

# South Bay Cities Council of Governments

January 24, 2019

TO: SBCCOG Board of Directors

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update – December 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**

### **CBO Studies Eliminating Federal Transit Funding & The Federal Transit Administration**

A recent report by the Congressional Budget Office (CBO) examined options for reducing the federal deficit that included eliminating both the Federal Transit Administration (FTA) and federal funding for public transportation. Such a move would reduce federal spending by \$87 billion over 10 years, the CBO said.

CBO policy options include phasing out the FTA after the Fixing America's Surface Transportation Act expires in 2020 or eliminating new grants and terminating the FTA after it completes all outstanding grants.

Any move toward eliminating the FTA is strongly opposed by the American Public Transportation Association (APTA).

### **Trump Administration Shifts Transportation Program From Transit to Development**

The U. S. Department of Transportation on December 18<sup>th</sup> announced \$1.5 billion in discretionary grant funding to 91 projects in 49 states and the District of Columbia. The grants are made through the Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants program. The Department prioritized rural projects that aligned with the criteria and addressed rural infrastructure needs to re-balance a ten-year, historical underinvestment in rural communities; 62 of the 91 approved projects were awarded to rural grant applications.

The Trump administration's BUILD transportation grant program cemented its dismantling of the Obama Administration's Transportation Investment Generating Economic Recovery (TIGER) grant program that focused on supporting economic recovery by enhancing multi-modal alternatives to driving alone and funding transit, walking and bike projects nearly equally with road projects. The BUILD program emphasizes leveraging development with highway projects. Transit projects account for only 11 percent of recommended BUILD funds.

## **Federal Lawmakers Posturing for New Revenues from Infrastructure Proposals**

Congressional leaders chose not to consider a 10-year, \$1.5 trillion infrastructure proposal the White House unveiled in February 2018. Its significant reliance on the private sector was a deal-breaker for many Democrats and senior Republicans.

Failing to agree on long-term sources of funding for highway projects has led Congress to approve a series of short-term funding supplements. Concerns about federal funding uncertainty prompted more than half of the states to recently raise their fuel taxes.

The current highway authorization law expires in 2020. During the next two years, the GOP will continue to manage the Senate while Democrats will lead in the House. In anticipation of robust and extended campaigns leading to the 2020 elections, key legislators are mindful that passing a bi-partisan, long-term infrastructure funding bill is likely only if the bill is introduced during the next six months.

Key House and Senate policymakers have started to outline proposals focused on public-private partnerships, climate resiliency, and a national vehicle-miles-traveled fee pilot program. The public-private partnership legislation would revise contracts allowing federal agencies to connect with private contractors on energy-efficiency upgrades. Republican authorizers are expected to push for its inclusion in the broad infrastructure package.

Senate Democratic leader Chuck Schumer proposed boosting severe-weather resiliency funding in an infrastructure bill for major transportation and construction projects. The proposal is a response to the expectation that storms will intensify due to changes to the climate. In response Schumer wants massive investments in renewable-energy infrastructure, especially in new technologies such as battery storage and improving the climate resilience of the electrical grid, water and wastewater systems.

Senior surface transportation authorizers also have signaled support for launching a voluntary program that would monitor motorists for their miles traveled. Participants would be billed periodically.

## **STATE**

---

### **CARB Reports Driving Miles & Emissions Are Increasing; Limits Diesel Bus Purchases**

California's major urban regions are falling behind in getting people out of their solo drives in favor of walking, biking, transit and carpooling, according to a November 28<sup>th</sup> report from the California Air Resources Board (CARB). The report concludes that state will not meet its 2030 climate goals without more progress on reducing vehicle miles traveled (VMT).

The state has seen a 12 percent increase in the vehicle miles traveled per capita from 2005 to 2016 due to increased auto ownership and increased vehicle miles traveled. Although CARB was expecting single-occupancy car use to decline, the report notes it's increasing. The portion of commuters driving alone to work instead of carpooling, taking transit, walking or cycling is rising in almost every region except the San Francisco Bay Area. And while per capita greenhouse gas emissions are down 2 percent, in total they are up 7 percent due to a 3.2 million increase in the number of cars on the roads.

Noting that the transportation sector contributes 40 percent of the state's greenhouse gas emissions, and 80 to 90 percent of the state's smog-creating pollutants, CARB unanimously approved a regulation on December 14<sup>th</sup> that would compel the state's public transit agencies to build zero-emissions fleets by 2040. The Air Resources Board added that roughly 12,000 gas- or diesel-burning buses are on California's roads today. Based on orders placed by transit agencies, about a thousand such buses are expected to be in service by 2020.

Battery-electric and fuel cell buses are two potential avenues for investment, CARB noted. The regulation specifies that large public transit agencies must develop a plan to meet CARB's goal, and submit it to the board by 2020. Small public transit agencies have until 2030 to develop their plans. Plans Must include details about infrastructure build out and workforce training. Transit agencies may also have to re-work their routes: for battery electric buses, the necessity to periodically recharge requires different planning in terms of route structure and length than routes served by fossil fuel-powered vehicles.

Transit agencies will have access to incentive and grant money to fund the transition, some of which will be provided by the state's utilities, which stand to benefit from the additional industrial-sized customers. The California Public Utilities Commission has provided \$738 million for the state's utilities to provide assistance with the installation of new EV charging infrastructure.

## **REGION**

### **Green Line and Blue Line Segments To Be Partially Closed Beginning In January**

Segments of the Green Line and Blue Line will shut down beginning in January. The Green Line South Bay segment between the Crenshaw station and the Redondo Beach station will be closed from 9 p. m. on Friday, January 4, 2019, through 3 a. m. on Sunday, January 20, 2019.

Six Green Line stations will be closed during the shut-down: Hawthorne/Lennox, Aviation/LAX, Mariposa, El Segundo, Douglas, and Redondo Beach. The Crenshaw station will be open for eastbound travel only. Instead of rail service, these stations will be served by free Green Line shuttle buses serving all closed stations, which will run every six minutes during the weekday rush hour and every 15 minutes during non-peak weekday hours and on weekends.

Green Line trains will still run between Norwalk and Crenshaw stations on the usual schedule and the LAX G Shuttle will continue to operate from its usual stop at the Aviation/LAX station to accommodate park and ride patrons at the site.

Shortly after the Green Line reopens, Metro will begin a much longer-running closure of the Blue Line. The southern segment of the oldest rail line in Metro's network will be shuttered for four months beginning January 26, followed by a closure from May to September of the northern portion of the line.

The Green Line closure will allow Metro to "cut in" functions like power and train control and communications that will allow for trains to seamlessly move between the new Crenshaw/LAX line and Green Line. It will also allow end-to-end testing of train operations leading up to the opening of the Crenshaw / LAX line in mid-2020.

The upgrades to the Blue Line are part of the 30-year mid-life rehabilitation program for the line aimed at speeding up the trip from Downtown LA to Long Beach, as well as improving the line's reliability.

### **Metro CEO Supports Congestion Pricing, Free Fares On Public Transit**

Phil Washington, Metro's CEO, endorsed congestion pricing as an element of a presentation he made at the December 6<sup>th</sup> Board Meeting on the agency's initiative to complete 28 projects by the 2028 Olympics. Twenty of the projects are already scheduled to be completed by 2028. Metro needs an estimated additional \$26.2 billion in new revenues to deliver the other 8 by 2028.

Washington suggested that, with new fee systems in place, Metro could not only speed up eight underfunded projects included in the Twenty-eight by 28 initiative, but could also eliminate fares for transit riders "forever and ever."

Los Angeles already has a form of congestion pricing in place: Metro's Express Lanes system, which charges participating drivers varying prices depending on congestion within dedicated lanes on the 10 and 110 freeways.

Washington laid out three options for a far more expansive congestion pricing fee system: cordon pricing in which those entering a downtown zone in solo vehicles would be charged; corridor pricing on additional routes beyond the I-10 and I-110 corridors; and pricing all vehicle miles traveled. He estimated cordon pricing would raise an estimated \$12 billion per year, corridor pricing would raise \$52 billion, and VMT pricing would generate \$103.5 billion annually. With free fares, Metro would no longer collect more than \$300 million in fare revenues per year.

Board Director Sheila Kuehl expressed concern that residents in areas poorly served by public transit would be forced to pay more to drive, without being able to benefit from free train and bus rides. Although Washington extolled the congestion reduction aspects of a "fee for free" plan he did not provide details on the additional equipment and operating costs that would be required to serve the potential influx of new riders that would be attracted to transit if Metro's transit service were free.

### **UPS Boosts Its Service With Electric Scooters**

UPS has hit on a strategy that appears to be working for last mile deliveries. The delivery company recently launched a pilot program using foldable electric scooters. The two-wheeled vehicles, made by a Pasadena-based company called URB-E, pull portable trailers that also are foldable. They allow UPS to expedite its deliveries in traffic- gridlocked neighborhoods where maneuvering a full-size truck can be an arduous process. And since they are collapsible, moving them from one location to another is easy.

The electric scooters and trailers are allowing UPS to deliver at least 50 more parcels per hour than before by either delivering the packages from a storage unit in the area or directly from their trucks. The program began in November with five URB-E scooters, but that has since ramped up to 25.

UPS is using electric cargo tricycles to make deliveries in Pittsburgh and Seattle. Those are equipped with removable containers that sit atop specially designed trailers and can hold up to 400 pounds. Depending on the model and price point, the scooters can go anywhere from 14 to 18 mph. They weigh 30 to 35 pounds and can be fully charged in 3 1/2 to four hours.