

South Bay Cities Council of Governments

November 5, 2018

TO: SBCCOG Transportation Committee
FROM: Steve Lantz, SBCCOG Transportation Director
RE: SBCCOG Transportation Update – November 2018

Adherence to Strategic Plan:

Goal A: Environment, Transportation and Economic Development. Facilitate, implement and/or educate members and others about environmental, transportation and economic development programs that benefit the South Bay.

FEDERAL

Trump Delays More Federal Transit Funds

As of the end of September, the White House has failed to allocate \$1.8 billion for already approved transit construction projects — up from the \$932 million that was allocated by Congress but not delivered, for the fiscal year that ended on Sept. 30, according to a new report by Transportation for America.

Just eight projects totaling \$532 million have received funds, and many of those — like Caltrain Electrification and the Maryland Purple Line — were holdover projects from the Obama era. It's part of the Federal Transit Administration's (FTA's) effort to no longer administer transit on a federal level based on their position that states and local agencies should fund transit expansion that would be used by their local constituents.

An FTA spokesperson denied that the agency is deliberately contravening Congress, claiming that transit agencies applying for funds simply haven't met the program's requirements. But local representatives report having trouble understanding what documentation is missing.

Scooter Companies Hope To Avoid City Regulation Via Home Delivery

CNN reported on October 15th that city governments' tight control of scooter and e-bike rentals may be short lived. The latest such move is in Santa Monica where Bird has introduced a home delivery rental service.

The company plans to launch the daily rental service as a customer option in some of the 70 US cities in which it already operates by-the-minute rentals. Jump, the e-bike and scooter sharing brand of Uber, is exploring a similar service called Jump+ that would rent e-bikes directly to consumers on a weekly basis.

Under the new program, Bird would drop off scooters by 8:00 a.m. at customer's homes and give total control of the equipment for a day. Bird would pick the rentals up in the evening, recharge them and loan the scooters to someone else the next day thus eliminating the use of public rights

of way for starting or ending rentals and storage of the equipment between rentals. Daily pricing hasn't been announced.

Bird also believes the home delivery model also would allow larger fleets in each local jurisdiction. Bird thinks regulatory city caps on the number of scooters shouldn't apply to daily rentals. The company believes that city governments should regulate the micromobility vehicles that are not parked on public rights of way the same as they charge cars through parking fees.

Cities Should Consider Including Scooters in Global Warming Strategies

Transportation is the largest source of greenhouse gas emissions in the United States. About 400 mayors across the nation, who call themselves the "climate mayors," have worked for years to build political will for policies to address climate change. But scooter companies are surprised at how many cities have been interested in limiting fleets to such low numbers since scooters use dramatically less energy than cars.

According to Meredith Hankins, an environmental law and policy fellow at UCLA Law School, cities are failing to seize the chance to change infrastructure to take cars off roads, given their huge impact on climate change. Roads that are more welcoming to pedestrians, cyclists and scooter riders will promote that shift.

But local officials are uncomfortable with the new technology and its potential to disrupt current street designs as evidenced by their constituents' backlash to several "road diets" tested in recent years. And academics have yet to complete research projects on the trade offs.

Class-Action Lawsuit Accuses E-Scooter Firms Of Aiding And Abetting Assault

The nation's electronic-scooter companies are facing a class-action lawsuit filed in Los Angeles County Superior Court on October 19th that accuses Lime, Bird, Xiaomi United States, and Segway of "gross negligence" and "aiding and abetting assault." Filed on behalf of eight initial plaintiffs, the lawsuit says the companies' practices have contributed to injuries in multiple ways. By "dumping" scooters on public streets without an appropriate warning, the suit alleges e-scooter companies acted negligently and should have known that their devices would become a dangerous "public nuisance."

Three plaintiffs claim they were walking when e-scooter riders crashed into them from behind, resulting in severe injuries. The suit alleges that e-scooter companies knew their riders were injuring pedestrians and — by failing to stop the collisions from occurring — assisted and encouraged scooter riders as they committed "assaults." The suit also alleges that micromobility devices contain defective electronics and mechanical parts, as well as inadequate safety instructions for riders, and that the companies have "a wanton disregard for the safety of others."

Bird said in a statement. "There is no evidence that riding an e-scooter presents a greater level of danger to riders than riding a bike. Cars remain the greatest threat to commuters, killing over 40,000 people in the US yearly." In addition, Bird has called on local jurisdictions to build protected lanes on streets for micromobility devices. Spokespeople for Lime, Segway and Xiaomi United States did not respond to requests for comment.

STATE

California Should Fix Its Mystery Surcharge On Gasoline

Advocates for Proposition 6 claim California's gasoline prices are much higher than those of the rest of the country because of the gas-tax increase passed in Sacramento last year. But in the last

few years, the price gap has jumped higher than refining costs and taxes can explain. So far this year, California's gas price has been about 80 cents a gallon above the average of all other states. Approximately 50 cents can be identified but the remaining 30-cent difference is a mystery. The unexplained surcharge averaged 2 cents from 2000 to 2014 and was never more than 12 cents in any of those years.

Severin Borenstein, a professor at UC Berkeley's Haas School of Business and faculty director of the Haas Energy Institute, has broken down the cost of gas annually for more than a decade. He is concerned about the unexplained costs. As chair of the Petroleum Market Advisory Committee to the California Energy Commission (PMAC), Borenstein watched gas prices skyrocket after a refinery explosion in Torrance in February 2015.

The committee expected tighter supply to drive up prices, as it had done after previous refinery accidents. But the committee also expected prices to return to normal levels after the refinery resumed production. They didn't. For the rest of the year, the pump price difference was about 48 cents a gallon. What was more disturbing was that it continued at unprecedented levels in 2016 (29 cents) and 2017 (27 cents), long after the Torrance refinery was back at full production.

The balance of the cost differential doesn't come in at the production end of gasoline. Instead, the surcharge shows up between the refineries and our gas tanks, in the distribution and retailing network. The commodity price of California gas spiked in 2015, after the refinery fire, but it dropped again in 2016. Since then, the commodity price differential with the dirtier fuel used elsewhere has been around 10 cents, lower than in any year of the previous decade.

Approximately 50 cents of the 80-cent difference can be explained by taxes and fees that are unique to California. Higher state gas taxes account for about 23 cents of the difference. An additional 3 cents on average is due to local sales taxes, which vary by county. The state's cap-and-trade program on greenhouse gases adds 12 cents a gallon in 2018. Californians pay 2 cents a gallon to clean up old gas station sites where fuel leaked into the soil and the 10 cents to refine oil so that it meets California's cleaner-burning gasoline formula, adopted in 1996. Add that up and Californians are paying about 50 cents a gallon more to state and local authorities than the average American. That leaves an unexplained mystery surcharge of about 30 cents a gallon this year.

Borenstein is concerned that no one is trying to identify and abolish the mystery costs. Lawmakers thanked the PMAC for its final report on the mystery surcharge in September 2017, and then promptly went back to fighting about gas taxes. Since February 2015, it has cost Californians more than \$17 billion, or about \$1,700 for a family of four. And none of those dollars have gone to building infrastructure or helping poor families.

Borenstein suggests that California lacks the competitive pressure of other states. He notes far more stations here are owned by refiners or have long-term contracts that give the refiners significant control over gas prices. Less gasoline is sold through off-brand stations such as Costco or Safeway, which means they put less pressure on the major brands. In California, the price difference between majors and off-brands averages 23 cents per gallon, according to data from Gas Buddy. Elsewhere in the country, that difference is only 7 cents.

Although those facts don't nail down the cause or the exact beneficiaries of the mystery surcharge, Borenstein is advocating that Sacramento undertake a detailed investigation leading to

an action plan to address the mysterious difference between the cost of gas at California pumps compared to the pump price across the nation.

Speed Safety Traffic Law May Change Speed Limit Calculation Methodology

Speed is the single greatest determining factor in the severity of crashes. Higher vehicle speeds correlate to the increased likelihood of a crash occurring and its severity. One of the key contributing factors to increasing speeds is our current methodology of setting speed limits.

Since 1959, speed limits have been set using the 85th percentile methodology, per section 21400 of the California Vehicle Code. Traffic speed limits must be increased when the actual speed of 85% of vehicles on a street exceeds the posted limit.

Governor Jerry Brown has signed into law AB 2363 that creates a Task Force to review current methodology when setting speed limits, and report and recommend to the legislature how fatalities as a result of vehicle related collisions can be reduced. This effort represents the first step taken in decades towards reforming the way California regulates vehicular speeds. The task force will convene by July 1, 2019 and report to the legislature by January 1, 2020.

The task force will look at: the existing process for establishing speed limits, existing speed reduction policies, engineering recommendations to increase safety, existing reports and data on the 85th percentile, how local bicycle and pedestrian plans affect the 85th percentile, and recommendations for alternatives to the 85th percentile.

Members of the task force include representatives from California Highway Patrol, Department of Transportation, Department of Public Health, the University of California and other academic institutions, local governments, bicycle safety organizations, road safety organizations, and labor organizations.

REGION

EIR For Metro Green Line Extension To Torrance To Study 2 Route Alternatives

The L. A. Metro board on September 27th approved initiating an EIR for the future Green Line extension to Torrance with two alternative routes being studied.

The first alternative route is predominantly at-grade rail located in the existing Harbor Subdivision rail right-of-way, which is owned by Metro. Several stretches would include road over/undercrossings. Portions of the right-of-way would include walking paths and landscaping. Metro estimates that this alternative would cost \$893 million and would service 10,340 daily boardings.

The second route alternative would leave the Harbor Subdivision railroad right of way and follow the southern edge of the I-405 freeway to the median of Hawthorne Boulevard. The route would return to the railroad right-of-way at 190th Street just south of the Galleria. Metro estimates this alternative would cost \$1 to 1.2 billion and would service 10,640 daily boardings.

Both alternatives would extend the line from the existing Redondo Beach station at Marine Avenue to the under-construction Torrance Transit Center (on Crenshaw Boulevard near 208th Street) and would include a station serving the South Bay Galleria (near Target in a proposed

Redondo Beach Transit Center adjacent to the railroad right of way or in the median of Hawthorne Boulevard south of Artesia Boulevard).

Metro eliminated two other alternatives, including one that would run briefly along Artesia Boulevard. At Lawndale's request, the Metro Board also eliminated Lawndale stations on the right-of-way near the Inglewood Blvd. / Manhattan Beach intersection from the first EIR alternative and at Hawthorne Blvd. /166th Street from the second EIR alternative.

Metro's Green Line Extension to Torrance is funded under voter-approved Measure M sales tax and state SB-1 funds, with a scheduled 2030 opening. The project has been identified for possible acceleration under the 28 by 28 initiative. At the meeting, the Metro Board also instructed staff to develop a funding plan that would allow delivery of the formerly "aspirational" plan of 28 projects by the 2028 Olympics.

Metro To Offer Free Bus And Train Rides On Election Day

The Metro Board agreed to offer free fares on its bus and train system on Election Day (November 6th) from 12:01 am - 11:59 p.m. to combat the county's historically low voter turnout. Metro staff noted the plan won't eliminate the transit agency's entire fare income on Election Day because some riders buy monthly passes.

TRENDS

Honda Invests In GM's Self-Driving Cars

Honda will make a \$750-million equity investment in GM Cruise, the U.S. automaker's autonomous- vehicle unit, plus spend \$2 billion over 12 years on jointly developing and bringing such cars to market. Honda, which will get a 5.7% stake in Cruise.

The U.S. carmaker will have more resources to compete with Waymo, Alphabet Inc.'s Google autonomous-vehicle unit, which is widely perceived to be a leader in autonomous vehicle development. GM will manufacture the car, which will be an electric vehicle but companies haven't decided what kind of vehicle they will jointly build. Honda and GM already collaborate on battery technology and hydrogen fuel cells.

FCC Creates National Pricing Limits For 5G Installations

The Federal Communications Commission (FCC) in late September established a maximum price of \$270 that local officials can charge telecoms for 5G installations on public poles and rights of way. The FCC also mandated that permits for small cell infrastructure be processed within 60 to 90 days, depending on the type of installation. If the permits take longer, the telecom companies can take cities to court. Cities charging more than the maximum rate of \$270 are open to litigation, and according to the ruling will have to prove that the higher fee is a reasonable approximation of their administrative costs. Cities have been charging up to \$2,000 per pole and investing their new revenues in public projects of their choosing. Such arrangements are common nationwide, where local governments have long leveraged access to public property and rights of way to accomplish their public policy goals.

The FCC regulation may pre-empt the pricing leverage that has been used recently by local agencies to charge telecom companies for small cell installations and to bargain for lower fees in exchange for other public policy benefits. Previously, local jurisdictions have been able to negotiate deals with providers such as Verizon. For example, L. A. City negotiated a deal with Verizon in which the City gave the wireless carrier a break on the fees for taking up space on streetlights in exchange for a package of amenities and services. LA City officials said that their

break-even point for small cell facilities is \$800 per installation. But in exchange for amenities such as free Wi-Fi in Skid Row and at recreation centers, \$400,000 of scholarship money, and launching an innovation center in the city, L.A. is charging Verizon just \$175 per device per year for 10 years for up to 1,000 installations, plus the cost of electricity.

The details of the city's deal with Verizon are currently in front of the City Council for approval, as are preliminary plans for a mobile 5G deal with AT&T. L. A. City officials estimate that it will take 8,000 to 10,000 small cells to fully cover the city.

FCC Chairman Ajit Pai said the ruling will hasten the rollout of the 5G networks in suburbs and rural America. The United States Conference of Mayors called the ruling "an unprecedented federal intrusion into local (and state) government property rights that will have substantial and continuing adverse impacts on cities and their taxpayers, including reduced funding for essential local government services, and needlessly introduce increased risk of right of way and other public safety hazards." Seattle has announced plans to appeal the decision in federal court by contending the regulation is a property taking without due process and without compensation..

Small cell 5G technology relies on higher-frequency radio waves than current wireless services to deliver faster speeds — but at shorter ranges. Those higher-frequency signals, which measure in millimeters, can be obstructed by objects of a similar size, such as leaves and raindrops. Network connections also require broadband fiberoptic networks to be installed.

You May Be Able To Ride 'The Loop' On December 10th

It's no secret that Elon Musk's Boring Company is building a 2-mile high-speed, underground traffic shortcut being constructed under Hawthorne. The company is debuting its initial 2-mile tunnel as part of a special event on Dec. 10 which will be followed by free rides through the tunnel.

Known as the Loop, the subway has been described as a large "skate" or platform that could carry a vehicle under and around Los Angeles traffic at speeds up to 155 miles per hour. Boring Company has unveiled plans for a system of stations across the Los Angeles metro area. Musk also said he'd like to include transit pods that can carry pedestrians and cyclists through the subterranean system. In June he said the fare would be \$1 per passenger.

The Boring Company also has a contract with the city of Chicago to build a loop to the city's O'Hare International Airport.

Metro/LAWA Airport Connector Station Design Unveiled

Designers of Metro's LAX Airport Connector transit station have released a video illustrating how the Los Angeles International Airport (LAX) automated people mover will connect to the Metro regional transit system at Aviation and 96th Street.

The \$500 million transit hub will feature three at-grade Light Rail Transit platforms that will serve the Metro Green and Crenshaw/LAX lines. The station will also feature a Metro Bike hub, passenger vehicle pick-up and drop-off area, and connections to several bus lines.

The 9.5-acre station is set to open in 2023. View the video at:

<https://archinect.com/news/article/150092671/a-first-look-at-los-angeles-upcoming-500-million-metro-transit-station>