

## Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 31-February 1, 2018

Reference No.: 2.1a.(3)  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

Prepared by: Bruce De Terra, Chief  
Division of Transportation  
Programming

Subject: **STIP AMENDMENT 16S-20**  
**SAN DIEGO COUNTY – PPNO 0999B**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the requested State Transportation Improvement Program (STIP) Amendment 16S-20?

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the Commission approve the requested STIP Amendment 16S-20. This item was noticed at the Commission's December 2017 meeting.

The Department proposes to amend the Route 11 Highway and Commercial Vehicle Enforcement Facility (CVEF) project – Segment 2 (PPNO 0999B) in San Diego County to: replace a portion of the programmed local funds with a federal grant from the Fixing America's Surface Transportation Act (FAST Act); split the project into Segment 2 (PPNO 0999B) and Segment 2A (PPNO 0999D); and deliver Segment 2A in Fiscal Year (FY) 2018-19. The Department also proposes to program \$3,350,000 of Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Border Infrastructure Program (BIP) funds to the new Segment 2A project. The San Diego Association of Governments (SANDAG) concurs with this request.

### **BACKGROUND:**

The Route 11 CVEF project – Segment 2 scope consists of constructing a four-lane highway, including the Siempre Viva Interchange, the CVEF and the tolling and border wait time systems. When completed (along with the new Otay Mesa Port of Entry), the project will increase capacity to the regional border-crossing infrastructure and also create a link between the United States regional highway system and the Mexico free-and-toll road system.

The total construction need for Segment 2 is close to \$167 million. Currently, the local funds programmed for construction on Segment 2 include funds from innovative financing methods, such as the sale of bonds backed by future toll revenues, loans, grants, and private sector sources. This is allowed through Senate Bill 1486, which established San Diego Association of Governments

(SANDAG) as the Toll Authority for Route 11, authorizing SANDAG to, among other things, solicit and accept grants of funds and to enter into contracts and agreements for the purpose of establishing highway toll projects to facilitate the movement of goods and people along the State Route 11 corridor in the County of San Diego or at the Otay Mesa East Port of Entry. The bill also authorizes SANDAG to issue bonds for the acquisition, construction, and completion of transportation facilities and to impose tolls and user fees for the use of the corridor.

An Investment Grade Traffic and Revenue (T&R) Study is necessary to determine the financial leveraging power of this border project for the sale of bonds. The T&R Study was completed in 2015, but revealed an overall shortfall in revenue versus cost. Additional studies to address the shortfall are currently being conducted and should be completed by May 2018.

Until solutions are developed to finance the entire project, the Department proposes to expedite delivery of a portion of the Segment 2 project (Segment 2A) with funding from a FAST Act grant, as well as program savings from the SAFETEA-LU BIP and Proposition 1B Trade Corridors Improvement Fund (TCIF) funding.

Segment 2A includes the four-lane highway portion of Segment 2 at a construction cost estimate of \$60,453,000. The Plans, Specifications and Estimate phase is currently being developed with previously programmed and allocated BIP funding under Segment 2.

The Department proposes to fully fund the construction phase of Segment 2A as follows:

Federal Grant

In April 2016, a \$49,278,000 grant for construction was awarded to the Department from the Nationally Significant Freight and Highway Projects (NSFHP) program as established by the Federal Highway Administration's FAST Act. The \$49,278,000 grant will fully fund construction capital.

Trade Corridors Improvement Fund

In October 2017, the Commission approved \$7,825,000 in TCIF de-allocations due to savings on three other projects in San Diego County. The Department plans to request re-programming of those savings at the January 2018 Commission meeting to the construction support component.

SAFETEA-LU Border Infrastructure Program

The Department has identified \$3,350,000 in BIP savings from previous allocations to border projects in the region. It is proposed to re-program those savings to the construction support component.

The SAFETEA-LU, enacted in August 2005, authorizes funding through the BIP to improve transportation at international borders and ports of entry, and within trade corridors. This program replaced the TEA-21 Coordinated Border Infrastructure discretionary program that ended after 2005. Since enactment of SAFETEA-LU, California received a total apportionment of \$188 million.

Pursuant to Section 164.1 of the California Streets and Highways Code, BIP funds shall be programmed, allocated, and expended in the same manner as other federal funds made available for capital improvement projects in the State Transportation Improvement Program (STIP). These BIP funds are eligible in a border region, defined as any portion of a border state within 100 miles of an international land border with Canada or Mexico, for the following types of improvements to facilitate/expedite cross-border motor vehicle and cargo movements:

- Improvements to existing transportation and supporting infrastructure.
- Construction of highways and related safety and safety enforcement facilities related to international trade.
- Operation improvements, including those related to electronic data interchange and use of telecommunications.
- Modifications to regulatory procedures.
- International coordination of transportation planning, programming, and border operation with Canada and Mexico.

**ADD Segment 2A: Route 11 – Construct 4-lane highway project (PPNO 0999D)**  
**(Split from Segment 2)**

| County  | District   | PPNO                          | EA    | Element | Const. Year | PMBack          | PMAhead  | Route/Corridor              |        |       |      |          |          |
|---|--|-------------------------------|-------|---------|-------------|-----------------|----------|-----------------------------|--------|-------|------|----------|----------|
| San Diego County  | 11   | 0999D                         | 5636  | CO      | 2018-19     | 1.2             | 2.7      | 11                          |        |       |      |          |          |
| <b>Implementing Agency: (by component)</b>                                    | <b>PA&amp;ED</b>   | Caltrans                      |       |         |             | <b>PS&amp;E</b> | Caltrans |                             |        |       |      |          |          |
|   | <b>R/W</b>   | Caltrans                      |       |         |             | <b>CON</b>      | Caltrans |                             |        |       |      |          |          |
| <b>RTPA/CTC:</b>  | San Diego Association of Governments   |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| <b>Project Title:</b>   | Route 11 - Enrico Fermi Drive to Otay Mesa Port of Entry                                     |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| <b>Location:</b>  | On Route 11 from 0.1 mile west of Enrico Fermi Drive to 1.2 mile east of Enrico Fermi Drive. |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| <b>Description:</b>   | Construct 4-lane highway   |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| <b>(DOLLARS IN THOUSANDS)</b>   |  |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| FUND  | TOTAL  | Project Totals by Fiscal Year |       |         |             |                 |          | Project Totals by Component |        |       |      |          |          |
|   |  | Prior                         | 16/17 | 17/18   | 18/19       | 19/20           | 20/21+   | R/W                         | CON    | PA&ED | PS&E | R/W Supp | CON Supp |
| <b>Federal Discretionary (FAST Act) Grant</b>                                 |  |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| Existing  | 0  | 0                             | 0     | 0       | 0           | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 0        |
| Change  | 49,278   | 0                             | 0     | 0       | 49,278      | 0               | 0        | 0                           | 49,278 | 0     | 0    | 0        | 0        |
| Proposed  | 49,278   | 0                             | 0     | 0       | 49,278      | 0               | 0        | 0                           | 49,278 | 0     | 0    | 0        | 0        |
| <b>Federal Discretionary (Coordinated Border Infrastructure - SAFETEA-LU)</b> |  |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| Existing  | 0  | 0                             | 0     | 0       | 0           | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 0        |
| Change  | 3,350  | 0                             | 0     | 0       | 3,350       | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 3,350    |
| Proposed  | 3,350  | 0                             | 0     | 0       | 3,350       | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 3,350    |
| <b>Trade Corridors Improvement Fund (TCIF) - Proposed</b>                     |  |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| Existing  | 0  | 0                             | 0     | 0       | 0           | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 0        |
| Change  | 7,825  | 0                             | 0     | 0       | 7,825       | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 7,825    |
| Proposed  | 7,825  | 0                             | 0     | 0       | 7,825       | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 7,825    |
| <b>Total</b>  |  |                               |       |         |             |                 |          |                             |        |       |      |          |          |
| Existing  | 0  | 0                             | 0     | 0       | 0           | 0               | 0        | 0                           | 0      | 0     | 0    | 0        | 0        |
| Change  | 60,453   | 0                             | 0     | 0       | 60,453      | 0               | 0        | 0                           | 49,278 | 0     | 0    | 0        | 11,175   |
| Proposed  | 60,453   | 0                             | 0     | 0       | 60,453      | 0               | 0        | 0                           | 49,278 | 0     | 0    | 0        | 11,175   |

The revised Segment 2 scope and funding plan for the remaining elements is as follows:

**REVISE: Route 11- Siempre Viva Interchange, CVEF and tolling and border wait time system project – Segment 2 (PPNO 0999B)**

| County  | District | PPNO  | EA       | Element   | Const. Year | PM Back | PM Ahead | Route/Corridor              |          |       |        |          |          |
|---|----------|---|----------|-----------|-------------|---------|----------|-----------------------------|----------|-------|--------|----------|----------|
| San Diego County  | 11       | 0999B   | 05633    | CO        | 2019-20     | 0       | 2.8      | 11                          |          |       |        |          |          |
| Implementing Agency: (by component)   |          | PA&ED   | Caltrans |           |             | PS&E    | Caltrans |                             |          |       |        |          |          |
|   |          | R/W   | Caltrans |           |             | CON     | Caltrans |                             |          |       |        |          |          |
| RTPA/CTC:   |          | San Diego Association of Governments  |          |           |             |         |          |                             |          |       |        |          |          |
| Project Title:  |          | Rte 11 Siempre Viva Interchange, Commercial Vehicle Enforcement Facility and Tolling and Border Wait Time Sys.  |          |           |             |         |          |                             |          |       |        |          |          |
| Location:   |          | Route 905/11 Separation to 1.2 miles east of Enrico Fermi Dr; Route 125 from 0.8 mile north of 905/11 Separation to Route 905/11 Separation; Route 905 from just west of Britannia Boulevard overcrossing to Route 905/11 Separation. |          |           |             |         |          |                             |          |       |        |          |          |
| Description:  |          | Construct Interchange, Commercial Vehicle Enforcement Facility and Tolling and Border Wait Time System  |          |           |             |         |          |                             |          |       |        |          |          |
| <b>(DOLLARS IN THOUSANDS)</b>   |          |   |          |           |             |         |          |                             |          |       |        |          |          |
| FUND  | TOTAL    | Project Totals by Fiscal Year   |          |           |             |         |          | Project Totals by Component |          |       |        |          |          |
|   |          | Prior   | 16/17    | 17/18     | 18/19       | 19/20   | 20/21+   | R/W                         | CON      | PA&ED | PS&E   | R/W Supp | CON Supp |
| <b>Federal Discretionary (Coordinated Border Infrastructure - SAFETEA-LU)</b> |          |   |          |           |             |         |          |                             |          |       |        |          |          |
| Existing  | 28,800   | 28,800  | 0        | 0         | 0           | 0       | 0        | 9,200                       | 0        | 0     | 17,500 | 2,100    | 0        |
| Change  | 0        | 0   | 0        | 0         | 0           | 0       | 0        | 0                           | 0        | 0     | 0      | 0        | 0        |
| Proposed  | 28,800   | 28,800  | 0        | 0         | 0           | 0       | 0        | 9,200                       | 0        | 0     | 17,500 | 2,100    | 0        |
| <b>Federal Discretionary (Coordinated Border Infrastructure - FAST Act)</b>   |          |   |          |           |             |         |          |                             |          |       |        |          |          |
| Existing  | 35,400   | 0   | 0        | 35,400    | 0           | 0       | 0        | 35,400                      | 0        | 0     | 0      | 0        | 0        |
| Change  | 0        | 0   | 0        | 0         | 0           | 0       | 0        | 0                           | 0        | 0     | 0      | 0        | 0        |
| Proposed  | 35,400   | 0   | 0        | 35,400    | 0           | 0       | 0        | 35,400                      | 0        | 0     | 0      | 0        | 0        |
| <b>Local Funds - City Funds</b>   |          |   |          |           |             |         |          |                             |          |       |        |          |          |
| Existing  | 175,900  | 0   | 0        | 175,900   | 0           | 0       | 0        | 0                           | 155,800  | 0     | 0      | 0        | 20,100   |
| Change  | (60,453) | 0   | 0        | (175,900) | 8,911       | 106,536 | 0        | 0                           | (63,764) | 0     | 8,911  | 0        | (5,600)  |
| Proposed  | 115,447  | 0   | 0        | 0         | 8,911       | 106,536 | 0        | 0                           | 92,036   | 0     | 8,911  | 0        | 14,500   |
| <b>Total</b>  |          |   |          |           |             |         |          |                             |          |       |        |          |          |
| Existing  | 240,100  | 28,800  | 0        | 211,300   | 0           | 0       | 0        | 44,600                      | 155,800  | 0     | 17,500 | 2,100    | 20,100   |
| Change  | (60,453) | 0   | 0        | (175,900) | 8,911       | 106,536 | 0        | 0                           | (63,764) | 0     | 8,911  | 0        | (5,600)  |
| Proposed  | 179,647  | 28,800  | 0        | 35,400    | 8,911       | 106,536 | 0        | 44,600                      | 92,036   | 0     | 26,411 | 2,100    | 14,500   |

**RESOLUTION:**

Be it Resolved, that the California Transportation Commission does hereby amend the Route 11 Highway and Commercial Vehicle Enforcement Facility (CVEF) project – Segment 2 (PPNO 0999B) in San Diego County to: replace a portion of the programmed local funds with a federal grant from the Fixing America’s Surface Transportation Act (FAST Act); split the project into Segment 2 (PPNO 0999B) and Segment 2A (PPNO 0999D); and deliver Segment 2A in Fiscal Year (FY) 2018-19. The Department also proposes to program \$3,350,000 of Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Border Infrastructure Program (BIP) funds to the new Segment 2A project in San Diego County.