measure K Strategic Plan, and are subject to change with each update of the Plan.)

### **Next Step**

June 26, 2014 – Following a public hearing, the SJCOG Board will consider SJCOG staff's recommendation and take action on whether to add San Joaquin County's Stockton Metropolitan Airport improvements in the Measure K Renewal Ordinance and Expenditure Plan.

1)

*Prepared by: Andrew Chesley, Exec. Director, Steve Dial, Deputy Executive Director/CFO  
M:staffrpt/2014/June/CAC/MK ExpPlan amendment*

# STOCKTON METROPOLITAN AIRPORT

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## *Northern San Joaquin Valley's Regional Airport*

### C.O.G. GRANT APPLICATION FOR AIRPORT TERMINAL EXPANSION AND MODERNIZATION PROJECT : ADDENDUM TO 2013 MEASURE K RENEWAL STRATEGIC PLAN

We are pleased to submit this proposed addendum to the 2013 Measure K Renewal Strategic Plan for funding in the amount of \$9.7 Million to implement the Stockton Metropolitan Airport Terminal Expansion and Modernization Project. Stockton Metropolitan, once a thriving local airport which offered air service to many major US destinations, has experienced a consistent decline in passenger service after the Airline Deregulation Act of 1978.

The funding program would advance Regional Coordination by providing needed air service to improve the mobility of our residents and giving them a serious and viable option to the automobile as a way to travel within and outside of the region.

The interests of the traveling public would be served because the 800,000 people in the county and immediate surroundings would have access to air service without having to travel to the Bay Area airports or Sacramento, hence reducing vehicle miles traveled in the region.

The Stockton Metropolitan Airport was mentioned as an eligible project in the Measure K literature, yet has received no funding from the renewal and only \$600,000 from the prior cycle in the late 1990's, whereas Fresno's COG has provided over \$19 Million in funding for the Fresno Airport in recognition of its importance to regional traffic management.

Adding regularly scheduled commercial air service will provide additional access to our county without incurring additional auto travel. Just as rail service is an important way of getting people out of private vehicles, air service provides a very strong and viable option which fits into a sustainable community strategy.

A regional transportation plan is incomplete without a comprehensive air services component. Inclusion of the funding for Stockton Metropolitan Airport will alleviate that deficiency.

More recently, from 2000 to 2006, there was no commercial airline service. Allegiant Air, one of the country's major low cost carriers, reinitiated commercial service in 2006 and has gradually increased service, adding seasonal flights to Hawaii as well as increasing the number of year round flights to Las Vegas. Beginning next summer Allegiant will add flights to Phoenix. Enplanements are up to over 70,000 annually.

For the first time in many years, the Airport administration has begun an aggressive pursuit of commercial airlines to augment the current limited service and connect Stockton to major hub airports

such as Los Angeles (LAX) and Seattle. Additionally, Airport administration has been in contact with Mexican carriers evaluating serving County's large and growing Hispanic population.

All of these initiatives will require major modernization and expansion of the current terminal facilities. While there was a fairly recent addition to the airport in 2010 when a new security and passenger holding area were added, the current 1960's terminal is in serious need of further expansion and modernization in order to attract and accommodate additional airline service. Among the major expansion and improvement needs are:

1) New Baggage Claim Area: The current facility is a small circular area that is easily overwhelmed even with just one flight. Expansion will require a build-out from the existing terminal building.

2) Additional passenger holding area: The current holding area can accommodate a single flight. Any increase in service will require additional capacity, and an airline coming in will request the additional space.

3) Refurbishing /enlarging the ticketing area: This area is embarrassing in its appearance and will require physical renovation. Again any other airline coming in will demand that this area be upgraded.

4) FIS/Customs Facility: In order to be approved for international service to Mexico, the airport will need to have a customs facility. Customs and Border Patrol (CBP) has very rigorous requirements for size and specific details that make this one of the more expensive additions. However, if it can be built along with the holding area expansion and the baggage facility, there are economies of scale that can be achieved.

5) Code updates to existing terminal: Because significant new additions will occur to the existing terminal, the older parts of the building will have to be brought up to current codes as well. The current terminal is not ADA compliant and will need to have various accessibility improvements including an elevator to the second floor. Fire sprinklers will have to be added, and asbestos in the ceiling, flooring and other areas will have to be abated. The only way to avoid these costs at this time would be to construct an entirely new terminal as a separate facility, which would be at least \$35 Million to \$50 Million, several multiples the cost of this program, based on the experience of other airports in the region (Fresno, Bakersfield) .

6) Additional parking lot improvements: Planned parking lot improvements aim at enhancing the passengers' small airport experience and eliminating the exiting congestion. Parking revenue is the Airport's largest operating revenue stream. Smart parking management and pricing aligned with demand are critical to reducing the Airport operating shortfall.

7) Leverage of C.O.G. Dollars: The focusing of C.O.G. Dollars on physical expansion and upgrading will allow the County to leverage more dollars from FAA to perform the maintenance projects that FAA dollars have traditionally been allocated to, such as replacement of the runway lights, paving /resurfacing of runways and taxi ways, and rebuilding the apron in front of the terminal. There are easily another \$8 Million of those projects which will need to be done. Current FAA funding has been a single annual entitlement grant of \$1 Million. With the prospect of C.O.G. funding as "matching dollars" the

administration would apply for an FAA DISCRETIONARY Grant to fund the outstanding maintenance projects.

8) Other funding:

a) The Airport Department has included the Capital program in the County's annual Community Economic Development (CEDS) application process with the Economic Development Administration in Washington, so that we may be eligible for additional funding.

b) Once there is real interest from another airline, the department will make an application for a Small Communities Air Services Grant from the Federal D.O.T. to help defray the start-up costs of a new airline.

## STAFF REPORT

**SUBJECT:** 2014 Active Transportation Program (ATP)  
Call for Projects

**RECOMMENDED ACTION:** Accept the report and process on the call for projects.

### SUMMARY:

#### OVERVIEW:

Cycle 1 Active Transportation Program (ATP) grant applications were due to Caltrans by May 21, 2014. This is a statewide competitive program with approximately \$180 million available for projects that support biking and walking. Five San Joaquin County cities submitted 23 applications to compete for funding at the state level, with a total funding request of approximately \$24 million. Those applications not funded in the State level competitive process are required to be considered for the supplemental regional MPO only funding opportunity to directly follow the adoption of the list of statewide funded projects by the California Transportation Commission (CTC) in August 2014.

The regional call for projects commenced June 9, 2014, with applications due to SJCOG no later than 4pm on July 21, 2014. SJCOG has chosen to utilize the statewide ATP application and guidelines for the regional call for projects. The application and guidelines may be viewed here: <http://www.catc.ca.gov/programs/ATP.htm>. The guidelines, application, and other related materials have also been posted to the SJCOG website at [www.sjco.org/programs](http://www.sjco.org/programs). A total of approximately \$2.9 million in funding is available for the regional ATP call for projects. In recognition of the need identified through the statewide project submittals and the numerous additional active transportation projects previously identified in the SJCOG Bike, Pedestrian, and Safe Routes to School Master Plan, SJCOG is seeking to identify supplemental funding capacity for this call for projects.

In this regional call for projects, SJCOG is required to convene a multi-disciplinary advisory committee to assist in the project selection process. Staff has worked to identify a preliminary list of committee members and will be bringing this list to the appropriate standing committees for information.

#### BACKGROUND:

The Active Transportation Program (ATP) was created in 2013 by Senate Bill 99 and Assembly Bill 101 to promote the increased use of active modes of transportation, such as biking & walking. Specifically, to:

- Increase the proportion of trips accomplished by biking and walking.

- Increase the safety and mobility of non-motorized users.
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals as established pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) and Senate Bill 391 (Chapter 585, Statutes of 2009).
- Enhance public health, including reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding.
- Ensure that disadvantaged communities fully share in the benefits of the program.
- Provide a broad spectrum of projects to benefit many types of active transportation users.

The ATP consolidates funding from the federal Transportation Alternatives Program (TAP), the federal Safe Routes to School (SRTS) program, the state Safe Routes to School (SR2S) program, and the state Bicycle Transportation Account (BTA). The new ATP will divide approximately \$120 million per year between the state and regions according to guidelines developed by the California Transportation Commission (CTC). Consistent with the federal TAP requirements, the Draft ATP Guidelines distribute the total annual funding capacity between three separate programs with 10% going to small urban/rural areas with populations of 200,000 or less, 40% going to Metropolitan Planning Organizations (MPO) in urban areas with populations greater than 200,000 and 50% going to a statewide program. All funding must be competitively awarded with the requirement that 25% of the funds in each program benefit disadvantaged communities. While the state (Caltrans) manages the competitive selection process for both the statewide and small urban/rural programs, the state is not eligible to use ATP funds.

To facilitate submission of the statewide applications, SJCOG made available \$50,000 in Measure K Competitive Bike, Pedestrian & Safe Routes to School funding for direct consultant assistance to member agencies choosing to submit applications. Enough funding remains to provide assistance on three to four additional applications. ***Priority for application assistance will be first to those agencies that did not receive assistance in the statewide call for projects.*** Those member agencies that intend to utilize application assistance must notify SJCOG of their intent no later than June 20, 2014.

**RECOMMENDED ACTION:** Recommend acceptance of the report and process for the Call for Projects.

**FISCAL IMPACT:**

A Call for Projects does not have a fiscal impact. However, when the grant funding is ultimately approved, it will result in at least \$2.9 million toward various eligible ATP projects in the San Joaquin region.



**SCHEDULE:**

- Statewide Project applications submitted to Caltrans & SJCOG May 21, 2014
- Notice of intent to utilize grant application assistance due to SJCOG June 20, 2014
- Supplemental Regional Project applications (new) due to SJCOG July 21, 2014
- CTC adopts statewide ATP projects August 20, 2014
- SJCOG project recommendations due to CTC September 30, 2014
- CTC adopts MPO project recommendations December 10, 2014

*Prepared By: Kim Anderson, Senior Regional Planner*

## STAFF REPORT

**SUBJECT:** Update on the 2014 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), Federal Transportation Improvement Program, and Associated Documents

**RECOMMENDED ACTION:** Information

**SUMMARY:**

The San Joaquin Council of Governments Board of Directors will consider approval of the Draft 2014 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), Programmatic Environmental Impact Report (PEIR), 2014 RTP/SCS Air Quality Conformity Analysis, and 2015 Federal Transportation Improvement Program (FTIP) on June 26, 2014 at its regularly scheduled meeting. All four documents have undergone required public review periods and hearings. SJCOG staff received and responded to comments received and will provide responses to comments prior to the SJCOG Board meeting. They will be posted at [www.sjcog.org](http://www.sjcog.org) on or before June 16, 2014.

**RECOMMENDATION:**

Information Only.

**FISCAL IMPACT:**

The development of the 2014 RTP/SCS is programmed in the SJCOG's Overall Work Program. The adoption of an RTP/SCS that meets the intent of SB-375 has direct future implications on the SJCOG Regional Transportation Plan and related Federal Transportation Improvement Program. The RTP/SCS is a regional planning document and does not make funding commitments, however, there are future financial implications related to project funding, project delivery, and CEQA relief (for project applicants that meet certain criteria as outlined in SB-375).