



January 14, 2009

Mr. John Chalker
Chair,
California Transportation Commission
1120 N. Street
Room 2233
Sacramento, CA 95814



Dear Chairman Chalker:



We are writing you and your fellow Commissioners regarding our thoughts to prepare for successfully implementing 'shovel ready' transportation construction projects that could be funded by the economic recovery funds currently under debate in Washington DC. We appreciate your leadership efforts to seek these critical funds for California's economic recovery as well as maximize the State's opportunity to improve transportation infrastructure with a stronger federal partnership.



We seek your support in addressing the following principles as they are discussed with leadership in Washington DC:

1) Ensure Expedient Distribution of Highway Funds to Metropolitan Areas



Congressional leaders have indicated that highway transportation funding in the economic recovery package will be distributed utilizing existing formulas contained in the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). Previous versions of the stimulus package used the Surface Transportation Program (STP) as the mechanism for distribution to the states, but did not require the further allocation provided for in 23 USC §133(d)(3) to metropolitan areas within each state. This provision would provide 37.5 percent of the funds to the state and 62.5 percent of the funds to metropolitan planning organizations.



Existing California statute provides for the expedient distribution of STP funds to regional agencies throughout the state. Without the provision for suballocations in the federal economic recovery legislation, the California Legislature would be required to enact urgency legislation for the distribution of these funds to the local level where ready-to-go projects are available. This could significantly impede the State's ability to meet timing requirements to obligate funds. Therefore, our agencies respectfully request the Commission to support distribution of the economic recovery funds through the existing STP structure with the suballocations provided for in SAFETEA-LU.



2. Delegate Authority to Local Entities and Reduce Red Tape

To stimulate our nation's economy more quickly, the federal recovery program should implement an emergency suspension of cumbersome non-wage-related regulations to allow for immediate implementation of funded projects, thereby creating critical jobs as soon as possible. Our agencies support provisions in the federal legislation that will allow contracts to be awarded while maintaining adequate oversight. These provisions should include expedited processing of applications for project inclusion in the Federal Transportation Improvement Program (FTIP), use of a "self certification resolution" that verifies the agencies are existing federal grantees compliant with all federal regulations and reporting requirements, and expedited issuance of authorizations to proceed.

3. At County Discretion, Allow Transit Funds to be Used for Operations

Under the STP, capital costs for transit projects are an eligible expenditure. Additionally, a portion of the economic recovery funds will be available directly to transit operators for transit capital improvements. Meanwhile, our California Legislature has balanced the State's budget by using most of the available Public Transportation Account funds which also support the State Transit Assistance program. Today, transit operators in California are reducing service in order to balance their local budgets in response to the State's raid on operating funds. It would be counterproductive to expend federal funds on transit capital projects to produce jobs at the same time we are reducing transit service and jobs. Our agencies request the Commission's support of using a portion of the transit economic recovery funds for operating expenses in order to preserve service and protect existing jobs.

Conclusion

As the economic recovery package moves forward, the agencies below look forward to working closely with the Commission and Caltrans to ensure that the transportation component of the bill creates the greatest possible impact on job creation and economic growth for California. We thank you in advance for your consideration of these important issues.

Sincerely,

Please refer to attached signature page

Anne Mayer
Executive Director
Riverside County Transportation Commission

Deborah Robinson Barmack
Executive Director
San Bernardino Associated Governments

Arthur T. Leahy
Chief Executive Officer
Orange County Transportation Authority

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CC:
CTC Commissioners
John Barna, CTC Executive Director
Will Kempton, Caltrans Director
Dale Bonner, Secretary Business, Transportation & Housing
Senator Allen Lowenthal, Chair, Senate Transportation Committee
Assemblymember Mike Eng, Chair, Assembly Transportation Committee
Hon. James Oberstar, Chairman of the House Transportation &
Infrastructure Committee
Hon. Barbara Boxer, Chairwoman of the Senate Environment & Public
Works Committee
Hon. Christopher Dodd, Chairman of the Senate Banking, Housing &
Urban Affairs Committee
Southern California Congressional Delegation