

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 5, 2013

Reference No.: 4.3  
Action

From: BIMLA G. RHINEHART  
Executive Director

Subject: **PROPOSITION 1B STATE-LOCAL PARTNERSHIP PROGRAM – 2012-13 COMPETITIVE PROGRAM AMENDMENT**  
**RESOLUTION SLP1B-P-1213-09**

## **ISSUE:**

Proposition 1B, passed in November 2006, authorized \$1 billion for the State-Local Partnership Program (SLPP). The program is divided into two sub-programs – a formula program to match local sales tax, property tax and/or bridge tolls (95%) and a competitive program to match local uniform developer fees (5%).

The California Transportation Commission (Commission) adopted SLPP Guidelines for 2010-11 through 2012-13 in April 2010, and the SLPP 2012-13 Savings Policy in September, 2012. At this time, one project in the City of Rialto (\$600,000) is being deleted since the City has informed us that the project will not be ready for an allocation by the June CTC meeting. In addition, a total of \$197,000 in savings is available to be de-allocated. This results in \$797,000 available for programming. The next three projects awaiting funding are the Traffic Signal at Shields/Temperance and the Friant Road Widening at Shepherd Avenue projects in the City of Fresno (\$215,000 and \$145,000 respectively) and the 25<sup>th</sup> Street East Alignment project in the City of Lancaster (\$361,000). A small amount of \$76,000 will remain to be programmed at the May or June meeting.

## **RECOMMENDATION:**

Staff recommends the Commission adopt the attached amended 2012-13 SLPP program of competitive projects, in accordance with Resolution SLP1B-P-1213-09.

## **BACKGROUND:**

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, authorized \$1 billion to be deposited in the State-Local Partnership Program Account to be available, upon appropriation by the Legislature, for allocation by the Commission over a five-year period to eligible transportation projects nominated by an applicant transportation agency.

In 2008, the Legislature enacted implementing legislation (AB 268) to add Article 11 (commencing with Section 8879.66) to Chapter 12.491 of Division 1 of Title 2 of the Government Code, defining the program, eligibility of applicants, projects and matching funds.

Attachment

**CALIFORNIA TRANSPORTATION COMMISSION**

**Amendment to Proposition 1B  
State-Local Partnership Program (SLPP) Competitive Program**

**RESOLUTION SLP1B-P-1213-09**

- 1.1 WHEREAS the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, includes \$1 billion for the State-Local Partnership Program (SLPP) to fund transportation capital improvement projects; and
- 1.2 WHEREAS the Bond Act provides that SLPP funds are available, upon appropriation by the Legislature, to Transportation Agencies, as allocated by the California Transportation Commission (Commission); and
- 1.3 WHEREAS the SLPP is subject to the provisions of Article 11 of the Government Code, Sections 8879.66 through 8879.76, as enacted in implementing legislation in 2008 (AB268) designating the Commission the administrative agency responsible for programming SLPP and the agency authorized to adopt guidelines for the program; and
- 1.4 WHEREAS the funds available in the SLPP account shall be made available for allocation by the Commission over a period of five years, with \$200 million appropriated by the Legislature for each of the Fiscal Years 2008-09 to 2012-13; and
- 1.5 WHEREAS ninety-five percent of the funds shall be available to be distributed by formula and five percent shall be available to be distributed through a competitive grant application process (as specified in Sections 8879.72 and 8879.73 of the Government Code); and
- 1.6 WHEREAS the Commission adopted SLPP Guidelines for 2010-11 through 2012-13 on April 7, 2010, that identified the Commission's policy and expectations for the SLPP, including program development timelines and requirements for project nomination; and
- 1.7 WHEREAS the Commission approved the SLPP Savings Policy on September 27, 2012; and
- 1.8 WHEREAS Commission staff has identified savings sufficient to program additional projects; and
- 1.9 WHEREAS funds remain available for programming and allocation through the end of 2012-13.

- 2.1 NOW THEREFORE, BE IT RESOLVED that the Commission adopts the attached amended list of projects for the 2012-13 competitive portion of the State-Local Partnership Program; and
- 2.2 BE IT FURTHER RESOLVED that projects not recommended for programming at this time remain eligible and will be programmed as funds become available due to savings or lack of delivery; and
- 2.3 BE IT FURTHER RESOLVED that a project's approved SLPP funding is to be considered a "not to exceed amount" and that any increase in project cost is the responsibility of the nominating agency; and
- 2.4 BE IT FURTHER RESOLVED that the implementing agency will submit semiannual reports on the activities and progress made toward implementation of the project, and, within six months of the project becoming operable, a final delivery report on the scope of the completed project, its final costs as compared to the approved project budget, its duration as compared to the original project schedule and performance outcomes derived from the project; and
- 2.5 BE IT FURTHER RESOLVED that the Department of Transportation will ensure that project expenditures and outcomes are audited. For each SLPP project, the Commission expects the Department to provide a semi-final audit report within 6 months after the final delivery report and a final audit report within 12 months after the final delivery report.

Attachment

**Proposition 1B State-Local Partnership Program**  
 2012-13 Amended Competitive Program - Staff Recommendations  
 (\$,000)

Item 4.3  
 March 5, 2013

**SLP1B-P-1213-09**

County	Project Applicant	Project Title	2012-13 \$ Recommended	Construction Date	Score	Cumulative \$ (\$16,095 avail)	SLPP \$ Remaining
Placer	Placer County	Kings Beach Commercial Core Improv.	\$1,000	3/1/2013	111	\$1,000	\$14,266
Placer	Placer County	Auburn/Folsom Rd Widening - North Ph	\$1,000	1/1/2013	106	\$2,000	\$13,266
Placer	Roseville	Blue Oaks Blvd Widening	\$1,000	4/1/2013	96	\$3,000	\$12,266
El Dorado	El Dorado County	Rt 49 Realignment, Ph 1A	\$1,000	12/1/2013	89	\$4,000	\$11,266
San Bernardino	Highland	Greenspot Rd Bridge at Santa Ana Riv	\$1,000	3/1/2013	88	\$5,000	\$10,266
San Bernardino	Highland	5th St Corridor Improvements	\$1,000	5/1/2013	84	\$6,000	\$9,266
San Bernardino	Rancho Cucamonga	I-15/Baseline Rd Interchange Improvements	\$1,000	Mid 2013	82	\$7,000	\$8,266
Orange	Anaheim	Katella Av Widening	\$1,000	5/1/2013	81	\$8,000	\$7,266
Santa Barbara	Santa Barbara County	Rt 101/Clark Av Improvements	\$321	12/1/2013	77	\$8,321	\$6,945
<del>San Bernardino</del>	<del>Rialto</del>	<del>Ayala Av Widening</del>	<del>\$600</del>	<del>Mid 2013</del>	<del>76</del>	<del>\$8,921</del>	<del>\$6,345</del>
Kern	Bakersfield	Mohawk St Extension & Improvements	\$1,000	5/1/2013	74	\$9,921	\$5,345
Placer	Lincoln	Nelson Lane Improvements	\$600	4/12/2013	73	\$10,521	\$4,745
Kings	Hanford	Campus Drive/UPRR Crossing	\$320	8/1/2013	70	\$10,841	\$4,425
Riverside	Murrieta	I-15/Los Alamos Rd, replace/widen overcross	\$1,000	12/1/2012	69	\$11,841	\$3,425
Riverside	Moreno Valley	Cactus Av Widening - E.bound 3rd lane	\$560	4/15/2013	69	\$12,401	\$2,865
San Bernardino	Redlands	Redlands Blvd/Alabama St Intersection Improvements	\$1,000	5/1/2013	69	\$13,401	\$1,865
Santa Barbara	Santa Barbara County	San Jose Creek Bike Path, North	\$414	7/1/2013	64	\$13,815	\$1,451
San Bernardino	Chino	Signal Interconnect - various locations	\$450	2/15/2013	58	\$14,265	\$1,001
San Bernardino	Montclair	Monte Vista Avenue Widening	\$180	9/1/2013	58	\$14,445	\$821
San Bernardino	Apple Valley	Kiowa Rd Widening, Ph II	\$320	1/2/2013	56	\$14,765	\$501
San Luis Obispo	San Luis Obispo Co.	Willow Rd Extension Mitigation	\$375	11/15/2012	55	\$15,140	\$126
<b>ADD BACK SAVINGS OF \$632,000</b>							<b>\$758</b>
Fresno	City of Fresno	Traffic Signal at Audubon/Cole	\$181	2/1/2013	52	\$15,321	\$577
San Bernardino	Highland	Greenspot Rd Improvements	\$577	3/1/2013	47	\$15,898	\$0
<b>DELETE Rialto Project (will not be ready) ADD BACK \$600,000</b>						<b>\$15,298</b>	<b>\$600</b>
<b>ADD BACK SAVINGS OF \$197,000</b>							<b>\$797</b>
Fresno	City of Fresno	Traffic Signal at Shields/Temperance	\$215	2/1/2013	45	\$15,513	\$582
Los Angeles	Lancaster	25th Street East, Alignment	\$361	1/15/2013	44	\$15,874	\$221
Fresno	City of Fresno	Friant Rd Widening at Shepherd Av	\$145	2/1/2013	42	\$16,019	\$76

**Not Recommended for Programming at this time (projects remain eligible and may be programmed as funds become available)**

Sacramento	Sacramento RT	Cosumnes River College Station	\$1,000	3/15/2013	48		
Kern	City of Bakersfield	Hageman Rd Signal Install and Synch	\$225	4/1/2013	42		
Riverside	City of Moreno Valley	Perris Blvd Improvements	\$1,000	7/1/2013	41		
Riverside	City of Rancho Mirage	Int Imp Bob Hope Dr/ Frank Sinatra Dr	\$500	9/1/2013	38		
Kern	City of Bakersfield	Hosking Ave Widening	\$436	5/1/2013	37		
Sacramento	City of Elk Grove	Elk Grove - Florin Rd/ E Stockton Int	\$419	3/1/2013	36		
Kern	City of Bakersfield	Wible Rd Widening	\$165	6/3/2013	35		
San Bernardino	City of Highland	Baseline/Greenspot Rd Traf Safety/ Bike	\$393	6/15/2013	34		
Riverside	Riverside County	Clinton Keith Rd Ext/Gap Closure Imp	\$1,000	12/10/2013	31		
Santa Barbara	Santa Barbara County	Clark Ave/US 101 NB Imp	\$315	12/1/2013	27		
Riverside	City of Murietta	I 215/Clinton Keith Rd Landscape	\$1,000	6/1/2013	21		
Placer	City of Roseville	Roseville Traffic Imp/ Video Storage Imp	\$150	5/1/2013	15		

March 1, 2013

California Transportation Commission  
1120 N Street Room 2221  
Sacramento, CA 95814

Re: KBCCIP - Tab #71 and # 82

Dear Members of the Commission,

I moved to Kings Beach in 1979, started a few businesses over 34 years, owned a water utility company, served on the Board of the North Tahoe Public Utility District. We currently own and operate a storage facility in nearby Tahoe Vista which we developed after a 14 year permit process. My wife and I raised our children here, and we are disheartened seeing a great community become fractured and torn apart since about 2004 over this project. I have an MBA, and was asked to lead the Kings Beach Business and Citizens Alliance to retain the four lane highway, install sidewalks, bike lanes, and water quality improvements.

There are two items on the March 5, 2013 agenda (Tab #71 and #82) which request funding for a project in Placer County, Caltrans District 3, called the Kings Beach Commercial Core Improvement Project (KBCCIP). The project is located on State Route 28 on the North Shore of Lake Tahoe, a lake revered for its clarity and mountain vistas. Designated as one of only a few Outstanding National Resource Waters (ONRW) under the Clean Water Act it is a well recognized and prized "national treasure." This highway has regional significance as the sole roadway for the "movement of people and goods" between California and Nevada.

The current project description, "to enhance pedestrian/bicycle mobility and provide water quality improvements," omits the following two essential facts: 1) the project as proposed reduces SR28 from four through lanes (since 1964) down to two through lanes (constricted by two single-lane roundabouts), and 2) the alternative to retain the four lanes was described in a letter dated October 2, 2007 as "superior" by District 3 Director Jody Jones, as it would minimize congestion, improve pedestrian safety, enhance pedestrian/bicycle mobility, and provide water quality improvements.

In the same letter Jones writes, "The County will have the final decision of alternative selection." This was the beginning of what we too often observed, Caltrans' deference to Placer County and their grand redevelopment schemes from Auburn (County seat). We believe State Route 28 is a right of way (ROW) granted to all the people of the State of California and is the responsibility of Caltrans, not the supervisors of Placer County.

### **A Brief History**

The first appearance of the KBCCIP as a programmed project for STIP funding occurred in 2006, and the project description included "widening the highway." Although project's approval was some years off,

the project team's minutes show that description was deliberate "for funding purposes." Without any controversy the request of \$3.754 million in STIP funding was approved by the Commission.

But what ensued at the local level, with Placer County and the Tahoe Regional Planning Agency (TRPA) was the most controversial process ever and a true test of Caltrans' responsibility for the State's highways in Lake Tahoe. That role continues to this day as we look to resolve a very complex issue.

In 2004 under new leadership the TRPA staff initiated a collaboration with local jurisdictions to update the 1987 Regional Plan with a "new urbanism" vision. The general economy was hot and Placer County's Redevelopment Agency revenues were rapidly climbing and feeding their redevelopment plans for Kings Beach and Tahoe City. SR28 was to be the centerpiece for a grand scheme of new resort developments as pedestrian oriented "villages" with boulevard like sidewalks. The model was based on South Lake Tahoe's redevelopment beginning in the 1990's, and the TRPA's new director was intent on spreading the vision to Kings Beach.

The slogan "reduce dependency on the automobile" was justified, they said, because it was a directive in the 1980 bi-state Compact (the law that authorized the TRPA's existence) transportation plan. This phrase, however, was taken out of context, and is the root of the controversy over the KBCCIP. The full sentence in Article 5 of the Compact under Transportation Plan reads,

To reduce dependency on the automobile by making more effective use of existing transportation modes and of public transit to move people and goods within the region.

This sounds more consistent with Caltrans policy "to move people and goods" but the full language was not carried forward in the new TRPA vision. Instead, "new urbanism" principles applied to the "built environment" captured the new resort development vision regardless of the consequences to motorized vehicles and the environment. After all, vehicles were going to be replaced by pedestrians (Overriding Consideration #1).

The Tahoe Metropolitan Planning Organization (TMPO) is governed by the same Board of Directors as the TRPA (plus a US Forest Service representative), and adopted the same distortion of Compact directive in its Regional Transportation Plan. Transportation and land-use were beginning to merge in 2005. The KBCCIP was programmed for State and Federal funding with full knowledge that the lane reduction alternative was aligned with the new vision.

In an email from Placer County's Tahoe Manager (November 6, 2009) to the Placer County CEO, a description of how Joanne Marchetta (Executive Director of the TRPA) characterized the coming TRPA vote on the KBCCIP as "a referendum on the concepts staff supports for inclusion in the Regional Plan and believes a failure on KB would damage the Regional Plan update." (Overriding Consideration #2)

The KBCCIP impacts in the EIS/EIR were based on Placer County's conclusion that congestion would occur only 3 to 5 days per year depending on the direction of travel. The evidence obtained through a Public Records Act request from both Caltrans and Placer County show how the traffic analysis was manufactured after serious tweaks of the SIDRA model. Ultimately, the political agreement and deference to the Placer County by Caltrans' District 3 led to the feasible lane reduction alternative.

However, you can tweak a model but you cannot alter the physics and practical realities of traffic counts and driver behavior.

Our group hired Roundabout and Traffic Engineering (RTE) a well known roundabout designer to perform a technical analysis of the proposed roundabout's design, by, using the more accurate RODEL model. It concluded the single-lane roundabouts were "designed to fail." And could back up their data with an 85% confidence level. SIDRA is limited to a 50% confidence level and cannot process real inputs such as pedestrian crossings. Caltrans claimed they can accept either SIDRA or RODEL and chose the less accurate analysis software. Placer County and the TRPA simply ignored the report's findings.

Ultimately, the controversy was "concepts" consistent with the RPU's vision over the practical reality that reducing SR28's capacity (with traffic counts about 24,000 vehicles per day during four months of seasonal peaks) will cause congestion similar to or worse than neighboring Tahoe City. Known for severe congestion during the summer, traffic counts in Tahoe City are actually less than in Kings Beach. SR28 in Tahoe City has more capacity than the proposed two through lanes in Kings Beach due to a continuous third left turn lane (unrestricted by single-lane roundabouts) that is periodically, in high demand times, converted to three through lanes.

Traffic congestion at Lake Tahoe is repeatedly the number one problem in surveys of visitors, tourists, and locals. The Resort Association has produced surveys with numbers as high as 80% who say traffic congestion is the most serious problem at Lake Tahoe.

In January 2010 the Tahoe Transportation District release a public outreach survey and asked various questions about the KBCCIP. Placer County officials were very upset at this inadvertent survey that showed the lack of support in the community for the lane reduction. (Overriding Consideration #3)

Most people trust that Caltrans will do the right thing to not fund the creation of congestion as proposed by Placer County. We believe there is a solution that only the Commission can direct staff to examine.

### **Caltrans ROW is only an Easement**

Caltrans has no evidence of fee title to the 80' ROW through Kings Beach. The deeds of adjacent property owners show the SR28 ROW is designated for "roadway purposes." The four lanes are fully used and needed to prevent congestion, yet Caltrans is planning to relinquish part of the ROW after removing a travel lane to Placer County for pedestrian use. According to the Project Report for the KBCCIP approved by District 3 director on April 1, 2010,

Upon completion of the proposed project the State will relinquish the excess portion of State right of way from the back of curb to the existing SR28 right of way line. Placer County will accept this relinquishment and assume responsibility for maintenance of this area.

How are two existing lanes of SR28, essential to the free flow of traffic considered "excess," subject to relinquishment, and to be converted into unnecessarily wide sidewalks. Is there evidence that the extra-wide sidewalks will displace two lanes of through traffic? Much of the vehicle use of SR28 is to access Incline Village, a town of 10,000 full time residents and a seasonal population of 30,000. SR28 through Kings Beach is the only access from Interstate 80 to Incline Village.

## **The Problem of Financing**

Placer County has had difficulty securing financing for this project. In the project funding statement dated July 21, 2009 Placer County claimed secured funding of \$11,000,000 from the Placer County Redevelopment Agency. With the dissolution of RDAs (February 2012) in California this funding is likely not available. In an email from the California Department of Finance (DOF) an official states,

As is indicated in the attached letter, Finance has disapproved \$11.6 million in bond expenditures for the Kings Beach Commercial Core District. The disapproval is based on the fact that a contract requiring the expenditure of these funds was not in place prior to June 28, 2011.

Placer County also had shown ARRA - Tiger funds of \$17,199,000 to complete the funding need in the 2009 statement and this request was recently denied by the FHWA. The SNPLMA funding is targeted by Federal law for water quality improvements and has nothing to do with the number of lanes on the highway.

## **Project Phasing Has Changed**

When the project was approved by the TRPA and Placer County, Phase I was implementation of the Traffic Management Plan that would mitigate the congested traffic cutting through the residential neighborhood of Kings Beach. Phase II was the purchase and construction of additional parking lots to mitigate the parking spaces lost on SR28 (parking is prohibited on SR28 during the peak seasons). Then Phase III was the actual reduction of lanes and installation of the roundabouts.

Now the Phases have been altered significantly with Phase I as a shortened (by 1200 feet) "core of the core" project reducing the lanes and installing the roundabouts first. Then Placer County claims they will do the Traffic Management Plan and Parking Plan later as money becomes available.

The appearance is to just get the most irrevocable part of the project in first, then deal with all the mitigation measures and public backlash as it occurs. This is a recipe for failure. And the roadway is Caltrans' responsibility.

## **Other Failures from the Rush**

Several other problems are brewing from Placer County's push to get something in the ground. The recent formation of a Business Assessment District was rushed through in a few months leaving numerous unanswered questions regarding liability, assessments from public lands, extent of snow removal along SR28, and is the BAD responsible for removing Caltrans' snow that is simply plowed to the sides. The parking plan is not complete, with many businesses unsure about their spaces and the location of replacement spaces. If parking is primarily relocated on the north side of SR28, how will this increase in pedestrian crossings impact traffic. The EIR/EIS did not account for any additional highway

crossings from relocated parking spaces. How will Caltrans prevent the plows from piling snow onto the sidewalks? Placer County has not provided these answers to local businesses or the public in a reliable manner.

### **The Risk of Failure**

Property and business owners have been told that Caltrans was only in an "oversight" position on this project. District 3 had stated the final decision of alternatives is up to Placer County. So what agency will be responsible for possible financial damages, possible injuries in the residential neighborhoods, or the cost of reversing the lane reduction when the public backlash from congestion is unbearable?

Lately Placer County officials have stated that it is a joint project, which would suggest Caltrans is stepping up to see this through completion and be responsible for the results. Is this what the Commission wants?

The visibility of this project will make its consequences known not only nationwide but internationally. The spotlight of the world will be watching to ensure protection of an Outstanding National Resource Water (ONRW) under the 1972 Clean Water Act. Your wisdom is needed.

I would like to present on March 5 a possible resolution to this project. I believe there is a way to move the project forward, without the all or nothing result, which does not produce a positive result for anyone. The economy has gone through a major reset, the Redevelopment Agencies are dissolved, and funding will continue to be tighter.

Kindly regards,

David McClure

