

South Bay Cities Council of Governments

January 23, 2020

TO: SBCCOG Board of Directors

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update Covering December 2019

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 Signs \$1.4 Trillion FY 2020 Spending Package, Averting Shutdown

President Trump on December 20th signed two spending packages totaling \$1.4 trillion, averting a government shutdown at midnight. The bills included all 12 annual appropriations bills for the 2020 fiscal year that started October 1st.

The bills also include a slew of tax cuts, extending expiring and expired tax breaks, and eliminating other taxes that amount to an additional \$426 billion in lost revenue, bringing the total cost of the bill to more than \$1.8 trillion.

The government spent the first quarter of the fiscal year operating on a continuing resolution that was set to expire on December 20th. Congress dismissed most of the President's budget requests to reduce domestic spending and increase military spending and ultimately agreed to a deal that would increase spending on both defense and non-defense significantly for both 2020 and 2021. In the final deal, Congress again refused Trump's \$5 billion border wall request, instead leaving a flat \$1.375 billion for physical barriers in circumscribed areas.

Transportation funding also benefited in the bills. Tucked in one of the measures is \$1 billion for the Better Utilizing Investments to Leverage Development, or BUILD, grants. In addition, the Federal Motor Carrier Safety Administration would receive \$679 million, \$12 million above the 2019 enacted level. However, overall under the domestic spending bill, the U.S. Department of Transportation would receive \$86.2 billion, a decrease of about \$324 million from the 2019 enacted level. Related to trucking policy, the measure would prohibit funding for the enforcement of the electronic logging device mandate for livestock or insect haulers. Under the bill, FMCSA also would be required to update inspection regulations for rear underride guards.

The bill also directs the Federal Motor Carrier Safety Administration (FMCSA) to comply with certain recommendations by the National Academies of Sciences, Engineering, and Medicine

before making Compliance, Safety, Accountability (CSA) data available to the public. These data are essential to FMCSA's Safety Measurement System, a tool used by the agency and its State partners to evaluate a carrier's safety performance and determine any appropriate enforcement actions. The program performs the data analysis required for metrics designed to calculate commercial transportation performance on the highways and to establish the congressionally-mandated trucking industry self-insurance program.

The bill also would provide \$49.3 billion for the Federal Highway Administration, \$17.6 billion for the Federal Aviation Administration, \$12.9 billion for the Federal Transit Administration, \$2.8 billion for the Federal Railroad Administration and \$989 million for the National Highway Traffic Safety Administration.

U.S. DOT Awards \$423 Million In Bus Grants; None In Southern California

The Federal Transit Administration (FTA) awarded 94 discretionary transit infrastructure grants from FTA's Grants for Buses and Bus Facilities Program totaling \$423 million in 42 states and the District of Columbia. None of the discretionary grants were awarded to L. A. County transit operators.

Demand for FTA's Grants for Buses and Bus Facilities Program far exceeded available funds, as FTA received applications for 318 eligible projects totaling approximately \$1.9 billion in funding requests, from a total of 270 applicants in 43 states and territories.

FCC Proposes Limits On Transportation Wi Fi Capacity; Wonky, But Important

The Federal Communications Commission (FCC) is circulating a proposed rulemaking that would reduce by 40% the amount of broadband set aside for vehicle-related communications and open it up instead to the general public.

FCC officials justified taking a "fresh look" at the 5.9 GHz band to free up more bandwidth for wireless connectivity and innovative applications to homes and because a second band at 75 MHz set aside for the transportation sector has gone largely unused since it was reserved in 1999. Critics say the bandwidth will be needed for critical communications between autonomous vehicles. Vehicle-to-vehicle (V2V) technology is already advancing in both the passenger and commercial vehicle sectors, with demonstration projects already in "more than half the states".

The Intelligent Transportation Society of America, a research group that also deploys mobility technology, warned that the move, if finalized during the rulemaking process, would put drivers and pedestrians at risk. The American Trucking Association (ATA) had recommended the FCC not advance the plan after it was made public, pointing to the safety benefits that could be lost as cars and trucks increasingly rely on wireless communications that are not connected to pedestrians, bicyclists and other users of the road.

Federal Standards for Self-driving Vehicles Still Pending In Congress

Congress failed to roll out comprehensive legislation in 2019 that would create federal standards for self-driving cars despite growing pressure from industry groups and agencies that have been pushing for a federal regulatory framework to address the testing and use of autonomous vehicles.

During 2018, measures were introduced in both the House and Senate. However, both the SELF DRIVE Act and the AV START Act stalled out in the Senate at the end of 2018, following sustained opposition by a group of Senate Democrats, who had concerns around safety and security language in the bills. Both the Senate Commerce Committee and House Energy and Commerce Committee held hearings and solicited feedback on language for legislation around self-driving cars in recent months, but as of the end of the year, no bills have been introduced by the bi-partisan group of legislators.

The House Energy and Commerce Committee, which originally authored and approved the SELF DRIVE Act, began circulating draft language compiled by staff from both committees for a new bill to stakeholders late last month. The draft language is very similar to the SELF-DRIVE Act and includes the establishment of a “Highly Automated Vehicle Advisory Council” within the Department of Transportation to evaluate issues related to self-driving cars and address federal regulation around the testing of autonomous vehicles.

Despite feedback from various groups and agencies, there are ongoing concerns about cybersecurity and data privacy and there is no schedule for introduction of self-driving cars legislation in either the House or Senate.

When the Department of Transportation (DOT) released its “Automated Vehicles 3.0” strategy in 2018 for addressing the rollout and testing of self-driving cars, DOT vowed to work with agencies including the departments of Commerce, Homeland Security and Justice, along with the Federal Communications Commission, the Federal Trade Commission and industry experts to manage cyber risks.

STATE

CA DMV To Allow Autonomous “Light-Duty” Trucks To Be Tested On CA Roads

The DMV released its final rules in December for companies that want to test “light-duty” (under 40,000 pounds) delivery vehicles. It will begin approving applications for testing in January, after which Californians may see autonomous delivery vehicles on their streets.

The regulations cover testing both with a driver present and without. As with currently allowed testing of autonomous vehicles, there are rules about operator training and reporting “disengagements.” With vehicles that have no driver in them, there are additional rules about keeping a communication link between the vehicle and the remote operator and having a plan for “interacting with” law enforcement.

The DMV rules do not limit the number of vehicles a remote operator can be manage at any one time. Beyond the vague “law enforcement interaction plan” there is no blanket rule on liability or on statewide principles that should guide planning for autonomous vehicles.

While 65 companies currently have permits to test autonomous vehicles on California roads, only one—Waymo—has a permit to test without a driver aboard. It remains to be seen whether allowing the testing of delivery vehicles will increase interest in the permits.

New Caltrans Inspector General Reports \$13 Million In Wrongful Spending

In the fiscal year that ended June 30, Caltrans Inspector General's auditors found more than \$13 million in "disallowed" expenditures reported by state and local government agencies and has recouped \$1.3 million to date. The amount of disallowed costs was a small portion of Caltrans' \$14.2 billion budget.

The report, an annual requirement under SB 1, includes the findings of some 70 audits and 400 reviews conducted by the Inspector General's office during the last year. In some cases, auditors said contractors overcharged state and local agencies for labor and overhead costs and consulting work. In others, auditors said spending on construction work was not supported by documentation. The Southern California Association of Governments had disallowed information technology contractor billings, as well as other charges that were made after a contract expired.

CARB Considers Sweeping Electric Truck Regulation

The California Air Resources Board (CARB) heard four hours of testimony from more than 100 speakers on December 12th related to its proposed Advanced Clean Trucks Regulation that would require medium- and heavy-duty trucks and buses to transition to zero-emission vehicles over the next decade.

The proposal is billed as landmark for its focus of production of the vehicles and CARB's potential ability to transform a major component of the transportation sector, and one that is producing a disproportionate amount of air-pollution and greenhouse gas emissions throughout the state.

REGION

Metro Plans How To Close Billion-Dollar Funding Gaps On Major Rail Projects

At least three planned rail projects in Southern California are facing a significant funding gap due to significantly higher than expected construction bids, underscoring the challenges of Metro's ambitious rail development plans.

Metro wants at least five ribbon-cuttings in the next decade, including the Westside subway to UCLA, the downtown Regional Connector subway, and the Crenshaw/LAX lines currently under construction. In addition, Los Angeles Mayor Eric Garcetti and other Metro board members are pushing to finish four more major projects before 2028: a \$13 billion line through the Sepulveda Pass, a \$5.8 billion rail line from the LA CBD to Artesia, a \$6 billion Eastside extension of the Gold Line, and a \$1.2 billion Green Line extension to Torrance.

The new lines would need to start heavy construction by 2023 to have a chance of opening before the Olympics. Assuming the costs don't rise, accelerating those lines would require \$3.3 billion more for construction, interest on an additional \$10 billion in debt financing and \$1.2 billion to operate the lines earlier than originally planned.

In addition to traditional financing strategies, Metro is looking for construction financing from the private sector, an arrangement that's common in Europe but new for Metro.

Under a typical public-private partnership, a firm would be hired to build, operate and maintain a line for as long as 35 years. The model could work on the Sepulveda Pass and Artesia lines since the companies hired to build the line would provide some capital during construction, which would address Metro's immediate funding gaps. In return, Metro would pay the contractor a lump sum when the line opens, and a monthly fee for the next three decades or so.

Although the payments would likely carry a higher interest rate than Metro would be charged in the bond market, Metro expects those increased financing costs could be canceled out by transferring cost-overflow risk to the private company and saving on inflation by opening the project more quickly. It remains to be seen whether the private companies will charge a premium to accept the riskier contracts and whether acceleration of construction will save more than it will cost to operate the lines earlier than planned.

Los Angeles International Airport is using a public-private partnership to build the people mover train that will carry riders between a Metro station and the airport's central terminal area. The contractor will receive \$4.9 billion to build the project and operate it for 25 years, with stiff penalties in the contracts for overruns and delays.

Critics say that by setting optimistically low budgets, Metro has promised more projects than it delivered since 1980 despite funding from four sales tax increases.

Metro To Study Toll Lanes On I-405 Through Sepulveda Pass From U. S. 101 To I-10

L. A. Metro spent 4½ years and more than \$1.6 billion to widen the 405 Freeway through the Sepulveda Pass. Now, the carpool lane born from that mega-project is facing a major change of its own: tolls. L. A. Metro on December 5th hired an engineering firm to study how to convert the I-405 carpool lane through the Sepulveda Pass into a toll lane that would grant access to single-occupancy drivers for a fee.

The toll lanes would run between U. S. 101 Freeway in the San Fernando Valley and the I-10 Freeway in West L. A. The three-year, \$27.5-million study will examine whether the toll route should have one or two lanes in each direction. Metro widened the freeway through the Sepulveda Pass to accommodate carpool lanes. The 405 will not be widened again to accommodate the toll lanes and Metro will not convert any existing general-purpose lane into a toll lane.

Engineers will study the available space on the freeway to determine whether Metro could squeeze in a second lane in each direction by converting the carpool lanes and using auxiliary areas or narrowing the existing lanes. If there proves to be space for only one toll lane in each direction, Caltrans would increase the toll-free occupancy requirements for carpooling on the 405 to three people per vehicle. Metro is also soliciting a separate study of how much drivers would be willing to pay, which will help set the tolls for the toll lane.

All carpool and toll lanes that receive federal funds are required to maintain average speeds of 45 mph at least 90% of the time during peak periods. Less than 30% of the lanes in California meet that goal, and the percentage is even lower in Los Angeles County, according to Caltrans. No portion of the 405 carpool lane in Los Angeles County met that standard more than 25% of the time in 2017, according to the most recent data available from Caltrans. How the 405's carpool

lane would accommodate drivers alone in their cars, and still meet federal speed standards, is unclear.

If Metro's directors approve the toll lanes, they would open to drivers in the fall of 2027, just before Los Angeles hosts the 2028 Summer Olympics. Metro expects to open the I-105 ExpressLanes in 2025. There are no plans to extend the I-405 ExpressLanes to the I-105 ExpressLanes before the 2028 Olympics.

Here's LA County's Vision For Saving The Air And Getting People To Drive Electric

The Transportation Electrification Partnership (TEP), a coalition of local governments, public agencies, utility companies and car makers, released its Zero Emissions 2028 Roadmap 2.0, at the end of November.

Regional leaders are focusing on three general "targets": how people move, how goods move, and how the region's energy infrastructure makes those first two targets possible.

Roadmap 2.0 sets more specific targets than the initial Roadmap. Although there is no regulatory mandate or enforcement authority linked to the ambitious goals, county leaders hope to achieve the following goals in time for the 2028 Olympics:

- 30% of the fleet is electrified with 80% of all vehicles sold in LA County to be EV
- Convert a portion of each type to electric and/or zero emission commercial (40% of short haul and drayage trucks, 60% of medium duty delivery trucks, and 5% of heavy duty long haul trucks)
- 100% electric fleet for all Los Angeles Metro and LADOT buses
- Electrify 100% of shared cars, meaning taxis and TNC vehicles like Uber and Lyft
- Shift 20% of all single occupancy vehicle trips to zero-emission trips on public transit or "active transportation options" (that means bikes, electric scooters and walking)
- Install 84,000 public EV chargers countywide and 95,000 chargers for goods movement purposes
- Expand and improve SoCal's power infrastructure to meet the rising needs from transportation electrification (aka, a grid that's able to handle all those new chargers everyone will need to power their EVs)
- Turn the I-710 Freeway into the first "zero emissions goods movement corridor" in the nation by 2028. The goals outlined in this document don't establish any legal mandates or accountability.

LA Metro No Longer Accepting Tokens; Other Operators To Follow

As of December 1st, passengers who use L. A. Metro buses or subways are no longer able to use a token for their ride. Metro riders have to use a TAP card or cash. Tokens are also being phased out of other agencies like Access Services, Culver CityBus, LADOT, Long Beach Transit, Montebello Bus Lines, Monterey Park Spirit Bus, Norwalk Transit and Torrance Transit.

Metro has been phasing out tokens for the last 18 months in order to push more people into using the TAP cards. The agency said the cards are cheaper, simpler and safer, and that use of the cards has made tokens obsolete. Although unused tokens cannot be refunded, they can be used to load a one-way trip onto a TAP card.

TRENDS

World-First Mobile Phone Detection Cameras Rolled Out In Australia

New South Wales, Australia rolled out mobile phone detection cameras on December 1st that use artificial intelligence to determine if a driver is using a hands-free device and is not illegally using social media or photographing while driving.

For the first three months after the detection systems are in operation, offending drivers will be issued warning letters. After that, the penalty will be a \$233 standard fine and a \$309 fine in a school zone. In both cases, drivers will also receive penalty points.

Watchdog Group Sues San Diego Over Smart Streetlights

A watchdog group is suing the city of San Diego for not releasing data collected through its controversial Smart Street Lights Program, which have sensors that gather a wide swath of information, including pedestrian and traffic movements, and also record video that police say they have used to solve violent crimes.

The Smart Street Lights Program was initially presented as a cost-savings plan to replace incandescent bulbs on some 8,000 poles with energy-efficient LED lighting. At issue is digital information collected from sensors that are being installed on smart street lights throughout the city.

When they're all installed, more than half of the lights will be equipped with cameras and technology that collects real-time data, which the city said it will use to help the community, including improving traffic congestion and making parking easier. In addition, San Diego police will be able to access the video footage from the lights in limited situations, like homicide or other violent crimes.

Critics say the cameras are intrusive and could be used to spy on residents, although police insist they are not monitoring the feeds. Some critics also raise concerns that there is a lack of oversight, as well as the potential for data mining.