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Regional Agencies
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Due to the decrease in anticipated revenues as a result of the reduction in the price-based excise tax, the California Transportation Commission (Commission) is faced with the difficult task of having to delete \$754 million of currently programmed State Transportation Improvement Program (STIP) projects. In addition to deleting planned projects, it will be necessary to move many projects into the last two years of the 2016 STIP period, which covers the five fiscal years 2016-17 through 2020-21.

Regions and Caltrans were asked to identify projects that could be deleted and delayed in order to meet the \$754 million target as well as delay sufficient projects to the last two years of the STIP. The revised RTIPs and ITIP together proposed \$515 million in deletions, short of the \$754 million target by \$239 million. Also, there were insufficient project delays to the last two years of the STIP period. (The 2016 STIP proposals are posted on the Commission's website, at http://www.catc.ca.gov/programs/STIP/2016_STIP/2016_STIP_HEARING_BOOK.pdf.) The Commission is now faced with difficult decisions to make additional project deletions and delays in order to meet the financial constraints of the adopted fund estimate, as required by statute.

Commission staff will use the following criteria to identify projects for deletions and delays:

- 1- No new projects – new projects cannot be justified at a time when agencies are forced to delete projects already programmed. These projects may have priority to be programmed in the 2018 STIP.
- 2- No new programming for construction or additional Planning, Programming and Monitoring funds, although cost increases will be considered.
- 3- Projects programmed only for pre-construction may be proposed for deletion.
- 4- Projects proposed by the counties to be delivered in FY 20/21 or delayed to 20/21 may be placed outside the STIP period, giving them priority to be programmed in the 2018 STIP.

- 5- Consider projects in counties that are over-programmed and have proposed no deletions – to the extent possible, geographic equity will be considered. Deleted projects may have priority to be programmed in the 2018 STIP.
- 6- Commission priorities approved at the December 2015 meeting
(http://www.dot.ca.gov/hq/transprog/ctcliaison/2015/1215/18_4.8_yellow_handouts.pdf.)

These are very difficult times as every programmed project is important for the mobility, safety and sustainability of California. However, lacking a permanent solution to the transportation funding crisis, the Commission has limited choices. Commission staff will continue to work with the regions to identify projects to be deleted or delayed.

Thank you for continuing to advocate for a permanent transportation funding solution. Let us continue to unite our efforts urging legislators to work together to develop a compromise that will result in additional revenues and a meaningful reform to the state's transportation program.

Sincerely,



WILL KEMPTON
Executive Director