

# Memorandum

To: Chairman and Commissioners

Date: 10/26/2007

From:   
JOHN F. BARNA, JR.  
Executive Director

Item 9  
Reference No. 4.2  
ACTION

## Trade Corridors Improvement Fund (TCIF) Guidelines

**ISSUE:** Should the Commission approve the TCIF Guidelines and associated timeline for the development of the TCIF program?

**RECOMMENDATION:** Staff recommends that the Commission defer approval of the guidelines to a special meeting to be held in the week of November 26, 2007, to allow potential nominating agencies ample time to review these guidelines and provide their feedback.

**BACKGROUND:** At the Commission's October meeting, Staff presented proposed criteria, a program development timeline and a project nomination package of which the Commission adopted only the criteria and the timeline through November 7, 2007. Staff has since received comments from potential nominating agencies that the proposed timeline does not allow for review and feedback on the project screening and evaluation criteria which have since been incorporated into the attached guidelines. Staff has also held a workshop with a group of stakeholders to discuss the proposed evaluation criteria. Results of the workshop, although positive, have identified additional items that need further discussion, such as geographic balance, supplementary funding, program development activities, and others.

Attachments:

1. TCIF Guidelines

## Trade Corridors Improvement Fund (TCIF) Guidelines

### General Program Policy

1. Authority and purpose of guidelines. 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, provided for \$2 billion to be transferred to the Trade Corridors Improvement Fund (TCIF) for infrastructure improvements along corridors that have a high volume of freight movement. The funds are available, upon appropriation by the Legislature, for allocation by the California Transportation Commission.

The TCIF program is subject to the provisions of Government Code Section 8879.23(c)(1), as added by the Proposition 1B, and to Section 8879.50, as enacted through implementing legislation in 2007 (SB 88 and AB 193). The implementing legislation designated the Commission as the administrative agency responsible for programming TCIF and the agency authorized to adopt guidelines for the program.

The purpose of these guidelines is to identify the Commission's policy and expectations for the TCIF program and thus to provide guidance to the Department of Transportation (Caltrans), regional agencies, and project applicants and proponents in carrying out their responsibilities under the program. These guidelines are not intended to preclude any project nomination or any project selection that is consistent with the Bond Act.

2. Statutory program eligibility. Proposition 1B calls for the Commission to determine corridor and project eligibility, consulting:
  - the goods movement action plan (GMAP) submitted to the Commission by the Secretary of the Business, Transportation and Housing Agency and the Secretary for Environmental Protection;
  - trade infrastructure and goods movement plans adopted by regional transportation planning agencies;
  - adopted regional transportation plans required by state and federal law; and
  - the statewide port master plans prepared by the California Marine and Intermodal Transportation System Advisory Council (Cal-MITSAC).

Under Proposition 1B, eligible projects may include, but are not limited to:

- highway capacity improvements,
- freight rail system improvements,
- port capacity and efficiency projects,
- truck corridor improvements,
- improvements that maximize state access to federal border infrastructure funds, and
- airport ground access improvements.

3. Statutory programming mandates. Proposition 1B mandates that the Commission program and allocate TCIF in a manner that:

- addresses the state's most urgent needs,
- balances the demands of various ports,
- provides reasonable geographic balance between regions, and
- places emphasis on projects that improve trade corridor mobility while reducing emissions of diesel particulate and other pollutant emissions.

The Commission is also mandated to consider the following factors:

- Velocity: the speed by which large cargo would travel from the port through the distribution system.
- Throughput: the volume of cargo that would move from the port through the distribution system.
- Reliability: a reasonably consistent and predictable cargo travel time between points on any given day or time.
- Congestion reduction: the reduction in recurrent daily hours of delay to be achieved.

4. Statutory mandate for supplemental funding. Proposition 1B mandates that the Commission allocate TCIF to projects that have identified and committed supplemental funding from appropriate local, federal, or private sources. The Commission is to determine the appropriate amount of supplemental funding for each project based on a project-by-project review and an assessment of the project's benefit to the state and the program. Except for border access improvements receiving federal border infrastructure funding, the supplemental funding shall be at least equal to the TCIF contribution, and the Commission may give funding priority to projects with higher levels of committed supplemental funding.

5. Program Schedule. The Commission intends to implement the TCIF program on the following schedule:

CTC adoption of TCIF guidelines.	November 7, 2007.
TCIF project nominations due.	November 26, 2007.
Hearing, Oakland	December 3, 2007.
Hearing, Los Angeles	December 3, 2007.
Hearing, San Diego	December 4, 2007.
Hearing, Fresno	December 5, 2007.
CTC issues staff recommendations.	December 6, 2007.
CTC adopts the initial TCIF program of projects.	December 13, 2007.

### **Project Nominations**

6. Eligible applicants and projects. The Commission will accept project nominations from Caltrans, regional agencies, and other public agencies, including counties, cities, and port

authorities. Project proposals from railroads or other private entities should be submitted by a public agency sponsor. A nomination may identify an entity other than the nominating agency to be the project implementing agency. The implementing agency is the agency responsible for carrying out the work and completing the project.

After consulting the GMAP, Cal-MITSAC and regional transportation plans, the Commission has determined that the following corridors have a high volume of freight movement and are eligible for funding under this program:

- Bay Area Corridor
- Central Valley Corridor
- Los Angeles/Inland Empire Corridor
- San Diego/Border Corridor

Under statute, the applicant agency must provide a project funding plan that demonstrates that the supplementary funding in the plan (private, local, or federal) is reasonably expected to be available and sufficient to complete the project. The Commission expects that TCIF project funding will be limited to the costs of construction.

The useful life of a TCIF project shall not be less than the required useful life for capital assets pursuant to the State General Obligation Bond Law, specifically subdivision (a) of Section 16727 of the Government Code. That section generally requires that projects have an expected useful life of 15 years or more.

7. Project nominations. Project nominations and their supporting documentation will form the primary basis for the Commission's TCIF program of projects. Each project nomination should include:

- A cover letter with signature authorizing and approving the nomination.
- A programming request form (Appendix A) and a project fact sheet that includes a map of the project location and that describes the project scope, useful life, cost, funding plan, delivery milestones, and major project benefits. Cost estimates should be escalated to the year of proposed implementation. The project delivery milestones should include the start and completion dates for environmental clearance, land acquisition, design, construction bid award, construction completion, and project closeout.
- A brief narrative that provides:
  - Project background and a purpose and need statement.
  - A concise description of the project scope and anticipated benefits (outcomes and outputs) proposed for TCIF funding.

- A specific description of non-TCIF funding (source and amount) to be applied to the project and the basis for concluding that the non-TCIF funding is expected to be available.
  - A description of the project delivery plan, including a description of the known risks that could impact the successful implementation of the project and a description of the response plan for the known risks. The risks considered should include, but not be limited to, risks associated with deliverability and engineering issues, community involvement, and funding commitments.
  - A description of the transportation corridor and the function of the proposed project within the corridor.
  - A description and quantification of improvements in trade corridor mobility, including measures of velocity, throughput, reliability and congestion reduction for freight movement in the corridor.
  - A description and quantification of the local and corridor effects of the project on diesel particulate and other pollutant emissions.
  - A description of the corridor system management plan or other coordinated management strategy being implemented by the applicant agency and other jurisdictions within the corridor to preserve corridor mobility.
  - Documentation supporting the benefits and cost estimates cited in the nomination. This should be no more than 10 pages in length, citing or excerpting, as appropriate, the project study report, environmental document, regional transportation plan, and other studies that provide quantitative measures of the project's costs and benefits, including both trade corridor mobility benefits and emission reduction benefits.
  - Documentation supporting the availability of supplementary funding identified as part of the project funding plan.
8. Submittal of project nominations. For the initial TCIF program of projects, the Commission will consider only projects for which a nomination and supporting documentation are received in the Commission office by 12:00 noon, November 26, 2007, in hard copy. A nomination from a regional agency or port authority will include the signature of the Chief Executive Officer or other authorized officer of the agency. A nomination from Caltrans will include the signature of the Director of Transportation or a person authorized by the Director to submit the nomination. A nomination from a city, county, or other public agency will include the signature from an officer authorized by the city council, board of supervisors, or other agency board. Where the project is to be implemented by an agency other than the nominating agency, the nomination will also include the signature of the Chief Executive Officer or other authorized officer of the implementing agency.

The Commission requests that each project nomination include five copies of the cover letter, the project fact sheet, and the narrative description, together with two copies of all supporting documentation. All nomination materials should be addressed or delivered to:

John Barna, Executive Director  
California Transportation Commission  
Mail Station 52, Room 2222  
1120 N Street  
Sacramento, CA 95814

### **Project Selection and Programming**

9. Program of projects based on nominations. The Commission will develop its TCIF program of projects primarily on the basis of the nominations received by the nomination due date.
10. Project nomination scoring. The Commission staff will screen and evaluate project nominations according to the following screening and evaluation criteria:

<b><u>Screening Criteria:</u></b> Screening criteria determine whether the nomination is evaluated further.
<b>1. Eligibility:</b>
<ul style="list-style-type: none"><li>• Project is included in GMAP, Cal-MITSAC, trade infrastructure and goods movement plans adopted by regional transportation planning agencies, or an adopted regional transportation plan</li><li>• Project can demonstrate a 1:1 funding match (local, federal or private funds)</li></ul>
<b>2. Deliverability:</b> Project will begin construction by December 31, 2013.
<b>3. Air Quality:</b> Project contributes to corridor or air basin emission reduction efforts of particulates and other pollutants
<b>4. Economic/Jobs Growth:</b> Project will stimulate economic activity, enhance trade value, and preserve/create jobs

<b><u>Evaluation Criteria:</u></b> Evaluation criteria are outcome oriented and customizable to each corridor. Evaluation criteria are grouped into three categories:
<b>1. Freight System (Goods Movement) Factors:</b>
<ul style="list-style-type: none"><li>• <b>Throughput:</b> Project provides for increased volume of freight traffic through capacity expansion or operational efficiency</li><li>• <b>Velocity:</b> Project increases the speed of freight traffic moving through the distribution system</li></ul>

<ul style="list-style-type: none"> <li>• <b>Reliability:</b> Project reduces the variability and unpredictability of travel time</li> </ul>
<p><b>2. Transportation System (Priorities) Factors:</b></p>
<ul style="list-style-type: none"> <li>• <b>Safety:</b> Project increases the safety of the public, industry workers, and traffic</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Congestion Reduction/Mitigation:</b> Project reduces daily hours of delay on the system and improves access to freight facilities</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Key Transportation Bottleneck Relief:</b> Project relieves key freight system bottlenecks where forecasts of freight traffic growth rates indicate infrastructure or system needs are inadequate to meet demand</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Multi-modal Strategy:</b> Project employs or supports multi-modal strategies to increase port and transportation system throughput while reducing truck vehicle miles/hour traveled (VMT/VHT)</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Interregional Benefits:</b> Project links regions/corridors to serve statewide or national trade corridor needs</li> </ul>
<p><b>3. Community Impact Factors:</b></p>
<ul style="list-style-type: none"> <li>• <b>Air Quality Impact:</b> Project reduces local and regional emissions of diesel particulate and other pollutant emissions</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Community Impact Mitigation:</b> Project reduces negative impacts on communities (noise, localized congestions, safety, etc.)</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Economic/Jobs Growth:</b> Project stimulates local economic activity, enhances trade value, and preserves/creates jobs</li> </ul>

11. Program adoption. The Commission anticipates that the \$2 billion in authorized TCIF funding will be fully programmed with the initial adoption. If the authorized funding is not fully programmed, however, the Commission may adopt amendments to add new projects to the program at a later time. The Commission may, if it finds it necessary or appropriate, advise potential applicants to submit new or revised nominations.

### Project Delivery

12. Project baseline agreements. Within three months after the adoption of a project into the TCIF program of projects, the Commission, Caltrans and the implementing agency, together with the regional agency and any entity committed to providing supplementary funding for the project, will execute a project baseline agreement, which will set forth the project scope, benefits, delivery schedule, and the project budget and funding plan. The funding plan will identify the source of supplementary funding. The Commission may delete a project for which no project baseline agreement is executed, and the Commission will not consider approval of a project allocation prior to the execution of a project baseline agreement.
13. Quarterly delivery reports: As a part of the project baseline agreement, the Commission will require the implementing agency to submit quarterly reports on the activities and

progress made toward implementation of the project, including those project development activities taking place prior to a TCIF allocation and including the commitment status of supplementary funding identified in the project baseline agreement.

As mandated by Government Code Section 8879.50, the Commission shall forward these reports, on a semiannual basis, to the Department of Finance. The purpose of the reports is to ensure that the project is being executed in a timely fashion and is within the scope and budget identified when the decision was made to fund the project. If it is anticipated that project costs will exceed the approved project budget, the implementing agency will provide a plan to the Commission for achieving the benefits of the project by either downscoping the project to remain within budget or by identifying an alternative funding source to meet the cost increase. The Commission may either approve the corrective plan or direct the implementing agency to modify its plan. Where a project allocation has not yet been made, the Commission may amend the program of projects to delete the project.

14. Amendments to program of projects. The Commission may approve an amendment of the TCIF program in conjunction with its review of a project corrective plan as described in section 13. The implementing agency may also request and the Commission may approve an amendment of the program at any time. An amendment need only appear on the agenda published 10 days in advance of the Commission meeting. It does not require the 30-day notice that applies to a STIP amendment.
15. Allocations from the TCIF. The Commission will consider the allocation of funds from the TCIF for a project or project component when it receives an allocation request and recommendation from Caltrans, in the same manner as for the STIP. The recommendation will include a determination of the availability of appropriated TCIF and the availability of all identified and committed supplementary funding. The Commission will approve the allocation if the funds are available, the allocation is necessary to implement the project as included in the adopted TCIF program, and the project has the required environmental clearance.
16. Final delivery report. Within six months of the project becoming operable, the implementing agency will provide a final delivery report to the Commission on the scope of the completed project, its final costs as compared to the approved project budget, its duration as compared to the project schedule in the project baseline agreement, and performance outcomes derived from the project as compared to those described in the project baseline agreement. The Commission shall forward this report to the Department of Finance as required by Government Code Section 8879.50.

The implementing agency will also provide a supplement to the final delivery report at the completion of the project to reflect final project expenditures at the conclusion of all project activities. For the purpose of this section, a project becomes operable at the end of the construction phase when the construction contract is accepted. Project completion

occurs at the conclusion of all remaining project activities, after acceptance of the construction contract.

17. Audit of project expenditures and outcomes. The Department of Transportation will ensure that project expenditures and outcomes are audited. For each TCIF 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 6 months after the final delivery report supplement. The Commission may also require interim audits at any time during the performance of the project.

Audits will be performed in accordance with Generally Accepted Government Auditing Standards promulgated by the United States Government Accountability Office. Audits will provide a finding on the following:

- Whether project costs incurred and reimbursed are in compliance with the executed project baseline agreement or approved amendments thereof; state and federal laws and regulations; contract provisions; and Commission guidelines.
- Whether project deliverables and outcomes are consistent with the project scope, schedule and benefits described in the executed project baseline agreement or approved amendments thereof.



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

November 7, 2007

Honorable James Ghielmetti, Chairman  
California Transportation Commission  
1120 N. Street  
Sacramento, CA 95814

**Members of the  
Governing Board:**

Chairman  
**Dr. William A. Burke**  
Speaker of the Assembly  
Appointee

Vice Chairman  
**S. Roy Wilson, Ed.D.**  
Supervisor, Fourth District  
County of Riverside

**Michael D. Antonovich**  
Supervisor, Fifth District  
County of Los Angeles

**Bill Campbell**  
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Senate Rules Appointee

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Mayor, Riverside  
Cities of Riverside County

**Gary C. Ovitt**  
Supervisor, Fourth District  
County of San Bernardino

**Jan Perry**  
Councilmember, 9<sup>th</sup> District  
Cities Representative  
Los Angeles County/Western Region

**Miguel A. Pulido**  
Mayor, Santa Ana  
Cities of Orange County

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Councilmember, City of Long Beach  
Cities of Los Angeles County/  
Eastern Region

**Dennis R. Yates**  
Mayor, Chino  
Cities of San Bernardino County

**Vacant**  
Governor's Appointee

Dear Chairman Ghielmetti:

I am writing to convey support by the South Coast Air Quality Management District for funding of grade separation projects through the Proposition 1B Trade Corridors Improvement Fund (TCIF). The SCAQMD staff appreciated the opportunity to provide comments regarding selection criteria for TCIF projects. As SCAQMD staff stated at the recent workshops held by Secretary Bonner, the agency supports funding of projects that both reduce congestion *and* achieve air quality benefits locally and regionally. On April 6, 2007, the SCAQMD Board, with all members present, unanimously approved the attached resolution including recommendations for expenditure of Proposition 1B funds. The resolution states in part that "*Expenditures for rail infrastructure shall give highest priority for grade separation projects.*"

Grade separation projects provide a true win-win by reducing congestion at rail crossings, cutting emissions from idling trucks and other vehicles, and improving rail velocity. The need for these benefits is critical and is increasing as the number and length of trains grows. We expect the emissions benefits resulting from reduced idling at crossings will help cut both regional "criteria pollutant" levels and local diesel particulate matter concentrations from idling trucks.

Given the magnitude of the funding requirement for grade separations, every available funding source should be considered. For all of these reasons, I urge you to make funding of grade separations a high priority as you decide upon the expenditure of TCIF funds.

Thank you for considering these views. Please do not hesitate to contact me or Barry Wallerstein, Executive Officer, (909) 396 2100, if you have any questions.

Respectfully,

William A. Burke, Ed.D.  
Chairman of the Board

Attachment

**RESOLUTION NO. 07-07**

**Resolution of South Coast Air Quality Management District Expressing Conditions for Funding Projects with Proposition 1B Funds in the South Coast District**

**WHEREAS**, the voters of the State of California approved Proposition 1B - The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 in the November 2006 election providing \$19.9 billion to improve traffic congestion, goods movement, and air quality;

**WHEREAS**, the California Legislature is currently working on several legislative proposals to appropriate and direct the expenditure of Proposition 1B funds;

**WHEREAS**, the California Air Resources Board is the implementing agency for the \$1 billion Proposition 1B funding for air quality improvements, most of which should be directed to projects in the South Coast District;

**WHEREAS**, the California Transportation Commission is the implementing agency for the State Transportation Improvement Program, funding from which should also be largely spent in the South Coast District;

**WHEREAS**, the Governing Board of South Coast Air Quality Management District has developed numerous funding programs and policies for projects in the South Coast District to ensure that funding is optimally deployed to meet air quality goals in the South Coast District in a manner that is consistent with the Legislature's priorities, including environmental justice policies.

**NOW, THEREFORE BE IT RESOLVED**, that by adoption of this resolution, the South Coast Air Quality Management District, communicates these conditions to the California Legislature, the California Air Resources Board, and the California Transportation Commission and urges them to follow these criteria when selecting projects in the South Coast District funded from Proposition 1B:

- A. Port-Related On-Road Infrastructure.** Any expenditure for highway, bridge or other on-road infrastructure associated with port traffic shall be conditioned upon adoption of a program to turnover substantially all port drayage trucks to current emissions standards for new vehicles by 2011, and full funding of such programs through port user fees or other equivalent mechanisms.
- B. Environmental Analysis.** All funded infrastructure projects shall undergo full CEQA analysis and shall demonstrate, consistent with Administration policy, simultaneous and continuous emission reductions consistent with the most recently adopted air quality plan

- C. Rail Infrastructure.** Any expenditure for a new or modified rail infrastructure shall be conditioned on —
1. all diesel-powered switcher and helper locomotives being 90% controlled beyond Tier 2 standards for PM and NOx by 2011, and using 15-minute idle restrictors and only ULSD fuels after 2007, and
  2. the fleet average of all long-haul locomotives being 90% controlled beyond Tier 2 standards for PM and NOx beginning in 2012 and fully implemented by 2014, and using 15-minute idle restrictors and ULSD fuels after 2007.
- D. Port-Related Railyards.** Any expenditure for a new or modified railyard shall be conditioned on the yard being on-dock or in areas remote from residences, schools and other receptors.
- E. Rail Project Priority.** Expenditures for rail infrastructure shall give highest priority for grade separation projects.
- F. Rail Matching Funds.** Any expenditure for a new or modified rail infrastructure shall be conditioned on railroads providing a substantial match for such funding.
- G. Construction Equipment.** Any expenditure for projects involving construction activities shall be conditioned on use of lowest emitting construction equipment and fuels available.
- H. CARB \$1 Billion Expenditure Decisions.**
1. The CARB expenditure plan shall be consistent with Environmental Justice criteria in AB 1390.
  2. Funding criteria and protocols will be the same as those applicable to expenditures under the Carl Moyer program.
  3. CARB may pass through funds to air districts, local governments or ports.
  4. The expenditure plan shall give first priority to mitigating the air quality impacts of goods movement and achieving emission reductions needed to attain federal ambient air quality standards.
  5. CARB shall undertake a public process in determining all expenditures, including at least one public hearing.

AYES: Antonovich, Burke, Campbell, Carney, Loveridge, Ovitt, Perry, Pulido, Reyes Uranga, Wilson, and Yates.

NOES: None.

ABSENT: None.

Date:

*April 6, 2007*

Rose Juarez, Sr. Deputy Clerk



6735 Brockton Avenue  
Riverside, CA 92506  
(951) 778-1370 • Fax (951) 776-1380

November 1, 2007

Secretary Dale E. Bonner  
Business, Transportation, & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chairman James Ghielmetti  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Dear Secretary Bonner and Chairman Ghielmetti,

**RE: Trade Corridors Improvement Fund (TCIF) – Proposed Program and Process – Support for Southern California Working Group Recommendations**

On behalf of Capree Escrow, Inc., I would like to express our support for the Southern California Working Group consensus efforts.

The Southern California Working Group is a coalition of transportation interests that have actively worked to develop a Southern California Trade Corridor consensus approach for investing in goods movement infrastructure while protecting the quality of life for local residents. They recently submitted comments to the Business, Transportation & Housing (BT&H) Agency on their materials distributed October 10<sup>th</sup> that describe the process for selecting projects for the \$2 billion Trade Corridors Improvement Fund (TCIF). Capree Escrow, Inc. supports the Southern California Working Group's comments and recommendations, including Reasonable Geographic Balance, Screening Criteria, and Project Ranking.

The Inland Empire's population is expected to double to 2.8 million by 2020. If transportation solutions are not developed, this would result in longer delays on the highways. Gridlock costs jobs and increases expenses. We understand that there are several challenges involved in solving California's transportation problems. A lack of state funding, expensive and time consuming planning process required for highway construction or building other transportation infrastructure.

Capree Escrow, Inc. is vested in Southern California transportation issues, we respectfully urge you to support the Southern California consensus approach and maximize the level of goods movement investment for this region.

Sincerely,

Sharon Tyrrell  
Owner

- cc: John Hummer, Deputy Secretary Goods Movement
- Don Perata, President Pro Tempore Senate
- Alan Lowenthal, Chair Senate Transportation & Housing Committee
- Pedro Nava, Chair Assembly Transportation Committee
- Senator Bob Durton
- Assemblymember John Benoit
- Assemblymember Bill Emmerson
- Assemblymember Kevin Jeffries
- Anne Mayer, Riverside County Transportation Commission



East Bay Economic Development Alliance  
*The bright side of the San Francisco Bay*

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**Karen Scott**  
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*East Bay Regional Park District*  
**Carole Watson**  
*United Way of the Bay Area*

November 7, 2007

Mr. James Ghielmetti  
Chairman  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Mr. Dale E. Bonner  
Secretary, Business Transportation & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Dear Chair Ghielmetti and Secretary Bonner:

As you move toward decisions on the guidelines and eligibility criteria for the Trade Corridors Improvement Fund, on behalf of the East Bay Economic Development Alliance (East Bay EDA), we want to voice our support for certain principles that should be factored into the framework for this program.

First, we strongly support criteria that encourage corridor based planning that emphasizes how a program of projects works to improve goods movement. This principal has guided Northern California's efforts to develop consensus around a comprehensive program of rail and highway projects along the two primary trade corridors designed to meet current and future requirements for moving goods quickly, reliably and safely, with less highway congestion and pollution.

Secondly, we support criteria that encourage investments that strengthen each region's role within the goods movement system with emphasis on the benefits provided to key trade corridors, through increased throughput, velocity and reliability. There are key bottlenecks serving Northern California that, if improved, can open up significant capacity and result in major system-wide benefits rather than simply shifting bottlenecks around the state. Targeted, strategic investments in rail and highway infrastructure providing access to the Port of Oakland, and networking with other ports serving Northern California trade corridors can provide a balanced, multi-model approach to goods movement.

East Bay EDA has been active in statewide goods movement planning efforts having served as a member of the BTH and Cal/EPA Integrating Work Group. We work closely with our transportation planning agencies and value the collaborative interregional leadership efforts they are taking to address Northern California's escalating goods movement challenges. We appreciate the opportunity to comment on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Kern', written in a cursive style.

Bruce Kern  
Executive Director  
East Bay Economic Development Alliance

BK:djh

cc: Executive Committee Members  
Steve Heminger, Executive Director, MTC  
Andrew Chesley, Executive Director, SJCOG  
Mike McKeever, Executive Director, SACOG  
Vince Harris, Executive Director, StanCOG

Feb 9



**KBR (Holdings) Ltd. LLC**  
*Global Business Strategists*

October 30, 2007

Secretary Dale E. Bonner  
Business, Transportation, & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chairman James Ghielmetti  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Dear Secretary Bonner and Chairman Ghielmetti,

**RE: Trade Corridors Improvement Fund (TCIF) – Proposed Program and Process – Support for Southern California Working Group Recommendations**

On behalf of KBR (Holdings) Ltd. LLC, I would like to express our support for the Southern California Working Group consensus efforts.

The Southern California Working Group is a coalition of transportation interests that have actively worked to develop a Southern California Trade Corridor consensus approach for investing in goods movement infrastructure while protecting the quality of life for local residents. They recently submitted comments to the Business, Transportation & Housing (BT&H) Agency on their materials distributed October 10<sup>th</sup> that describe the process for selecting projects for the \$2 billion Trade Corridors Improvement Fund (TCIF). KBR supports the Southern California Working Group's comments and recommendations, including Reasonable Geographic Balance, Screening Criteria, and Project Ranking.

The Inland Empire's population is expected to double to 2.8 million by 2020. If transportation solutions are not developed, this would result in longer delays on the highways. Gridlock costs jobs and increases expenses. We understand that there are several challenges involved in solving California's transportation problems. A lack of state funding, expensive and time consuming planning process required for highway construction or building other transportation infrastructure.

Page 2  
October 25, 2007

Our company is vested in Southern California transportation issues, we respectfully urge you to support the Southern California consensus approach and maximize the level of goods movement investment for this region.

Sincerely,



Roderic O. Ballance  
Managing Director

cc: John Hummer, Deputy Secretary Goods Movement  
Don Perata, President Pro Tempore Senate  
Alan Lowenthal, Chair Senate Transportation & Housing Committee  
Pedro Nava, Chair Assembly Transportation Committee  
Senator Bob Dutton  
Assemblymember John Benoit  
Assemblymember Bill Emmerson  
Assemblymember Kevin Jeffries  
Anne Mayer, Riverside County Transportation Commission



## FABIAN NUÑEZ

SPEAKER of the ASSEMBLY

November 7, 2007

California Transportation Commission  
c/o Mr. James Ghielmetti, Chairman  
1120 N Street  
Sacramento, CA 95814

Dear Chairman Ghielmetti and Members:

As one of the key architects of the infrastructure bonds approved by voters in 2006, I am writing to express my strong concern that Southern California's ports – which are of paramount importance to the state's international trade and economic development – not be shortchanged when it comes to the distribution of bond funding to improve goods movement in California.

The Ports of Long Beach and Los Angeles handle almost 90 percent of the state's containerized imports and 76 percent of our containerized exports. Any criteria for distributing bond funds that ignores this elephant in the room is unfair and unwise and is certainly not what Southern California legislators intended when we supported the initiatives or what Southern California voters expected when they cast their ballots for the bonds.

Further, in addition to the overwhelming economic differential weighing in favor of Southern California on this issue, there are serious health and environmental imbalances that must be addressed as well.

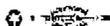
Estimates show that as many as 1200 Southern Californians die prematurely every year because of goods-movement related pollution. While Southern California leaders are taking initiative to help combat this – witness the recent agreements by the cities of Long Beach and Los Angeles to reduce pollution by replacing old diesel trucks – they can't do it alone. This is especially true given the added difficulties Southern California faces by being a non-attainment zone under the Clean Air Act. The funding criteria approved by the commission must reflect the goods movement industry's unique health effects on Southern California.

Finally, I am in receipt of a letter sent to you by the transportation commissions of Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties, the Ports of Long Beach and Los Angeles, the Alameda Corridor Transportation Authority, Southern California Regional Rail Authority and the Alameda Corridor East Construction Authority. It is persuasive, and should, I hope, be determinative of the commission's direction.

I urge the Commission to honor their appropriate request that funds from Proposition 1B go to areas with the greatest need and impacts. While a 60/40 south/north split may be a workable formula for ordinary transportation funding, when it comes to goods movement, the only formula that makes sense is Size + Volume + Impact = Need.

Sincerely,

  
FABIAN NUÑEZ  
Speaker of the Assembly





November 7, 2007

Mr. James Ghielmetti, Chairman  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Mr. Dale E. Bonner, Secretary  
Business, Transportation & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chair Ghielmetti and Secretary Bonner:

As you move toward decisions on the guidelines and eligibility criteria for the Trade Corridors Improvement Fund, the Oakland Metropolitan Chamber of Commerce wants to voice our support for certain principles that should be factored into the framework for this program. As you know, goods movement in California is booming. If our state does not respond to the need to accommodate anticipated trade growth, the economic activity associated with such growth will go elsewhere and California will have missed a golden opportunity.

In Northern California, the Metropolitan Transportation Commission (MTC), San Joaquin Council of Governments (SJCOG), Sacramento Area Council of Governments (SACOG), and Stanislaus Council of Governments (StanCOG), the Port of Oakland and a number of business organizations have worked together to develop a Northern California Trade Corridors strategy. We strongly support this interregional effort that acknowledges what our members have long been telling us: economic ties stretch well beyond traditional transportation agency borders. This corridor-based planning that identifies key synergies of how a program of projects works together to improve goods movement should be encouraged.

In working collaboratively across regional boundaries, the agencies have identified the two primary trade corridors serving Northern California and the entire state, in addition to linking our West Coast to national and international markets. They have developed consensus around a comprehensive program of rail and highway projects along the corridors designed to meet current and future requirements to move both people and goods throughout the state and the nation quickly, reliably and safely, with less highway congestion and pollution.

Fundamentally, the State needs to balance investments in a way that addresses the diverse range of freight needs. Clearly, the \$2 billion TCIF program is insufficient to address the multitude of goods movement needs across the state. California's trade demand has various facets, and each region plays a unique role in the state's goods movement network. We believe that each region's role in the state's goods movement system—both current and future—should be considered in order to encourage investments that highlight and strengthen each region's contribution to the state's overall trade system. Criteria adopted by the California Transportation Commission should be structured to encourage investments that highlight and strengthen each region's role

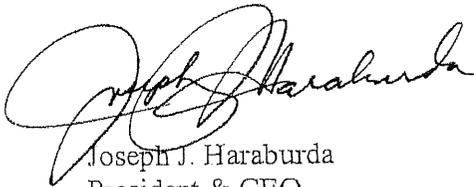
within the goods movement system. This is the Trade Corridors portion of the Infrastructure Bond, and the emphasis should be on the benefits provided to key trade corridors, such as increased throughput, velocity and reliability, as identified the Proposition 1B Bond Act.

In Northern California, the Port of Oakland serves as a major anchor of goods movement activity, supporting the regional population, Northern California businesses and the critical agricultural community. The Port of Oakland is the fourth largest container port in the country, handling almost 2.4 million TEU in 2006. Unique among California ports, container volume at Oakland is split almost evenly between import and export movements. Oakland is the primary California gateway for Central Valley agricultural exports and for both import and export goods coming into distribution centers and warehouses located in the northern San Joaquin Valley. Maritime activity at the Port generates over 28,500 jobs, \$3.7 billion annually for the regional economy, and over \$200 million in local and state tax revenue. Steady annual growth for the Port in the 4%-5% range is projected over the next several years. However, to meet these projections, the Port of Oakland must improve its rail access.

There are key bottlenecks serving Northern California that, if improved, can open up significant capacity and result in major system-wide benefits rather than simply shifting bottlenecks around the state. Targeted, strategic investments in rail and highway infrastructure providing access to the Port of Oakland, and networking with other ports serving Northern California trade corridors can provide a balanced, multi-modal approach to goods movement.

We are very proud to have been part of the coalition that worked tirelessly to secure passage of that pivotal piece of legislation. Let's make sure that the TCIF investments truly serve the interests of the entire state.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph J. Haraburda". The signature is fluid and cursive, with a large initial "J" and "H".

Joseph J. Haraburda  
President & CEO



October 30, 2007

Secretary Dale E. Bonner  
Business, Transportation, & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chairman James Ghielmetti  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Dear Secretary Bonner and Chairman Ghielmetti,

**RE: Trade Corridors Improvement Fund (TCIF) – Proposed Program and Process –  
Support for Southern California Working Group Recommendations**

On behalf of Provident Bank, I would like to express our support for the Southern California Working Group consensus efforts.

The Southern California Working Group is a coalition of transportation interests that have actively worked to develop a Southern California Trade Corridor consensus approach for investing in goods movement infrastructure while protecting the quality of life for local residents. They recently submitted comments to the Business, Transportation & Housing (BT&H) Agency on their materials distributed October 10<sup>th</sup> that describe the process for selecting projects for the \$2 billion Trade Corridors Improvement Fund (TCIF). Provident Bank supports the Southern California Working Group's comments and recommendations, including Reasonable Geographic Balance, Screening Criteria, and Project Ranking.

The Inland Empire's population is expected to double to 2.8 million by 2020. If transportation solutions are not developed, this would result in longer delays on the highways. Gridlock costs jobs and increases expenses. We understand that there are several challenges involved in solving California's transportation problems. A lack of state funding, expensive and time consuming planning process required for highway construction or building other transportation infrastructure.

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NOV 01 2007 THU 08:40 AM PROVIDENT BANK FAX NO: 0011007123 11 00/00

October 25, 2007

Provident Bank is vested in Southern California transportation issues, we respectfully urge you to support the Southern California consensus approach and maximize the level of goods movement investment for this region.

Sincerely,



Craig G. Blunden  
President, CEO

cc: John Hummer, Deputy Secretary Goods Movement  
Don Perata, President Pro Tempore Senate  
Alan Lowenthal, Chair Senate Transportation & Housing Committee  
Pedro Nava, Chair Assembly Transportation Committee  
Senator Bob Dutton  
Assemblymember John Benoit  
Assemblymember Bill Immerson  
Assemblymember Kevin Jeffries  
Anne Mayer, Riverside County Transportation Commission



8432 Magnolia Avenue, Riverside, California 92504

① 951.689.5771  
② 951.351.1808  
③ calbaptist.edu

November 1, 2007

Secretary Dale E. Bonner  
Business, Transportation, & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chairman James Ghielmetti  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Dear Secretary Bonner and Chairman Ghielmetti,

**RE: Trade Corridors Improvement Fund (TCIF) – Proposed Program and Process –  
Support for Southern California Working Group Recommendations**

On behalf of California Baptist University, I would like to express our support for the Southern California Working Group consensus efforts.

The Southern California Working Group is a coalition of transportation interests that have actively worked to develop a Southern California Trade Corridor consensus approach for investing in goods movement infrastructure while protecting the quality of life for local residents. They recently submitted comments to the Business, Transportation & Housing (BT&H) Agency on their materials distributed October 10<sup>th</sup> that describe the process for selecting projects for the \$2 billion Trade Corridors Improvement Fund (TCIF). California Baptist University supports the Southern California Working Group's comments and recommendations, including Reasonable Geographic Balance, Screening Criteria, and Project Ranking.

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November 1, 2007

California Baptist University is vested in Southern California transportation issues, we respectfully urge you to support the Southern California consensus approach and maximize the level of goods movement investment for this region.

Sincerely,



Ronald L. Ellis, Ph.D.  
President

cc: John Hummer, Deputy Secretary Goods Movement  
Don Perata, President Pro Tempore Senate  
Alan Lowenthal, Chair Senate Transportation & Housing Committee  
Pedro Nava, Chair Assembly Transportation Committee  
Senator Bob Dutton  
Assemblymember John Benoit  
Assemblymember Bill Emmerson  
Assemblymember Kevin Jeffries  
Anne Mayer, Riverside County Transportation Commission



# GREATER RIVERSIDE CHAMBERS OF COMMERCE

*The Chamber...building a stronger local economy.*

Tab 2

October 30, 2007

Secretary Dale E. Bonner  
Business, Transportation, & Housing Agency  
State of California  
980 9<sup>th</sup> Street, Suite 2450  
Sacramento, CA 95814

Chairman James Ghielmetti  
California Transportation Commission  
1120 N Street  
Sacramento, CA 95814

Dear Secretary Bonner and Chairman Ghielmetti,

**RE: Trade Corridors Improvement Fund (TCIF) – Proposed Program and Process –  
Support for Southern California Working Group Recommendations**

On behalf of the Greater Riverside Chambers of Commerce, representing nearly 1,700 member business and 94,000 jobs, I would like to express our support for the Southern California Working Group consensus efforts. Transportation was noted as a top priority among our members, and we continue to remain focused on projects that mitigate the movement of goods.

The Southern California Working Group is a coalition of transportation interests that have actively worked to develop a Southern California Trade Corridor consensus approach for investing in goods movement infrastructure while protecting the quality of life for local residents. They recently submitted comments to the Business, Transportation & Housing (BT&H) Agency on their materials distributed October 10<sup>th</sup> that describe the process for selecting projects for the \$2 billion Trade Corridors Improvement Fund (TCIF). The Greater Riverside Chambers of Commerce supports the Southern California Working Group's comments and recommendations, including Reasonable Geographic Balance, Screening Criteria, and Project Ranking.

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October 25, 2007

The Greater Riverside Chambers of Commerce is vested in Southern California transportation issues, we respectfully urge you to support the Southern California consensus approach and maximize the level of goods movement investment for this region.

Sincerely,



Cindy Roth  
President/CEO

cc: John Hummer, Deputy Secretary Goods Movement  
Don Perata, President Pro Tempore Senate  
Alan Lowenthal, Chair Senate Transportation & Housing Committee  
Pedro Nava, Chair Assembly Transportation Committee  
Senator Bob Dutton  
Assemblymember John Benoit  
Assemblymember Bill Emmerston  
Assemblymember Kevin Jeffries  
Anne Mayer, Riverside County Transportation Commission