

May 5, 2016

TECHNICAL MEMORANDUM

2017 Federal Transportation Improvement Program and Corresponding Conformity Issues

As the designated metropolitan planning organization (MPO) for the region, the Fresno Council of Governments (Fresno COG) prepares and maintains the Federal Transportation Improvement Program (FTIP). The program includes a listing of all transportation-related projects requiring federal funding or other approval by the federal transportation agencies. The FTIP also lists non-federal, regionally significant projects for information and air quality modeling purposes. Projects included in the FTIP are consistent with Fresno COG's Regional Transportation Plan (RTP) and are part of the area's overall strategy for providing mobility, congestion relief, and reduction of transportation-related air pollution in support of efforts to attain federal air quality standards for the region.

Fresno COG is required to update the FTIP every 2 years. The most recent update was the 2015 FTIP, which was adopted by the Fresno COG Policy Board on June 26, 2014. As such, Fresno COG is due to update the FTIP again and is in the process of developing the 2017 FTIP. Fresno COG tentatively plans to have 30-day public review period for the 2017 FTIP from June 27-July 27, 2016 and a public hearing to receive comments on the draft documents on July 19, 2016. Subsequently, staff would have a final draft document with responses to comments completed by mid-August and will take the Final Draft 2017 FTIP to the Fresno COG Policy Board for proposed approval on September 22, 2016 in order to submit the FTIP to Caltrans by the October 1, 2016 deadline.

However, Fresno COG is one of four MPOs (including the Stanislaus Council of Governments, Tulare County Association of Governments, and San Joaquin Council of Governments) at risk of entering a conformity lockdown later this year. Once EPA approves the 2015 PM_{2.5} Plan, the 2014 Emissions Factors Model (EMFAC2014) will be required for use in demonstrating conformity. However, Fresno COG cannot currently demonstrate conformity with EMFAC2014 with existing conformity budgets and thus, once the 2015 PM_{2.5} Plan is approved by EPA (expected in late June 2016 with an effective date of late July 2016) Fresno COG will enter a conformity lockdown. Fresno COG will not be able to adopt a full FTIP and end the lockdown until receiving EPA approval of the 2012 PM_{2.5} Plan and the revised conformity budgets for 8-hour ozone, PM_{2.5}, and PM₁₀ as these revised budgets will allow Fresno COG to demonstrate conformity with EMFAC2014. We currently anticipate final EPA action on the 2012 PM_{2.5} Plan and the aforementioned budgets to occur by August 2016 with an effective date of September 2016. As such the lockdown is expected to only occur for 1.5 to 2 months. If the current anticipated timeline stays in place, Fresno COG will be able to adopt the 2017 FTIP at the September 22, 2016 Board meeting as planned. However, if statutory processes and other factors cause the EPA approvals/actions to slip past October 1, 2016, Fresno COG will need to adopt an Interim FTIP. The Interim FTIP will be effective until all EPA actions are complete and effective.

An Interim FTIP differs from a typical FTIP in the types of projects that are allowed for inclusion. An Interim FTIP **cannot** include non-exempt regionally significant projects (i.e. all capacity increasing projects, projects requiring conformity determination/emissions analysis). It can include: transportation control measures (TCMs) in approved State Implementation Plans (SIPs); non-regionally significant non-federal projects; regionally significant non-federal projects in a previously conforming FTIP or Plan (only the project phase for which local approval has been granted may proceed); federal aid projects in a previously conforming FTIP or Plan (only the project phase for which federal approval or a funding commitment has been granted may proceed); and exempt projects as referenced in 40 CFR 93.126, 93.127, 93.128.

If Fresno COG is forced to adopt an Interim FTIP that continues into FFY 16/17 and thus remove several current projects from the FTIP, that would potentially put several projects at risk for significant delay and/or loss of federal funding. As of late 2015, it was estimated that this could impact close to \$200 million worth of projects in Fresno County. This does not account for new regionally significant projects that would need to be programmed into the new FTIP or the fact that as we get closer to the end of the state fiscal year, some projects will necessitate a delay into FY 16/17. However, currently, all projects consistent with the 2014 RTP and 2015 FTIP, as amended, would still be able to acquire E76s until December 14, 2016. Starting December 15, 2016, or the date of federal approval of the 2017 FTIP, whichever is sooner, project sponsors would be unable to secure E76s for non-exempt projects until a regionally significant 2017 FTIP amendment is federally approved (i.e. the lockdown ends).

Since Fresno COG will not know whether we must adopt an Interim FTIP or can proceed with a full 2017 FTIP Update until third quarter of 2016, staff are developing the (2) FTIP documents concurrently to allow enough time for the necessary public review process. Both the Interim FTIP and full FTIP will be released for public comment, but only one will be adopted by the Policy Board in September 2016. Just a reminder that the adoption of an Interim FTIP is the **last resort option**. Staff will continue working closely with EPA staff to monitor the approval dates of the 2012 PM2.5 Plan and revised conformity budgets in an effort to alleviate the need for an Interim FTIP. We will keep you updated on EPA actions in the next few months so that Fresno COG staff can implement the appropriate option at the time of FTIP adoption and keep each of our member agencies aware as to whether an Interim FTIP is necessary.